

# health

Department:  
Health  
**PROVINCE OF KWAZULU-NATAL**

## **ANNUAL REPORT (VOTE 7) FINANCIAL YEAR 2012/13**



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# 2012/13

## TABLE OF CONTENTS

Submitting the 2012/13 Annual Report (Vote 7) to the Executive Authority.....	5
<b>PART A</b> .....	<b>7</b>
<b>GENERAL INFORMATION</b> .....	<b>7</b>
Department's General Information.....	8
List of Abbreviations / Acronyms.....	9
Strategic Overview.....	15
Legislative and Other Mandates.....	19
Organisational Structure.....	21
Entities reporting to the MEC for Health.....	22
Foreword by the MEC for Health.....	23
Overview of the Accounting Officer.....	25
<b>PART B</b> .....	<b>27</b>
<b>PERFORMANCE INFORMATION</b> .....	<b>27</b>
Accounting Officer's Statement of Responsibility for Performance Information.....	29
Auditor General's Report: Predetermined Objectives.....	30
Overview of Departmental Performance.....	31
Service Delivery Environment.....	31
Service Delivery Improvement Plan.....	50
Organisational Environment.....	52
Key Policy Developments and Legislative Changes.....	56
Strategic Outcome Oriented Goals.....	57
Performance Information by Programme.....	61
<b>PROGRAMME 1: ADMINISTRATION</b> .....	<b>61</b>
Programme Description.....	61
Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements.....	61
<b>PROGRAMME 2: DISTRICT HEALTH SERVICES</b> .....	<b>69</b>
Programme Description.....	69
Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements.....	70
Primary Health Care Services.....	71
Disease Prevention and Control.....	85
Maternal, Neonatal, Child and Women's Health and Nutrition.....	88
HIV and AIDS, STI and TB Control.....	98
District Hospitals.....	104
<b>PROGRAMME 3: EMERGENCY MEDICAL SERVICES</b> .....	<b>113</b>

# ANNUAL REPORT (VOTE 7)

2012/13

Programme Description.....	113
Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements .....	113
<b>PROGRAMME 4: REGIONAL AND SPECIALISED HOSPITALS .....</b>	<b>121</b>
Programme Description.....	121
Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements .....	121
Regional Hospitals .....	122
Specialised TB Hospitals.....	127
Specialised Psychiatric Hospitals.....	129
Chronic and Long-Term Hospitals.....	131
<b>PROGRAMME 5: TERTIARY AND CENTRAL HOSPITALS.....</b>	<b>135</b>
Programme Description.....	135
Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements .....	135
Central Hospital .....	136
Tertiary Hospitals.....	139
<b>PROGRAMME 6: HEALTH SCIENCES AND TRAINING .....</b>	<b>143</b>
Programme Description.....	143
Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements .....	143
<b>PROGRAMME 7: HEALTH CARE SUPPORT SERVICES .....</b>	<b>147</b>
Programme Description.....	147
Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements .....	147
<b>PROGRAMME 8: HEALTH FACILITIES MANAGEMENT.....</b>	<b>151</b>
Programme Description.....	151
Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements .....	151
Linking programmes with budgets .....	154
<b>SUMMARY OF FINANCIAL INFORMATION.....</b>	<b>156</b>
Departmental Receipts .....	156
Programme Expenditure .....	157
Public Entities .....	161
Conditional Grants and Earmarked Funds .....	161
Donor Funds.....	168
Capital Investment, Maintenance and Asset Management Plan .....	171
<b>PART C.....</b>	<b>177</b>
<b>GOVERNANCE.....</b>	<b>177</b>
Introduction .....	179
Risk Management.....	179
Fraud and Corruption .....	180

# ANNUAL REPORT (VOTE 7)

2012/13

Audit Committee Report .....	181
<b>PART D .....</b>	<b>185</b>
<b>HUMAN RESOURCE MANAGEMENT.....</b>	<b>185</b>
introduction.....	187
Human Resource Oversight Statistics .....	187
Service Delivery .....	187
Personnel Related Expenditure .....	189
Employment and Vacancies.....	193
Job Evaluation.....	201
Employment Changes .....	204
Employment Equity.....	217
Performance Rewards .....	224
Foreign Workers.....	231
Leave Utilisation .....	232
HIV, AIDS and Health Promotion Programmes .....	236
Labour Relations .....	238
Skills Development .....	241
Injury on Duty .....	243
<b>PART E.....</b>	<b>245</b>
<b>FINANCIAL INFORMATION.....</b>	<b>245</b>
Report of the Accounting Officer.....	247
Accounting Officer's Statement of Responsibility for Annual Financial Statements .....	255
Report of the Auditor General.....	256
<b>ANNUAL FINANCIAL STATEMENTS .....</b>	<b>262</b>
Appropriation Statement for the period ending 31 March 2013 .....	262
Notes to the Appropriation Statement for the year ending 31 March 2013.....	282
Statement of Financial Performance for the year ending 31 March 2013.....	285
Statement of Financial Position for the year ending 31 March 2013.....	286
Statement of Changes in Net Assets for the year ending 31 March 2013 .....	287
Cash Flow Statements for the year ending 31 March 2013 .....	288
Accounting Policies for the year ending 31 March 2013 .....	289
Notes to the Annual Financial Statements for the year ending 31 March 2013 .....	298
Annexure A .....	323
Annexures to the Annual Financial Statements for the year ended on 31 March 2013.....	326
<b>ANNUAL FINANCIAL STATEMENTS FOR KWAZULU-NATAL PHARMACEUTICAL SUPPLY DEPOT.....</b>	<b>356</b>
Report of the Accounting Officer for the year ending 31 March 2013 .....	357

# ANNUAL REPORT (VOTE 7)

---

## 2012/13

Report of the Auditor General .....	360
Accounting Policies for the year ending 31 March 2013 .....	364
Statement of Financial Performance for the year ending 31 March 2013.....	369
Statement of Changes in Equity for the year ended on 31 March 2013.....	370
Cash Flow Statement for the year ended on 31 March 2013 .....	371
Notes on the Annual Financial Statements for the year ended on 31 March 2013 .....	372

# ANNUAL REPORT (VOTE 7)

---

2012/13

## SUBMITTING THE 2012/13 ANNUAL REPORT (VOTE 7) TO THE EXECUTIVE AUTHORITY

Dr S.M. Dhlomo

MEC for Health

KwaZulu-Natal Department of Health

### SUBMISSION OF THE 2012/13 ANNUAL REPORT FOR THE KWAZULU- NATAL DEPARTMENT OF HEALTH

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, I have the honour of submitting the KwaZulu-Natal Department of Health Annual Report for the period 1 April 2012 to 31 March 2013.



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DR S.M. ZUNGU

ACCOUNTING OFFICER

KWAZULU-NATAL DEPARTMENT OF HEALTH

DATE: 21. 08. 2013





## **PART A**

# **GENERAL INFORMATION**



# ANNUAL REPORT (VOTE 7)

---

2012/13

## DEPARTMENT'S GENERAL INFORMATION

**Department: KwaZulu-Natal Department of Health**

Website: <http://www.kznhealth.gov.za>

**Head Office: Natalia**

Physical Address: 330 Langalibalele Street (previous Longmarket)

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# ANNUAL REPORT (VOTE 7)

2012/13

## LIST OF ABBREVIATIONS / ACRONYMS

Abbreviations	Description
<b>A</b>	
ABET	Adult Basic Education and Training
ACSM	Advocacy, Communication and Social Mobilisation
AFP	Acute Flaccid Paralysis
AGSA	Auditor General of South Africa
AIDS	Acquired Immune Deficiency Syndrome
ALS	Advanced Life Support
AMS	Air Medical Services
ANC	Ante Natal Care
APP	Annual Performance Plan
AR	Annual Report
ART	Anti-Retroviral Therapy
ARV	Anti-Retroviral
ASSA	AIDS Committee of Actuarial Society of South Africa
<b>B</b>	
BAS	Basic Accounting System
BLS	Basic Life Support
BUR	Bed Utilisation Rate
<b>C</b>	
CARMMA	Campaign on Accelerated Reduction of Maternal and Child Mortality in Africa
CCG's	Community Care Givers
CDC	Communicable Disease Control
CEO(s)	Chief Executive Officer(s)
CFO	Chief Financial Officer
CHC(s)	Community Health Centre(s)
CMAM	Community Based Management of Acute Malnutrition
COE	Compensation of Employees
COGTA	Cooperative Governance and Traditional Affairs
CPSS	Central Pharmaceutical Supply Store
<b>D</b>	
DCST(s)	District Clinical Specialist Team(s)
DHA	District Health Authority
DHER(s)	District Health Expenditure Review(s)
DHIS	District Health Information System
DHP(s)	District Health Plan(s)
DHS	District Health System
DOH	Department of Health
DORA	Division of Revenue Act

# ANNUAL REPORT (VOTE 7)

## 2012/13

Abbreviations	Description
DOTS	Directly Observed Treatment Short Course
DPC	Disease Prevention and Control
DQPR	District Quarterly Progress Report
DUT	Durban University of Technology
DR-TB	Drug-Resistant Tuberculosis
<b>E</b>	
ECP	Emergency Care Practitioner
ECT	Emergency Care Technician
EHP	Environmental Health Practitioner
EMS	Emergency Medical Services
EPI	Expanded Programme on Immunisation
EPMDS	Employee Performance Management and Development System
EPT	Emergency Patient Transport
EPWP	Expanded Public Works Programme
ESMOE	Essential Steps in Management of Obstetric Emergencies
ETB.R	Electronic Tuberculosis Register
ETR.net	Electronic Register for TB
<b>F</b>	
FPS	Forensic Pathology Services
<b>G</b>	
GIS	Geographic Information System
GOBIFFF	Growth monitoring, Oral rehydration therapy, Breast feeding, Immunisation, Family spacing, Family education, and Food supplementation
GP	General Practitioner
G&S	Goods and Services
<b>H</b>	
HAART	Highly Active Ante-Retroviral Therapy
HAST	HIV, AIDS, STI and TB
HCRW	Health Care Risk Waste
HCT	HIV Counselling and Testing
HIV	Human Immuno Virus
HOD	Head of Department
HPS	Health Promoting Schools
HPTDG	Health Professionals Training and Development Grants
HR	Human Resources
HRM(S)	Human Resources Management (Services)
HRP	Human Resource Plan
HST	Health Systems Trust
HTA(s)	High Transmission Area(s)
HWSETA	Health and Welfare Sectoral Education and Training Authority

# ANNUAL REPORT (VOTE 7)

## 2012/13

Abbreviations	Description
<b>I</b>	
IALCH	Inkosi Albert Luthuli Central Hospital
IDIP	Infrastructure Delivery Improvement Programme
IDP(s)	Integrated Development Plan(s)
ILS	Intermediate Life Support
IMCI	Integrated Management of Childhood Illnesses
IPIP	Infrastructure Programme Implementation Plans
IPT	Ionized Preventive Therapy
IRM	Infrastructure Reporting Model
IUCD	Intra Uterine Contraceptive Device
IT	Information Technology
<b>J</b>	
JIT	Just In Time
<b>K</b>	
KZN	KwaZulu-Natal
KZNCN	KwaZulu-Natal College of Nursing
KZNPSP	KwaZulu-Natal Provincial Strategic Plan for HIV, AIDS, STI and TB
<b>L</b>	
LG	Local Government
<b>M</b>	
M&E	Monitoring and Evaluation
MC&WH	Maternal Child & Women's Health
MDG	Millennium Development Goals
MDR-TB	Multi Drug Resistant Tuberculosis
MEC	Member of the Executive Council
MHS	Municipal Health Services
MIP	Massification Implementation Plan
MMC	Medical Male Circumcision
MMR	Maternal Mortality Rate/Ratio
MNC&WH	Maternal, Neonatal, Child & Women's Health
MO	Medical Officers
MOU	Maternity Obstetric Unit
MRC	Medical Research Council
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MTCT	Mother To Child Transmission
MUAC	Mid-Upper Arm Circumference
<b>N</b>	
NCOP	National Council of Provinces

# ANNUAL REPORT (VOTE 7)

## 2012/13

Abbreviations	Description
NDOH	National Department of Health
NGO(s)	Non-Governmental Organisation(s)
NHC	National Health Council
NHI	National Health Insurance
NHLS	National Health Laboratory Services
NHS	National Health System
NICD	National Institute for Communicable Diseases
NIMART	Nurse Initiated and Managed Antiretroviral Therapy
NSDA	Negotiated Service Delivery Agreement
NTSG	National Tertiary Services Grant
NVP	Nevirapine
<b>O</b>	
OPD	Out-Patient Department
OSD	Occupation Specific Dispensation
OSS	Operation Sukuma Sakhe
OTP	Office of the Premier
<b>P</b>	
PA(s)	Performance Agreement(s)
P1 Calls	Priority 1 calls
PCR	Polymerase Chain Reaction
PCV	Pneumococcal Vaccine
PDE	Patient Day Equivalent
PES	Pharmacy Electronic System
Persal	Personnel and Salaries System
PFMA	Public Finance Management Act
PGDP	Provincial Growth and Development Plan
PHC	Primary Health Care
PHREC	Provincial Health Research and Ethics Committee
PHOC	Provincial Head Office Communication
PICT	Provider-Initiated Counselling and Testing
PIER	Promotion and Prevention, Information, Education and Relations
PMDS	Performance Management and Development System
PMSC	Provincial Medical Supply Centre
PMTCT	Prevention of Mother to Child Transmission
PN	Professional Nurse
PPSD	Provincial Pharmaceutical Supply Depot
PPT	Planned Patient Transport
PQRS	Provincial Quarterly Reporting System
PTB	Pulmonary Tuberculosis

# ANNUAL REPORT (VOTE 7)

## 2012/13

Abbreviations	Description
<b>R</b>	
RV	Rota Virus Vaccine
<b>S</b>	
SADHS	South African District Health Survey
SANC	South African Nursing Council
SAPC	South African Pharmacy Council
SCOPA	Standing Committee on Public Accounts
SCM	Supply Chain Management
SHS	School Health Services
SLA	Service Level Agreement
SMS	Senior Management Service
SOP(s)	Standard Operating Procedure(s)
Stats SA	Statistics South Africa
STI(s)	Sexually Transmitted Infection(s)
STP	Service Transformation Plan
<b>T</b>	
TCC	Thuthuzela Care Centres
TB	Tuberculosis
<b>U</b>	
UCT	University of Cape Town
UKZN	University of KwaZulu-Natal
U-AMP	User-Asset Management Plan
<b>V</b>	
VCT	Voluntary Counselling and Testing
<b>W</b>	
WISN	Workload Indicators of Staffing Need
WMO(s)	Waste Management Officer(s)
<b>X</b>	
XDR-TB	Extreme Drug Resistant Tuberculosis
<b>Y and Z</b>	
YLL	Years of Life Lost



# ANNUAL REPORT (VOTE 7)

2012/13

## STRATEGIC OVERVIEW

### Vision

Optimal health status for all persons in KwaZulu-Natal

### Mission

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

### Values

Trust built on truth, integrity and reconciliation

Open communication, transparency and consultation

Commitment to performance

Courage to learn, change and innovate

### Strategic Outcome Oriented Goals

Table 1: Strategic Goals (KwaZulu-Natal Strategic Plan 2010 – 2014/15)

Strategic Goal	Goal Statement	Rationale	Expected Outcomes
1. Overhaul Provincial Health Services	Transform the Provincial health care system through implementation of the Service Transformation Plan (STP) to improve equity, availability, efficiency, quality and effective management in order to enhance service delivery and improve health outcomes of all citizens in the Province.	An efficient and well-functioning health care system with the potential to respond to the burden of disease and health needs in the Province.	<ul style="list-style-type: none"> <li>♦ Transformation in line with the National Health System 10 Point Plan, Negotiated Service Delivery Agreement and STP.</li> <li>♦ Improved access, equity, efficiency, effectiveness and utilisation of public health services.</li> <li>♦ Improved Human Resource Management including reconfiguration of organisational structures, appropriate placement of staff (appropriate skills mix and competencies), appropriate norms and standards to respond to burden of disease and package of services, strengthened performance management and decreased vacancy rates.</li> <li>♦ Improved Financial &amp; Supply Chain Management (SCM) efficiency and accountability to curb over-expenditure, improve return on investment and value for money, and budget aligned with service delivery priorities and needs.</li> <li>♦ Appropriate response to the burden of disease and consequent health demands.</li> <li>♦ Improved governance including a regulatory framework and policies and delegations to facilitate implementation</li> </ul>



# ANNUAL REPORT (VOTE 7)

## 2012/13

Strategic Goal	Goal Statement	Rationale	Expected Outcomes
			<p>of the five year Strategic Plan.</p> <ul style="list-style-type: none"> <li>Decentralised delegations, controls and accountability.</li> <li>Improved information systems, data quality and information management, and improved performance monitoring and reporting.</li> <li>Strengthened infrastructure to improve service delivery.</li> </ul>
2. Improve the efficiency and quality of health services	Achieving the best possible health outcomes within the funding envelope and available resources.	Improved compliance with legislative/ policy requirements and core standards for quality service delivery in order to improve clinical/ health outcomes.	<ul style="list-style-type: none"> <li>Accreditation of health facilities in line with National Core Standards for Quality.</li> <li>Improved management capacity.</li> <li>Improved health outcomes and increased life expectancy at birth as a result of improved clinical governance/outcomes.</li> <li>Improved performance towards achieving the Millennium Development Goals (MDGs).</li> <li>Patient satisfaction.</li> </ul>
3. Reduce morbidity and mortality due to communicable diseases and non-communicable conditions and illnesses	Implement integrated high impact strategies to improve prevention, detection, management and support of communicable diseases & non-communicable illnesses and conditions at all levels of care.	Reduction of preventable/ modifiable causes of morbidity and mortality at community and facility level contributing to a reduction in morbidity and mortality rates.	<ul style="list-style-type: none"> <li>Decrease in morbidity and mortality – with specific reference to preventable causes.</li> <li>HIV &amp; AIDS: Reduce HIV incidence to 1.4% by 2014/15.</li> <li>TB: Increase the TB cure rate to 85% by 2014/15.</li> <li>PMTCT: Decrease the baby tested PCR positive six weeks after birth as a proportion of babies tested at six weeks to less than 1% by 2014/15.</li> <li>Reduce the facility maternal mortality rate to 119/100k by 2014/15.</li> <li>Maintain the malaria incidence per 1000 population at risk at less than 1/1000 population.</li> <li>Change in trends of non-communicable disease patterns.</li> </ul>

The strategic goals of the KwaZulu-Natal Department of Health have been informed by the Medium Term Strategic Framework, National Health System 10 Point Plan, and Negotiated Service Delivery Agreement for Health, Millennium Development Goals, and National Department of Health priorities. At the foundation is the health service needs in the KwaZulu-Natal Department of Health.

**Table 2: National Health System 10 Point Plan**

National Priorities	Key National Strategies
1. Provision of strategic leadership and creation of social compact for better health outcomes	♦ Ensure unified action across the health sector in pursuit of common goals
	♦ Mobilise leadership structures of society and communities
	♦ Communicate to promote policy and buy-in to support government programmes
	♦ Review of policies to achieve goals

# ANNUAL REPORT (VOTE 7)

## 2012/13

National Priorities	Key National Strategies
	<ul style="list-style-type: none"> <li>Impact assessment and programme evaluation</li> <li>Development of a social compact and grassroots mobilisation</li> </ul>
2. Implementation of National Health Insurance (NHI)	<ul style="list-style-type: none"> <li>Finalisation of NHI policies and implementation plan</li> <li>Immediate implementation of steps to prepare the introduction of the NHI e.g. budgeting, initiation of the drafting of legislation</li> </ul>
3. Improving the quality of health services	<ul style="list-style-type: none"> <li>Focus on the 18 health districts</li> <li>Refine and scale up the detailed plan on the improvement of quality of services and directing its immediate implementation</li> <li>Consolidate and expand the implementation of the health facilities improvement plans</li> <li>Establish a national Quality Management and Accreditation Body</li> </ul>
4. Overhauling the health care system and improving its management	<ul style="list-style-type: none"> <li>Identify existing constitutional and legal provision to unify the public health service</li> <li>Draft proposals for legal and constitutional reform</li> <li>Development of a decentralised operational model, including new governance arrangements</li> <li>Training managers in leadership, management and governance</li> <li>Decentralisation of management</li> <li>Development of an accountability framework for the public and private sectors</li> </ul>
5. Improved human resources planning, development and management	<ul style="list-style-type: none"> <li>Refinement of the Human Resources Plan for Health</li> <li>Re-opening of nursing schools and colleges</li> <li>Recruitment and retention of professionals, including urgent collaboration with countries that have access of these professionals</li> <li>Specify staff shortages and training targets for the next 5 years</li> <li>Make an assessment of and review the role of Health Professional Training and Development Grant (HPTDG) and the National Tertiary Services Grant (NTSG)</li> <li>Manage coherent integration and standardisation of Community Health Workers</li> </ul>
6. Revitalisation of infrastructure	<ul style="list-style-type: none"> <li>Urgent implementation of refurbishment and preventative maintenance of all health facilities</li> <li>Submit a progress report on revitalisation</li> <li>Assess progress on revitalisation</li> <li>Review the funding of the revitalisation programme and submit proposals to get the participation of the private sector to speed up this programme</li> </ul>
7. Accelerated implementation of the HIV and AIDS strategic plan and the increased focus on TB and other communicable diseases	<ul style="list-style-type: none"> <li>Implementation of PMTCT and paediatric treatment guidelines</li> <li>Implementation of adult treatment guidelines</li> <li>Urgently strengthen programmes against TB, MDR-TB and XDR-TB</li> </ul>
8. Mass mobilisation for better health for the population	<ul style="list-style-type: none"> <li>Intensify health promotion programmes</li> <li>Strengthen programmes focussing on Maternal, Child and Women's Health</li> <li>Place more focus on programmes to attain the Millennium Development Goals</li> <li>Place more focus on non-communicable diseases and patients' rights, quality and accountability</li> </ul>

# ANNUAL REPORT (VOTE 7)

## 2012/13

National Priorities	Key National Strategies
9. Review of the drug policy	<ul style="list-style-type: none"> <li>Complete and submit proposals and a strategy with the involvement of various stakeholders</li> <li>Draft plans for the establishment of a State-owned drug manufacturing entity</li> </ul>
10. Strengthening research and development	<ul style="list-style-type: none"> <li>Commission research to accurately quantify infant mortality</li> <li>Commission research into the impact of social determinants of health and nutrition</li> <li>Support research studies to promote indigenous knowledge systems and the use of appropriate traditional medicines</li> </ul>

**Table 3: Alignment of National and Provincial priorities**

Negotiated Service Delivery Agreement	National Development Plan	Provincial Growth & Development Plan	Millennium Development Goals
Output 1: Increasing life expectancy	<p>Average male and female life expectancy at birth increasing to 70 years</p> <p>Reduce injury accidents and violence by 50 percent from 2010 levels</p>	Enhancing health of communities and citizens and increase life expectancy	Goal 1: Eradicate extreme poverty and hunger
Output 2: Decreasing maternal and child mortality	Reduce maternal, infant and child mortality	Accelerate programmes to improve maternal, women and child health outcomes and decrease mortality ratios	<p>Goal 4: Reduce child mortality</p> <p>Goal 5: Improve maternal health</p>
Output 3: Combating HIV and AIDS and decreasing the burden of disease from Tuberculosis	Progressively improve TB prevention and cure	<p>Accelerate HIV and AIDS intervention programmes</p> <p>Accelerate programmes to improve TB outcomes</p>	Goal 6: Combat HIV and AIDS, Malaria and other diseases
<p>Output 4: Strengthening health system effectiveness:</p> <p>Re-engineering of PHC</p> <p>Improving patient care and satisfaction</p> <p>Accreditation of health facilities for compliance</p> <p>Improved health infrastructure availability</p> <p>Improved human resources for health</p> <p>Strengthening financial management</p> <p>Improving healthcare financing through NHI</p> <p>Strengthening health information systems</p> <p><i>Output 5: Reducing non-communicable diseases</i></p>	<p>Complete health systems reforms</p> <p>Primary health care teams provide care to families and communities</p> <p>Fill posts with skilled, committed and competent individuals</p> <p>Universal health care coverage</p> <p>Significantly reduce prevalence of non-communicable chronic diseases</p>	<p>Ensure equitable access to health services</p> <p>Development and implementation of a comprehensive PHC system</p> <p>Support implementation of NHI</p> <p>Decrease the prevalence of chronic illnesses</p> <p>Promote healthy lifestyles and mental health programmes</p>	

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### LEGISLATIVE AND OTHER MANDATES

The Constitution of the Republic of South Africa (Act No. 108 of 1996):

- *Section 27(1)*: "Everyone has the right to have access to ... health care services, including reproductive health care"
- *Section 27 (2)*: "The State must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of each of these rights"
- *Section 27(3)*: "No one may be refused emergency medical treatment"
- *Section 28(1)*: "Every child has the right to ...basic health care services..."

Schedule 4 list health services as a concurrent national and provincial legislative competence:

- *Section 195*: Public administration must be governed by the democratic values and principles enshrined in the Constitution
- *Section 195 (1b)*: Efficient, economic and effective use of resources must be promoted
- *Section 195 (1d)*: Services must be provided impartially, fairly, equitably and without bias
- *Section 195 (1h)*: Good human resource management and career development practices, to maximise human potential must be cultivated

In carrying out its functions, the Department is governed mainly by the following Acts and Regulations:

- *National Health Act (Act No. 61 of 2003)*: Provides for a transformed National Health System
- *Mental Health Care Act (Act No. 17 of 2002)*: Provides the legal framework for mental health and in particular the admission and discharge of mental health patients in mental health institutions
- *Public Finance Management Act (Act No. 1 of 1999 as amended) and Treasury Regulations*: Provides for the administration of State funds by functionaries, their responsibilities and incidental matters
- *Preferential Procurement Policy Framework Act (Act No. 5 of 2000)*: Provides for the implementation of the policy for preferential procurement pertaining to historically disadvantaged entrepreneurs
- *Division of Revenue Act (Act 7 of 2003)*: Provides for the manner in which revenue generated may be disbursed
- *Public Service Act (Act No. 103 of 1994) and the Public Service Regulations*: Provisions for the administration of the public service in its national and provincial spheres, and the powers of ministers to hire and fire
- *Medicines and Related Substances Act (Act No. 101 of 1965 as amended)*: 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 medicines
- *Pharmacy Act (Act No. 53 of 1974 as amended)*: 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
- *Choice of Termination of Pregnancy Act (Act No. 92 of 1996, as amended)*: Provides the legal framework for termination of pregnancies
- *Labour Relations Act (Act No. 66 of 1995)*: Provides for the law governing labour relations and incidental matters

# ANNUAL REPORT (VOTE 7)

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## 2012/13

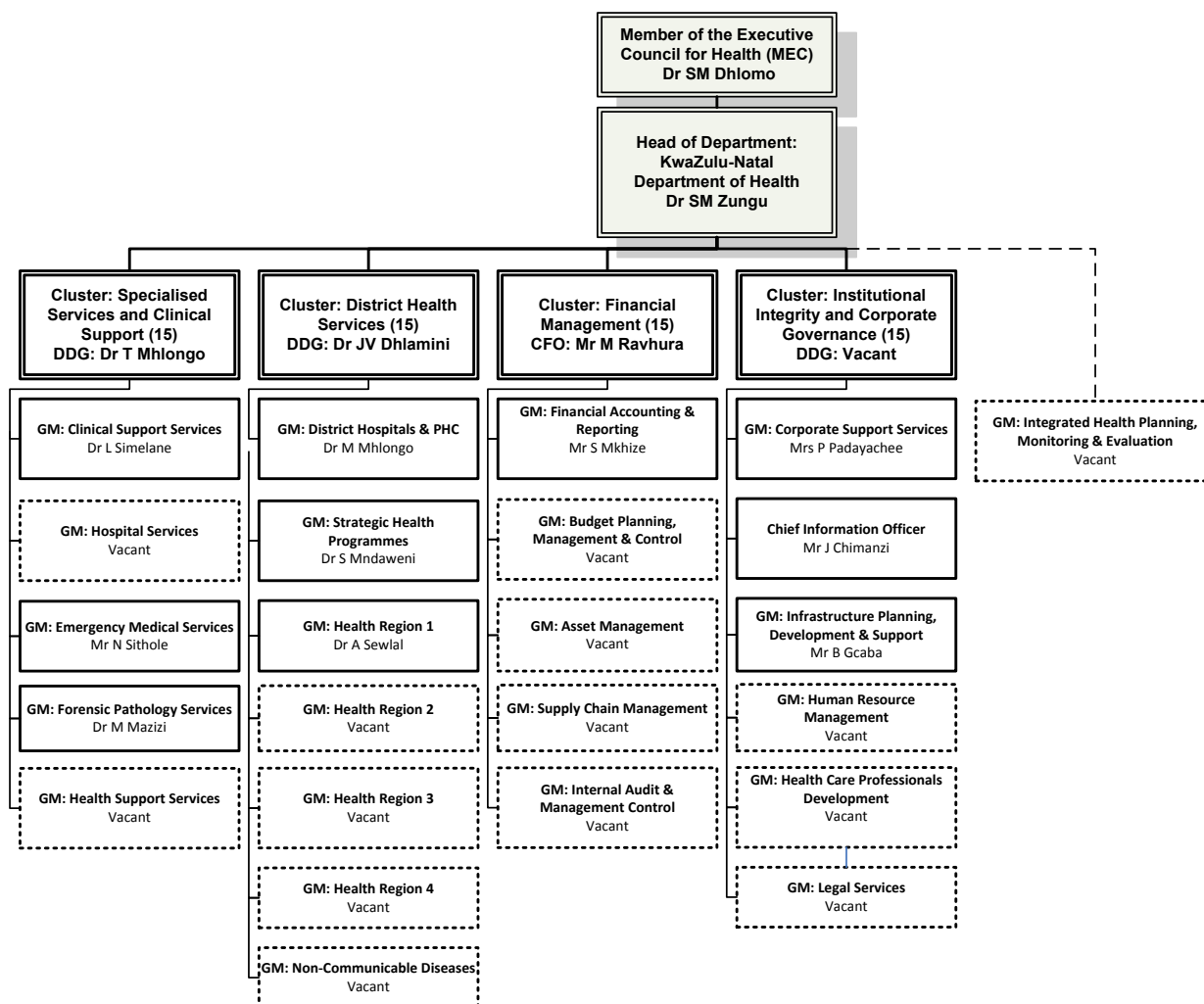
- *Basic Conditions of Employment Act (Act No. 75 of 1997)*: Provides for the minimum conditions of employment that employers must comply with in their workplace
- *Skills Development Act (Act No. 97 of 1998)*: Provides for the measures that employers are required to take to improve the levels of skills of employees in the workplace
- *National Health Laboratories Services Act (Act No. 37 of 2000)*: Provides for a statutory body that provides laboratory services to the public health sector
- *Occupational Health and Safety Act (Act No. 85 of 1993)*: Provides for the requirements that employees must comply with in order to create a safe working environment in the workplace
- *Traditional Health Practitioners Act (Act No. 35 of 2004)*: Regulates the practice and conduct of Traditional Health Practitioners
- *Health Professions Act (Act No. 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
- *Human Tissue Act (Act No. 65 of 1983)*: Provides for the administration of matters pertaining to human tissue
- *Sterilisations Act (Act 44 of 1998) and Amendments*: Provides the legal framework for sterilisations
- *Promotion of Access to Information Act (Act 2 of 2000)*: Amplifies the constitutional provision pertaining to accessing information under the control of various bodies
- *Employment Equity Act (Act 55 of 1998)*: Measures that must be put into operation in the workplace to eliminate discrimination and promote affirmative action
- *State Information Technology Act (Act 88 of 1998)*: Creation and administration of an institution responsible for the State's information technology systems

# ANNUAL REPORT (VOTE 7)

2012/13

## ORGANISATIONAL STRUCTURE

Figure 1: Organisational Structure (Macro)



The Department is awaiting final approval of the reviewed macro organisational structure from the Department of Public Service and Administration. The proposed structure has been informed by core and support functions necessary for the Department to deliver on its mandate.

During the year under review, leadership capacity was strengthened with the appointment of:

- Deputy Director-General: Specialised Services and Clinical Support (Dr T Mhlongo)
- Deputy Director-General: District Health Services (Dr JV Dhlamini)
- Chief Financial Officer: Mr M Ravhura.

Service arrangements were reviewed to make provision for the effective management of portfolios with vacant senior management posts.

# ANNUAL REPORT (VOTE 7)

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2012/13

## ENTITIES REPORTING TO THE MEC FOR HEALTH

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
The Provincial Pharmaceutical Supply Depot	Established in terms of the Public Finance Management Act, 1 of 1999.	The Head of Department is the Accounting Officer.	Trading Entity operating within the KwaZulu-Natal Department of Health. Responsible for the procurement and delivery of pharmaceuticals

An amount of R15.170 million was transferred to the entity during the 2012/13 Financial Year to supplement the value of buffer stock. Increase in the amount transferred was to make provision for the increase in Anti-retroviral stock levels to cater for rapidly increasing number of patients on treatment (from 547 411 in 2011/12 to 726 338 in 2012/13).

The Annual Financial Statements of the Trading Entity are reflected separately in this Annual Report.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### FOREWORD BY THE MEC FOR HEALTH



I table to the house the KwaZulu-Natal Department of Health 2012/13 Annual Report which presents a synopsis of the Department's achievements, limitations and challenges during the 2012/13 financial year.

The democratic government of South Africa has placed at the heart of the reconstruction of our society the transformation of the health system to attain universal access to healthcare and to improve health outcomes. Against the backdrop of the complex quadruple burden of disease, resource limitations and increasing demand for health services, the Department continued with the consolidation of focussed interventions towards achieving Government's ultimate goal of "A long and healthy life for all".

The task has been monumental over the last 3 years, but the Department stayed focussed, committed and driven in its efforts to systematically address health systems reform. Improved health outcomes, supported by empirical evidence, are testimony that the Department has turned the corner towards its ultimate vision of "Optimal health status for all persons in KwaZulu-Natal". This is supported by the reported increase in life expectancy in the Province (Stats SA) from 51 – 55.2 years for females and 45.7 – 50 years for males.

Evidence that our robust programmes for HIV, AIDS and TB is beginning to show improved outcomes has been hailed nationally and internationally as a turnaround in the pandemic. This could not have been achieved without the unwavering support and leadership of our honourable Premier Dr Z Mkhize, and the many committed partners with our community's welfare at heart. Improved maternal and child health outcomes are equally encouraging although we acknowledge that a lot more still needs to be done.

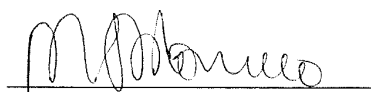
We are immensely proud of the progress that was made with the restoration of the first non-racial Children's Hospital in Africa (established in 1931 at Addington). Opening of the first phase of the new KwaZulu-Natal Children's Hospital is scheduled for July 2013, and will include a Child Development Assessment Centre and Regional Paediatric and Adolescent Training Centre, both of which were reconstructed from the old hospital's former outpatients building. Those among the first to benefit from the opening will include children that are HIV positive, those with special needs and adolescents seeking sexual and reproductive health services.

As we take a considered step forward, we do so filled with a deep sense of commitment and determination to continue on the journey of transformation to meet the needs of all our citizens.

I wish to thank the KwaZulu-Natal Portfolio Committee on Health for their oversight, the Provincial Health Council for their support, all the partners we had the pleasure of working with, the people of KwaZulu-Natal who continue to inspire us to deliver on our mandate, and all the dedicated staff in the Department who continue to give generously of themselves to improve service delivery and health outcomes.

Lastly, I want to thank our Head of Department, Dr Sibongile Zungu, who worked altruistically, diligently, and always leading by example.

I hereby endorse the 2012/13 Annual Report for submission.



**DR SM DHLOMO**

**MEC FOR HEALTH: KWAZULU-NATAL**

**DATE:** 21/08/2013





# ANNUAL REPORT (VOTE 7)

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## 2012/13

### OVERVIEW OF THE ACCOUNTING OFFICER



The Annual Report provides a précis of the Department's performance against the strategic goals, objectives and targets set in the 2010-2014 Strategic Plan and the 2012/13 Annual Performance Plan.

During the 2012/13 financial year, the Department reported an over-expenditure of 0.40 per cent of the total budget appropriation of R27.290 billion. The challenge to maintain a balance between available funding, service gaps, increasing demand for services and essential investment in long-term projects to ensure sustained service delivery necessitated difficult management decisions during the year under review with the best interest of service delivery always paramount.

The KwaZulu-Natal Health Act, 2009 (Act No. 1 of 2009) and Regulations was promulgated in 2012 after an intensive consultation period.

Leadership and oversight capacity was strengthened in 2012/13 with the appointment of three Senior Managers i.e. Deputy Director General Specialised Services and Clinical Support, Deputy Director General District Health System, and Chief Financial Officer. Review of the macro organisational structure was finalised and approval is awaited from the Department of Public Service and Administration.

During the year under review, the Department continued to build on milestones already achieved as is evidenced by significant improvements in a number of health outcomes contained in this report. The increase in life expectancy, from 51 - 55.2 years for females and 45.7 - 50 years for males is evidence of the impact of collective province-wide programmes to improve the quality of life of people from KwaZulu-Natal.

The demand for health services continued to increase in 2012/13 with more than 31.110 million people using PHC services. More than 5.173 million or 16.3% of these visits were children under 5 years. Mobile service coverage increased and more than 2.675 million patients visited mobile stopping points for health services during the reporting period.

More than 6.504 million patients were seen at hospital outpatient departments during the reporting year. The distinctive decline (19.5%) in the number of patients entering the health system at hospital level for PHC is encouraging in light of investments made in improving access to PHC services.

Contracts for 9 727 Community Care Givers have been renewed in 2012/13 to ensure improved household coverage as part of the re-engineering of PHC. Integration with the Provincial Flagship Programme, Operation Sukuma Sakhe, remained high on the Department's agenda as part of the focus on health promotion and prevention.

During the reporting year, 47 Local Government clinics have been provincialised. Clinics from the eThekweni Metro and Umhlatuze Municipality have not been provincialised and these services continued to render services through a Service Level Agreement.

The Department launched the Campaign on Accelerated Reduction of Maternal and Child Mortality in Africa on the 4<sup>th</sup> of May 2012. The positive health outcomes for maternal, child and women's health are encouraging and the Department is scaling up the targeted interventions to further improve outcomes.

The HIV prevalence in pregnant women, for the first time, showed a downward trend from 39.5% (2010) to 37.4% in 2011; the mother to child transmission rate showed a significant reduction from 10.3% (2009/10) to 2.2% in 2012/13; and the number of maternal deaths in public health facilities decreased from 327 to 317.

The number of children under 5 years who was diagnosed as underweight for age decreased from 27 029 to 18 289; and the number of children under 5 years diagnosed with severe malnutrition decreased from 7 522 to 7 137 in 2012/13.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

Empirical evidence of improved HIV/AIDS and TB outcomes is testament of the resolute determination of all health care providers, partners and communities in KZN to reverse the stronghold of this disease. Prevention strategies, supported by improved management and support of patients living with HIV and/or TB has been scaled up during the reporting year.

The TB incidence showed a significant decrease from 1 161/100 000 (2011/12) to 889/100 000 in 2012/13, and the new smear positive PTB cure rate increased from 65.2% in 2009/10 to 73.5% in 2012/13.

The number of active patients on anti-retroviral treatment increased to 726 338 in 2012/13 showing an increase of 32.7% from the previous year; 2 312 338 people were tested for HIV; and 121 228 male medical circumcisions were performed in 2012/13 (cumulative total of 259 621).

I fully acknowledge the tremendous contribution of all staff working in the Department, and wish to thank every person for his or her invaluable contribution. To all our partners who have the wellbeing of our people at heart, these contributions do not go unnoticed and we are grateful for the continued support.

Lastly I want to thank the MEC for Health, Dr SM Dhlomo, for his leadership and unwavering support.



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**DR SM ZUNGU**

**ACCOUNTING OFFICER**

**KWAZULU-NATAL DEPARTMENT OF HEALTH**

**DATE:** 21.08.2013



## **PART B**

# **PERFORMANCE INFORMATION**

# ANNUAL REPORT (VOTE 7)

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**2012/13**

## **PERFORMANCE INFORMATION**

- *Reporting format:* Used the National Treasury Template for Annual Reports (2012/13).
- *Performance Baselines:* Extracted from the 2011/12 Annual Report unless otherwise indicated.
- *Performance Targets:* Extracted from the 2012/13 Annual Performance Plan unless otherwise indicated.
- *2011/12 Actual Performance:* Sourced from the 2011/12 Annual Report where applicable. Historic data for new indicators were sourced from official data sources e.g. District Health Information System (DHIS), ETR.Net, etc. Data sources are indicated for ease of reference.
- *2012/13 Actual Performance:* Actual performance information (as on 27 May 2013) covers the reporting period 1 April 2012 to 31 March 2013.
- *Population estimates:* Statistics South Africa population estimates were used throughout the report. This ensures correlation between performance information from different sources and aligns with calculation methodologies.

# ANNUAL REPORT (VOTE 7)

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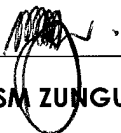
2012/13

## ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

The Accounting Officer is responsible for preparation of the Department's Performance Information and for the judgements made in this information.

The Accounting Officer is also responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of Performance Information.

In my opinion, the Performance Information in the 2012/13 Annual Report fairly reflects the performance of the Department of Health for the financial year ended 31 March 2013.

  
\_\_\_\_\_  
**DR SM ZUNGU**  
**ACCOUNTING OFFICER**  
**KWAZULU-NATAL DEPARTMENT OF HEALTH**  
**DATE: 21.08.2013**

# ANNUAL REPORT (VOTE 7)

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2012/13

## AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

*Report of the Auditor General on Page 256.*

### Report on other Legal and Regulatory Requirements

The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability.

The usefulness of information relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives/ development priorities or objectives. It further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury Framework for Managing Programme Performance Information (FMPPi).

The reliability of the information in respect of the following selected programmes was assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

Programme 2: District Health Services

Programme 4: Provincial Hospital Services

Programme 5: Central Hospital Services

### Findings

*Usefulness of information:* Reasons for variances between planned and actual achievements not reported as required by the National Treasury Annual Report Preparation Guide. Found to be due to a lack of documented and approved internal policies and procedures to address reporting requirements.

*Reliability of information:* Reported performance not reliable.

The FMPPi requires that institutions should have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. The Auditor General was unable to obtain the information and explanations necessary to attest to the reliability of information presented with respect to Programme 2, 4 and 5. The Department failed to provide sufficient appropriate evidence in support of the information presented with respect to the selected programmes and the department's records not permitting the application of alternative audit procedures.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### OVERVIEW OF DEPARTMENTAL PERFORMANCE

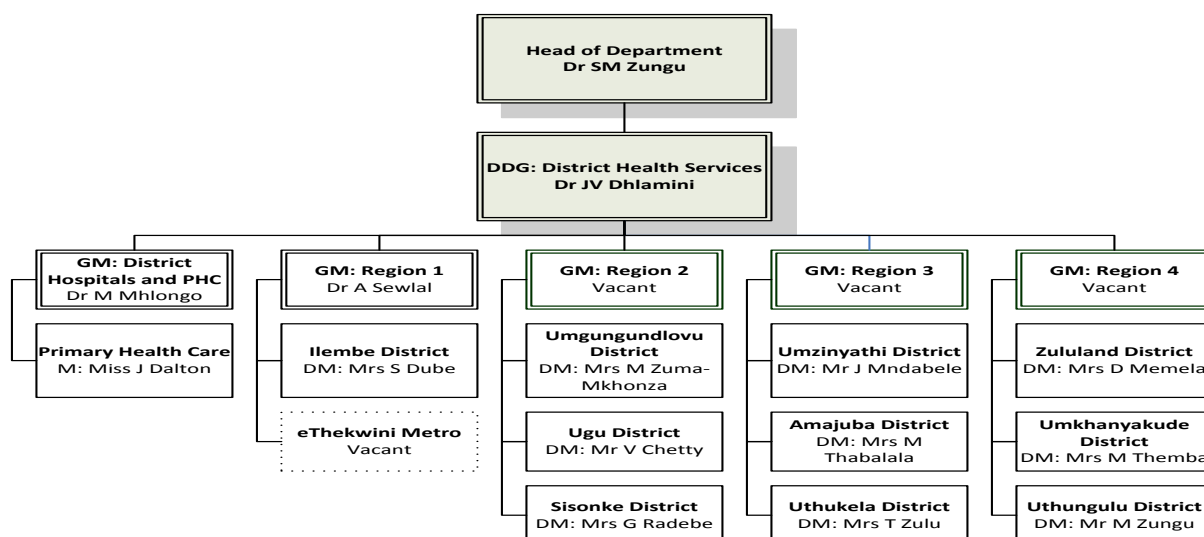
#### SERVICE DELIVERY ENVIRONMENT

Public Health services are provided for approximately 9 023 404 uninsured people in the Province (84.3%<sup>1</sup> of the total estimated population of 10 703 920<sup>2</sup>).

During the reporting period there were 173 mobile services, 569 clinics (Local Government (LG) and Provincial), 19 Community Health Centres (CHCs), 37 District Hospitals, 13 Regional Hospitals, 10 Specialised TB Hospitals, 6 Specialised Psychiatric Hospitals, 2 Chronic/Sub-Acute Hospitals, 2 Tertiary Hospitals, and 1 Central Hospital. Four (4) State Aided Hospitals support service delivery (3 District Hospitals and 1 Regional Hospital).

Service arrangements of the three service areas have been reviewed as illustrated in the figure below.

Figure 2: Service Delivery Management Regions



In line with the Government's Programme of Action, the Negotiated Service Delivery Agreement for Health is a commitment to service delivery towards contribution of the Government's vision of "A Long and Healthy Life for All South Africans".

According to Stats SA mid-year estimates, life expectancy for females in KZN increased from 51 years (2001-2006) to 55.2 years (2006-2011), and for males increased from 45.7 years (2001-2006) to 50 years (2006-2011).<sup>3</sup>

**Females: 51 – 55.2**  
**Males: 45.7 – 50**  
 The increase in life expectancy in KZN

<sup>1</sup> Day C, Baron P, Massyn N, Padarath A, English R, editors. District Health Barometer 2010/11. Durban, HST, January 2012

<sup>2</sup> Used the estimated DHIS population (10 703 920) for reporting to ensure alignment with calculation of routine health information in DHIS

<sup>3</sup> Statistical Release P0302 Mid-Year Population Estimates 2013



# ANNUAL REPORT (VOTE 7)

## 2012/13

### Primary Health Care

The PHC headcount increased with 6.1% (1 795 909) between 2011/12 and 2012/13, with 16.3% of the total headcount children under the age of 5 years. The Provincial Department of Health remains the main provider of PHC services (83%), followed by Local Government (15.5%), State Aided providers (0.9%), Non Profit Organisations (0.2%), and other (0.05%).

Headcounts from mobile services comprised 8.6% (2 675 505) of the total PHC headcount in 2012/13, fluctuating between 3.4% in eThekweni and 17.8% in Uthukela District. The mobile fleet is ageing and 13 replacement vehicles were procured in 2012/13. New vehicles, with improved specifications to accommodate the unique topography and expansion of the package of services, will be prioritised in 2013/14 to further improve equity in access to services.

Clinics, with attached PHC Teams, show an upward trend in patient activity (14.7%) compared to the provincial average increase of 6.1% for PHC utilisation. Upgrade of information systems (to capture community-based data) and routine patient audits will be prioritised in coming years to determine the direct impact of community-based strategies on health outcomes.

**31 110 527**

The number of patients visiting PHC facilities in 2012/13

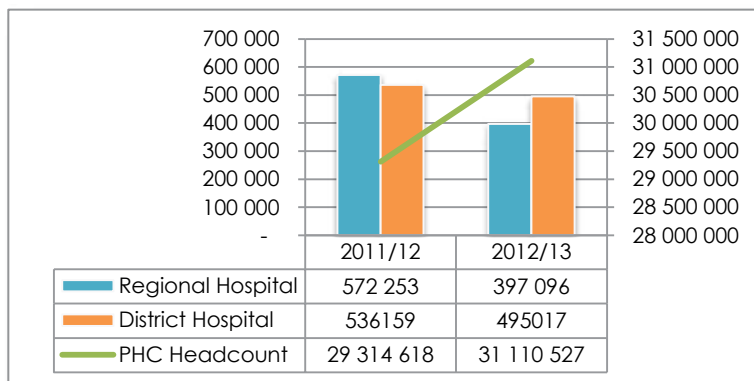
**192**

The number of PHC Outreach Teams (45 Family Health and 147 School Health)

**9 727**

The number of CCGs linked with community-based services

**Graph 1: OPD headcount not referred versus PHC headcount**



The distinctive decline in the number of patients accessing PHC services at hospital level (cases not referred) and corresponding incline in the number of patients utilising services at clinic level is noteworthy to improved PHC and positive behaviour change in the utilisation of health services (appropriate entry of the health care system).

**Provincialisation of Local Government services:** Forty-seven (47) LG clinics were provincialised during 2012/13. Clinics in the eThekweni Metro and Umhlatuze Municipality has not been provincialised and continued to render services through a Service Level Agreement.

The majority of the municipal clinics that were transferred to Province are understaffed, poorly equipped and not compliant with infrastructure requirements. In 2012/13, the Department focussed on addressing human resources inequities and provisioning of equipment in these facilities. Infrastructure challenges (including maintenance) were prioritised where the funding envelope allowed.

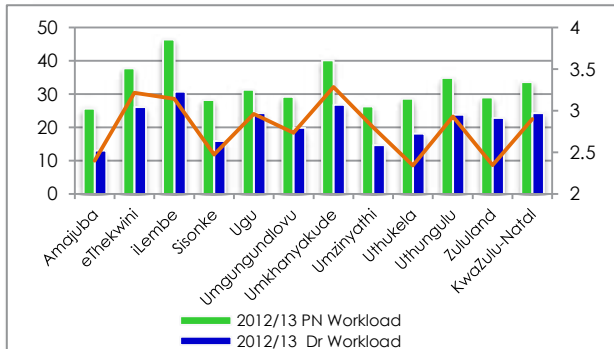
**Expenditure:** There has been an approximate 10% increase in expenditure for Programme 2 (District Health Services), with Compensation of Employees (CoE) and Goods and Services (G&S) remaining constant at 66% and 30% of the total Programme 2 budget. The average CoE per annum escalated from R 171 073 (2009/10) to R 224 396 in 2012/13.

**Workload versus Expenditure:** Existing inequities, service delivery needs, and performance outputs was considered in re-prioritisation of budget allocation. The following two graphs demonstrate the current district variations between workload and cost per PHC headcount.

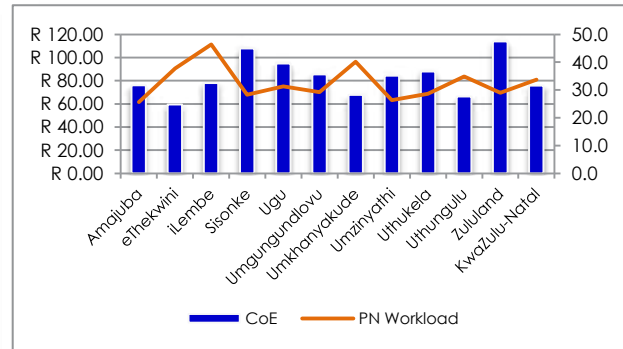
# ANNUAL REPORT (VOTE 7)

## 2012/13

**Graph 2: Doctor versus PN Workload (PHC)**



**Graph 3: PN Workload versus COE Cost (PHC)**



**Governance:** The number of PHC services with Clinic Committees increased from 358 (2011/12) to 467 in 2012/13. Training of Committees commenced in 2012/13 focussing on relevant legislation and core functions at a service delivery level. The high turn-over rate of Committee members still jeopardise sustainability of Committees.

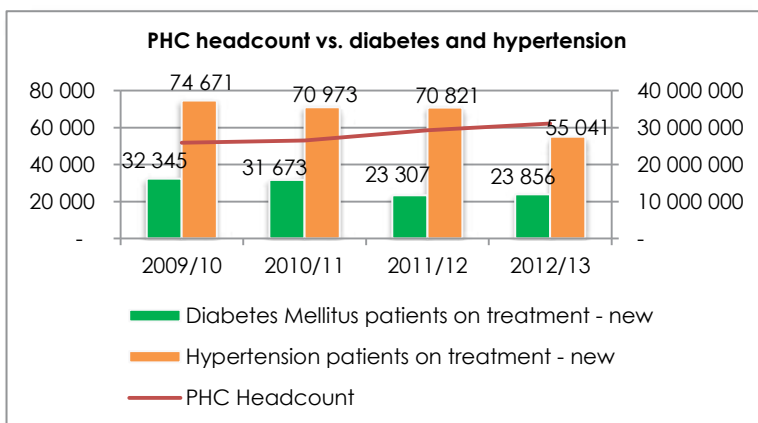
### Health Promotion and Healthy Lifestyles

The Department, with visible leadership from the MEC for Health, scaled up initiatives to improve healthy living. The MEC launched the Healthy Lifestyles Programme on the 7th of February 2012 to promote overall health and wellbeing. To date, 8 districts have launched similar district programmes. The MEC is also driving the Healthy Lifestyle Legacy Project that aims to re-position healthy living in all facilities and communities.

The number of schools accredited as Health Promoting Schools increased from 210 (2011/12) to 247; and the Healthy Homes project that started in Ugu District in 2009, extended its reach to 1 073 households in 2012/13.

Non-communicable diseases, closely linked with healthy lifestyles, have been targeted during 2012/13 and will be closely monitored to determine the impact of improved community-based strategies. The new National Strategy for Non-Communicable Diseases that was launched in late 2012/13 will be prioritised in 2013/14.

**Graph 4: PHC headcount versus new patients on treatment**



Trends in newly diagnosed diabetes mellitus and hypertension (two of the priority conditions in the Province) are actively monitored to determine the impact of community-based services (including PHC out-reach, Operation Sukuma Sakhe, etc.). Compliance with treatment regimens is expected to improve with increased coverage at household level.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Eye Care Services

Since 2009/10, a total of 237 556 children received eye care screening through the Child Eye Care Project, and 190 798 were issued with spectacles. Paediatric ophthalmology has been strengthened through a partnership with Orbis International resulting in a reduction in waiting time from 6 to 3 months; assessment of 520 children; 53 cataract surgeries; and 85% follow-up visits.

The KwaZulu-Natal Eye Care Coalition donated basic equipment for high volume cataract surgery to Eshowe Hospital. A total of 32 127 cataract and 2 595 glaucoma surgeries were done; and 242 136 refraction defects corrected between 2009/10 and 2012/13.

Low vision services have been established in Stanger and Inkosi Albert Luthuli Central Hospitals.

Training of Ophthalmic Nurses resumed at Edendale Nursing College in 2012/13, making provision for two intakes per year. The first group of 20 nurses commenced training on 1 March 2013. This will begin to address the critical shortage of human resources in the eye care programme.

The Department commenced with the development of Wentworth as a High Volume Cataract Surgery site. The development of additional Vision Centres with high volume cataract and refraction services has commenced in Stanger; Prince Mshiyeni; Mahatma Gandhi; GJ Crookes; Northdale; Ladysmith; Dundee; Rietvlei; Mosvold; Vryheid / Benedictine; and Eshowe Hospitals.

**32 127**

The number of cataract surgeries since 2009 (8 871 in 2012/13)

**242 136**

The number of refraction defects corrected since 2009

**237 556**

The number of children screened through partnership with Child Eye Care Project since 2009

**190 798**

The number of children issued with spectacles since 2009

### Mental Health

In recognition of the increasing burden of disease from mental disorders, the Department commenced with the process to re-position mental health services as one of the priorities in 2012/13.

The Mental Health Care Act, 2002 was an unfunded mandate and implementation remains poor. Bed allocation is skewed towards medium-long term beds (surplus of 809 beds) with inadequate acute beds to accommodate the current burden of disease. There is a current shortage of 1 776 acute and 57 forensic beds.

The Department convened the first KZN Mental Health Summit in March 2012, and established a Mental Health Advisory Committee to provide technical and clinical support in a new strategy to re-position mental health services in line with prescripts of the Mental Health Care Act, 2002.

The appointment of private Psychiatrists, to assist with forensic psychiatric services, reduced the number of awaiting trial detainees from 135 (2011/12) to 80 in 2012/13.

### Disability and Rehabilitation

Services are offered in more than 90% of hospitals and CHCs with weekly and monthly outreach services to clinics. In 2012/13, the Department issued 3 809 wheelchairs, 34 900 walking aids and 1 994 hearing aids to deserving recipients.

Human resource capacity were strengthened through placement of 122 Community Service Therapists at various hospitals in January 2013; 29 Mid-Level Workers successfully progressing from Assistants to Technicians; 16 Occupational Therapy Technicians and 16 Physiotherapy Technicians successfully passing the board exam as Technicians; 30 Specialised Auxiliary Service Officers trained as Physiotherapy Assistants; and 20 disabled people trained as HIV Counsellors.

**145 995**

The number of assisted devices distributed between 2009 and 2012

# ANNUAL REPORT (VOTE 7)

## 2012/13

The Provincial audit on universal access in hospitals and CHCs was finalised in February 2012, and the audit findings provided the baseline for remedial action to improve universal access.

The number of employees with disabilities increased from 149 (2011/12) to 224 in 2012/13 (0.31% of total employees).

### Oral Health

The Department strengthened the Oral Health Screening Programme through integration with School Health Services ensuring that more learners have access to the service.

The Maxillofacial and Dental Laboratory and Maxillofacial and Oral Surgery Unit were established at Inkosi Albert Luthuli Central Hospital (IALCH), and regional denture services for pensioners were established at Ngwelezane and Greys Hospitals. To date, 200 senior citizens have received dentures from the laboratory at the Oral and Dental Training College, based at King Dinuzulu Hospital and IALCH collectively. Contracts with private Specialists were formalised to provide sessional tertiary services at Greys and Ngwelezane Hospitals.

Plans commenced for the implementation of a Provincial Registrar Programme in Maxillofacial and Orthodontics (dental deformities) service for children. The programme will be implemented in collaboration with Medunsa and Wits Universities until a new Dental School, linked with the Medical School at University of KwaZulu-Natal (UKZN), has been established.

The implementation of comprehensive training and development courses in Grey's Hospital (Maxillofacial and Oral Surgery Department) and in-house programmes in Ngwelezane, IALCH and King Edward VIII Hospitals commenced in 2012/13.

Six (6) state of the art fully equipped mobiles were launched in the NHI districts in 2012/13 to enhance PHC and Dental and Eye Care services.

### Malaria Programme

Three districts in KwaZulu-Natal (Umkhanyakude, Zululand and Uthungulu) are endemic to malaria, with approximately 2.5 million people at risk of contracting the disease. The number of malaria cases decreased from 531 (2011/12) to 459 in 2012/13.

During the year under review, 9.6% of cases were detected by active surveillance (compared with 8.6% in 2011/12) and 90.4% through passive surveillance (compared with 91.4% in 2011/12).

The malaria programme was strengthened during the reporting year with the appointment of a Consultant Entomologist; expansion of the vector species surveillance; revived bioassays for insecticide resistance; and servicing all equipment in parasitology laboratories; and training of all Malaria Microscopists/Technicians by the National Institute for Communicable Diseases (NICD).

Ongoing assessment of antimalarial drug efficiency confirmed that anti-malaria drugs are still effective with no signs of resistance.



### Municipal Health Services

The devolution of Municipal Health Services (MHS) was re-prioritized in June 2012, and has been weighted as one of the Key Result Areas for Environmental Health Services. The devolution process has been initiated in all districts and municipalities and was completed in Sisonke (August 2012) and Amajuba (January 2013).

# ANNUAL REPORT (VOTE 7)

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## 2012/13

Devolution is in an advanced stage in Umkhanyakude (90% complete) and Umgungundlovu (70% complete).

### **Port Health Services**

Twenty three (23) additional Port Health Practitioners were appointed in 2012/13 and 10 vehicles procured which greatly improved capacity to render Port Health Services in compliance with the International Health Regulations (IHR). Through a joint operation at the railway line at Golela border post, three consignments of illegal cosmetics and one consignment of contraband cigarettes that was smuggled by train was detained and destroyed. A joint operation at Kosi Bay Border was successful and goods to the value of R167 100 were seized and destroyed. A total of 41 593 consignments were imported through the points of entry; 1 120 were detained and 13 were destroyed under Port Health supervision. One consignment was returned to the port of shipment.

### **Health Care Risk Waste Management**

The appointment of 86 Waste Management Officers (WMOs) has been finalised in 2012/13. A training Programme in HCRW management has been developed and accredited by the HPCSA, and all WMOs have been trained to improve compliance to quality standards. Rapid assessments have been completed by the WMOs in all facilities to assess compliance to HCRW legislation, and preliminary need analysis plan has been drafted to address identified challenges.

Technical specifications for a new HCRW Tender have been completed, with the closing date for the tender in April 2013. This tender will address the irregular month to month contract with the existing supplier, provide for the provision of rural transport, and the provision of waste scales, which will address two areas of current noncompliance to HCRW management legislation.

### **Forensic Pathology Services (FPS)**

Rationalisation and professionalisation of FPS was prioritised in 2012/13. The organisational structure has been reviewed (awaiting final approval) and all staff exposed to the induction training programme. Two Medical Officers have been appointed in Ladysmith and 1 Specialist each in Phoenix and Pinetown. Additional posts were created for Forensic Pathology Officers. Contracting of Private Practitioners to conduct post mortems (on a fee for service basis) commenced, replacing the previous sessional arrangement. Chemical laboratory facilities for alcohol tests have been established in Gale Street.

Since 2009, a total of 6 new mortuaries have been built, 4 were upgraded, and the infrastructure of the Greytown mortuary has been completed

During 2012/13, a total of 9 administrative purpose vehicles and 14 mortuary vans have been procured. One specialised vehicle has been procured for PIER (Promotion and Prevention, Information, Education and Relations), and will be used at taxi ranks and road block campaigns (taking blood for alcohol testing and testing for vision, BP and diabetes).

Accreditation of facilities: Baseline assessments have been conducted in all facilities and a customised tool developed to standardise the implementation and monitoring of quality improvement strategies.

Preparation commenced for the establishment of a tele-autopsy site at Gale Street Mortuary. The site inspection was completed in 2012/13.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Clinical Medico-Legal Services

There are 35 Crisis Centres and 7 Thuthuzela Care Centres (TCC) in the Province to strengthen clinical medico-legal services with a focus on survivors of rape. The 7 TCC are based at Prince Mshiyeni, Mahatma Gandhi, Edendale, RK Khan, Ngwelezane, Port Shepstone, and Stanger Hospitals. Review of the current organisational arrangements for Clinical Medico-Legal Services commenced in 2012/13.

### National Health Laboratory Services (NHLS)

A Ministerial Task Team has been appointed by the Minister of Health to resolve the impasse between the Department of Health and NHLS following the re-opening of the legal matter with NHLS challenging the arbitration award that was made in favour of the Department in September 2012. Work of the Task Team is near complete and decisions from the Minister are awaited. NHLS continues to render mandatory services to the Department. Training of Medical and Systems Managers on the NHLS billing system (Thusano) commenced in October 2012 to improve verification of invoices prior to payments.

### Food Services

Implementation of the new model for provisioning of food services at health institutions commenced in 2012/13 with the aim to institute an effective food distribution mechanism in support of in-house catering services. A total of 23 hospitals are operating with in-house food services and early evaluation shows improved controls in food supply and management. The project will be escalated in 2013/14. Appropriately qualified Food Service Managers have been appointed in all hospitals in 2012/13.

### Laundry Services

The Department developed a new strategy for laundry services in response to serious challenges in 2012/13 including ageing machinery and equipment resulting in frequent breakdowns and extended waiting times for repairs; shortage of clean linen at hospitals; poor quality of linen; poor management of laundry services; staff shortages; and other operational challenges. The Department reviewed the policy on disposal of linen which will be actively monitored as part of the improvement plan. During 2012/13, the Department procured new linen and installed new laundry equipment in 42 hospitals. The commissioning of the KwaZulu-Natal Central Laundry is planned for the 1<sup>st</sup> of April 2013, while the upgrade of the Northern Natal Laundry is in the initial phase.

### Legal Matters

In 2012/13, a total of 299 matters were received with a claim value of R 1 085 074.

Medico-legal matters (alleged claims for patient/medical negligence): 165 matters received with a claimed amount of R 1 000 637 280 (not referring to settlement or court ruling); 28 matters were settled in an amount of R 49 400 941 with savings of R 57 194 342.

Civil matters (issues of contracts with service providers): Received 60 new matters with a claimed amount of R 73 111 698; 31 matters were settled in the amount of R 12 092 479 with savings of R 11 963 831.

Labour matters (grievances, unfair labour practices): 38 matters received with 22 matters settled in the amount of R 3 928 983 with a saving of R 115 732.

Collision matters (accidents involving official vehicles and result in 3<sup>rd</sup> party claims): 36 new matters received with claimed amount of R 11 323 675; 35 matters were settled (R 911 902) with savings of R 549 897.

**299**

The number of legal matters received

**R1 085 074**

Total claim value of legal matters

**R49 823 802**

Total savings from settled matters

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### **Health Information**

*Data Management:* Information management is one of the vital components of health systems reform. Good quality data, with irrefutable integrity, is essential to ensure dynamic monitoring, evaluation and evidence-based planning and decision-making.

The KwaZulu-Natal Data Management Policy (aligned to the National District Health Management Information System Policy) was finalised and approved by the Head of Department in 2012/13. The policy, with official implementation on 1 April 2013, will standardise health information systems at all levels of data collection.

To improve data quality and information management the Department:

- Commenced with the implementation of an intensive two-year Performance Information Improvement Plan in line with recommendations from the Auditor General of South Africa (AGSA).
- Developed a Standard Operating Procedure for verification of data, reporting lines, sign-off procedures, and roles and responsibilities at facility level starting implementation on 1 April 2013.
- Implemented mandatory processes for all Heads of Facilities and District Management to review and approve monthly data before submission of data to the next level.
- The e-Tool system, piloted in 15 facilities in KZN since November 2012, will be evaluated in November 2013. The system allows for daily capturing of data with the aim to reduce the margin of error when collating monthly data.
- The Department is investigating possible web-based systems which will allow real time capturing of data to improve reporting and feedback and serve as early warning system.

*Geographic Information System (GIS):* The Department expanded its GIS database as critical component of spatial planning initiatives in the Department with the aim to ensure equitable access to resources. Priority projects during the reporting year included:

- Mapping of PHC services including clinics and mobile stopping points to determine service gaps in provisioning of PHC services.
- Mapping of Nursing Colleges (including sub-campus) in the Province to inform Human Resource and Infrastructure Plans in line with national priorities.
- Devolution of Environmental Health Services.
- Spatial presentation of population, road and rail at municipal level as part of a project to investigate scenarios to improve access to PHC and outreach services in the Province.

*Epidemiology, Health Research & Knowledge Management:* The Health Research and Knowledge Management Policy was finalised in 2012/13.

The KwaZulu-Natal Health Act, Act 1 of 2009 mandated the extension of the Provincial Health Research Committee to serve a dual research and ethics function. The Department commenced with this process to establish the Provincial Health Research and Ethics Committee (PHREC) and members were nominated by the MEC for Health. The process is expected to conclude in 2013. The policy guide the structure and functioning of the PHREC which will seek to attain accreditation as a Level 1 and subsequently Level 2 Ethics Committee from the National Health Research Ethics Council.

The Provincial Burden of Disease Study was concluded in 2012/13. The final report will be available in 2013/14.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Maternal, Neonatal, Child and Women's Health

Programme performance was strengthened with the appointment of two Provincial Chief Specialists (Obstetrics and Paediatrics) and District Clinical Specialist Teams at district level.

The Department launched the Campaign on Accelerated Reduction of Maternal and Child Mortality in Africa (CARMMA) on 4 May 2012 at Osindisweni Hospital and Tongaat CHC with the aim to reduce the maternal and child mortality rates in the Province.

*Maternal Health:* Between 2011/12 and 2012/13, the number of maternal deaths in public health facilities decreased from 327 to 317; and the facility maternal mortality rate decreased from 169/100 000 to 165.5/100 000.

The Department established 11 maternity waiting areas and deployed 38 obstetric ambulances, managed by Emergency Medical Services, to improve maternal and neonatal health outcomes.

During the reporting period, there were 192 659 deliveries in Public Hospitals of which 55 314 were by caesarean section. Of these caesarean sections, 54.9% were in Regional Hospitals; 42.5% in District Hospitals; 1.8% in Tertiary and 0.71% in Central Hospitals.

A total of 191 Master Trainers and (at least) one clinician per hospital have been trained in ESMOE (Essential Steps in Management of Obstetric Emergencies) to improve maternal and neonatal outcomes. Complete Midwife-Doctor teams are available in 51 hospitals.

A total of 104 507 pregnant women were seen at antenatal care services before 20 weeks of gestation, increasing coverage from 41% to 46.4%. The increased number of mobiles (93) that offer antenatal care services and expansion of community-based services contributed to improved performance.

The transmission rate of HIV to children of HIV-infected mothers shows a consistent year on year decrease since 2009/10. The number of children who tested positive at 6 weeks after birth decreased from 6 895 in 2009/10 to 1 702 in 2012/13.

**165.5/100 000**

The facility maternal mortality rate in 2012/13

**192 659**

The number of deliveries in Public Hospitals in 2012/13

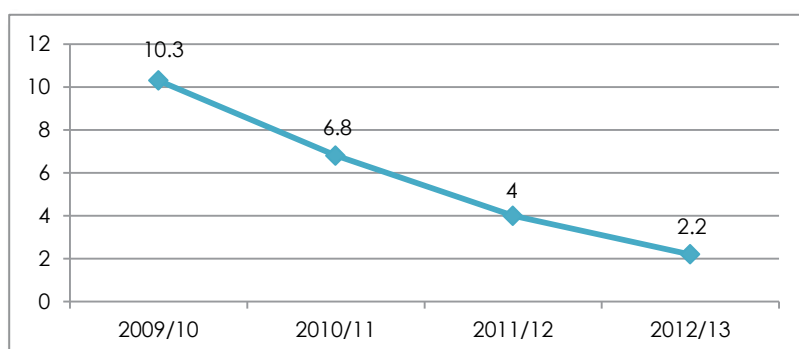
**17 878**

The number of deliveries to women under 18 years

**2.2%**

The proportion of babies testing PCR positive at 6 weeks after birth

**Graph 5: Baby testing PCR positive at 6 weeks after birth rate (DHIS)**



Source: DHIS



# ANNUAL REPORT (VOTE 7)

## 2012/13

**Child Health:** The facility child mortality under-5 year rate decreased from 6.3/1000 to 5.2/1000, and the facility infant mortality under-1 year rate decreased from 7.3/1000 to 6.1/1000.

Between 2011/12 and 2012/13, fully immunised children (under 1 year) increased from 194 309 to 202 617; and the number of children who received the 1st dose measles vaccine (under 1 year) increased from 199 881 to 205 691.

Surveillance for vaccine preventable diseases is on-going. During the reporting period, 80 Acute Flaccid Paralysis (AFP) cases were detected (target of 70) with a stool adequacy rate of 81% (target of 80%); eight (8) confirmed measles cases were detected; and 8 Districts reached the target for all antigens.

All facilities have at least 50% of Professional Nurses trained on the Integrated Management of Childhood Illnesses (IMCI), and 40% of those trained have been trained on Nurse Initiated Management of ARVs. At least 67% of HIV positive children under-5 years are being initiated on ARVs.

**202 617**

The number of children (under 1 year) fully immunised

**1 47 388**

The number of diarrhoea cases – children under 5 years

**130 567**

The number of pneumonia cases – children under 5 years

**Women's Health:** The Phila Ma Campaign, introduced to increase the number of women screened for cervical cancer, was re-launched in 2012/13 to improve integration with other programmes e.g. TB, HIV and contraception. During the reporting year, 172 000 women were screened for cervical cancer (0.3% malignancy). All Districts have access to Colposcopy and Lletz treatment services.

The Contraceptive Strategy is beginning to show improved outputs with a steady increase in the use of the Intra Uterine Contraceptive Device (IUCD) from 153 in April 2012 to 937 in March 2013. The couple year protection rate increased from 25.5% in 2011/12 to 37.5% in 2012/13.

The Choice on Termination of Pregnancy Policy was revised in 2012/13 and now includes Medical Termination and Licensing of Private Service Providers. Sixteen (16) facilities provide first trimester terminations and 8 are providing second trimester terminations. In 2012/13, a total of 1 359 terminations were performed on women under the age of 18 years.

**172 000**

The number of Pap smears done

**1 359**

The number of termination of pregnancies performed on women under 18 years

### Nutrition

The number of children (12-59 months) who received Vitamin A supplements increased from 769 685 to 776 254. From January 2013, Community Care Givers started issuing 200 000IU Vitamin A doses to children under 5 years as part of the objective to improve access and coverage.

CCGs have been trained on community maternal, neonatal, child and women's health. Districts are in the process of establishing "Phila Mntwana" sites where growth monitoring and malnutrition prevention for the under-fives will be strengthened in the community. This project is linked to Operation Sukuma Sakhe (OSS) and the Mid-Upper Arm Circumference (MUAC) screening by CCGs at community level.

89.6% of hospitals have been accredited as Mother and Baby Friendly Hospitals in the Province. Exclusive breastfeeding is actively promoted with approximately 80% of HIV positive mothers that delivers in public hospitals opting for exclusive breastfeeding on discharge.

Weighing posts are being established, in close collaboration with OSS, to promote growth monitoring (monthly), education and provision of oral rehydration, support for breastfeeding and identification of

**16.6/1000**

The incidence of underweight for age under 5 years (decreasing from 23.6/1000 in 2011/12)

**776 254**

The number of children (12-59 months) who received Vitamin A supplement

# ANNUAL REPORT (VOTE 7)

## 2012/13

unimmunized children. Identified weight defaulters are being referred to clinics for further investigation and management. This strategy will also assist in identifying children who were exposed to TB or eligible for ART.

396 CCGs and Youth Ambassadors completed the one-year training for Nutrition Advisors and received their certificates from UKZN in 2012/13. This formed part of the job creation strategy through career pathing for identified categories.

### HIV and AIDS

In the 2013 State of the Province Address, the Honourable Premier Dr Z Mkhize said: "For the first time in recent history, HIV and AIDS are showing signs of retreat. The number of AIDS-related deaths is declining. Since we took office in 2009, we have stabilised HIV prevalence in our Province from 39.5% to 37.4%, as a direct result of our integrated approach through the Provincial Council on AIDS working together with all sectors of our society to ensure that our initiatives on prevention and to make anti-retroviral treatment available, are successful. Utilizing a special roving team of dedicated health professionals to initiate therapy to all 550 000 deserving individuals, we can now declare that for a few years now, the waiting list for anti-retroviral treatment no longer exists. It has been cleared for good."

Between 2009 and 2011, the HIV prevalence among pregnant women decreased from 39.5% (2 664 of 6 744) to 37.4% (2 511 of 6 714); among 15-19 year old pregnant women decreased from 22% (340 of 1 547) to 16.8% (261 of 1 555); and among 20-24 year old pregnant women decreased from 37.2% (850 of 2 284) to 33.3% (727 of 2 183).<sup>4</sup>

According to data from Statistics SA Burden of Disease, HIV and AIDS related deaths in KZN decreased from 67 429 (2008) to 54 337 (2010), which can be attributed to improved management of HIV challenges.

**Ante-retroviral Therapy (ART):** The number of facilities providing ART services increased from 89 in 2008 to 608 in 2012. The total number of patients on ART increased from 225 389 in 2008 to 726 338 in 2012 (178 927 new patients initiated on ART in 2012/13). A total of 29 477 patients have been reported lost to follow up and 7 386 were de-registered due to death.

Since 2010, a total of 1 578 nurses have been trained on Nurse Initiated and Managed ART (NIMART), and a further 400 trained nurses completed their portfolio of evidence and are ready for certification. The 150 nurses that were trained as mentors and the 155 doctors who completed the Diploma in HIV and AIDS Management play a critical role in building capacity for quality of care in management of HIV positive patients.

**Male Medical Circumcision:** Since His Majesty, King Zwelithini ka Bhhekuzulu launched the project in 2010 to strengthen prevention strategies the programme expanded rapidly. The Province received R 29 million in donor funds from Atlantic Philanthropies, the TB Global Fund, UNICEF and the European Union; and \$76 116 113 million from PEPFAR since 2009/10 to date for expansion of the programme.

To date, a total of 258 946 circumcisions were performed with 121 228 (121 123 adult and 105 neonatal) in 2012/13. The service has been expanded to tertiary institutions (Durban University of Technology and University of Zululand) and Qalakabusha Prison in Empangeni to improve access to vulnerable groups. There are 11 roving teams and 7 Non-Governmental Organisations (NGO's) currently driving expansion of the programme.

**37.4%**

The HIV prevalence among pregnant women

**16.8%**

The HIV prevalence amongst pregnant women aged 15-19 years

**33.3%**

The HIV prevalence amongst pregnant women aged 20-24 years

**726 338**

The total number of patients initiated on ART

**258 946**

The total number of male medical circumcisions performed

<sup>4</sup> 2011 National Antenatal Sentinel HIV and Syphilis Prevalence Survey in South Africa, Epidemiology and Surveillance, National Department of Health

# ANNUAL REPORT (VOTE 7)

## 2012/13

The policy on MMC and Neonatal Circumcision is in place, and a training manual "Essential Guide to Male Medical Circumcision in KZN" is being used for procedures and training of health care and non-health care providers.

Northdale Hospital has been developed as MMC Centre of Excellence to train clinicians on both MMC methods i.e. Forceps Guided and the Tara Klamp. This training has been extended to doctors from other countries within the African continent, including Mozambique, Uganda, Botswana and Tanzania. The Department plans to establish two satellite centres at Ngwelezane and Clairwood Hospitals to expand access. Neonatal circumcision will be decentralized to the new sites. A study on comparing the use of the Tara Clamp and Conventional method is currently being conducted.

**HIV Counselling and Testing (HCT):** All facilities and 74 non-medical sites offer HCT services. By the end of March 2013, a total of 7 857 586 people received counselling, 6 832 992 were tested for HIV and of this total, 5 786 365 people were also screened for TB (887 688 referred for clinical diagnosis of TB). During the reporting period, 2 534 537 clients were pre-test counselled and 2 312 535 of those clients were tested for HIV.

The 'First Things First' HCT campaign was launched by the Minister of Health at Mangosuthu University of Technology in March 2013. The campaign, in partnership with the Department of Higher Education and NGOs, is targeting mainly first year students to encourage change in risk behaviour.

Other HCT services are being offered outside public health facilities e.g. partnership with Metro-rail with the launch of Hlola Manje Zivikele Campaign where HCT and other PHC services were offered at train stations in eThekweni and Ilembe district. Outreach activities in taxi ranks, churches, malls etc. have been scaled up.

Provider-Initiated Counselling and Testing (PICT) were expanded in 2012/13 by ensuring that every consulting room has a test kit as well as an HCT register. Quality management systems in HIV testing have been improved and all Counsellors and PHC Supervisors were trained on Quality Management Systems guidelines.

**Other prevention strategies:** A total of 9 668 trained caregivers are providing a standard package of services at community level compared to 3 802 in 2008. During 2012/13, these community caregivers visited 3 551 790 homes with the standard package of care.

**Information management:** From a total of 608 ART initiating sites, 463 sites are implementing Tier.Net and are at various levels in implementation. A total of 97 sites have completed back capturing and are on live capturing, meaning they are ready to produce cohort reporting.

**Syndromic Management of STIs:** A total of 471 781 new STI episodes were treated in 2012/13 and 84 680 (17.9%) partners were treated.

**High Transmission Areas:** Prevention of HIV transmission among key populations has been strengthened through the increase of High Transmission Areas from 16 in 2007/08 to 68 in 2012/13. These sites provide HCT, STI treatment and condom distribution and treatment.

**7 857 586**

The total number of people counselled for HIV

**6 832 992**

The total number of people tested for HIV

**3 551 790**

The number of homes visited by CCG

**471 781**

The number of new STI episodes treated

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Tuberculosis

TB was identified as one of the apex priorities during the reporting period, and improved TB outcomes is testament that investment in the programme paid off.

TB incidence decreased from 1 161/100 000 (2011) to 889/100 000 in 2012, and the new PTB cure rate increased from 65.2% (21 395 of 32 797 cases) in 2009 to 73.5% (24 799 of 33 731 cases) in 2012. By the end of March 2013, 85.4% (48 975 / 57 360) of patients on TB treatment were on DOT support.

*TB defaulter rate:* The new smear positive TB defaulter rate has decreased from 8.1% in 2009/10 to 5.4% in 2012/13. Increased community engagements through Operation Sukuma Sakhe, awareness campaigns, patient treatment adherence education, and increasing TB/ DR-TB (Drug-Resistant TB) outreach teams providing a comprehensive package of community services (including treatment support and defaulter tracing) have contributed to reduced defaulter rates.

*Smear conversion rate:* Increased from 68.7% in 2009/10 to 70.1% in 2012/13. This improvement is attributed to improved adherence to policy guidelines which resulted in the reduction of patients with no smear results, intensified TB case finding resulting in finding cases early with a lower bacilli load making smear conversion higher and the use of GeneXpert which assist in detecting resistant strains on diagnosis reducing treatment failures after two months of treatment.

*Drug-Resistant TB:* There are currently 8 DR-TB management units in the Province with no units in Ilembe, Amajuba and Uthukela Districts. As a result of decentralization of the service in 2012, a total of 3 239 patients were initiated on DR-TB treatment (2 962 MDR-TB and 277 XDR-TB), and 92 TB/DR-TB and HIV outreach teams have been established to strengthen TB management and support at household level.

The Province received 73 GeneXpert machines in 2010 for systematic rollout in phases. To date, 38 machines have been installed in eThekweni (13), Sisonke (7 small machines), Umgungundlovu (4 medium machines), Ilembe (3) and Amajuba (3). UThukela does not have access at all while the rest of the districts (Umzinyathi (2) Uthungulu (2), Umkhanyakude (2) Zululand (2) have limited access. Ugu district does not have machines but has full access to the test through machines at eThekweni.

### Communicable Disease Control

In accordance with International Health Regulations the Department, in collaboration with the National Institute for Communicable Diseases, established laboratory surveillance and reporting systems to maintain epidemic preparedness. All hazardous substances' premises within KZN were inspected and licensed in 2012/13.

### Hospital Services

All hospitals are implementing the National Core Standards. The "Make Me Look Like a Hospital" project, introduced in 2009/10, is now in the second phase of implementation with 24 hospitals enrolled in the project.

According to the baseline audit conducted by Health Systems Trust, the Provincial scores for the 6 priority areas are: Positive and caring attitudes (37%); Improve patient safety and security (38%); Availability of medicines and supplies (56%); Infection prevention and control (56%); Cleanliness (63%); Waiting times (76%).

**889/100 000**

The TB incidence

**73.5%**

The new PTB cure rate

**3 239**

The number of patients initiated on treatment for drug-resistant TB

**48 975**

The number of people on TB treatment with DOT support

**6 504 119**

Out-patients seen at public hospitals in 2012/13

**5 425 552**

In-patient days in public hospitals in 2012/13

# ANNUAL REPORT (VOTE 7)

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## 2012/13

*District Hospitals:* There are 40 Gazetted District Hospitals in the Province including 37 Provincial and 3 State Aided Hospitals (2 in eThekweni and 1 in Zululand). There are 8 287 usable level 1 beds translating to 0.77 beds per 1000 population.

The new King Dinuzulu Hospital (previously King George V) was officially opened by His Majesty the King on 29 January 2013. The hospital makes provision for a new 400-bed District Hospital, with the Specialised Psychiatric and TB units due for completion in May 2014.

The average length of stay (5.6 days) in District Hospitals exceeded the national norm of 3.5 days. Extended stay for surgery and paediatrics (6.4 days); medicine (7.5 days); orthopaedics (11.1 days); psychiatry (12 days); and TB (18.9 days) should however be considered when interpreting the indicator.

The bed utilisation rate is low (63.2%) with variations between 43.5% (Ekhombe) and 93.4% (GJ Crookes). Only 13 out of 37 hospitals exceeded the provincial average.

*Regional Hospitals:* There are 13 Regional Hospitals in the Province with 7 695 level 2 beds or 0.71 beds per 1000 population. There are no Regional Hospitals in Umzinyathi, Zululand, Umkhanyakude and Sisonke Districts which is putting additional pressure on scarce resources in other hospitals serving as referral hospitals. The St Aidens State Aided Hospital provides limited level 2 services in eThekweni.

Ngwelezane Hospital was re-classified as Developing Tertiary Hospital in 2012 (Government Notice No. R185 of 2 March 2012). The package of services did not change during the reporting year.

King Edward VIII Hospital was re-classified as Central Hospital (making provision for the new 'Academic' Hospital). Current funding for the hospital is under Sub-Programme 4.1 and performance information therefore reported under Programme 4. This will be reconsidered once the new hospital has been commissioned.

King Dinuzulu Hospital (previously known as King George V) is still classified as a Regional Hospital (Government Notice No. R185 of 2 March 2012). The new hospital (officially opened in January 2013) makes provision for a 400-bed District Hospital with new Psychiatric and TB Wings which is due for completion in 2014/15. Reporting of level 1 patient activity has not been incorporated in the 2012/13 Annual Report due to DHIS system arrangement. This will be reviewed in 2013/14.

Rationalisation of Regional Hospital services commenced in Amajuba District in 2012/13. The service delivery platform for the two Regional Hospitals (Newcastle and Madadeni) has been reviewed and wider consultation with stakeholders is ongoing. Rationalisation will be operationalised in a phased approach aimed at the development of Newcastle as a Mother and Child Hospital and Madadeni as District and Specialised Psychiatry and TB Hospital.

Refurbishment and renovations at Addington Hospital necessitated the temporary relocation of some services to neighbouring hospitals to ensure uninterrupted service delivery while the hospital is under construction. Orthopaedic and surgery services were temporarily transferred to Wentworth Hospital; Obstetrics and gynaecology to King Dinuzulu Hospital; and Ophthalmic services to St Aiden's Hospital.

Out-patient headcounts 'not referred' decreased with 30.6% (572 253 to 397 096) in 2012/13. This trend is being monitored in all categories of hospitals to determine the impact of improved District Health Services on patient activity. Management of PHC at the appropriate level of care will have a significant impact on expenditure at hospital level.

Bed utilisation rate (75.2%) varies between 62.2% in Madadeni and 94.3% in RK Khan. St Aidens (State Aided) shows consistent poor efficiencies with an average utilisation rate of 34.4%. The average length of stay (5.4 days) varies between 3.2 days in Newcastle and 10.5 days in Madadeni.

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Central and Tertiary Hospitals:** IALCH (810 approved beds) is the only Central Hospital in the Province. Greys Hospital (530 beds) and Ngwelezane Hospital (489 beds) are both classified as Tertiary Hospitals. Currently only IALCH provides 100% tertiary services.

**KwaZulu-Natal Children's Hospital:** The KZN Children's Hospital Trust has been established to manage this 5 year project to restore the first non-racial Children's Hospital in Africa (established in 1931) at an estimated cost of R 228 million. The Department contributed R 30 million to the project so far and earmarked a further R 20 million for the 2013/14 financial year.

**July 2013**  
Opening of the  
KwaZulu-Natal  
Children's Hospital  
(Out-Patient  
Department)

The first phase of the project, comprising of the outpatient department, training and meeting rooms and offices, was completed at a cost of R18.2 million. The official opening is planned for July 2013. The Department has budgeted R10 million for operational costs in this financial year.

The second phase including refurbishment to the main hospital and bulk services to the value of R69.9 million has commenced. It is estimated that the total restoration and refurbishment of all seven buildings to a fully operational Paediatric Complex will cost R228 million.

The third phase, scheduled to start in 2014/15, will include refurbishment to the Administration Building, Central Museum and Dining Facility.

The last phase will be the refurbishment of the Old Nurses Home, Prince Wing, overhead bridge and external works. The success of this project will be largely dependent on external funders to contribute to the restoration of this historical landmark in the Province.

### Financial Management

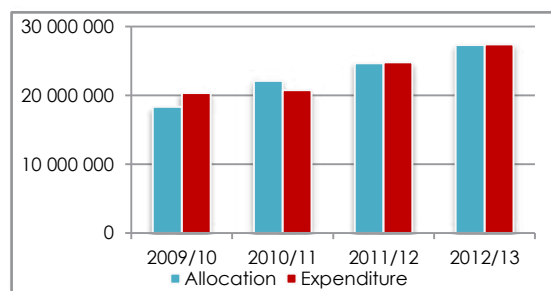
Robust implementation of the Fiscal Turnaround Strategy, supported by a strong fiscal discipline and improved financial management; active monitoring of expenditure versus service delivery; and improved compliance to financial prescripts is showing a significant improvement in expenditure trends over the last 4 years as illustrated in the table and graph below.

**Table 4: Budget allocation versus expenditure**

Financial Year	Budget Allocation R'000	Total Expenditure R'000	Under/ Over Expenditure R'000
2009/10	18 329 163	20 349 276	(2 020 113)
2010/11	22 120 186	20 734 986	1 385 200
2011/12	24 669 096	24 791 118	(122 022)
2012/13	27 290 930	27 390 533	(99 603)

Source: BAS

**Graph 6: Budget versus expenditure**



**Supply Chain Management (SCM)** has been strengthened through the institution of various systems and processes to regulate and strengthen procurement systems. Disclosure of interest has become a standard practice and regular investigations into irregular expenditure and other non-compliant SCM practices enhanced the procurement control environment. The SCM post establishment has been reviewed and filling of critical posts commenced in 2012/13.

# ANNUAL REPORT (VOTE 7)

## 2012/13

*Operation Clean Audit 2014* was prioritised in 2012/13 and definite progress is noted in the quality of performance information, irregular expenditure, asset management and various other aspects of financial management. Project plans and monitoring reports have been submitted to the Auditor General of South Africa (AGSA), Audit and Risk Management Committees as well as other oversight committees.

### National Health Insurance

Phase 1 of the NHI roll-out is being implemented in uMgungundlovu, Umzinyathi and Amajuba Districts and Inkosi Albert Luthuli Central and King Edward VIII Hospitals. The focus for the first 5 years will be the Strengthening of Health System Effectiveness; Infrastructure Development; Human Resource Planning, Development and Management; Improving Quality of Health Services (National Core Standards); Re-engineering of the PHC (School Health Services, Ward-based PHC Teams, Reforming the cost of healthcare (National competency), and Contracting of General Practitioners into PHC.

### Emergency Medical Services

"Operation Bring Back Order" was launched by the MEC for Health in 2012 with the aim to improve work ethics, restore discipline and enhance service delivery within the EMS environment. Three Clinical Psychologists have been appointed to manage stress debriefing of EMS staff.

In June 2012, three hundred and ten (310) new ambulances were handed over to districts, with operational ambulances increasing from 185 to a provincial baseline schedule of 212. The number of obstetric ambulances increased from 12 to 40 to improve access to pregnant women and babies.

To relieve pressure on pre-hospital ambulances, 38 dedicated inter-facility transfer ambulances were introduced bringing the total schedule for operational ambulances to 290 in the Province (increase of 105 ambulances).

The Department approved the appointment of more Advanced Life Support (ALS) personnel in a shortened process in order to acquire the identified scarce skills for manning of the obstetric ambulances. A total of 13 ALS personnel have been recruited through this process.

Air Medical Services (AMS), with 2 rotor wing and 1 fixed wing aircraft, render much needed services in especially more rural areas. Patients reached through the AMS Outreach Services increased from 15 447 (2011/12) to 16 722 in 2012/13. This provided critical support to areas with poor access to specialist skills and competencies.

There are currently 2 Planned Patient Transport (PPT) hubs at Empangeni and Durban (IALCH). A third hub will be established after the delivery of the new PPT buses in 2013/14. A reviewed staff establishment has been approved for the 3 PPT hubs making provision for communication or operational staff. A total of 118 new BLS staff have been employed for Intra-District Patient Transport Services.

A total of 3 000 people were trained in Basic Life Support (BLS) by the SANDF for the FIFA Soccer World Cup in 2010, and according to Health Professionals Council of South Africa data, approximate 9 000 people obtained BLS certification. A total of 148 of these people were residents of KwaZulu-Natal giving effect to a remedial training plan i.e. Project 148.

A total of 56 students successfully completed the remedial training while a further 18 commenced training in February 2013. These students will form the pool of potential candidates for future recruitment. A total of 88 Basic Life Support (BLS) staff were successful in upgrading their qualifications to Intermediate Live Support (ILS) through the College of Emergency Care. All these staff are now operational in their respective districts providing a higher level of care to patients.

**310**

The number of new ambulances handed over in 2012/13

**16 722**

The number of patients that were reached through AMS outreach in 2012/13

**576 682**

The number of EMS emergency cases

**185 489**

The number of inter-facility transfers

# ANNUAL REPORT (VOTE 7)

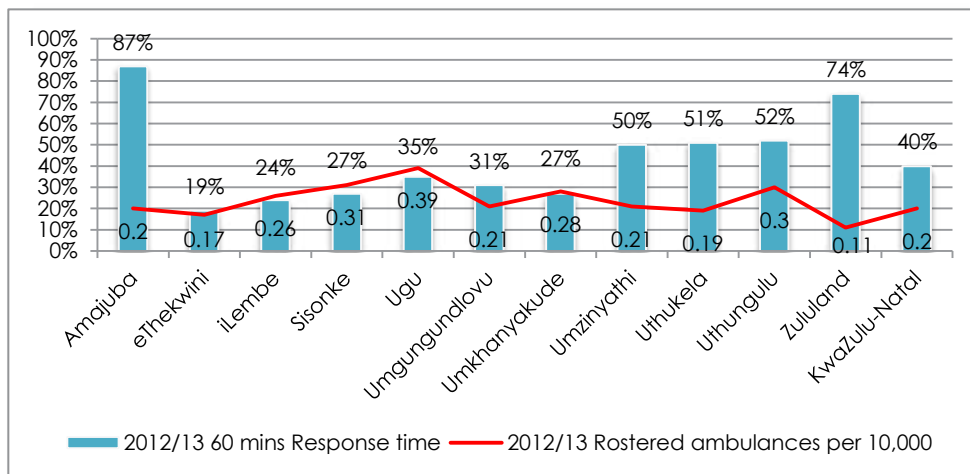
## 2012/13

The Department has a total of 153 Planned Patient Transport (PPT) buses (increasing from 127 in 2009), with a total number of 457 914 patients transported by PPT during 2012/13. No new response vehicles were purchased during 2012/13 but response units, purchased late in 2011/12, were converted and issued to districts in the fourth quarter of 2012/13.

Renovations at the Wentworth EMS Base, to accommodate staff from Oldham House, commenced in October 2012. The Provincial Head Office Communication Hub and the Umgungundlovu EMC are in the final stage of design. The large base at Umzinyathi is being re-designed with all other proposed infrastructure developments "on hold" as a result of budget cuts. N3TC and KZN Oils donated a park home for use by EMS on the N3 Toll Road between Van Reenen's Pass and Mooi River.

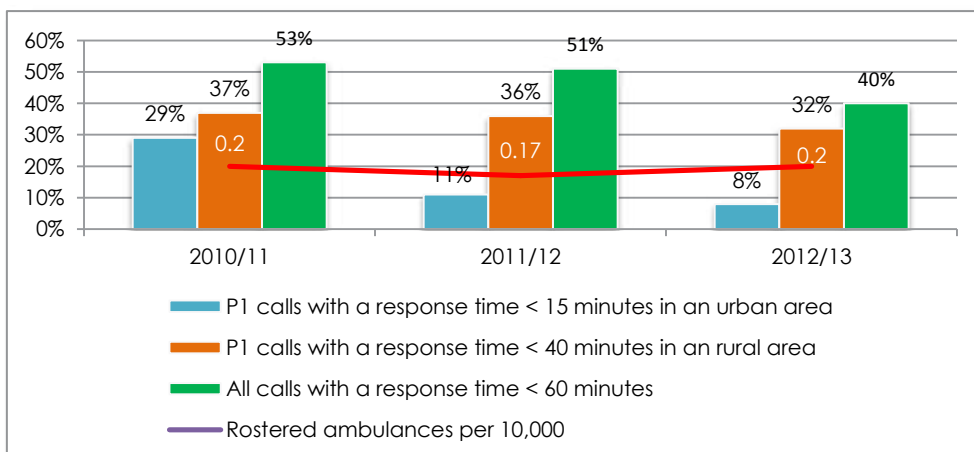
The year on year below standard performance in response times remains a concern especially since increase of vehicles to improve efficiencies seems not to have the expected results. The following graph shows the response rate versus rostered ambulances over a 3-year period.

**Graph 7: District response times vs. Number of rostered ambulances per 10,000**



The next graph shows the relation between Provincial response times versus available rostered ambulances per 10 000 population.

**Graph 8: Response rate versus Rostered ambulances per 10,000 population**





# ANNUAL REPORT (VOTE 7)

## 2012/13

The PHOC (Provincial Head Office Communication) project is being tendered as a “turn-key” project in which all the components that need to be commissioned for the project will be handled / procured by one service provider to avoid prolonged lead times and costly delays resulting in an expedient 8 month completion timeframe. This will include infrastructure, equipment, Information, Community Technology system and furniture. Confirming finance for the project remains a challenge with approval from Infrastructure still required.

The Provincial Head Office Communication Centre served as good practice model for the North West Province and the Health Portfolio Committee of Gauteng. Free State will be visiting the Province in 2013.

### Pharmaceutical Services

The Provincial Pharmaceutical Supply Depot is not compliant with Good Wholesaling Practice Regulations and quotations for structural improvements on the current building commenced in 2012/13. 80% of pharmacies are compliant with the South African Pharmacy Council (SAPC) standards.

Frequent medicine stock-outs at several health institutions prompted the Department to commission a Business System Analysis of the current Pharmaceutical Supply Chain Management with the objective to do a gap analysis to inform an improvement strategy. The improvement plan has been approved and implementation commenced. Development of Medicine Supply Management Standard Operating Procedures (SOPs) commenced in 2012/13 and will be rolled out to all facilities in 2013/14.

Adequate space for storage of medicines is an increasing challenge especially taking into consideration increased demand for services at facility level and inadequate infrastructure (space) to accommodate demand.

In 2012/13, a total of 133 Pharmacy Assistants enrolled for training through Kheth' Impilo – due to complete their training in June 2013. A further 23 unemployed youth were enrolled for training as Pharmacist Assistants in May 2012.

The average waiting time of less than 30 minutes has been achieved although there are still significant variances between individual institutions.

### Infrastructure Development

Major upgrades, to the value of R 85 million, are underway at Addington and Edendale Nursing Colleges with completion planned for October 2013 and April 2014 respectively.

The Department completed thirty-one major projects in 2012/13. Some of the major projects in construction include Addington, Stanger, Emmaus, G J Crookes, and Church of Scotland, Murchison and Town Hill Hospitals as well as the Phoenix Mortuary. Some of these projects will be completed in 2013/14 and others in subsequent years.

Critical posts have been filled and the Department is implementing its maintenance programme through the Annual Maintenance Plans. A robust programme aimed at the upgrade and replacement of old and ineffective mechanical equipment is starting to yield results. The programme includes replacement and/or upgrading of ageing lifts, autoclaves, laundry equipment and emergency generators to a total investment of R 328 million.

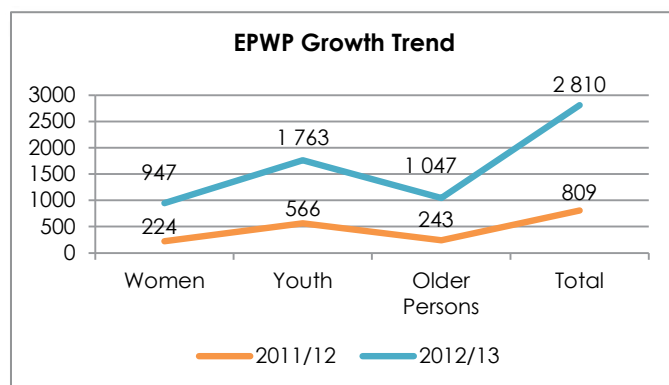
Job creation through the Expanded Public Works Programme (EPWP), implemented by Implementing Agents, shows positive growth between 2011/12 and 2012/13 as illustrated in the following graph below.



# ANNUAL REPORT (VOTE 7)

## 2012/13

**Graph 9: EPWP job creation growth trends**



Contribution to job opportunities includes:

Public Works 54% (1 038 opportunities)

IDT 4% (70 opportunities)

Health 42% (346 opportunities)

During 2012/13, the Department completed the construction of 8 clinics (listed below) with a further 25 new clinics under construction (20 due for completion in 2013/14).

1. Mbotho Clinic (Ugu District)
2. Ezimwini (kwaMahleka) Clinic (uMgungundlovu District)
3. Elandskraal Clinic (Umzinyathi District)
4. Mbabane Clinic (Amajuba District)
5. Thalaneni Clinic (uMkhanyakude District)
6. Nogajuluka Clinic (uThungulu District)
7. Maphumulo Clinic (iLembe District)
8. Wosiyane Clinic (iLembe District)

Construction started on 4 Community Health Centres (Dannhauser, Jozini, Pomeroy and Gamalakhe) at a total cost of R 524 million - completion due in 2014/15.

The Department, in partnership with Sanofi-Aventis South Africa and the Mama Tobeka Madiba-Zuma Foundation (TMZF), has built an R 3 million TB/HIV integrated clinic in the community of Manxili in Nquthu, uMzinyathi District. This project will serve as a pilot in line with the National Strategic Plan on HIV, STI's and TB (NSP). The Department is investing a further R18 million towards the extension of the clinic to include residential accommodation, a Maternity Obstetric Unit and other services.

**Edendale Hospital:** Work on the hospital forms part of the NHI Facility Improvement Plan. A new Communicable Disease Clinic, Accident and Emergency Unit and Out-patient Department valued at R136.5 million are under construction and due for completion in July 2014. Upgrade of the existing Psychiatric ward, roads and parking, and power conversion from steam to electricity valued at R 40.4 million is well advanced and due for completion in June 2013.

**Rietvlei Hospital:** Upgrade of the access road was completed in May 2012. Construction of the Pharmacy, Laundry, Workshop, Transport Office and Parking is due for completion in October 2013 at a cost of R 33 million. The first phase of the new Staff Accommodation, valued at R 110 million, is complete with the second phase due for completion in 2014. Phase 4 of the Rietvlei Hospital Project (estimated at R200 million) has been put on hold due to inadequate funding.

**King Dinuzulu Hospital:** This 400-bed District Hospital, formerly known as King George V Hospital, was completed in 2011 at a cost of R 466.1 million and officially opened by His Majesty the King on the 29th of January 2013. Construction of the new TB Complex and new 130-bed Psychiatric closed unit, valued at R 161.2 million, is due for completion in May 2014.

**Lower Umfolozi War Memorial Hospital:** This dedicated Mother and Child Hospital is undergoing major works inclusive of alterations and additions to the value of R347.8 million. The project is due for completion in

# ANNUAL REPORT (VOTE 7)

## 2012/13

February 2015. The first phase inclusive of the Lodger Mother Wing, Mortuary, Laboratory, Kitchen and Crisis Centre has been completed. The second phase is due for completion by February 2015.

*Ngwelezane Hospital:* A new Therapy Department and conversion of Psychiatric Wards to Out-patient Psychiatric Clinic, to the value of R12.6 million, were completed in October 2012. Other projects, to the value of R 150.2 million, are due for completion in 2013/14. Projects include construction of a new 72-hour ward, mortuary, workshops, refurbishment to the Nursing College, hospital corridors, conversion of steam to electrical, upgrade to water and electrical reticulation. The new Ngwelezane Hospital Theatre Complex has been prioritised at an estimated cost of R560 million.

*Pixley ka Seme Hospital:* After several years of delay, mainly due to financial constraints, the design of the Pixley ka Isaka Seme Hospital is complete. The project has been delayed to April 2015.

*Hlabisa Hospital:* The Hlabisa upgrade, at an estimated cost of R 88 million has been put on hold due to insufficient budget. An amount of R5.7 million cancellation fees and R 4.9 million additional fees is outstanding due to delays.

Suspension of design has been instituted on the following projects due to insufficient funding: Dr John Dube 450-bed District Hospital; Edendale 850-bed Regional Hospital; and Madadeni 484-bed Psychiatric Hospital.

### **SERVICE DELIVERY IMPROVEMENT PLAN**

Tables 5 to 9 reflect the Department's service commitment in accordance with Public Service Regulations, Chapter 1 (Part III C).

**Table 5: Main services provided and standards**

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Creation of posts	Line function and support personnel of the Department	Members of society attracted to work in the Department	Efficient workforce	The macro structure 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 job requirements
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
Labour Relations	All employees of the Department	None	Knowledge of conditions of service and Labour Relations Prescripts	Competencies developed at District and Institutional levels to manage labour relations cases
Evaluation of posts	All prospective employees of the Department	None	Appropriate levels of posts determined	Appropriate skills mix and competencies identified to complement the Department's organogram and service delivery responsibilities/ mandates

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 6: Consultation arrangements with customers**

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Institutional Management and Labour Committees	Organised Labour, Employees and Management	None	Institutional Committees provide first level interventions on transversal issues
Bargaining Council	Organised Labour, Employees and Management	None	Resolving disputes emanating from Institutional Management and Labour Committees and reaching agreements on sector specific conditions
Human Resource Management Forum	Human Resource Managers, Employees and Head Office Managers	Organised Labour	Allows for first level contact with districts and sharing of best practices amongst institutions

**Table 7: Service delivery access strategy**

Access Strategy	Actual achievements
Batho Pele Principles	Number of people trained on Batho Pele: 252 <sup>5</sup>
Patients Right Charter	Patients' Rights incorporated into Batho Pele

**Table 8: Service information tool**

Types of information tool	Actual achievements
Information posters and pamphlets	Posters displayed in institutions e.g. Batho Pele, Patients' Rights Charter and other health information
Signage	Directions to facilities, facility names, opening times, services rendered, etc.

**Table 9: Complaints mechanism**

Complaints mechanism	Actual achievements
Grievance Procedure	PSCBC Resolution No. 14 of 2002 is followed for grievances
Dispute Resolution Mechanism	PSCBS Resolution No. 1 of 2003 is followed for disciplinary procedures

### Challenges and Corrective Steps

- Review of the organisational arrangements for the geographical management areas to strengthen oversight and leadership at Senior Management level. Review of the organisational structure made provision for four Health Regions, each managed by a General Manager (level 14) reporting to the Deputy Director General (Senior General Manager) District Health Services:
  - Region 1: eThekweni Metro and Ilembe District. General Manager: Dr A Sewlal.
  - Region 2: Ugu, Umgungundlovu and Sisonke Districts. General Manager: Vacant (acting Manager).
  - Region 3: Uthukela, Umzinyathi and Amajuba Districts. General Manager: Vacant (acting Manager).

<sup>5</sup> Training was in support of the "Make Me Look Like a Hospital" Project

# ANNUAL REPORT (VOTE 7)

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## 2012/13

- ♦ Region 4: Zululand, Umkhanyakude and Uthungulu Districts. General Manager: Vacant (acting Manager).
- 2. Provincialisation of Local Government services: Inadequate human resources for delivery of the full PHC package of services, poor infrastructure and inadequate equipment in the majority of clinics transferred to Province. During the reporting year, the Department prioritised human resource allocation and critical infrastructure constraints which has been included in the Human Resource and Infrastructure Plans for short and medium term.
- 3. Poor EMS response times in both urban and rural areas continue to be a challenge in all districts except Amajuba District. The impact of allocation of newly procured ambulances and increased human resource capacity will be closely monitored to determine added value in all districts.
- 4. Low staff morale in the EMS Programme impacting on service delivery and service outputs. The MEC for Health launched "Operation bring back order" in 2012/13 as part of the strategy to re-inculcate discipline and professionalism in the EMS service. Issues of discontent are being addressed by Senior Management.
- 5. Recruitment and retention of skilled medical and nursing staff remains a challenge that impact on the Department's ability to deliver on its mandate. A Provincial Task Team of members from UKZN and the Department resumed consultation to address issues of production of essential human resources and training and development. Allocation of bursaries in areas of demand, the intensified Cuban Training Programme, training of Mid-Level Workers, and review of recruitment and retention strategy (in particularly rural areas) were intensified during 2012/13. Placement of staff has been reviewed as part of the HR strategy.
- 6. The infrastructure backlog taking into account the limiting funding envelope. The Department focussed on completion of existing projects and maintenance during the reporting year. Major infrastructure projects previously planned e.g. Pixley ka Seme Hospital has been put on hold. See Programme 8: Infrastructure Development.

### **ORGANISATIONAL ENVIRONMENT**

*Vacancy rates:* On 31 March 2013, the total vacancy rate was 14.1% with 74 464 out of 86 666 posts filled.<sup>6</sup> In August 2012 the Department abolished 9 444 unfunded posts and in November 2012 another 6 072 unfunded posts as per Cabinet resolution, which resulted in a dramatic decrease in vacancy rates compared to previous years. The table below reflects on the growth and decline in the number of filled posts (per selected category of staff) between 2009/10 and 2012/13. The growth in staff numbers can be used as marker of appropriate response to the increased demand for services. Production, recruitment and retention of Medical Specialists in the public sector still pose a challenge and strategies to retain Registrars have been prioritised.

*Turnover rate:* Between 2011/12 and 2012/13, the turnover rate for Medical Officers decreased from 16.4% to 15.5%, and for Professional Nurses increased slightly from 5.1% to 5.3%.

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<sup>6</sup> 2012/13 HR Oversight Report for the period 1 April 2012 to 31 March 2013

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 10: Post status per selected critical category of staff<sup>7</sup>**

Category of Staff	Number of posts		Number of posts filled		Number of posts vacant		% Growth/ Decline 2009/10 - 2012/13
	2009/10	2012/13	2009/10	2012/13	2009/10	2012/13	
Professional Nurses	16 992	16 750	12 626	15 579	4 366	1 171	+23%
Medical Officers	4 629	3 712	2 946	3 429	1 683	283	+16%
Medical Specialists	1 734	955	714	696	1 020	259	-3%
Pharmacists	1 722	797	412	671	1 310	126	+63%

Seven CEO posts were filled in 2012/13 with the remaining six vacant posts advertised.

*Persal clean-up:* Persal clean-up, including pay-roll audits to detect and eliminate “ghost employees”, leave management, provisioning matters, compliance with Human Resource policies and procedures, compliance with the signing of attendance registers, and compliance with commuted overtime and sessional employee provisions is ongoing. A total of 68 “ghost employees” have been identified which is being managed through human resource mechanisms and ongoing investigations.

*Job creation:* Since January 2011, the Department created a total of 6 071 jobs excluding positions that were advertised under various other categories.

- A total of 438 positions were advertised for Basic Life Support personnel in 2012/13 (in addition to 332 positions that were created and filled by unemployed Basic Life Support personnel in 2011/12).
- The Department has 416 Data Capturer positions as part of the national initiative and to date employed a total of 502.
- A total of 100 Tradesman's Aids posts have been filled in June 2012 as part of the District Maintenance Team Project. Local maintenance teams are recruited for maintenance and repairs at health facilities to reduce the backlog of infrastructure minor works, to improve hotel aspects of facilities, and improve quality control in line with the “Make Me Look Like a Hospital” project and National Core Standards.
- 9 800 CCGs had their contracts renewed from April 2013 contributing to employment in department and reduction in the vacancy rate.
- As part of the Provincial Youth Community Ambassador Programme the Department created career opportunities in Nursing, Nutritional Advisors (10 appointments), Orthotics/Prosthetics Technicians (30 appointments), and Clinical Associates (8 appointments). Potential candidates have the option to apply for bursaries from the Department.

*Registrar Programme:* Between 2008 to date, a total of 912 Registrars were registered on the programme (591 currently on the programme and 321 completed the programme). Of the 321 who completed the programme, 85 (26%) have been retained as Specialists in the Department, 81 (25%) as Medical Officers and 6 (2%) as Clinical Managers indicating a retention success rate of 54%. A further 49 remain on the programme for changes in disciplines or awaiting finalisation for process for filing of posts.

The demographic profile of Registrars shows a positive change towards equity between 2009/10 and 2012/13 with 44.7% Indian (293); 40.7% Black (266); 11.3% White (74); and 2.3% Coloured (21).

*Workplace Skills Plan:* Priorities were informed by 2012/13 focus areas and the budget allocated according to the approved Provincial Business Plan. Training included:

- 49 Artisan students commenced training and 103 completed their trade qualification.

<sup>7</sup> Source: 2009/10 and 2012/13 HR Oversight Reports

# ANNUAL REPORT (VOTE 7)

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## 2012/13

- ♦ 1 244 Students completed their ABET studies.
- ♦ 1 409 Unemployed student's commenced training in 2012/13 with 640 completing their studies.

*KwaZulu-Natal College of Nursing:* The introduction of the Higher Education Amendment Act, 2011 (No. 21 of 2011) and Further Education and Training Colleges Amendment Act, 2012 (Act No. 3 of 2012) require accreditation of the KwaZulu-Natal College of Nursing (KZNCN) as institution of higher learning before 2015. Preparation for accreditation commenced although budget constraints delays are inevitable.

A total of 1 007 Professional Nurses graduated in 2012/13 with approximately 5 200 students in the KZNCN system at any time. 650 Professional Nurse Posts have been created for Community Service (341 in July 2012 and 309 in January 2013) with 515 permanent appointments in 2012/13.

According to the Human Resources for Health (HRH) Strategy 2012/13 – 2016/17, there has been a gradual decline in specialist nurses registering with the SANC since 1999.<sup>8</sup> UKZN designed the PHC Post-Basic Training course as a decentralised, part-time course to improve access for both rural and urban candidates. Approximately 200 students graduate per annum.

- ♦ Post-basic training programmes, except the PHC distance post-basic training programme, are under-utilised as institutions are unable to release staff for the duration of the course. The current study leave agreement has had little impact to improve student numbers.
- ♦ Changes in the 2012 School Health Policy necessitate changes of the PHC curriculum and the KZNCN is currently consulting with the School Health Component to re-align the curriculum to the new policy.
- ♦ 757 Specialist Nurses completed their training at the KZNCN during 2012/13 – all placed.
- ♦ Five post-basic programmes are offered at King Edward College i.e. Child Nursing Science, Critical Care Nursing Science, Advanced Midwifery and Neonatal Nursing Science, Orthopaedic Nursing Science and Operating Theatre Nursing Science with a combined intake of 126 candidates for March 2013. On average, these specialised training courses accommodate 25 – 30 learners per programme with 2 intakes per annum.
- ♦ Ophthalmic Nursing Science was introduced at Edendale College in March 2013 with 20 enrolled students.
- ♦ A total of 500 Advanced Midwives have been trained since 2009. To increase the production of Advanced Midwives, UKZN and KZNCN, supported with donor funding from Atlantic Philanthropy, embarked on a 2 year training programme where students are seconded for decentralised training. From 2009 to date, the total intake of students was 3 465 with 193 graduating. In a 2012 "snap survey" it was established that most of these Advanced Midwives are placed in clinics and Midwife Obstetric Units.

Infrastructure upgrades is continuing at Edendale, Addington and Ngwelezana Campuses. The upgrading of the campus infrastructure at St Charles Memorial is complete and the buildings have been handed over to the campus.

The supply of nurses from private nursing schools was not considered in the 2012/13 projections for Enrolled Nurses (EN's) and Enrolled Nursing Assistants (ENA's) which resulted in an oversupply of 658 basic student nurses.

The Department prioritised up-skilling of Community Care Givers (CCGs) to EN's, and a total of 934 CCG's were accepted in training programmes as part of the South African Nursing Council (SANC) Programme 2175. In 2012/13, a total of 585 students qualified.

The attrition rate in the first year of basic study is 10% and the overall drop-out rate for basic training is 5%. The drop-out rate for post-basic training is less.

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<sup>8</sup> HRH 2012/13 – 2016/17, page 48, Point 2.2.5 - The training of Specialist nurses

# ANNUAL REPORT (VOTE 7)

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## 2012/13

The Department is implementing the Public Service Management Leadership Development Strategy. Customization of the strategy, in partnership with Price, Waterhouse and Cooper, Performance Solutions Africa and UKZN has not been finalised during 2012/13 due to financial constraints and up-scaling of the Cuban Programme. Training for Senior and Middle Management has been re-prioritised for 2013/14 through the KwaZulu-Natal Provincial Public Service Academy.

- 57 Hospital CEO's attended the Basic Orientation and Induction Programme established by the National Department of Health.
- 201 Managers participated in the mentorship programme that commenced in 2011/12 in partnership with KZN Provincial Public Service (Office of the Premier) and Higher Education Institutions.
- Three District Managers attended the Oliver Tambo Fellowship Programme at University of Cape Town (UCT) during 2012/13.
- Four Senior Managers enrolled in the APSTAR course at UKZN.
- Thirteen CEO's are doing their Masters in Public Health through UKZN.

*Mid-Level Workers:* An estimated R 2.5 million was used for implementation of various programmes relating to Mid-Level Workers. The Department is awaiting approval of the 240 credits policy in order for HETU to support Mid-Level Worker training. During 2012/13, the following Mid-Level Workers were trained:

- *Clinical Associates* (3-year programme aimed at filling the gap of doctors in rural hospitals): 31 intakes in 2012/13 with 12 graduates receiving the Bachelor's Degree in Medical and Clinical Practice.
- *Pharmacy Assistants:* 153 intakes in 2012/13. Training through the Health Science Academy supported with funding from PEPFAR, HWSETA and Skills Development Fund. Negotiations commenced between Department and UKZN for training in KZN.
- *Dental Assistants:* There is an oversupply of Dental Assistants (produced by DUT) with more than 240 currently unemployed. The Department was unable to finalise the employment of 40 unemployed Dental Assistants in 2012/13.
- *Project 148 (EMS):* 89 intakes (Basic Ambulance Assistants) with 53 students expected to graduate in May 2013.
- *Physiotherapy Technicians:* 29 intakes in 2012/13 with 14 graduating.
- *Nutritional Advisors* (programme facilitated by the Faculty of Agriculture at UKZN since May 2012): 400 intakes in 2012/13 with 397 graduating.
- *Internships:* 400 intakes in 2012/13 and 80 permanent placements in the Department.
- *Speech and Audiology Technicians:* Negotiations with UKZN is at an advance stage and training is expected to commence in 2014.

*Cuban Programme:* The Cuban Programme was up-scaled in 2012/13 to include the enrolment of 354 new students to assist with the production of doctors for rural areas. There were 2 KZN graduates in 2011 and 1 in 2012. The Department is planning to recruit a further 200 students in 2013/14 with 423 already on the programme (including the 2012 enrolment). KwaZulu-Natal assisted with the training of a further 75 students for other provinces.

*Bursary Programmes:* The Departmental Bursary Policy has been aligned with the Provincial Bursary Policy and control measures have been finalised to ensure compliance with the PMFA e.g. breach of contract. In 2012/13, there were 536 bursary holders at University and 68 Clinical Associates. One hundred and eighty-seven (187) bursary graduates were placed in institutions during January 2013. A total of 701 bursaries were awarded to in-service trainees during 2012/13.



# ANNUAL REPORT (VOTE 7)

## 2012/13

Inequities in the distribution of human resources are still a challenge as indicated in the table below. It is expected that the current review of establishments (based on the service delivery platform, reviewed staffing norms based on workload) will have a positive impact in addressing inequities

**Table 11: Human Resources per District for 2011/12 and 2012/13<sup>9</sup>**

District	2011/12				2012/13			
	Medical Officers PHC	No. per Uninsured	PN's at PHC level	No. per Uninsured	Medical Officers PHC	No. per Uninsured	PN's at PHC level	No. per Uninsured
Amajuba	0	0	134	0.29	0	0	174	0.34
Ugu	6	0.009	273	0.40	18	0.023	320	0.42
Sisonke	1	0.002	189	0.42	1	0.001	173	0.3
iLembe	9	0.016	179	0.32	14	0.022	219	0.35
eThekweni	56	0.019	895	0.29	74	0.021	944	0.27
Umgungundlovu	11	0.012	350	0.37	22	0.020	376	0.35
Uthukela	1	0.002	209	0.33	4	0.005	220	0.31
Umzinyathi	0	0	150	0.33	0	0	145	0.28
Uthungulu	4	0.005	207	0.24	8	0.008	244	0.25
Umkhanyakude	0	0	205	0.35	0	0	226	0.34
Zululand	3	0.004	324	0.43	5	0.005	319	0.37
Provincially	91	0.010	3 115	0.33	146	0.013	3 360	0.31

Source: PERSAL

Rural Development Nodes highlighted

*Workload Indicators for Staffing Need (WISN):* In the absence of national norms for human resources, the Department started piloting the WISN (Workload Indicators of Staffing Need) methodology in the three NHI districts after which it will be used as basis for finalisation of District Hospital establishments

### **KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES**

The KZN Health Act, 2009 was promulgated on the 6<sup>th</sup> of September 2012 and the Regulations were promulgated on the 9<sup>th</sup> of November 2012.

The Department commenced with a review of all relevant legislation in line with the Audit of Laws Project led by the KwaZulu-Natal Director-General. This will strengthen the regulatory framework within which the Department conducts its business.

A revised Manual to the Promotion of Access to Information Act, 2000 was published in 2012/13, based on the 2011/12 review. The Manual has also been developed in Braille.

*Nutrition Policies and Guidelines:* The following policies and guidelines were finalised and disseminated in 2012/13: Guidelines on Community-Based Management of Acute Malnutrition; Vitamin A Supplementation

<sup>9</sup> CHC, PHC Clinics and mobile staff are included in these figures

# ANNUAL REPORT (VOTE 7)

## 2012/13

Programme; KZN Provincial Guidelines for the Establishment and Operation of Human Milk Banks; KZN Provincial Guidelines on Mother Baby Friendly Initiative Implementation in Health Department; and KZN Guidelines for Dieticians on Continuing Professional Development

The Department reviewed the Policy on Disposal of Linen which will be actively monitored as part of the improvement plan.

The KwaZulu-Natal Data Management Policy (aligned to the National District Health Management Information System Policy) was finalised and approved by the Head of Department in 2012/13. The policy, with official implementation on 1 April 2013, will standardise health information systems at all levels of data collection.

The Health Research and Knowledge Management Policy was finalised in 2012/13.

The policy on the Choice on Termination of Pregnancy was revised in 2012/13 and includes medical termination and licensing of private providers.

The policy on MMC and Neonatal Circumcision is in place, and a training manual "Essential Guide to Male Medical Circumcision in KZN" is being used for procedures and training of health care and non-health care providers.

## STRATEGIC OUTCOME ORIENTED GOALS

**Table 12: Progress towards attainment of the Millennium Development Goals**

Indicators	Data Source	Baseline 2009/10	Target 2014/15	Progress 2012/13	Comments
<b>Goal 1: Eradicate extreme poverty and hunger</b>					
<b>Target: Halve, between 1990 and 2015, the proportion of people who suffer from hunger</b>					
1. Underweight for age under 5 years incidence - annualised (per 1000)	DHIS	26.3/1000	15/1000	16.6/1000 (proxy)	Both indicators refer to facility data for children under the age of 5 years that were treated in public health services. The current trends in both indicators indicated that the Department is likely to achieve the 2014/15 'facility-based' targets.
2. Severe malnutrition under 5 years incidence	DHIS	9.5/1000	6/1000	6.5/1000 (proxy)	
<b>Goal 4: Reduce child mortality</b>					
<b>Target: Reduce by two thirds, between 1990 and 2015, the under-five mortality rate</b>					
3. Under-5 mortality rate	ASSA <sup>10</sup>	67/1000	27/1000 live births <sup>11</sup>	61/1000	Targets for 2014/15 are based on the two third reductions between 1990 and 2015 required to achieve the

<sup>10</sup> AIDS Committee of Actuarial Society of South Africa

<sup>11</sup> ASSA 1990 estimates for under 5 mortality rate (80/1000 live births) used to calculate the two third reduction

# ANNUAL REPORT (VOTE 7)

## 2012/13

Indicators	Data Source	Baseline 2009/10	Target 2014/15	Progress 2012/13	Comments
4. Infant mortality rate	ASSA	45/1000	19/1000 live births <sup>12</sup>	42/1000	MDG targets. See footnotes. The impact of HIV and AIDS on child mortality is still significant and although there is a slight reduction in both indicators the Department will not be able to achieve the 2014/15 MDG targets.
5. Measles 1 <sup>st</sup> dose under 1 year coverage	DHIS	87.3%	90%	96.5%	The number of diarrhoea cases (children under 5) decreased from 153 996 (2011/12) to 147 388; and the number of pneumonia cases (children under 5) decreased from 158 848 (2011/12) to 130 557. Eight measles cases were confirmed in 2012/13.
6. Immunisation coverage under 1 year	DHIS	84.9%	90%	95.1%	
<b>Goal 5: Improve maternal health</b>					
<b>Target: Reduce by three quarters, between 1990 and 2015, the maternal mortality rate</b>					
7. Maternal mortality ratio	Confidential Enquiries into Maternal Deaths in SA 2005-2007 & 2008-2010 Reports	169.78/100 000 (2005-2007 Report)	135 or less per 100000 live births	192.31/100 000 live births (2008-2010 Report)	According to DHIS data, the <u>facility</u> maternal mortality ratio decreased from 190.6 per 100 000 (363 maternal deaths) to 165.5 per 100 000 (317 maternal deaths) between 2011/12 and 2012/13. Although the improved outcome is noted, it seems unlikely that the Department will achieve the 2014/15 target.
8. Proportion of births attended by skilled health personnel	SADHS 2003	91.1%	100%	84.3% (proxy)	"Delivery rate in facility" was used as proxy for progress (DHIS). More recent survey data is not available to determine actual progress towards achieving the target.
<b>Goal 6: Combat HIV and AIDS, Malaria and other diseases</b>					
<b>Target: Have halted by 2015, and begin to reverse the spread of HIV and AIDS and incidence of malaria and other major diseases</b>					
9. HIV prevalence among 15-19 year old pregnant women	National HIV Syphilis Prevalence Survey of SA	22%	National Target: 22.8%	16.8%	According to the 2011 National HIV & Syphilis Prevalence Survey, the prevalence in the:
10. HIV prevalence among 20-24 year old pregnant women	National HIV Syphilis Prevalence Survey of SA	37.2%	National Target: 22.8%	33.3%	15-24 year age group decreased from 31% in 2009 to 25.5% in 2011; 35-39 year age group increased from 46.2% in 2009 to 53.1% in 2011; and 44-49 year age group increased from 25% in 2009 to 52.9% in 2011. Current trends is positive and based on intensified programmes it seems likely that the Department will achieve the target for the 20-24 year group.

<sup>12</sup> ASSA 1990 estimates for infant mortality rate (58/1000 live births) used to calculate the two third reduction

# ANNUAL REPORT (VOTE 7)

## 2012/13

Indicators	Data Source	Baseline 2009/10	Target 2014/15	Progress 2012/13	Comments
11. Contraceptive prevalence rate	SADHS <sup>13</sup> 2003	76.8%	100%	37.5% (proxy)	Reported on "Couple year protection rate" as proxy for 2012/13 progress – although not considered an ideal marker of contraceptive prevalence. Although more recent survey data is not available it seems unlikely for the Department to achieve the 2014/15 target.
12. New smear positive PTB cure rate	ETR.Net	62.9%	85%	73.5%	Improved TB outcomes over the last 4 years might make it possible for the Department to achieve a cure rate close to the 2014/15 target.
13. Malaria incidence rate per 1000 people at risk	Malaria Database	0.11/1000	<1/1000	0.11/1000	The year on year performance for this indicator remains below the proposed 2014/15 target. The programme is being up-scaled to maintain/ improve outcomes in the Malaria programme.

<sup>13</sup> South African Demographic and Health Survey 2003



# ANNUAL REPORT (VOTE 7)

2012/13

## PERFORMANCE INFORMATION BY PROGRAMME

### PROGRAMME 1: ADMINISTRATION

#### PROGRAMME DESCRIPTION

##### Programme Purpose

Provide strategic and supportive leadership and management and overall administration of the Department of Health.

##### Sub-Programmes

- ♦ *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 (Head Office Management)*  
Provide strategic leadership in creating an enabling environment for the delivery of quality health care in line with legislative and governance mandates.

#### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Table 13: Strategic Goals, Objectives and Priorities – Programme 1

Strategic Objectives	2012/13 Priorities
<b>Goal 1: Overhaul Provincial Health Services</b>	
<i>Strategic Objective 1.2:</i> To finalise and implement the 2010-2020 KZN Service Transformation Plan	Service Transformation Plan
<i>Strategic Objective 1.3:</i> To implement a decentralised Operational Model in 11 districts by 2011/12	National Health Insurance (NHI) – Phase 1
<i>Strategic Objective 1.4:</i> To implement Financial Turn-around Strategy to improve financial management and accountability in compliance with the PFMA	Financial Turn-Around Strategy
<i>Strategic Objective 1.6:</i> Improve Human Resource management systems and processes in line with Departmental business processes	Implement the Provincial Human Resource Plan aligned with Strategic Priorities of the Human Resources for Health SA Strategy
<i>Strategic Objective 1.7:</i> To implement an integrated Health Information Turn-around strategy to improve data quality and ensure annual unqualified audit opinion on performance information from the AGSA from 2010/11 – 2014/15	Health Information Turn-Around Strategy

# ANNUAL REPORT (VOTE 7)

## 2012/13

- Peral clean-up and abolishment of unfunded vacant posts in 2012/13 influenced the trends in vacancy rates. The Department is actively monitoring growth of the workforce in relation to service demands, needs and output to improve efficiencies.
- *Table 15, Indicators 2, 4 and 6 (Rural districts):* In the absence of a standard national definition or more accurate methodology to define "rural populations" (taking into account unique topography/demography of the province) the total population of the Rural Development Node Districts were used as denominator. This must therefore be interpreted with caution as it is not indicative of all rural pockets in the Province.
- *Table 15, Indicators 7-10 (Vacancy rates):* Fluctuation of numerators (vacancies) and denominators (filled and vacant funded posts) during the reporting period makes it difficult to determine targets. Active recruitment, improved retention strategies, and decreases in the overall turn-over rates also contributed to the variances for these indicators.
- *Table 15 – Indicators 1 – 6 (Staff/population ratios):* The Department prioritised the filling of critical posts in 2012/13 in direct response to service demands and equity and workload in order to improve output. Increase in the CoE budget, compared to the previous year, is evidence of growth in personnel.

**Table 14: Public Health Personnel in 2012/13<sup>14</sup>**

Categories	Number Employed	% of Total Employed	Number per 100,000 Uninsured People	Number per 100,000 People	Vacancy Rate (%) <sup>15</sup>
Medical Officers	3 429	4.6%	36	32	7.6%
Medical Specialists	696	0.9%	7.3	6.5	27.1%
Dentists	121	0.2%	1.3	1.1	3.2%
Dental Specialists	1	0%	0	0	0%
Professional Nurses	15 579	20.9%	163.5	145.5	7%
Enrolled Nurses	10 727	14.4%	112.6	100.2	7.6%
Enrolled Nursing Auxiliaries	6 499	8.7%	68.2	60.7	4.8%
Student Nurses	1 993	2.7%	20.9	18.6	11.8%
Pharmacists	671	0.9%	7	6.3	15.8%
Physiotherapist	275	0.4%	2.9	2.6	9.5%
Occupational Therapists	194	0.3%	2.0	1.8	13.4%
Radiographers	565	0.8%	5.9	5.3	9.6%
Emergency Medical Staff	3 019	4.1%	31.7	28.2	2.9%
Dieticians & Nutritionists	173	0.2%	1.8	1.6	9.4%
Community Care-Givers	9 670	13.0%	101.5	90.3	0%

Source: Peral

<sup>14</sup> Data aligned with the 2012/13 HR Oversight Report

<sup>15</sup> Refer to narrative on Establishment Structure and the abolishment of posts

## 2012/13

Table 15: Situation Analysis and Projected Performance for Human Resources

PROGRAMME: ADMINISTRATION (ADMIN 1)							
Strategic Objective	Performance Indicators	Data Source	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Reasons for Variance
1.7) To review and align the Human Resource Plan with the STP and service delivery platform	1. Number of Medical Officers (MO's) per 100 000 people		26.18	26	32	6	The Department targeted the filling of critical posts to improve efficiencies. Target exceeded by 646 filled posts.
	<i>Number of MO's in posts</i>	<i>Persal</i>	3 227	2 783	3 429		
	<i>Total population</i>	<i>Stats SA</i>	10 622 204	10 703 920	10 703 920		
	2. Number of MO's per 100 000 people in rural districts		8	15	15.3	0.3	The Department targeted the filling of critical posts to improve efficiencies. This is not a true reflection of rural pockets – see note on page 64. Target exceeded by 8 filled posts.
	<i>Number of MOs in posts in Rural Development Nodes</i>	<i>Persal</i>	223	422	430		
	<i>Total population</i>	<i>Stats SA</i>	2 795 440	2 814 439	2 814 439		
	3. Number of Professional Nurses (PN's) per 100 000 people		137.27	139	145.5	6.5	The Department targeted the filling of critical posts to improve efficiencies. Target exceeded by 701 filled posts.
	<i>Number of PNs in posts</i>	<i>Persal</i>	14 601	14 878	15 579		
	<i>Total population</i>	<i>Stats SA</i>	10 622 204	10 703 920	10 703 920		
	4. Number of PN's per 100 000 people in rural districts		81.3	100	136.2	36.2	The Department targeted the filling of critical posts to improve efficiencies. This is not a true reflection of rural pockets – see note on page 64. Target exceeded by 1 018 filled posts.
	<i>Number of PNs in posts in Rural Development Nodes</i>	<i>Persal</i>	2 272	2 814	3 832		
	<i>Total population</i>	<i>Stats SA</i>	2 795 440	2 814 439	2 814 439		
	5. Number of Pharmacists per 100 000 people		5.61	5.5	6.3	0.8	The Department targeted the filling of critical posts to improve efficiencies.



# ANNUAL REPORT (VOTE 7)

## 2012/13

PROGRAMME: ADMINISTRATION (ADMIN 1)							
Strategic Objective	Performance Indicators	Data Source	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Reasons for Variance
	<i>Number of Pharmacists in posts</i>	<i>Persal</i>	606		671		Target exceeded by 83 filled posts.
	<i>Total population</i>	<i>Stats SA</i>	10 622 204	10 703 920	10 703 920		
	6. Number of Pharmacists per 100 000 people in rural districts		2.2	2.7	4.8	2.1	The Department targeted the filling of critical posts to improve efficiencies. This is not a true reflection of rural pockets – see note on page 64.
	<i>Number of Pharmacists in posts in Rural Development Nodes</i>	<i>Persal</i>	62	75	136		Target exceeded by 61 filled posts.
	<i>Total population</i>	<i>Stats SA</i>	2 795 440	2 814 439	2 814 439		
	7. Vacancy rate for Professional Nurses	<i>Persal</i>	22.6%	18%	7%	11%	The abolishment of 15 516 vacant unfunded posts on the Persal system in 2012 (9 444 in August and 6 072 in November) had a significant impact on vacancy rates in all post classifications.
	<i>Number of PN posts vacant</i>		4 267		1 171		
	<i>Total number of PN posts</i>		18 868		16 750		
	8. Vacancy rate for MOs	<i>Persal</i>	34.7%	31%	7.6%	23.4%	Targets for 2012/13 have been set against vacancy rates prior to the abolishment of vacant posts, hence significant deviations.
	<i>Number of MO posts vacant</i>		1 349		283		
	<i>Total number of MO posts</i>		4 576		3 712		
	9. Vacancy rate for Medical Specialists	<i>Persal</i>	64.1%	54%	27.1%	26.9%	New targets for vacancy rates will be set once the reviewed organisational structure has been approved.
	<i>Number of Medical Specialist posts vacant</i>		1 021		259		
	<i>Total number of Medical Specialists posts</i>		1 766		955		

# ANNUAL REPORT (VOTE 7)

## 2012/13

PROGRAMME: ADMINISTRATION (ADMIN 1)							
Strategic Objective	Performance Indicators	Data Source	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Reasons for Variance
	10. Vacancy rate for Pharmacists	Persal	32.2%	30%	15.8%	14.2%	
	<i>Number of Pharmacist posts vacant</i>		284		126		
	<i>Total number of Pharmacist posts</i>		890		797		

**Table 16: Provincial Strategic Objectives and Annual Targets for Administration**

PROGRAMME: ADMINISTRATION (ADMIN 2)							
Strategic Objective	Performance Indicators	Data Source	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Reasons for Variance
1.1) To finalise and implement Provincial Health Plans aligned with the NHS and MTSF priorities for 2010-2014	1. Tabled Annual Performance Plan	Legislative records	2011/12 APP tabled	2012/13 APP tabled	2012/13 APP tabled	Achieved	Target achieved.
	2. Number of approved District Health Plans (DHPs)	Signed off DHPs	11	11	11	Achieved	Target achieved.
1.2) To finalise and implement the approved 2010-2020 KZN STP	3. Published Service Transformation Plan (STP)	Approved STP	STP not finalised	STP approved	STP not finalised	3 Chapters outstanding	Awaiting approval of organisational structure to finalise the HR, Costing and Infrastructure Chapters.

# ANNUAL REPORT (VOTE 7)

## 2012/13

PROGRAMME: ADMINISTRATION (ADMIN 2)							
Strategic Objective	Performance Indicators	Data Source	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Reasons for Variance
1.3) To implement the decentralised Operational Model in 11 districts	4. Number of Hospital Managers who have signed Performance Agreements	EPMDS Records (HRMS)	55/ 71	71	50/ 71	(21)	Inadequate controls to monitor and enforce compliance to HRM Circular 21 of 2012 (deadlines, accountability and disciplinary action for non-compliance to EPMDS). Monitoring systems are being strengthened to enforce compliance.
	5. Number of District Managers who have signed Performance Agreements	EPMDS Records	11	11	11	Achieved	
	6. Percentage of Head Office Managers (Level 13 and above) who have signed Performance Agreements	EPMDS Records	46% (18/ 39)	100%	58% (29/ 50)	(42%)	
1.4) To implement the Financial Turn-Around Strategy to improve financial management and accountability in compliance with the PFMA	7. Annual unqualified audit opinion for financial statements	Audit Report from the AGSA	Qualified audit opinion	Unqualified audit opinion	Qualified opinion	Qualified Opinion	Inadequate systems to maintain asset management; delays in capturing of leave. Improved controls and management systems have been implemented as part of Clean Audit 2014 and are actively monitored.
	8. Number of approved District Health Expenditure Reviews (DHER)	Signed DHER Reports	11	11	11	Achieved	Target achieved.
1.5) To implement an integrated Health Information Turn-Around Strategy to improve data quality and ensure annual unqualified audit	9. Annual unqualified audit opinion on Performance Information	Audit Report from the AGSA	Qualified audit opinion	Unqualified audit opinion	Disclaimer	Disclaimer	Reasons for variances between planned and actual reports not reported; poor quality of data. The Department implemented improved systems and processes to improve performance information which is actively monitored.
	10. Annual Report (AR) tabled	Legislative Records	2010/11 AR tabled	2011/12 AR tabled	2011/12 AR Tabled	Achieved	Target achieved.

# ANNUAL REPORT (VOTE 7)

## 2012/13

PROGRAMME: ADMINISTRATION (ADMIN 2)							
Strategic Objective	Performance Indicators	Data Source	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Reasons for Variance
opinion on performance information from the AGSA from 2010/11 – 2014/15	11. Number of progress reports on implementation of the 10 Point Plan	Signed Progress Reports	4	4	4	Achieved	Target achieved.
	12. Number of functional Telemedicine sites	Telemedicine database	37	37	37	Achieved	Target achieved.
1.6) To expand the Registrar training programme to increase the pool of Specialists by retaining 75% of qualified Registrars by 2014/15	13. Number of Registrars in training	Registrar Register	610	650	623	(27)	Considered within acceptable range.
	14. Number of Medical Registrars graduating	Registrar Register	93	70	Results not yet available	Results not available	Oral examination results are not yet available for inclusion in the Annual Report.
	15. Number of Registrars retained after qualifying	Persal	179	70% of actual graduates	Results not yet available	Results not available	Retention cannot be determined without results and consequent placement.
1.7) Improve governance structures and social compact for health	16. Number of Provincial Consultative Health Forum meetings convened	Minutes of Meetings	1	1	1	Achieved	Target achieved.
	17. Number of Provincial Health Council meetings	Minutes of Meetings	0	2	2	Achieved	Target achieved.
	18. Number of District Health Councils established	Corporate Governance	0	6	0	(6)	Process commenced albeit slow. Partnership with COGTA has been established to speed up the process.
	19. Number of District Health Council meetings convened	Corporate Governance	0	6	0	(6)	

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## 2012/13

### **STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE**

- *EPMDS compliance:* Improved monitoring systems to monitor and follow up on compliance to HRM Circular 21 of 2012.
- *District Health Councils:* Partnership established with Cooperative Governance and Traditional Affairs (COGTA) to accelerate nominations for District Health Councils – process commenced in early 2012/13.
- *Clean audit 2014/15:* Continue with strategy to improve audit outcomes.

### **CHANGES TO PLANNED TARGETS**

Vacancy rate targets were not reviewed taking into consideration the continuous fluctuating denominator as a result of the Persal clean-up and abolishment of unfunded vacant posts on the current establishment. Targets will be reviewed once posts establishments have been finalised.

### **PERFORMANCE AND BUDGET**

The Administration Programme shows an over-expenditure of R10.365 million or 2.3 per cent of the Final Appropriation of R439 238 million for the 2012/13 financial year.

The over-expenditure was largely due to higher than expected costs for forensic investigations, audit fees and subsistence and travel costs. The latter related mainly to expenses for officials attending training at Head Office including training to improve financial management and training of Hospital Boards (as per National Health Act, 2003 requirements).

# ANNUAL REPORT (VOTE 7)

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2012/13

## PROGRAMME 2: DISTRICT HEALTH SERVICES

### **PROGRAMME DESCRIPTION**

#### **Programme Purpose**

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).

#### **Sub-Programmes**

★ 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.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### **STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS**

Table 17: Strategic Goals, Objectives and Priorities – Programme 2

Strategic Objectives	2012/13 Priorities
<b>Goal 1: Overhaul Provincial Health Services</b>	
<i>Strategic Objective 1.10:</i> Revitalisation of PHC services as per STP	Re-engineering of PHC Revitalisation of Environmental Health Services
<i>Strategic Objective 1.11:</i> To rationalise hospital services in line with service delivery needs and STP imperatives	Revitalisation of District Hospital Services
<b>Goal 2: Improve the efficiency and quality of health services</b>	
<i>Strategic Objective 2.1:</i> To implement the National Core Standards for Quality in 100% of facilities towards accreditation of 50% PHC clinics and 100% CHC's by 2014/15 <sup>16</sup>	Improved Quality and Clinical Governance
<i>Strategic Objective 2.2:</i> To implement the National Core Standards in 100% of facilities towards accreditation of 100% District Hospitals by 2014/15 <sup>17</sup>	Improve quality and efficiency of District Hospitals
<b>Goal 3: Reduce morbidity and mortality due to communicable diseases and non-communicable illnesses and conditions</b>	
<i>Strategic Objective 3.1:</i> To scale up implementation of integrated HIV and AIDS strategic plan to reduce HIV incidence by 50% by 2011/12	Decrease HIV incidence and manage HIV prevalence Reduce TB incidence and improve TB outcomes
<i>Strategic Objective 3.2:</i> To scale up implementation of the Accelerated Plan for PMTCT to reduce mother to child transmission to < 5% by 2012/13	Decrease HIV incidence and manage HIV prevalence
<i>Strategic Objective 3.3:</i> Reduce child mortality to 30-45/1000 live births by 2014/15	Reduce child morbidity and mortality
<i>Strategic Objective 3.4:</i> Reduce maternal mortality to ≤ 100/ 100000 by 2014/15	Reduce maternal morbidity and mortality Improve women's health
<i>Strategic Objective 3.8:</i> To maintain preventative strategies to reduce and maintain the malaria incidence at ≤ 1/1000 population	Maintain malaria incidence under 1/1000 population at risk and the malaria case fatality rate under 1%

<sup>16</sup> Accreditation of facilities will be dependent on the establishment of the National Office of Standard Compliance Unit

<sup>17</sup> Same comment as above

# ANNUAL REPORT (VOTE 7)

## 2012/13

### PRIMARY HEALTH CARE SERVICES

Table 18: District Health Service Facilities by Health District 2012/13

Health District	Facility Type	Number of facilities	Population (DHIS)	Average catchment population/clinic	PHC utilisation rate 2012/13
Amajuba	Mobiles	7	517 284	20 691	2.4
	Fixed Clinics	25			
	CHCs	0			
	<i>Total fixed Clinics &amp; CHCs</i>	25			
	District Hospitals	1			
Ilembe	Mobiles	10	632 453	17 568	3.1
	Fixed Clinics	34			
	CHCs	2			
	<i>Total fixed Clinics &amp; CHCs</i>	36			
	District Hospitals	3			
Sisonke	Mobiles	12	511 957	13 837	2.5
	Fixed Clinics	36			
	CHCs	1			
	<i>Total fixed Clinics &amp; CHCs</i>	37			
	District Hospitals	4			
Ugu	Mobiles	16	767 999	13 241	3.0
	Fixed Clinics	56			
	CHCs	2			
	<i>Total fixed Clinics &amp; CHCs</i>	58			
	District Hospitals	3			
Umgungundlovu	Mobiles	16	1 071 600	19 136	2.7
	Fixed Clinics	53			
	CHCs	3			
	<i>Total fixed Clinics &amp; CHCs</i>	56			
	District Hospitals	2			
Umkhanyakude	Mobiles	15	666 521	11 902	3.3
	Fixed Clinics	56			
	CHCs	0			
	<i>Total fixed Clinics &amp; CHCs</i>	56			
	District Hospitals	5			
Uthungulu	Mobiles	17	979 513	15 548	2.9
	Fixed Clinics	62			
	CHCs	1			



# ANNUAL REPORT (VOTE 7)

## 2012/13

Health District	Facility Type	Number of facilities	Population (DHIS)	Average catchment population/clinic	PHC utilisation rate 2012/13
	<i>Total fixed Clinics &amp; CHCs</i>	63			
	District Hospitals	6			
<b>Uthukela</b>	Mobiles	14	702 645	18 017	2.3
	Fixed Clinics	38			
	CHCs	1			
	<i>Total fixed Clinics &amp; CHCs</i>	39			
	District Hospitals	2			
<b>Umzinyathi</b>	Mobiles	11	517 807	11 257	2.8
	Fixed Clinics	46			
	CHCs	0			
	<i>Total fixed Clinics &amp; CHCs</i>	46			
	District Hospitals	4			
<b>eThekwini</b>	Mobiles	35	3 474 029	31 872	3.2
	Fixed Clinics	101			
	CHCs	8			
	<i>Total fixed Clinics &amp; CHCs</i>	109			
	District Hospitals	2			
<b>Zululand</b>	Mobiles	20	862 112	13 684	2.3
	Fixed Clinics	62			
	CHCs	1			
	<i>Total fixed Clinics &amp; CHCs</i>	63			
	District Hospitals	5			
<b>Province</b>	<b>Mobiles</b>	<b>173</b>	<b>10 703 920</b>	<b>18 204</b>	<b>2.9</b>
	<b>Fixed Clinics</b>	<b>569</b>			
	<b>CHCs</b>	<b>19</b>			
	<i><b>Total fixed Clinics &amp; CHCs</b></i>	<i><b>588</b></i>			
	<b>District Hospitals</b>	<b>37</b>			

Rural Development Nodes highlighted

# ANNUAL REPORT (VOTE 7)

## 2012/13

Table 19: Personnel in District Health Services by Health District - 2012/13

Health District/ (Population)	Personnel Category	Posts filled	Posts Approved	Vacancy Rate %	Staff per 1,000 Uninsured People
<b>Amajuba</b> (517 284)	<b>PHC Facilities</b>				
	Medical Officers	0	0	-	0.00
	Professional Nurses	174	183	4.9%	0.34
	Pharmacists	0	0	-	0.00
	Community Care Givers	402	-	-	0.76
	<b>District Hospitals</b>				
	Medical Officers	9	9	0.0%	0.02
	Professional Nurses	45	52	13.5%	0.09
	Pharmacists	3	4	25.0%	0.01
	<b>Ugu</b> (767 999)	<b>PHC Facilities</b>			
Medical Officers		18	20	10.0%	0.02
Professional Nurses		320	355	9.9%	0.42
Pharmacists		9	0	-	0.01
Community Care Givers		962	-	-	1.25
<b>District Hospitals</b>					
Medical Officers		62	73	15.1%	0.08
Professional Nurses		325	353	7.9%	0.42
Pharmacists		23	29	20.7%	0.03
<b>Sisonke</b> (511 957)		<b>PHC Facilities</b>			
	Medical Officers	1	4	75%	0.00
	Professional Nurses	173	189	8%	0.34
	Pharmacists	4	5	20%	0.01
	Community Care Givers	927	-	-	1.84
	<b>District Hospitals</b>				
	Medical Officers	48	61	21.3%	0.09
	Professional Nurses	299	328	8.8%	0.58
	Pharmacists	16	18	11.1%	0.03
	<b>Ilembe</b> (632 453)	<b>PHC Facilities</b>			
Medical Officers		14	15	6.7%	0.02
Professional Nurses		219	242	9.5%	0.35
Pharmacists		11	13	15.4%	0.02
Community Care Givers		771	-	-	1.21
<b>District Hospitals</b>					
Medical Officers		34	46	26.1%	0.05
Professional Nurses		160	176	9.1%	0.25
Pharmacists		6	10	40.0%	0.01
<b>eThekwini</b>		<b>PHC Facilities</b>			

# ANNUAL REPORT (VOTE 7)

## 2012/13

Health District/ (Population)	Personnel Category	Posts filled	Posts Approved	Vacancy Rate %	Staff per 1,000 Uninsured People	
(3 474 029)	Medical Officers	74	85	12.9%	0.02	
	Professional Nurses	944	1014	6.9%	0.27	
	Pharmacists	49	54	9.3%	0.01	
	Community Care Givers	1 894	-	-	0.54	
	<b>District Hospitals</b>					
	Medical Officers	97	117	17.1%	0.03	
	Professional Nurses	399	438	8.9%	0.11	
	Pharmacists	44	52	15.4%	0.01	
<b>Umgungundlovu</b> (1 071 600)	<b>PHC Facilities</b>					
	Medical Officers	22	26	15.4%	0.02	
	Professional Nurses	376	426	11.7%	0.35	
	Pharmacists	10	12	16.7%	0.01	
	Community Care Givers	890	-	-	0.82	
	<b>District Hospitals</b>					
	Medical Officers	137	156	12.2%	0.13	
	Professional Nurses	281	303	7.3%	0.26	
Pharmacists	19	28	32.1%	0.02		
<b>Uthukela</b> (702 645)	<b>PHC Facilities</b>					
	Medical Officers	4	6	33.3%	0.01	
	Professional Nurses	220	242	9.1%	0.31	
	Pharmacists	1	1	0.0%	0.00	
	Community Care Givers	728	-	-	1.02	
	<b>District Hospitals</b>					
	Medical Officers	43	49	12.2%	0.06	
	Professional Nurses	189	199	5.0%	0.27	
Pharmacists	12	17	29.4%	0.02		
<b>Umzinyathi</b> (517 807)	<b>PHC Facilities</b>					
	Medical Officers	0	0	-	0.00	
	Professional Nurses	145	183	20.8%	0.28	
	Pharmacists	0	0	-	0.00	
	Community Care Givers	471	-	-	0.90	
	<b>District Hospitals</b>					
	Medical Officers	67	85	21.2%	0.13	
	Professional Nurses	523	538	2.8%	1.01	
Pharmacists	25	35	28.6%	0.05		
<b>Uthungulu</b> (979 513)	<b>PHC Facilities</b>					
	Medical Officers	8	8	0.0%	0.01	
	Professional Nurses	244	275	11.3%	0.25	

# ANNUAL REPORT (VOTE 7)

## 2012/13

Health District/ (Population)	Personnel Category	Posts filled	Posts Approved	Vacancy Rate %	Staff per 1,000 Uninsured People
	Pharmacists	5	5	0.0%	0.01
	Community Care Givers	918	-	-	0.93
	<b>District Hospitals</b>				
	Medical Officers	76	89	14.6%	0.08
	Professional Nurses	471	516	8.7%	0.48
	Pharmacists	16	20	20.0%	0.02
<b>Umkhanyakude</b> (666 521)	<b>PHC Facilities</b>				
	Medical Officers	0	0	-	0.00
	Professional Nurses	226	269	16.0%	0.34
	Pharmacists	0	0	-	0.00
	Community Care Givers	783	-	-	1.17
	<b>District Hospitals</b>				
	Medical Officers	92	107	14.0%	0.14
	Professional Nurses	468	497	5.8%	0.70
Pharmacists	20	21	4.8%	0.03	
<b>Zululand</b> (862 112)	<b>PHC Facilities</b>				
	Medical Officers	5	6	16.7%	0.01
	Professional Nurses	319	339	5.9%	0.37
	Pharmacists	3	5	40.0%	0.00
	Community Care Givers	981	-	-	1.13
	<b>District Hospitals</b>				
	Medical Officers	70	83	15.7%	0.08
	Professional Nurses	569	609	6.6%	0.66
Pharmacists	27	30	10.0%	0.03	
<b>KwaZulu-Natal</b> (10 703 920)	<b>PHC Facilities</b>				
	Medical Officers	<b>146</b>	<b>170</b>	<b>14.1%</b>	<b>0.01</b>
	Professional Nurses	<b>3 360</b>	<b>3 717</b>	<b>9.6%</b>	<b>0.31</b>
	Pharmacists	<b>92</b>	<b>95</b>	<b>3.2%</b>	<b>0.01</b>
	Community Care Givers	<b>9 727</b>	-	-	<b>0.90</b>
	<b>District Hospitals</b>				
	Medical Officers	<b>735</b>	<b>875</b>	<b>16.0%</b>	<b>0.07</b>
	Professional Nurses	<b>3 729</b>	<b>4 009</b>	<b>7.0%</b>	<b>0.35</b>
Pharmacists	<b>211</b>	<b>264</b>	<b>20.1%</b>	<b>0.02</b>	

Source: PERSAL

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 20: Situation Analysis Indicators for District Health Services – 2012/13**

SUB-PROGRAMME: PHC (DHS2)													
Indicator	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umkhanyathaba 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
1. Provincial PHC expenditure per uninsured person <sup>18</sup>		R 761	R 888	R 777	R 685	R 788	R 682	R 758	R 876	R 700	R 820	R 780	R 592
Total expenditure on PHC services	BAS	6 883 565 596	576 590 974	703 877 014	406 821 844	344 982 737	298 141 124	551 851 391	493 502 660	579 733 502	438 040 810	337 540 253	1738 167 884
Number of uninsured people in the Province (Stats SA)	DHIS	9 044 810	648 961	905 501	593 733	437 547	437 102	728 483	563 212	827 688	534 425	432 603	2 935 555
2. PHC total headcount	DHIS	31 110 527	2 278 312	2 932 133	1 646 398	1 451 706	1 243 103	2 026 512	2 194 114	2 876 822	1 990 434	1 268 640	11 202 353
3. PHC total headcount under 5 years	DHIS	5 173 787	366 265	422 175	320 733	315 774	200 795	375 192	402 194	519 198	355 218	247 962	1 648 281
4. Utilization rate - PHC	DHIS	2.9	3	2.7	2.3	2.8	2.4	2.3	3.3	2.9	3.1	2.5	3.2
PHC total headcount		31 110 527	2 278 312	2 932 133	1 646 398	1 451 706	1 243 103	2 026 512	2 194 114	2 876 822	1 990 434	1 268 640	11 202 353
Total Population		10 703 920	767 999	1 071 600	702 645	517 807	517 284	862 112	666 521	979 513	632 453	511 957	3 474 029
5. Utilization rate - under 5 years PHC	DHIS	4.7	4.7	4.2	4.2	5	4	3.6	4.9	5	5.6	3.8	5.2
PHC total headcount under 5 years		5 173 787	366 265	422 175	320 733	315 774	200 795	375 192	402 194	519 198	355 218	247 962	1 648 281
Population under 5 years		1 104 893	78 518	102 881	76 729	63 606	51 092	103 932	82 580	104 520	63 334	64 617	313 084

<sup>18</sup> Expenditure for Sub-Programmes 2.1 - 2.7 has been used in the calculation of this indicator. The PQRS uses the expenditure for Sub-Programmes 2.2 and 2.3 only (R288) which explains the difference in cost between the two reports

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: PHC (DHS2)													
Indicator	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umkhanyakude 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
6. Fixed PHC facilities monthly supervisory visit rate	DHIS	65.1%	66.8%	39.7%	52.6%	65.4%	54.5%	73.5%	92.4%	69.1%	71.8%	73.4%	58.5%
Number of fixed PHC facilities that were visited by a supervisor once a month		4 789	457	276	246	369	170	582	621	539	310	370	849
Total number of fixed PHC facilities <sup>19</sup>		613	57	58	39	47	26	66	56	65	36	42	121
7. Expenditure per PHC headcount <sup>20</sup>		R 221	R 253	R 240	R 247	R 238	R 240	R 272	R 225	R 202	R 220	R 266	R 155
Total expenditure on PHC services	BAS	6 883 565 596	576 590 974	703 877 014	406 821 844	344 982 737	298 141 124	551 851 391	493 502 660	579 733 502	438 040 810	337 540 253	1738167884
PHC total headcount	DHIS	31 110 527	2 278 312	2 932 133	1 646 398	1 451 706	1 243 103	2 026 512	2 194 114	2 876 822	1 990 434	1 268 640	11 202 353

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: PHC (DHS2)													
Indicator	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umkhanyathsi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
8. CHC's/CDC's with a resident doctor rate	DHIS	94.7%	50%	100%	100%	Not applicable	Not applicable	100%	Not applicable	100%	100%	100%	100%
Total number of CHC's/CDC's over a 1 year time period		18	1	3	1			1		1	2	1	8
Total number of CHC's/CDC's		19	2	3	1			1		1	2	1	8
9. Total number of PHC facilities assessed against the national core standards	DQPR	323	19	24	14	46	22	60	21	28	34	49	6

- ♦ The methodology and definition for Provincial PHC expenditure per uninsured person and Provincial expenditure per PHC headcount was changed in 2012/13. The previous numerator included expenditure on Sub-Programmes 2.2 and 2.3 only which was used as baseline for the 2012/13 target. Currently, expenditure from Sub-Programmes 2.1 to 2.7 is being used in the numerator as it is viewed a more accurate method to link expenditure and service delivery. The 2012/13 PQRS Report (R 84) used expenditure from Sub-Programme 2.2 and 2.3 only hence variance between the two reports.
- ♦ *Indicator 9:* Assessment refers to self-assessments.

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 21: Performance Indicators and Targets for District Health Services**

SUB-PROGRAMME: PHC (DHS4)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.10) Revitalisation of PHC services as per STP imperatives and Implementation Plan	1. Provincial PHC expenditure per uninsured person		-	R 350	R 335	R 761 <sup>21</sup>	R 388	The previous numerator of this indicator included expenditure from Sub-Programmes 2.2 and 2.3 only (used as baseline for the 2012/13 target and used in calculating the indicator in the Provincial Quarterly Report for 2012/13). From 2012/13, expenditure from Sub-Programmes 2.1 to 2.7 was used as numerator as it is considered more accurate in reflecting expenditure at PHC level.
	<i>Total expenditure on PHC services</i>	BAS	BAS01	3 113 614 000	3 191 373 480	6 883 565 596		
	<i>Number of uninsured people in the Province</i>	DHIS (Stats SA)	SSA1	8 895 443	9 526 488	9 526 488		
	2. PHC total headcount	DHIS	PHC1	29 314 618	30 113 920	31 110 527	996 607	The Department views variances of less than 5% within an acceptable range from the target. The increasing trend is associated with improved PHC services including strengthened community-based services. Trends are being monitored especially to establish the outcome of improved access to PHC (PHC re-engineering).
	3. PHC total headcount - under 5 years	DHIS	PHC2	5 161 689	5 266 486	5 173 787	(92 699)	
	4. Utilization rate - PHC	DHIS	PHC15	2.7	2.8	2.9	0.1	The Department views variances of less than 5% within an acceptable range from the target.
	<i>PHC total headcount</i>		PHC1	29 314 618	30 113 920	31 110 527		
	<i>Total Population - 2012</i>		SSA3	10 622 204	10 703 920	10 703 920		

<sup>21</sup> The PQRS Report (R 288) used expenditure from Sub-Programmes 2.2 and 2.3 only hence variation between the two reports – previous comments refer



# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: PHC (DHS4)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	5. Utilization rate - under -5 years PHC	DHIS	PHC16	4.6	4.7	4.7	0	Target achieved.
	<i>PHC total headcount -under 5 years</i>		<i>PHC2</i>	<i>5 161 689</i>	<i>5 266 486</i>	<i>5 173 787</i>		
	<i>Population under 5 years</i>		<i>SSA2</i>	<i>1 118 510</i>	<i>1 104 893</i>	<i>1 104 893</i>		
	6. Fixed PHC facilities monthly supervisory visit rate	DHIS	PHC17	62.2%	74%	65.1%	(8.9%)	The DHIS system included data for mobile clinics in the numerator and specialised and state-aided clinics in the denominator which contributed to the variance from the target. This will be corrected for 2013/14 reporting.
	<i>Number of fixed PHC facilities that were visited by a supervisor once a month</i>		<i>PHC3</i>	<i>4 578</i>	<i>4 671</i>	<i>4 784</i>		
	<i>Total number of fixed PHC facilities</i>		<i>PHC4</i>	<i>613</i>	<i>613</i>	<i>613</i>		
	7. Expenditure per PHC headcount		-	R 106	R 115	R 221 <sup>22</sup>	R 106	The previous numerator (2011/12) included the expenditure on Sub-Programmes 2.2 and 2.3 only (used as baseline for the 2012/13 target). From 2012/13, expenditure from Sub-Programmes 2.1 to 2.7 was used as numerator as it is considered a more accurate interpretation of expenditure.
	<i>Total expenditure on PHC services</i>	BAS	<i>BAS01</i>	<i>3 113 614 000</i>	<i>3 191 373 480</i>	<i>6 883 565 596</i>		
	<i>PHC total headcount</i>	DHIS	<i>PHC1</i>	<i>29 314 618</i>	<i>R 30 113 920</i>	<i>31 110 527</i>		
	8. CHC's/CDC's with a resident doctor rate	DHIS	PHC18	95%	100%	94.7%	(5.3%)	Lack of appropriate accommodation and infrastructure at Gamalakhe CHC. Accommodation has been included as part of the Phase 2 development of the CHC.
	<i>Total number of CHC's/CDC's over a 1 year time period</i>		<i>PHC7</i>	<i>18</i>	<i>19</i>	<i>18</i>		
	<i>Total number of CHC's/CDC's</i>		<i>PHC8</i>	<i>19</i>	<i>19</i>	<i>19</i>		

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: PHC (DHS4)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	9. Total number of PHC facilities assessed against the national core standards	DQPR	DQPR08	481	582	323	(259)	Recording of self-assessments is a challenge due to the lack of an appropriate information system.

**Table 22: Provincial Strategic Objectives, Performance Indicators and Annual Targets for DHS**

SUB-PROGRAMME: PHC (DHS3 (a), (b) & (c))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.9) Strengthen governance structures in line with the National Health Act, 2003 and social compact for health	1.9.1) Percentage of clinics with functional Clinic Committees	DQPR		74.7%	100%	95.1%	(4.9%)	High turn-over of Committee members and delays in nomination and selection of new members challenge the sustainability of established committees. The variance (of less than 5%) therefore considered within acceptable range.
	<i>Total number of PHC clinics with a functional Clinic Committee</i>		DQPR01	351		450		
	<i>Total number of Provincial clinics</i>		DQPR02	470		473 <sup>23</sup>		

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: PHC (DHS3 (a), (b) & (c))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	1.9.2) Percentage of CHCs with functional Clinic Committees	DQPR		36.8%	100%	89.5%	(10.5%)	High turn-over of members and delays in nomination and selection of new members challenge the sustainability of established committees.  Sundumbili and Cato Manor CHCs do not have functional Committees, and the process commenced to fast-track appointment of the Committees.
	<i>Total number of CHC's with functional Clinic Committee</i>	DQPR	DQPR03	7	19	17		
	<i>Total number of CHC's</i>	DHIS	PHC8	19	19	19		
1.10) Revitalisation of PHC services as per STP imperatives and Implementation Plan	1.10.1) Number of accredited Health Promoting Schools	DQPR	DQPR04	210	228	247	19	Initiative prioritised as part of the Healthy Lifestyles/ Health Promotion strategy.
	1.10.2) School Health Services coverage	School Health Service Database		55%	60%	60%	0%	Target achieved. Improved school health services might also contribute to increased patient activity at especially PHC.
	<i>No. of schools with Grade 1 learners visited for SHS</i>		SHS01	2 268	2 655	2 671		
	<i>No. of schools with Grade 1 learners</i>		SHS02	4 124	4 425	4 425		
	1.10.3) Number of operational PHC Outreach Teams (Family Health or Ward-Based Teams)	PHC database	PHC01	12	65	33 (cum 45)	(20)	Inadequate funding for the appointment of teams due to reduced budget allocation in 2012/13. Six teams (based in Sisonke District) are currently funded through external funding.
	1.10.4) Number of operational School Health Teams	PHC database	PHC02	86	103	147	44	Appointment of teams prioritised as part of PHC re-engineering.
1.10.5) Number of operational District Clinical Specialist Teams	PHC database	PHC03	0	3	11	8	All districts appointed "some" members of the Clinical Specialist Teams – no complete team with the full staff component. Recruitment is ongoing.	

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: PHC (DHS3 (a), (b) & (c))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	1.10.6) Dental extractions to restorations rate	DHIS	PHC20	20:1	19:1	16:1	3	Implementation of the 5 year strategy for Oral Health has been intensified during the reporting year.
	<i>Total number of tooth extractions</i>		PHC9			474 838		
	<i>Total number of tooth restorations</i>		PHC10			29 161		
2.1) To implement the National Core Standards for Quality in 100% of facilities towards accreditation of 10% PHC clinics and 100% CHC's and 100% District Hospitals by 2014/15	2.1.1) Percentage of clinics fully compliant with the 6 priorities of the National Core Standards	DQPR		0%	2%	0% <sup>24</sup>	(2%)	Official external assessments have not been done (national competency). Self-assessments are ongoing. See footnote.
	<i>Number of clinics fully compliant with the 6 priorities of the National Core Standards</i>	DQPR	DQPR06	0	11	0		
	<i>Total number of fixed PHC clinics</i>	DHIS	PHC5	568	569	569		
	2.1.2) Percentage of CHCs fully compliant with the 6 priorities of the National Core Standards	DQPR		0%	31%	0% <sup>25</sup>	(31%)	Official external assessments have not been done (national competency). Self-assessments are ongoing. See footnote.
	<i>Number of CHCs fully compliant with the 6 priorities of the National Core Standards</i>	DQPR	DQPR07	0	6	0		
<i>Total number of CHC's</i>	DHIS	PHC8	19	19	19			

<sup>24</sup> According to the Ugu District 2012/13 Annual Report, St Faiths, Elim, Meadow Sweet, Mthimude, Scottburgh, Dududu, Mbonwa & Assisi clinics were found compliant during self-assessment

<sup>25</sup> According to the Ugu District 2012/13 Annual Report, Turton CHC was found compliant during self-assessment

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: PHC (DHS3 (a), (b) & (c))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	2.1.3) Percentage of CHCs conducting annual Patient Satisfaction Survey's	DQPR		89%	100%	89%	(11%)	KwaDabeka CHC and Cato Manor CHC did not comply due to staff shortages and will be followed up in 2013/14.
	<i>Number of CHCs that conducted a Patient Satisfaction Survey in the last 12 months</i>	DQPR	DQPR05	17	19	17		
	<i>Total number of CHC's</i>	DHIS	PHC8	19	19	19		
3.3) To prevent and manage non-communicable diseases with a focus on hypertension and diabetes	1.10.5) Diabetes mellitus case put on treatment - new	DHIS	PHC13	23 307	26 823	23 856	2 967	Disease trends are being monitored to determine the impact of expanded and improved community out-reach activities, education & screening.
	1.10.6) Hypertension case put on treatment - new	DHIS	PHC15	70 821	79 444	55 041	24 403	Disease trends are being monitored to determine the impact of expanded and improved community out-reach activities, education & screening.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### **DISEASE PREVENTION AND CONTROL**

**Table 23: Situation Analysis Indicators for Disease Prevention and Control**

SUB-PROGRAMME: DISEASE PREVENTION AND CONTROL (DCP1)													
Indicators	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umzinyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
1. Malaria fatality rate	Malaria Database	1.3%	0%	0%	0%	0%	0%	33.3%	1.1%	3%	0%	0%	0%
Number of deaths due to malaria (new)		6	0	0	0	0	0	1	2	3	0	0	0
Number of malaria cases (new)		459	8	15	0	0	0	3	180	100	12	0	141
2. Cholera fatality rate	DQPR	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3. Cataract surgery rate per million population <sup>26</sup>	Cataract Database	931.2/ 1 mil	1 393.5/ 1 mil	1 682 .9/ 1 mil	247.2/ 1 mil	536.7/ 1 mil	781.6/ 1 mil	0/1 mil	887.6/ 1 mil	1 565/ 1 mil	811.2/ 1 mil	982.8/ 1 mil	916.9/ 1 mil
No. of cataract surgery	Cataract Database	8 871	1 006	1 587	165	264	376	0	562	1 349	472	478	2 612
Total Population - 2012	DHIS	9 526 488	721 919	943 008	667 512	491 916	481 074	810 385	633 194	861 971	581 856	486 359	2 848 703

- ♦ No cataract surgery conducted in Zululand District due to a lack of resources (including human resources) - cases referred per arrangement

<sup>26</sup> Data includes data from collaboration with partners; and 2012 uninsured population (Stats Sa projections) used

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 24: Performance Indicators for Disease Prevention and Control**

SUB-PROGRAMME: DISEASE PREVENTION AND CONTROL (DCP3)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
3.5) To maintain preventative strategies to reduce and maintain the malaria incidence at ≤ 1/1000 pop	1. Malaria fatality rate <sup>27</sup>	Malaria Database	DPC06	0.75%	1.0%	1.3%	(0.3%)	The Department views variances of less than 5% within an acceptable range from the target. See footnote.
	<i>Number of deaths due to malaria (new)</i>	<i>Malaria Database</i>	<i>DPC01</i>	4		6		
	<i>Number of malaria cases (new)</i>	<i>Malaria Database</i>	<i>DPC02</i>	531		459		
3.9) To maintain Early warning Systems for Communicable Disease Control	2. Cholera fatality rate	DQPR	DQPR28	0	0%	0%	0	No reported cases during 2012/13.
	<i>Number of reported cholera deaths</i>	DQPR	DQPR28	0		0		
	<i>Number of reported cholera cases</i>	DQPR	DQPR29	0		0		
3.10) To scale up implementation of eye care services to comply with national targets	3. Cataract surgery rate	Cataract Database	DPC07	1 030.8/1 mil	1 222	931.2/1 mil	(290.8)	Core challenges include inadequate human resource capacity; inadequate theatre time; and general cost saving measures impacting on comprehensive programmes. Training commenced at Edendale Hospital in 2012/13 which will begin to address human resource constraints.
	<i>No. of cataract surgeries</i>	<i>Cataract Database</i>	<i>DPC03</i>	9 170		8 871		
	<i>Total Population - 2012</i>	<i>DHIS</i>	<i>SSA3</i>	8 895 443		9 526 488		

<sup>27</sup> The malaria case fatality rate includes all cases detected in the Province (local, imported, and unclassified)

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 25: Provincial Strategic Objectives and Annual Targets for DPC**

SUB-PROGRAMME: DISEASE PREVENTION AND CONTROL: DPC2)								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
3.5) To maintain preventative strategies to reduce and maintain the malaria incidence at $\leq$ 1/1000 population	3.5.1) Malaria incidence per 1,000 population at risk	Malaria Database	DPC08	0.79	1/1000 population	0.11/1000 population	0.89%	Target achieved. The number of malaria cases only includes unclassified cases. Umkhanyakude District population is used for calculation of the indicator (high-risk malaria area). The numerator includes 54 local and 21 unclassified cases (imported cases excluded).
	<i>Number of malaria cases (new)</i>	<i>Malaria Database</i>	<i>DPC02</i>	<i>531</i>		<i>75</i>		
	<i>Population Umkhanyakude</i>	<i>DHIS</i>	<i>SSA4</i>	<i>666 524</i>		<i>666 521</i>		
	3.5.2) Indoor residual spraying coverage	Malaria Database	DPC09	93%	95%	92%	(3%)	The Department views variances of less than 5% within an acceptable range from the target. Communities still refuse spraying. Education strategies are on-going.



# ANNUAL REPORT (VOTE 7)

## 2012/13

### **MATERNAL, NEONATAL, CHILD & WOMEN'S HEALTH AND NUTRITION**

**Table 26: Situation Analysis Indicators for MC&WH&N – 2012/13**

SUB-PROGRAMME: MCWH&N (MCWH1)													
Indicators	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umkhanyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
1. Immunisation coverage under 1 year	DHIS	95.1%	98.7%	102.4%	97.8%	100.7%	80.9%	78.8%	104%	107.4%	99.1%	81.9%	94.5%
<i>Immunised fully under 1 year - new</i>		202 617	13 662	16 089	14 446	12 491	7 884	16 244	14 636	20 752	11 513	10 531	64 369
<i>Population under 1 year</i>		213 213	13 877	15 887	14 809	12 391	9 788	20 648	14 044	19 301	11 655	12 916	67 900
2. Vitamin A coverage 12 – 59 months	DHIS	43.7%	44.1%	30.9%	33.7%	43.1%	34.6%	31.4%	33.2%	43.6%	50.4%	43.7%	57.7%
<i>Vitamin A supplement to 12 - 59 months child</i>		776 254	56 709	53 199	41 549	43 995	28 411	52 224	45 219	73 979	51 809	45 096	284 064
<i>Population 1 - 4 years</i>		891 682	64 641	86 994	61 920	51 215	41 304	83 284	68 536	85 219	51 679	51 701	245 184
3. Measles 1st dose under 1 year coverage	DHIS	96.5%	100.1%	101.7%	97.9%	102.2%	83.8%	81.7%	109.1%	107%	104.3%	85.8%	94.8%
<i>Measles 1st dose before 1 year</i>		205 691	13 844	15 983	14 464	12 673	8 169	16 833	15 351	20 673	12 118	11 052	64 531
<i>Population under 1 year</i>		213 213	13 877	15 887	14 809	12 391	9 788	20 648	14 044	19 301	11 655	12 916	67 900
4. Pneumococcal vaccine (PCV) 3rd dose coverage	DHIS	97.4%	100.9%	102.7%	98.1%	101.5%	85.1%	81.2%	107.7%	109.2%	103.9%	85.6%	96.9%
<i>Pneumococcal 3rd dose before 1 year</i>		207 531	13 964	16 128	14 499	12 587	8 297	16 731	15 160	21 098	12 067	11 017	65 983
<i>Population under 1 year</i>		213 213	13 877	15 887	14 809	12 391	9 788	20 648	14 044	19 301	11 655	12 916	67 900

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: MCWH&N (MCWH1)													
Indicators	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umkhanyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
5. Rota Virus (RV) 2nd dose coverage	DHIS	102.1%	101.4%	105.9%	96.6%	106.3%	93.9%	86.5%	113.6%	110.3%	112.7%	86.3%	104.3%
<i>Rota Virus 2nd dose before 1 year</i>		217 609	14 026	16 637	14 264	13 190	9 155	17 824	15 993	21 306	13 089	11 115	71 010
<i>Population under 1 year</i>		213 213	13 877	15 887	14 809	12 391	9 788	20 648	14 044	19 301	11 655	12 916	67 900
6. Cervical cancer screening coverage	DHIS	81.8%	95.3%	92.9%	65.2%	140.2%	60.7%	79.8%	82.9%	70.6%	69.6%	78.6%	80.4%
<i>Cervical smear in women 30 years and older</i>		172 000	13 528	20 609	8 011	11 444	6 034	10 654	8 152	12 425	8 285	6 503	66 355
<i>10% of female population 30 years and older</i>		1 653 008	105 922	176 481	96 054	60 873	78 948	104 781	77 560	140 029	91 965	63 891	656 504
7. Antenatal visits before 20 weeks rate	DHIS	46.4%	49.1%	46.5%	39.5%	49.8%	41.3%	48.3%	54.2%	46%	45.3%	45.6%	45.3%
<i>ANC 1st visit before 20 weeks</i>		104 507	7 267	11 206	8 473	6 587	5 679	10 027	7 751	11 518	6 875	6 191	39 040
<i>ANC 1st visits</i>		225 121	14 281	20 958	14 008	13 131	9 675	19 413	16 927	21 341	12 561	11 386	71 440
8. Baby tested PCR positive six weeks after birth as proportion of babies tested at six weeks	DHIS	2.2%	2.6%	2.5%	2.2%	1.5%	1.5%	2.5%	3.7%	1.7%	2.8%	2.2%	1.8%
<i>Number of babies who tested PCR positive at 6 weeks after birth</i>		1 702	159	188	124	65	50	165	203	110	142	77	419
<i>Total number of babies tested after birth for HIV 6 weeks</i>		78 040	6 038	7 434	5 614	4 285	3 371	6 650	6 226	6 620	5 062	3 478	23 262
9. Couple year protection rate	DHIS	37.5%	32.3%	57.8%	64.3%	49.9%	65.3%	30.9%	31.5%	31.9%	31.1%	31.7%	27.4%

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: MCWH&N (MCWH1)													
Indicators	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umkhanyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
10. Facility maternal mortality rate	DHIS	166/100k	171/100k	285/100k	225/100k	38/100k	111/100k	109/100k	91/100k	292/100k	104/100k	101/100k	182/100k
<i>Number of maternal deaths in facility</i>		317	21	48	28	4	11	18	14	53	10	8	102
<i>Number of live births in facility</i>		191 587	13 468	17 181	12 618	11 519	8 830	16 130	14 480	19 890	10 470	8 648	58 353
11. Delivery rate for women under 18 years	DHIS	9.3%	10.5%	9.8%	9.1%	9.9%	10.1%	11.1%	11.4%	8.1%	9.4%	10.9%	8%
<i>Total number of deliveries to women under 18 years</i>		17 878	1 419	1 723	1 154	1 122	870	1 758	1 628	1 578	971	939	4 716
<i>Total deliveries in facility</i>		192 659	13 469	17 504	12 656	11 552	8 770	16 245	14 433	19 653	10 486	8 678	59 213
12. Facility infant mortality (under 1) rate	DHIS	6.1%	7.4%	8.4%	6.9%	7%	4.2%	11%	7.4%	8.6%	10%	11.1%	2.8%
<i>Number of inpatient deaths under 1 year</i>		2 978	258	319	282	214	109	262	146	486	190	175	537
<i>Inpatient separations under 1 year</i>		46 024	3 130	3 550	3 706	2 832	2 319	2 145	1 796	5 111	1 675	1 353	18 407
13. Facility child mortality (under 5) rate	DHIS	5.2%	5.3%	7%	6%	5.9%	3.9%	9.8%	5.9%	7.6%	6.4%	7.4%	2.6%
<i>Total number of inpatient deaths under 5 years</i>		3 831	311	459	336	269	128	419	213	585	239	207	665
<i>Inpatient separations under 5 years</i>		69 661	5 411	6 254	5 206	4 208	3 050	3 865	3 371	7 230	3 460	2 484	25 122

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 27: Performance Indicators for MC&WH**

SUB-PROGRAMME: MCWH&N (MCWH3)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
3.3) Reduce child mortality to 30-45/1000 live births by 2014/15	1. Immunisation coverage under 1 year	DHIS	MCWH50	97%	90%	95.1% <sup>28</sup>	5.1%	Target achieved. The Expanded Programme of Immunisation is routinely targeted as one of the priority strategies to prevent vaccine preventable diseases and reduce child morbidity and mortality. This includes Indicators 1, 3, 4 and 5 in this table. The 90% target has been based on the national target of 90%. Although the average coverage for immunisation indicators exceeded the targets, all districts did not reach the average provincial target (see previous Table for detail).
	<i>Immunised fully under 1 year - new</i>		MCWH1	212 468		202 617		
	<i>Population under 1 year</i>		SSA11	219 033		213 213		
	2. Vitamin A coverage 12 – 59 months	DHIS	MCWH51	42%	40%	43.7%	3.7%	
	<i>Vitamin A supplement to 12 - 59 months child</i>		MCWH3	769 685		776 254		
	<i>Population 1 - 4 years</i>		SSA12	1 804 178		1 783 364		
	3. Measles 1st dose under 1 year coverage	DHIS	MCWH52	98.9%	90%	96.5%	6.5%	
	<i>Measles 1st dose before 1 year</i>		MCWH5	216 704		205 691		
	<i>Population under 1 year</i>		SSA11	219 033		213 213		

<sup>28</sup> All actual data with DHIS as source are based on the DHIS calculation to ensure standardisation in reporting

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: MCWH&N (MCWH3)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	4. Pneumococcal vaccine (PCV) 3rd dose coverage	DHIS	MCWH53	95.9%	90%	97.4%	7.4%	Target achieved.
	<i>Pneumococcal 3rd dose before 1 year</i>		MCWH6	210 097		207 531		
	<i>Population under 1 year</i>		SSA11	219 033		213 213		
	5. Rota Virus (RV) 2nd dose coverage	DHIS	MCWH54	103.5%	90%	102.1%	12.1%	Target achieved.
	<i>Rota Virus 2nd dose before 1 year</i>		MCWH7	226 776		217 609		
	<i>Population under 1 year</i>		SSA11	219 033		213 213		
Improve women's health	6. Cervical cancer screening coverage	DHIS	MCWH55	76.1%	75%	81.8%	6.8%	Target achieved. Implementation of the Phila Ma campaign to increase the number of women screened for abnormal cells (Pap smears) improved coverage. The strategy includes screening of HIV+ women to improve management of women with abnormal smears.
	<i>Cervical smear in women 30 years and older</i>		MCWH8	159 096		172 000		
	<i>10% of female population 30 years and older</i>		SSA8	209 051		1 653 008		
3.2) To scale up implementation of the Accelerated Plan for PMTCT to reduce	7. Antenatal visits before 20 weeks rate	DHIS	MCWH56	41%	80%	46.4%	(33.6%)	Various factors including (but not exclusive to) access to services, inadequate transport in especially more rural areas and awareness contributed to the variance. This is included in the CARMMA strategy that was launched in
	<i>ANC 1st visit before 20 weeks</i>		MCWH9	91 525		104 507		
	<i>ANC 1st visits</i>		MCWH10	223 145		225 121		

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: MCWH&N (MCWH3)												
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation				
mother to child transmission to <5% by 2012/13	8. Baby tested PCR positive six weeks after birth as proportion of babies tested at six weeks	DHIS	MCWH57	4%	2%	2.2%	(0.2%)	2012/13 – progress is closely monitored.  The Department views variances of less than 5% within an acceptable range from the target.  Although the target of 2% was not achieved, the increase in the number of babies tested and the reduced number of positive results (compared to 2011/12) is significant.				
	<i>Number of babies who tested PCR positive at 6 weeks after birth</i>		MCWH13	2 900		1 702						
	<i>Total number of babies tested after birth for HIV 6 weeks</i>		MCWH14	73 193		78 040						
3.4) Reduce maternal mortality to ≤ 100/ 100 000 by 2014/15	9. Couple year protection rate	DHIS	MCWH58	25.5%	29.8%	37.5%	7.7%	Implementation of the Contraceptive Strategy is beginning to show improved output which is actively monitored.  Couple year protection rate is calculated as the weighted sum of variety contraceptive methods (not equally weighted according to use). As a result it reflects skewed performance.				
	10. Facility maternal mortality rate		DHIS	MCWH59		190.6/100k			200/100k	165.5/100k	34.50	The positive trend in maternal mortality is actively monitored as part of the CARMMA strategy.  Late reporting of maternal deaths influenced the target (higher than the 2011/12 actual performance). Future target setting will use the MAMMAS system to improve reliability.
	<i>Number of maternal deaths in facility</i>			MCWH22		363				317		
	<i>Number of live births in a facility</i>		MCWH23	190 452		191 587						

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: MCWH&N (MCWH3)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	11. Delivery rate for women under 18 years	DHIS	MCWH60	9.3%	8.5%	9.3%	(0.8%)	The Department views variances of less than 5% within an acceptable range from the target. Current strategies to address teenage pregnancy are being scaled up as part of the inter-government strategy.
	<i>Total number of deliveries to women under 18 years</i>		MCWH24	17 933		17 878		
	<i>Total deliveries in facility</i>		MCWH25	193 375		192 659		
3.3) Reduce child mortality to 30-45/1000 live births by 2014/15	12. Facility infant mortality (under 1) rate	DHIS	MCWH61	7%	7.9%	6.1%	1.8%	Target achieved. The increase in the number of in-patient deaths under 1 is closely monitored. Intensified health promotion and prevention strategies commenced and output/ outcome actively monitored.
	<i>Number of inpatient deaths under 1 year</i>		MCWH26	2 342		2 978		
	<i>Inpatient separations under 1 year</i>		MCWH27	33 257		46 024		
	13. Facility child mortality (under 5) rate	DHIS	MCWH63	4.8%	6.8%	5.2%	1.6%	Target achieved. The increase in the number of in-patient deaths under 5 years is closely monitored. Intensified health promotion and prevention strategies commenced and output/ outcome actively monitored.
	<i>Total number of inpatient deaths under 5 years</i>		MCWH28	2 779		3 831		
	<i>Inpatient separations under 5 years</i>		MCWH29	57 774		69 661		

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 28: Provincial Strategic Objectives and Annual Targets for MCWH**

SUB-PROGRAMME: MCWH&N (MCWH2)								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
3.2) To scale up implementation of the Accelerated Plan for PMTCT to reduce mother to child transmission to <5% by 2012/13	3.2.1) % of pregnant women tested for HIV <sup>29</sup>	DHIS	MCWH64	114.2%	100%	120.4% <sup>30</sup>	20.4%	Target achieved.
	<i>Antenatal client HIV 1st test</i>		MCWH11	218 049		199 553		
	<i>ANC client eligible for HIV 1st test</i>		MCWH12	190 953		186 910		
	3.2.2) ANC Nevirapine uptake rate	DHIS	MCWH65	60.9%	100%	52.3%	(47.7%)	Data quality is a challenge and is being investigated for correction.
	<i>Antenatal client who took Nevirapine during labour</i>		MCWH32	41 432		35 637		
	<i>Live births to HIV positive women</i>		MCWH33	68 010		68 121		
	3.2.3) % of eligible pregnant women placed on HAART <sup>31</sup>	DHIS	MCWH66	80%	90%	83.5%	(6.8%)	Some facilities are still referring clients for HAART initiation resulting in delays in the initiation of eligible clients on HAART. Training of NIMART is ongoing to improve access to ART at PHC level – will have a positive impact on performance for this performance measure.
	<i>Number of HIV -positive ANC clients initiated on HAART during current pregnancy<sup>32</sup></i>		MCWH30	19 574		17 921		
	<i>Number of HIV -positive ANC clients with CD4 count under the specified threshold and/ or a WHO stage 4<sup>33</sup></i>		MCWH31	24 468		21 453		

<sup>29</sup> Calculation of Antenatal HIV 1<sup>st</sup> test rate indicator in DHIS

<sup>30</sup> Manual calculation of the indicator (106.7%) correlates with raw data – for purpose of reporting the DHIS calculation has been accepted for reporting

<sup>31</sup> Calculation of antenatal client initiated on HAART rate indicator in DHIS

<sup>32</sup> DHIS data element: Antenatal client initiated on HAART



# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: MCWH&N (MCWH2)									
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation	
	3.2.4) Baby Nevirapine uptake rate	DHIS	MCWH67	98%	100%	94.6%	(5.4%)	Data quality challenges at primary source level. This is being investigated for correction.	
	<i>Babies given Nevirapine within 72 hours after birth</i>		MCWH34	66 262		64 415			
	<i>Live births to HIV positive women</i>		MCWH33	67 886		68 121			
3.3) Reduce child mortality to 30-45/1000 live births by 2014/15	3.3.1) Number of diarrhoea cases – children under-5 years	DHIS	MCWH41	153 996	131 715	147 388	(15 673)	Trends are being monitored closely to determine the impact of interventions targeting children.	
	3.3.2) Number of pneumonia cases – children under-5 years	DHIS	MCWH43	158 848	151 119	130 557	20 562		
	3.3.3) Underweight for age under 5 years incidence - annualised (per 1000)	DHIS	MCWH68	24/1000	23/1000	16.6/1000	6.40	Target achieved.	
	<i>Underweight for age under 5 years - new cases</i>		MCWH35	27 029		18 289			
	<i>Population under 5 years</i>		SSA2	1 118 510		1 104 893			
	3.3.4) Not gaining weight rate under 5 years		DHIS	MCWH69	1%	1.1%	0.5%	0.01	Target achieved.
		<i>Number of children under 5 years not gaining weight</i>		MCWH37	45 983		23 921		
<i>Children under 5 years weighed</i>		MCWH36		4 559 910	4 432 454				

<sup>33</sup> DHIS data element: Antenatal client eligible for HAART

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: MCWH&N (MCWH2)								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	3.3.5) Severe malnutrition under 5 years incidence (per 1000)	DHIS	MCWH70	6.7/1000	6.5/1000	6.5/1000	0	Target achieved.
	<i>Severe malnutrition under 5 years - new ambulatory</i>		MCWH38	7 522		7 137		
	<i>Population under 5 years</i>		SSA2	1 118 510		1 104 893		
3.4) Reduce maternal mortality to ≤ 100/ 100 000 by 2014/15	3.4.1) Postnatal care baby visits within 6 days rate	DHIS	MCWH71	58.3%	70%	71.1%	0.01	Target achieved.
	<i>Postnatal care Baby within 6 days of birth</i>		MCWH40	111 217		136 239		
	<i>Number of live births in a facility</i>		MCWH23	190 452		191 587		
	3.4.2) Postnatal care mothers visit within 6 days rate	DHIS	MCWH74	58.1%	70%	69.4%	(0.01)	The Department views variances of less than 5% within an acceptable range from the target.
	<i>Postnatal care mother within 6 days of delivery</i>		MCWH39	112 418		133 758		
	<i>Total deliveries in facility</i>		MCWH25	193 375		192 659		

# ANNUAL REPORT (VOTE 7)

## 2012/13

### HIV AND AIDS, STI AND TB CONTROL

Table 29: Situation Analysis Indicators for HIV & AIDS, STI's and TB Control – 2012/13

SUB-PROGRAMME: HIV & AIDS, STII AND TB CONTROL (HIV1)													
Indicators	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umzinyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
1. Total number of patients (children and adults) on ART	DHIS	726 338	48 892	85 489	40 729	37 071	33 346	54 454	53 373	77 449	42 442	32 201	220 892
2. Male condom distribution rate	DHIS	17.1	16.8	22.2	14.1	42.8 <sup>34</sup>	14.7	22.9	15	18	15	21.7	6.1
<i>Male condoms distributed at public health facilities including NGO's &amp; Private facilities</i>		59 771 737 <sup>35</sup>	4 208 595	10 041 905	3 119 26	6 674 447	2 506 385	6 120 928	2 969 851	5 648 071	3 104 539	3 382 920	11 994 170
<i>Male population 15 and older</i>		3 493 699	248 976	355 492	220 855	155 885	168 186	263 999	197 230	312 382	205 555	153 019	1 212 125
3. New smear positive PTB defaulter rate	eTR.Net	5.4%	4.6%	5.4%	3.8%	1.9%	5.2%	5.3%	2.9%	1.9%	3.3%	6.8%	7.5%
<i>All smear positive TB cases defaulted from treatment</i>		1 809	137	143	47	24	72	111	69	60	67	76	1 003
<i>New smear positive PTB cases - Treatment outcomes</i>		33 731	2 998	2 659	1 222	1 295	1 376	2 093	2 391	3 145	2 022	1 125	13 405

<sup>34</sup> Data has been verified with Umzinyathi District and has been confirmed as correct

<sup>35</sup> This figure includes Provincial, State Aided and Municipal facilities

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: HIV & AIDS, STII AND TB CONTROL (HIV1)													
Indicators	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umkhanyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
4. PTB two month smear conversion rate	eTR.Net	70.1%	79%	77.7%	54.8%	76.8%	62.7%	77%	51.2%	69.6%	71.9%	78.4%	68.6%
<i>New smear positive PTB cases that converted to smear negative at 2 months</i>		20 607	1 615	2 255	646	984	766	1 399	877	1 363	1 244	1 163	8 295
<i>New smear positive cases total - Smear conversion</i>		29 417	2 044	2 904	1 179	1 281	1 221	1 817	1 714	1 957	1 730	1 483	12 087
5. HCT testing rate	DHIS	91.2%	98.4%	98.5%	99.7%	97.7%	98.5%	97.2%	99.4%	96.7%	99.9%	97.1%	77.9%
<i>Total number of clients tested for HIV</i>		2 312 535	210 143	174 382	168 417	139 542	147 344	190 174	117 952	220 245	123 507	146 897	673 932
<i>Total number of clients pre-test counselled</i>		2 534 537	213 611	176 957	168 934	142 896	149 613	195 709	118 691	227 716	123 535	151 298	865 577
6. New smear positive PTB cure rate	eTR.Net	73.5%	72.8%	80.9%	69.6%	85.8%	66.9%	76.4%	64.4%	84%	83.9%	72.7%	69.3%
<i>New smear positive TB cases cured</i>		24 799	2 183	2 151	850	1 111	920	1 600	1 540	2 641	1 697	818	9 288
<i>New smear positive cases total - Smear conversion</i>		33 731	2 998	2 659	1 222	1 295	1 376	2 093	2 391	3 145	2 022	1 125	13 405

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 30: Performance Indicators for HIV & AIDS, STIs and TB Control**

SUB-PROGRAMME: HIV AND AIDS, STI AND TB CONTROL (HIV3)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
3.1) To scale up implementation of the integrated HIV & AIDS, STI and TB Strategic Plan to reduce HIV incidence to less than 1% by 2016	1. Total number of patients (children and adults) on ART	DHIS	HIV01	547 411	785 431	726 338	(59 093)	The target was based on the number of people living with HIV and expected increase in the number of eligible clients based on the revised policy guidelines introduced in 2012/13. Programme performance is closely monitored.
	2. Male condom distribution rate	DHIS	HIV12	9	14	17.1 <sup>36</sup>	3.1	Implementation of the new condom distribution strategy and scale-up of integrated prevention programmes contributed to improved performance.
	<i>Male condoms distributed at public health facilities, NGO's &amp; Private facilities</i>		HIV02	31 914 706		59 771 737		
	<i>Male population 15 and older</i>		SSA7	3 440 461		3 493 699		
	3. New smear positive PTB defaulter rate	eTR.Net	ETR09	6.7%	6%	5.4%	0.6%	Target achieved.
	<i>All smear positive TB cases defaulted from treatment</i>		ETR04	2 075		1 809		
	<i>New smear positive PTB cases - Treatment outcomes</i>		ETR07	30 787		33 731		

<sup>36</sup> The PQRS Report (15.1) excludes condoms distributed by NGO's and private facilities/organisations hence variation between the two reports

<sup>37</sup> PQRS Report (70%) due to rounding off – hence variation between two reports

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: HIV AND AIDS, STI AND TB CONTROL (HIV3)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	4. PTB two month smear conversion rate	eTR.Net	ETR10	68.4%	74%	70.1% <sup>37</sup>	(3.9%)	The Department views variances of less than 5% within an acceptable range from the target. Smear results, not available at 2 months, is one of the main challenges. The general improvement in TB outcomes is proving that investment in the TB programme is paying off.
	<i>New smear positive PTB cases that converted to smear negative at 2 months</i>		ETR06	21 454		20 607		
	<i>New smear positive cases total - Smear conversion</i>		ETR05	31 366		29 417		
5. Percentage of HIV/TB co-infected patients placed on ART		HAST	AST06	32.5%	90%	63.3%	(26.7%)	Recording of patient data at two entry points (TB and ART) increases the margin of error and under-reporting; Patients who start on TB treatment before ART initiation are often not recorded; Reporting of patients who develop TB post ART initiation are often not recorded as co-infected patients on ART. Data challenges are being addressed as part of the TIER.Net
	<i>Total number of TB/HIV co-infected patients on ART</i>		AST04	20 910		38 309		
	<i>Total number of co-infected patients with a CD4 count of 350 or less</i>		HAST05	64 325		60 470		
6. HCT testing rate		DHIS	HIV14	86%	93%	91.2%	(1.8%)	The Department views variances of less than 5% within an acceptable range from the target.
	<i>Total number of clients tested for HIV</i>		HIV04	2 511 872		2 312 535		
	<i>Total number of clients pre-test counselled</i>		HIV05	2 892 810		2 534 537		
7. New smear positive PTB cure rate		eTR.Net	ETR11	69.8%	73.3%	73.5%	0.2%	Target achieved.
	<i>New smear positive TB cases cured</i>		ETR08	21 478		24 799		
	<i>New smear positive PTB cases - Treatment outcomes</i>		ETR07	30 787		33 731		

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 31: Provincial Strategic Objectives and Annual Targets for HIV and AIDS, STI and TB**

SUB-PROGRAMME: HIV / AIDS (HIV2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
3.1) To scale up implementation of the integrated HIV & AIDS, STI and TB Strategic Plan to reduce HIV incidence to less than 1% by 2016	3.1.1) HIV incidence	ASSA/ MRC	ODS1	1.01%	1.7%	1.01% (ASSA projection)	0.69%	The 2012/13 target has been set using MRC data as baseline. The current performance is based on ASSA projections which is the recommended data source for the Department (National Department of Health).
	3.1.2) Percentage qualifying HIV-positive patients on ART	DHIS	HIV15	Not available	85%	Not available	0%	The indicator and target is based on the 2007-2011 Strategic Plan for HIV, AIDS and STIs. No routine information system is available to collect relevant data for this indicator. According to ASSA projections there are 1 602 236 patients living with HIV in KZN with 39 070 AIDS sick people not on treatment.
	<i>Cumulative total of the number of patients on any ARV regimen</i>	<i>DHIS</i>	<i>HIV01</i>	-		-		
	<i>Total number of eligible HIV positive clients</i>	<i>ASSA / MRC</i>	<i>ODS2</i>	-		-		
	3.1.3) Number of neo-natal males circumcised - cumulative	DHIS	HIV06	111	261 (150 in 2012/13)	216 (105 in 2012/13)	(30%)	Negative publicity (re Tara Clamp) jeopardised programme performance. The Department reviewed integrated strategies to improve performance (on-going).
	3.1.4) Number of adult males circumcised - cumulative	DHIS	HIV07	137 823	285 649 (174 826 in 2012/13)	258 946 (121 123 in 2012/13)	(30.7%)	
	3.1.5) Percentage of HIV positive patients initiated on IPT	DHIS	HIV16	20%	60%	29.3%	(30.7%)	There is still resistance from clinicians to initiate clients on IPT. The Department held an Isoniazid Preventive Therapy (IPT)

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: HIV / AIDS (HIV2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	<i>HIV positive new patients started on IPT<sup>38</sup></i>		<i>HIV08</i>	82 141		102 478		Indaba in 2012 targeting clinicians to promote implementation of the IPT Policy. Progress is closely monitored. The number of patients initiated increased with 20 337 or 24.7%.
	<i>HIV test positive new (excluding ANC) + ANC clients test positive new + ANC retest positive</i>		<i>HIV09</i>	405 277		350 060		
	3.1.6) Percentage of TB/HIV co-infected patients initiated on CPT	DHIS	HIV17	47%	90%	59.9%	(30.1%)	Data quality remains a major concern. This will be addressed through the 3TIER system being rolled out. Treatment protocols will be re-enforced in response to different interpretation of treatment.
	<i>TB/HIV positive new patients started on co-trimoxazole prophylaxis</i>		<i>HIV10</i>	46 194		36 214		
	<i>HIV test positive new (excluding ANC) + ANC clients test positive new</i>		<i>HIV11</i>	99 030		60 470		
	3.1.7) STI new episode incidence	DHIS	HIV18	6.9%	2.4%	6.5%	(4.1%)	The target was ambitious and based on the KZNPS 2012-2016 target.
	<i>STI treated -new episode</i>		<i>HIV12</i>	492 215		471 781		
	<i>Population 15 years and older</i>		<i>SSA10</i>	7 153 184		7 264 197		

<sup>38</sup> DHIS: HIV positive new patients started on INH prevention therapy (IPT)



# ANNUAL REPORT (VOTE 7)

## 2012/13

### DISTRICT HOSPITALS

Table 32: Situation Analysis Indicators for District Hospitals

SUB-PROGRAMME: DISTRICT HOSPITALS (DHS6)													
Indicator	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umzinyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	ilembe 2012/13	Sisonke 2012/13	eThekwini 2012/13
1. Caesarean section rate	DHIS	27%	37.1%	25.6%	22.5%	23.1%	23.5%	24%	21.2%	27.7%	26.3%	25.1%	37%
<i>Number of caesarean sections performed</i>		23 523	3 050	1 886	1 121	2 548	138	3 492	2 483	1 908	673	2 134	4 090
<i>Total number of deliveries in the facility</i>		87 124	8 211	7 177	4 992	11 050	592	14 446	11 699	6 878	2 537	8 479	11 063
2. Separations - Total	DHIS	353 017	32 951	28 483	20 013	40 536	3 337	50 130	48 917	32 655	13 240	30 054	52 701
3. Patient Day Equivalent - Total	DHIS	2 921 872	299 908	235 808	156 297	344 063	37 989	408 725	374 286	338 079	141 099	234 908	350 709
4. OPD headcount - Total	DHIS	2 611 405	250 211	252 690	150 076	258 078	80 496	322 124	309 727	323 121	151 884	175 082	337 916
5. Average length of stay	DHIS	5.6 Days	6.2 Days	5 Days	5.1 Days	6 Days	3 Days	6.1 Days	5.5 Days	6.8 Days	6.8 Days	5.4 Days	4.2 Days
<i>Inpatient days - Total</i>		1 968 788	204 086	143 544	101 033	243 243	9 706	304 382	268 256	222 843	89 149	163 525	219 021
<i>Day Patients</i>		15 315	155	112	232	59	907	195	1 923	59	714	163	10 796
<i>Separations</i>		353 017	32 951	28 483	20 013	40 536	3 337	50 130	48 917	32 655	13 240	30 054	52 701
6. Bed utilisation rate	DHIS	63.2%	74.1%	73.1%	56.2%	57.6%	53.6%	65.6%	59.6%	52%	63.8%	60.8%	76.3%
<i>Day Patients</i>		15 315	155	112	232	59	907	195	1 923	59	714	163	10 796
<i>Inpatient days - Total</i>		1 968 788	204 086	143 544	101 033	243 243	9 706	304 382	268 256	222 843	89 149	163 525	219 021

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: DISTRICT HOSPITALS (DHS6)													
Indicator	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umguqundlovu 2012/13	Uthukela 2012/13	Umkhanyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
Number of usable beds		3 128 354	273 537	195 275	179 215	421 210	18 980	461 603	450 410	426 290	140 038	268 640	293 156
7. Expenditure per PDE	BAS/DHIS	R 2 086 <sup>39</sup>	R 1 588	R 1 441	R 1 742	R 1 609	R 1 620	R 1 158	R 1 700	R 1 626	R 1 593	R 1 578	R 1 581
Total expenditure in district hospitals	BAS	4 432 933 205	432 069 028	410 792 631	251 482 295	557 506 392	43 999 517	694 249 336	608 649 359	538 544 163	222 652 535	371 442 157	301 545 792
Patient day equivalent (PDE)	DHIS	2 382 640	299 908	235 808	156 297	344 063	37 989	408 725	374 286	338 079	141 099	234 908	220 202
8. Percentage of complaints of users of District Hospital services resolved within 25 days	DHIS	77.9%	55.5%	73.4%	56.7%	87.2%	100% <sup>40</sup>	71.9%	79.5%	84.8%	66.7%	76.1%	119.8%
Total number of complaints resolved within 25 days in reporting period		1 808	252	152	85	34	-	41	271	358	30	194	346
Total number of complaints received during the same reporting period		2 308	454	213	150	39	-	57	341	422	45	257	285
9. Percentage District Hospitals with monthly mortality and morbidity meetings		87%	100%	100%	100%	25%	100%	100%	100%	100%	100%	100%	50%
Number of District hospitals that conducted monthly mortality and morbidity meetings	DQPR	34	3	2	2	1	1	5	5	6	3	4	2

<sup>39</sup> Expenditure in the Provincial Quarterly Report includes State Aided Hospitals in calculation of this indicator (not included in Annual Report calculation)

<sup>40</sup> Amajuba District data received after finalisation of the Annual Report (100% - 45/45) – data therefore not included in calculating the Provincial average

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: DISTRICT HOSPITALS (DHS6)													
Indicator	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umkhanyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
Total number of District Hospitals <sup>41</sup> (including state-aided)	DHIS	39	3	2	2	4	1	5	5	6	3	4	4
10. District Hospital Patient Satisfaction Rate	DQPR	84%	84%	No data	76%	87%	80%	88%	86%	88%	81%	70%	85%
Total number of users that were satisfied with the services they received in the District hospitals		2 351	210	-	76	348	80	414	374	367	114	225	143
The total number of users that that participated in the District hospital Client Satisfaction survey		2 801	249	-	100	400	100	468	437	419	140	320	168
11. Number of District Hospitals assessed for compliance against the 6 Priorities of the core standards	DQPR	35	3	2	2	4	1	5	5	4	3	4	2

<sup>41</sup> Included the 2 State Aided Hospitals in eThekweni - inclusion and exclusion of State Aided Hospitals in calculation of indicators will be corrected in 2013/14

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 33: Performance Indicators for District Hospitals**

SUB-PROGRAMME: DISTRICT HOSPITALS (DHS8)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.11) To rationalise hospital services in line with service delivery needs and STP imperatives	1. Caesarean section rate	DHIS	DH23	26%	26%	27%	(1%)	The Department views variances of less than 5% within an acceptable range from the target.
	<i>Number of caesarean sections performed</i>		DH01	22 819		23 523		
	<i>Total number of deliveries in the facility</i>		DH02	87 843		87 124		
	2. Separations - Total	DHIS	DH03	337 550	346 991	353 017	6 026	The Department views variances of less than 5% within an acceptable range from the target.
	3. Patient Day Equivalent	DHIS	DH07	2 990 662	3 136 512	2 921 872	214 640	Incomplete data is still a challenge that is being addressed as part of the Information Management strategy.
	4. OPD headcounts - Total	DHIS	DH06	2 698 087	2 835 720	2 611 405	224 315	The OPD headcount (not referred) showed a positive decline of 41 142 in the year under review, which can be related to improve management at PHC level. Trends are being monitored to determine the impact of improved service arrangements on patient activity.
	5. Average length of stay	DHIS	DH26	5.8 Days	5 Days	5.6 Days	(0.6 Days)	The Department views variances of less than 5% within an acceptable range from the target.  Hospital efficiencies are closely monitored.
	<i>Inpatient days - Total</i>		DH04	1 973 596		1 968 788		
	<i>Day Patients</i>		DH05	-		15 315		
	<i>Separations</i>		DH03	337 550		353 017		

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: DISTRICT HOSPITALS (DHS8)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	6. Bed utilisation rate	DHIS	DH25	63.7%	67%	63.2%	(3.8%)	High utilisation of medicine and surgery beds. Allocation (per clinical domain) is being reviewed as part of strategies to improve hospital efficiency. Hospital efficiencies are closely monitored.
	<i>Inpatient days - Total</i>		<i>DH04</i>	<i>1 973 596</i>		<i>1 968 788</i>		
	<i>Day Patients</i>		<i>DH05</i>	<i>-</i>		<i>15 315</i>		
	<i>Number of usable beds</i>		<i>DH09</i>	<i>3 170 390</i>		<i>3 128 354</i>		
	7. Expenditure per patient day equivalent	BAS / DHIS		R 1 593	R 1 700	R 1 588	(R 112)	The Department views variances of less than 5% within an acceptable range from the target.
	<i>Total expenditure in district hospitals</i>	BAS	<i>BAS02</i>	<i>4 763 328 599</i>	<i>4 967 182 604</i>	<i>4 969 060 000</i>		
	<i>Patient day equivalent (excluding State Aided)</i>	DHIS	<i>DH07</i>	<i>2 990 662</i>	<i>2 791 065</i>	<i>2 791 065</i>		
	8. Percentage of complaints of users of District Hospital services resolved within 25 days	DHIS	DH24	68.2%	80%	79.2%	(0.8%)	The Department views variances of less than 5% within an acceptable range from the target.
	<i>Total number of complaints resolved within 25 days in reporting period</i>		<i>DH13</i>			<i>1 808</i>		
	<i>Total number of complaints received during the same reporting period</i>		<i>DH12</i>			<i>2 308</i>		
	9. Percentage of District Hospitals with monthly mortality and morbidity meetings		DPQR25	100%	100%	91.8%	(8.2%)	Shortage of Medical Officers resulted in postponement of meetings. The indicator is strictly monitoring MONTHLY meetings – any deviation is therefore

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: DISTRICT HOSPITALS (DHS8)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	<i>Number of District hospitals that conducted monthly mortality and morbidity meetings</i>	DQPR	DQPR18	37	37	34		recorded as non-compliant.
	<i>Total number of District Hospitals (including state-aided)</i>	DHIS	DH10	37	37	37 <sup>42</sup>		
	10. District Hospital Patient Satisfaction Rate	DQPR	DQPR24	Not monitored	80%	84% <sup>43</sup>	4%	The Department views variances of less than 5% within an acceptable range from the target.
	<i>Total number of users that were satisfied with the services they received in the District hospitals</i>		DQPR19	-		2 351		
	<i>The total number of users that that participated in the District hospital Client Satisfaction survey</i>		DQPR20	-		2 801		
	11. Number of District Hospitals assessed for compliance against the 6 Priorities of the core standards	DQPR	DQPR21	37	37	35 <sup>44</sup>	2	The Department views variances of less than 5% within an acceptable range from the target.

<sup>42</sup> The DQPR included State Aided Hospitals in the denominator (although this indicator is not monitored in these hospitals). For the Annual Report, State Aided Hospitals are excluded from the denominator

<sup>43</sup> Excluding data from Umgungundlovu District (not available for inclusion)

<sup>44</sup> Only Provincial hospitals have been included in this indicator

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 34: Provincial Strategic Objectives and Annual Targets for District Hospitals**

SUB-PROGRAMME: DISTRICT HOSPITALS (DHS7 (a), (b))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.9) Strengthen governance structures and social compact for health.	1.9.1) Percentage of District Hospitals with functional Hospital Boards	DQPR		91.8% <sup>45</sup>	100%	97.2% <sup>46</sup>	(8%)	High turn-over rate of members challenge sustainability of Boards.
	<i>Total number of District Hospitals with functional Hospital Boards</i>	<i>DQPR</i>	<i>DQPR22</i>	34	37	36		
	<i>Total number of District Hospitals (including state-aided)</i>	<i>DHIS</i>	<i>DH10</i>	37	37	37		
2.2) To implement the National Core Standards in 100% of facilities towards accreditation of 100% District Hospitals by 2014/15	2.2.1) Number of District Hospitals compliant with the 6 priorities of the National Core Standards	DQPR	DQPR23	0	5	0	(5)	Official assessment for accreditation will be conducted by the Office of Standard Compliance – not yet appointed. Self-assessments are ongoing.

<sup>45</sup> Denominator corrected to reflect provincial hospitals only (excluding State Aided) as the establishment of Boards at State Aided Hospitals is not a Provincial function

<sup>46</sup> Denominator excludes State Aided Hospitals as the establishment of Boards at State Aided Hospitals is not a Provincial function

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## 2012/13

### STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE

- Prioritise the upgrading and staffing of provincialised PHC clinics to improve equity and efficiency.
- Exploring new models to improve access to services in hard to reach areas and areas with poor access e.g. rail project and state of the art mobile services.
- Integration models, as part of the Provincial Growth and Development Plan is at an advanced phase and will be strengthened in 2013/14 (in line with the National Development Plan).
- A new staff organogram has been approved for the Malaria Control Programme and a 17% increase in budget has been made for the 2013/14 financial year to implement the new structure.
- The Municipal Health Service devolution process, in terms of the National Guidelines, is delayed due to poor response from district and metropolitan municipalities. A joint provincial, district and metropolitan management meeting was convened on March 2013 with following resolution (that will be operationalised in 2013/14):
- 100% District and metropolitan municipalities must render MHS by the end of 2013/14, or Service Level Agreement should be signed with Province.
- Challenge is the high number (29 477) of patients lost to follow up. A total of 483 facilities are at various levels of 3TIER implementation with 86 of these signed off and are now able to produce cohort reports which will be very useful in early identification of defaulters.

### CHANGES TO PLANNED TARGETS

- No targets were reviewed although inevitable re-prioritisation was necessary to accommodate budget shortfalls during the financial year e.g. appointment of PHC Outreach Teams. Delays in supply chain processes also impacted on targets e.g. procurement of vehicles.
- Targets for accreditation of health facilities were not changed, although the national Body for Quality Compliance was not appointed in 2012/13. Self-assessments were conducted to inform quality improvement plans towards accreditation.
- No change in targets although budget challenges required re-prioritisation.

### PERFORMANCE AND BUDGET

Reported an over-expenditure by R 1.453 million or 0.01 per cent of the final appropriation of R12 002 952 billion. Significant over-expenditure was however reported against *Compensation of employees* (R22.017 million) and *Goods and services* (R61.713 million), mainly related to:

- Closing the gap in staffing, basic medical equipment and infrastructure norms in provincialised municipal clinics.
- Increasing the number of School Health Teams, Family Health Teams, District Clinical Specialist Teams, and TB Tracing and Injection Teams
- The progressive commissioning of clinics and CHCs, as well as commissioning of the new King Dinuzulu Hospital as budget allocation did not cover new developments.

The over-spending was mitigated by under-spending against *Transfers and subsidies to: Provinces and municipalities* (R74.583 million) related to the late submission of invoices by the municipalities for municipal services.





# ANNUAL REPORT (VOTE 7)

## 2012/13

### PROGRAMME 3: EMERGENCY MEDICAL SERVICES

#### PROGRAMME DESCRIPTION

##### Programme Purpose

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

##### Sub-Programmes

♦ Sub-Programme 3.1: Emergency Patient Transport (EPT)

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

♦ 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.

#### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Table 35: Strategic Goals, Objectives and Priorities – Programme 3

Strategic Objectives	2012/13 Priorities
<b>Goal 1: Overhaul Provincial Health Services</b>	
<i>Strategic Objective 1.12:</i> To revitalise EMS and to improve response times to $\geq 70\%$ for rural and urban areas by 2014/15	<b>Revitalisation of Emergency Medical Services (EMS)</b> Improve access to EMS Improve quality of care and infection prevention and control Improve Patient Transport Services Revitalisation of basic infrastructure Improve ambulance response times Improving the existing communications network Improve the management of vehicles and equipment
<i>Strategic Objective 1.13:</i> To establish effective training programmes to provide adequate skills base for EMS services in accordance with national norms	Improve human resource capacity

## 2012/13

**Table 36: Situation Analysis Indicators for EMS – 2012/13**

PROGRAMME: EMS (EMS1)														
Strategic Objective	Indicators	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umkhanyakathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhanyakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
1.12) To revitalise EMS and improve response times to ≥ 70% for rural and urban areas by 2014/15	1. Rostered ambulances per 10,000 people		0.20	0.20	0.17	0.27	0.31	0.35	0.21	0.27	0.20	0.21	0.31	0.12
	<i>Total number of rostered ambulances</i>	EMS Database	212	15	18	19	16	18	18	18	20	13	16	41
	<i>Total population - 2012</i>	DHIS	10 703 920	767 999	1 071 600	702 645	517 807	517 284	862 112	666 521	979 513	632 453	511 957	3 434 029
	2. P1 calls with a response of time <15 minutes in an urban area	EMS Database	8.4%	6.3%	19.4%	6.9%	40%	78%	N/A	N/A	27.2%	5%	N/A	4.9%
	<i>No priority 1 urban calls with response times within urban target - 15 minutes</i>		14 336	807	3 897	1 200	859	1 586	-	-	289	550	-	5 148
	<i>All priority 1 urban call outs</i>		171 053	12 723	20 116	17 485	2 147	2 033	-	-	1 063	10 925	-	104 105
	3. P1 calls with a response time of <40 minutes in a rural area	EMS Database	32.1%	16.5%	12.5%	20.4%	31.5%	82.6%	46%	20%	34%	15%	18%	19.7%
	<i>No priority 1 rural calls with response times within national rural target - 40 minutes</i>		69 903	2 379	1 792	2 993	10 246	17 158	14 442	3 535	10 372	2 109	4 801	76
	<i>All priority 1 rural call outs</i>		217 491	14 377	14 328	14 672	32 554	20 764	31 407	17 660	30 518	14 099	26 727	385

# ANNUAL REPORT (VOTE 7)

## 2012/13

PROGRAMME: EMS (EMS1)														
Strategic Objective	Indicators	Data Source	Provincial Performance 2012/13	Ugu 2012/13	Umgungundlovu 2012/13	Uthukela 2012/13	Umzinyathi 2012/13	Amajuba 2012/13	Zululand 2012/13	Umkhah-yakude 2012/13	Uthungulu 2012/13	iLembe 2012/13	Sisonke 2012/13	eThekweni 2012/13
	4. All calls with a response time within 60 minutes	EMS Database	40%	34.6%	30.7%	51.5%	50.4%	86.7%	74.4%	26.7%	51.5%	23.6%	26.7%	18.9%
	<i>No of calls where response times are within 60min</i>		222 142	14 166	21 595	23 337	21 972	38 151	31 665	7 435	21 254	9 368	10 083	23 116
	<i>All call outs</i>		555 860	40 929	70 419	45 323	43 555	43 994	42 578	27 828	41 241	39 638	37 795	122 560

**Table 37: Performance indicators for EMS and Patient Transport**

PROGRAMME: EMS (EMS3)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comments on deviation
1.12) To revitalise EMS and improve response times to ≥ 70% for rural and urban areas by 2014/15	1. Rostered ambulances per 10 000 people		EMS01	0.17	0.45	0.20 <sup>47</sup>	(0.25)	Shortage of appropriately qualified staff, ageing fleet, budget constraints, high accident rates, extended turn-around time for repairs, and extended time for conversion of vehicles impact on expansion of operational ambulances and ultimately on the ratio.
	<i>Total number of rostered ambulances</i>	EMS Database	EMS01	185		212		
	<i>Total population - 2012</i>	DHIS	SSA3	10 622 204		10 703 920		

<sup>47</sup> The PQRS Report (0.17) used 185 rostered ambulances as numerator (not the actual 212) hence variance between the two reports

# ANNUAL REPORT (VOTE 7)

## 2012/13

PROGRAMME: EMS (EMS3)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comments on deviation
	2. P1 calls with a response of time <15 minutes in an urban area	EMS Database	EMS02	11.4%	30%	8.4% <sup>48</sup>	(22%)	Data quality (at source level) is being investigated – current EMS information system not ideal. Poor response times are being investigated to inform a new strategy to address inefficiencies.
	<i>No priority 1 urban calls with response times within 15 minutes</i>		EMS02	16 242		14 336		
	<i>All priority 1 urban call outs</i>		EMS03	142 864		171 053		
	3. P1 calls with a response time of <40 minutes in a rural area	EMS Database	EMS04	35.9%	50%	32.1% <sup>49</sup>	(18%)	
	<i>No priority 1 rural calls with response times within 40 minutes</i>		EMS04	66 567		69 903		
	<i>All priority 1 rural call outs</i>		EMS05	185 479		217 491		
	4. All calls with a response time within 60 minutes	EMS Database	EMS06	51.4%	60%	40%	(20%)	
	<i>No of calls where response times within 60min</i>		EMS06	259 496		222 142		
	<i>All call outs</i>		EMS07	504 393		555 860		

<sup>48</sup> PQRS Report (8%) due to data being rounded off – hence variation between the two reports

<sup>49</sup> PQRS Report (32%) due to data being rounded off – hence variation between the two reports

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 38: Provincial Strategic Objectives and Annual Targets for EMS**

PROGRAMME: EMS (EMS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.12) To revitalise EMS and improve response times to ≥ 70% for rural and urban areas by 2014/15	1.12.2 ) Rostered ambulances per 10 000 people		EMS01	0.17	0.45	0.20	(0.25)	The ageing fleet, budget constraints, high accident rates, extended turn-around time for repairs, and extended time for conversion of vehicles impact on expansion of operational ambulances and ultimately on ratio.
	<i>Total number of rostered ambulances</i>	EMS Database	EMS01	185		212		
	<i>Total population - 2012</i>	DHIS	SSA3	10 622 204		10 703 920		
	1.12.2 ) Total number of EMS emergency cases	EMS Database	EMS08	585 955	1 085 786	576 682	509 104	Target made provision for expected increase in cases during AFCON which was over-estimated. Target setting for caseloads will receive more prominence in future planning. Implications of emergency cases on workload and efficiency will be investigated and monitored.
	1.12.3 ) Total number of inter-facility transfers	EMS Database	EMS09	171 868	154 731	185 489	30 758	Institutional capacity to manage patient referral/transfer have an impact on observed trends in inter-facility transport e.g. clinics and hospitals. Relation between inter-facility and primary response to the public will be factored into future target setting.
1.13) Improve the quality of care rendered by Emergency Care Personnel	1.13.1) Locally based staff with training in BLS (BAA)	EMS Database	EMS22	70.1%	79%	67%	(12%)	Higher than expected turn-over rates affected the number of filled posts.
	<i>No. of locally based staff with training in BLS (BAA)</i>		EMS14	1 959		1 810		
	<i>Total no. of EMS staff</i>		EMS13	2 795		2 703		

# ANNUAL REPORT (VOTE 7)

## 2012/13

PROGRAMME: EMS (EMS2)									
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation	
	1.13.2) Locally based staff with training in ILS (AEA)	EMS Database	EMS23	25.9%	27%	28.9%	1.9%	The Department view variance of less than 5% within acceptable range. Prioritised filling of posts as determined by demand.	
	<i>No. of locally based staff with training in ILS (AEA)</i>		EMS15	725		780			
	<i>Total no. of EMS staff</i>		EMS13	2 795		2 703			
	1.13.3) Locally based staff with training as ECT (Emergency Care Technician)	EMS Database	EMS24	Not reported	1%	0.6%	(0.4%)		
	<i>No. of locally based staff with training as ECT (Emergency Care Technician)</i>		EMS16	-		17			
	<i>Total no. of EMS staff</i>		EMS13	-		2 703			
	1.13.4) Locally based staff with training in ALS (Paramedics)	EMS Database	EMS25	3.3%	3%	3.5%	0.5%		The Department view variance of less than 5% within acceptable range.
	<i>No. of locally based staff with training in ALS (Paramedics)</i>		EMS17	91		94			
	<i>Total no. of EMS staff</i>		EMS13	2 795		2 703			

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## 2012/13

### **STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE**

- Review of the EMS 5-year strategy to improve efficiencies is planned for the second quarter of 2013/14.
- 'Operation Bring Back Order' will be scaled up in 2013/14 as part of professionalisation of EMS.
- Implementation of the new organogram will be prioritised in 2013/14.

### **CHANGES TO PLANNED TARGETS**

- No changes to planned targets. Reasons (root causes) not determined to inform review of targets for poor response times.

### **PERFORMANCE AND BUDGET**

- Emergency Medical Services under-spent by R 802 000 of the final appropriation of R955 850 million which was mainly related to delays in the delivery of Planned Patient Transport vehicles.





# ANNUAL REPORT (VOTE 7)

2012/13

## PROGRAMME 4: REGIONAL AND SPECIALISED HOSPITALS

### PROGRAMME DESCRIPTION

#### Programme Purpose

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

#### Sub-Programmes

- 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

### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Table 39: Strategic Goals, Objectives and Priorities – Programme 4

Strategic Objectives	2012/13 Priorities
<b>Goal 1: Overhaul Provincial Health Services</b>	
<i>Strategic Objective 1.14:</i> To rationalize hospital services in line with service delivery needs and STP imperatives.	Overhaul Provincial Hospital services including Regional, Specialised TB and Psychiatric, and Chronic and Sub-Acute Hospitals Decentralised and Satellite MDR TB Units
<b>Goal 2: Improve efficiency and quality of health services</b>	
<i>Strategic Objective 2.3; 2.4; 2.5; and 2.6:</i> To implement the National Core Standards in 100% of Regional, Specialised TB and Psychiatry and Chronic/Sub-Acute Hospitals for accreditation of 100% facilities by 2014/15 <sup>50</sup>	Improve quality and efficiency of Regional, Specialised TB and Psychiatry and Chronic/Sub-Acute Hospital services

<sup>50</sup> Accreditation is dependent on the establishment of the Office of Standard Compliance

## 2012/13

### REGIONAL HOSPITALS

- Ngwelezane Hospital was re-classified from Regional to Developing Tertiary Hospital in 2012 (Government Notice No. R185 of 2 March 2012). The hospital was funded from Programme 4, is on the Hospital Revitalisation Programme and received a proportion of the National Tertiary Services Grant. The DHIS moved the hospital to Programme 5 (mid-year 2012/13) – performance information will therefore be reported under Programme 5 in future.
- Targets set in the 2012/13 Annual Performance Plan included Ngwelezane Hospital activity.
- Patient activity including separations, patient day equivalent and OPD headcount is closely monitored to determine the impact of improved efficiencies at level one and two services. Reduction of un-referred cases (OPD) is a positive indication that patients are being managed at a more appropriate level of care. Fluctuations in cost will be closely monitored as the service platform develop (which includes finalisation of organisational structure).

**Table 40: Performance Indicators for Regional Hospitals**

SUB-PROGRAMME: REGIONAL HOSPITALS (PHS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.14) To rationalize hospital services in line with service delivery needs and STP imperatives	1. Caesarean section rate	DHIS	RH19	38.2%	38%	39.8%	(1.8%)	The Department views variance of less than 5% within acceptable range. Performance is considered appropriate for level two referral hospitals.
	<i>Number of caesarean sections performed</i>		RH01	31 259		30 393		
	<i>Total number of deliveries in the facility</i>		RH02	81 790		76 306		
	2. Separations - total	DHIS	RH03	381 657	403 956	361 422	42 534	Target included Ngwelezane data. DHIS data excluded Ngwelezane data for 2012/13 (currently reported under Programme 5). With Ngwelezane data (17 481) the variance is 25 053. Incomplete data (at time of reporting) remains a challenge that is receiving attention.

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: REGIONAL HOSPITALS (PHS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	3. Patient day equivalents - total	DHIS	RH06	3 343 858	3 672 292	3 083 881	588 411	Targets included Ngwelezane data. DHIS data excluded Ngwelezane data for 2012/13 (currently reported under Programme 5). With Ngwelezane data (208 738) the variance is 379 673. Incomplete data (at time of reporting) remains a challenge that is receiving attention.
	4. OPD headcounts - total	DHIS	RH07	3 336 687	3 556 690	3 158 541	398 149	Targets included Ngwelezane data. DHIS data excluded Ngwelezane data for 2012/13 (currently reported under Programme 5). With Ngwelezane data (128 720) the variance is 269 429. Incomplete data (at time of reporting) remains a challenge that is receiving attention.
	5. Average length of stay	DHIS	RH22	5.5 Days	5.2 Days	5.4 Days	(0.1)	The inclusive calculation of the indicator on DHIS (all clinical disciplines) masks efficiencies. Extended inpatient days for mental health, TB, and orthopaedic patients inevitably increase the general ALOS. Medicine, Paediatric, Gynaecology and Maternity are within the acceptable range for ALOS.
	<i>Inpatient days-total</i>		RH04	2 068 603		1 930 175		
	<i>Day Patients</i>		RH05	35 051		41 603		
	<i>Separations</i>		RH03	381 657		361 422		
	6. Bed utilisation rate	DHIS	RH21	78.4%	70%	75.2%	5.2	Target exceeded.
	<i>Inpatient days - total</i>		RH04	2 068 603		1 930 175		
	<i>Day Patients</i>		RH05	35 051		41 603		
	<i>Number of usable beds</i>		RH08	2 786 410		2 593 355		

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: REGIONAL HOSPITALS (PHS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	7. Expenditure per patient day equivalent (PDE)		BAS03	R 2 134	R 1 600	R 2 084	(R 484)	The lack of cost centres complicates accurate calculation of cost per PDE. This is receiving attention.
	<i>Total expenditure in Regional Hospitals</i>	BAS	BAS03	7 136 117 884	4 934 209 600	6 427 375 000		
	<i>Patient day equivalent</i>	DHIS	RH06	3 343 858	3 083 881	3 083 881		
	8. Percentage of complaints of users of Regional Hospital services resolved within 25 days	DHIS	RH20	66%	80%	57.4%	(22.6%)	The increased number of complaints is a concern which is being addressed as part of the quality assurance strategy including the Make me Look Like a Hospital and implementation of the Core Standards. The Ombudsperson plays an active role in addressing these challenges.
	<i>Total number of complaints resolved within 25 days in reporting period</i>		RH09	534		529		
	<i>Total number of complaints received during the same reporting period</i>		RH10	807		916		
2.3) To implement the National Core Standards in 100% of Regional Hospitals for accreditation of 100% facilities by 2012/13	9. Percentage of Regional Hospitals with monthly mortality and morbidity meetings		DQPR39	100%	100%	100%	0%	Target achieved. The number of hospitals (denominator) changed after re-classification of Ngwelezane (after tabling of the APP).
	<i>Number of Regional Hospitals that conducted monthly mortality and morbidity meetings</i>	DQPR	DQPR36	14	14	13		
	<i>Total number of Regional Hospitals</i>	DHIS	RH11	14	14	13		

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: REGIONAL HOSPITALS (PHS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	10. Regional Hospital patient satisfaction rate	DQPR	DQPR38	60%	80%	76%	(4%)	Implementation and monitoring of the Quality Assurance strategy (including intensified implementation of the Make Me Look Like a Hospital and National Core Standards) has been intensified. This is closely monitored.
	<i>Total number of users that were satisfied with the services they received in Regional Hospitals</i>		DQPR31			1 178		
	<i>The total number of users that participated in the Regional Hospital Client Satisfaction Survey</i>		DQPR32			1 545		
	11. Number of Regional Hospitals assessed for compliance with the 6 Priorities of the Core Standards	DQPR	DQPR33	14	14	13	0	No deviation. Number of hospitals changed after re-classification of Ngwelezana Hospital.

**Table 41: Provincial Strategic Objectives and Annual Targets for Regional Hospitals**

SUB-PROGRAMME: REGIONAL HOSPITALS (PHS1 (a) (b))								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.14) To rationalize hospital services in line with service delivery	1.14.5) Number of Regional Hospitals designated as Ophthalmic Centres of Excellence	DQPR	DQPR37	0	1	3	2	Target exceeded. Re-prioritisation of Eye Care Services.

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: REGIONAL HOSPITALS (PHS1 (a) (b))								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
needs and STP imperatives								
2.3) To implement the National Core Standards in 100% of Regional Hospitals for accreditation of 100% facilities by 2012/13	2.3.1) Number of Regional Hospitals compliant with the 6 priority areas of the Core Standards	DQPR	DQPR39	1	4	0	(4)	External assessments have not been conducted – National mandate pending establishment of the Office of Standard Compliance. Self-assessments are however ongoing. According to the Ugu District Report, Port Shepstone Hospital was found compliant to the Core Standards during self-assessment.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### **SPECIALISED TB HOSPITALS**

**Table 42: Performance Indicators for Specialised TB Hospitals**

SUB-PROGRAMME: SPECIALISED TB HOSPITALS (PHS2(b))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.14) To rationalize hospital services in line with service delivery needs and STP imperatives	1. Separations - total	DHIS	TBH03	10 662	9 344	15 345 <sup>51</sup>	6 001	Changes in TB treatment protocols changed patient activity at all levels of care and is closely monitored. Data quality (especially historic data) in Specialised TB Hospitals is still a challenge and is receiving the necessary attention.
	2. Patient day equivalents - total	DHIS	TBH05	491 803	543 442	486 284	57 158	
	3. OPD headcounts - total	DHIS	TBH04	206 452	141 064	236 547	95 483	
	4. Average length of stay	DHIS	TBH09	39.9 Days	30 Days	25.3 Days	4.7	Variance is considered within acceptable range based on impact of treatment protocols.
	<i>Inpatient days - Total</i>		TBH01	424 248		400 657		
	<i>Day Patients</i>		TBH02	2 691		1 212		
	<i>Separations</i>		TBH03	10 662		15 345		
	5. Bed utilisation rate	DHIS	TBH08	62.2%	70%	55.6%	(14%)	Efficiencies (including bed utilisation) are closely monitored especially taking into consideration changed clinical treatment protocols. Review of the service delivery platform is part of the strategy to improve efficiencies.
	<i>Inpatient days - Total</i>		TBH01	424 248		400 657		
	<i>Day Patients</i>		TBH02	2 691		1 212		
<i>Number of usable beds</i>	TBH07		610 280	644 134				
6. Expenditure per patient day equivalent(PDE)	BAS	BAS08	R 1 814	R 1 700	R 1 563	(R 137)	State-aided hospitals have been excluded from this indicator as their expenditure is not included in BAS. Cost is closely monitored in relation to changed service platform and impact on efficiencies.	
<i>Total expenditure in specialised TB hospitals</i>	BAS	BAS08	892 013 737	764 352 300	702 563 687			
<i>Patient day equivalent</i>	DHIS	TBH06	491 803	449 619	449 619			

<sup>51</sup> DHIS data included the 2 State Aided Hospitals (Siloah & Mountain View)



# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 43: Provincial Strategic Objectives and Annual Targets for Specialised TB Hospitals**

SUB-PROGRAMME: SPECIALISED TB HOSPITALS (PHS1 (d))								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievemen † 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
2.4) To implement the National Core Standards in 1005 of Specialised TB Hospitals for accreditation of 100% facilities by 2012/13	2.4.1) Number of Specialised TB Hospitals compliant with the 6 priority areas of the Core Standards	DQPR	DQPR41	0	2	0	(2)	External accreditation will be conducted once the National Office of Standard Compliance is established. Implementation of the national core standards is however ongoing and closely monitored by Quality Assurance.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### **SPECIALISED PSYCHIATRIC HOSPITALS**

**Table 44: Performance Indicators for Specialised Psychiatric Hospitals**

SUB-PROGRAMME: SPECIALISED PSYCHIATRIC HOSPITALS (PHS2(c))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.14) To rationalize hospital services in line with service delivery needs and STP imperatives	1. Separations - total	DHIS	PSY17	2 531 <sup>52</sup>	3 089	2 430 <sup>53</sup>	659	Data for indicators 4 and 5 were corrected since publishing of the 2011/12 Annual Report (see footnotes). Targets were based on previous 'incorrect' data. Current ALOS is consistent with the expected norm. BUR is still below the acceptable norm due to the majority of beds allocated in medium-long term hospitals. This result in poor utilisation of acute beds. The review of psychiatric/ mental health services commenced in 2012/13 which take into account provisioning of appropriate level of beds. This will be closely monitored.
	2. Patient day equivalents - total	DHIS	PSY16	626 312	657 645	647 115	10 530	
	3. OPD headcounts - total	DHIS	PSY08	15 425	8 174	17 647	9 473	
	4. Average length of stay	DHIS	PSY15	254 Days <sup>54</sup>	24 Days	264 Days	240 Days	
	<i>Inpatient days - total</i>		PSY05	645 803		641 543		
	<i>Day Patients</i>		PSY16	6		2		
	<i>Separations</i>		PSY17	2 533		2 430		
	5. Bed utilisation rate	DHIS	PSY14	72% <sup>55</sup>	73%	68.7%	(4.3%)	
	<i>Inpatient days-total</i>		PSY05	645 803		641 543		
	<i>Day Patients</i>		PSY16	17 881		2		
<i>Number of usable beds</i>	PSY12		900 455	934 005				
6. Expenditure per patient day equivalent(PDE)	BAS	BAS09	R 924	R 1 100	R 865	(R235)		

<sup>52</sup> Data verified since publishing of the 2011/12 Annual Report (20 408)

<sup>53</sup> Ekuhlangeni is included in calculation although it is classified as a State-Aided Hospital in DHIS – this will be corrected on the system

<sup>54</sup> Data corrected since publishing of the 2011/12 Annual Report – Day patients (from 17 881 to 6); Separations (from 2 531 to 2 533) and ALOS (from 32.1 to 254 days)

<sup>55</sup> Data corrected since publishing of the 2011/12 Annual Report – BUR changed from 83.3% to 72%

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: SPECIALISED PSYCHIATRIC HOSPITALS (PHS2(c))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	Total expenditure in specialised psychiatric hospitals	BAS	BAS09	578 716 787	711 826 500	559 592 290		
	Patient day equivalent (PDE)	DHIS	PSY16	626 312	647 115	647 115		

**Table 45: Provincial Strategic Objectives and Annual Targets for Specialised Psychiatric Hospitals**

SUB-PROGRAMME: SPECIALISED PSYCHIATRIC HOSPITALS (PHS1(f))								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
2.5) To implement the National Core Standards in 1005 of Specialised Psychiatric Hospitals for accreditation of 100% facilities by 2012/13	2.5.1) Number of Specialised Psychiatric Hospitals compliant with the 6 priority areas of the Core Standards	DQPR	DQPR42	0	2	0	(2)	External accreditation will be conducted once the National Office of Standard Compliance is established. Implementation of the national core standards is however ongoing and closely monitored by Quality Assurance.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### CHRONIC & LONG-TERM HOSPITALS

Table 46: Performance Indicators for Chronic Hospitals

SUB-PROGRAMME: CHRONIC HOSPITALS (PHS2(d))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.14) To rationalize hospital services in line with service delivery needs and STP imperatives	1. Separations - total	DHIS	CHR06	5 934	4 060	3 302	758	Data quality is a challenge currently being addressed.
	2. Patient day equivalents - total	DHIS	CHR08	182 663 <sup>56</sup>	207 802	167 007	40 795	
	3. OPD headcounts - total	DHIS	CHR09	157 386	159 662	115 055	44 607	
	4. Average length of stay	DHIS	CHR12	22.1 Days	24 Days	35.4 Days	11.4 Days	
	<i>Inpatient days - Total</i>		<i>CHR04</i>	<i>131 436</i>		<i>129 037</i>		
	<i>Day Patients</i>		<i>CHR05</i>	<i>0</i>		<i>4<sup>57</sup></i>		
	<i>Separations</i>		<i>CHR06</i>	<i>5 934</i>		<i>3 302</i>		
	5. Bed utilisation rate	DHIS	CHR11	61.2%	67.5%	67.4%	1%	Within acceptable range.
	<i>Inpatient days - Total</i>		<i>CHR04</i>	<i>131 436</i>		<i>129 037</i>		
	<i>Day Patients</i>		<i>CHR05</i>	<i>0</i>		<i>4</i>		
<i>Number of usable beds</i>		<i>CHR10</i>	<i>151 840</i>		<i>191 686</i>			
6. Expenditure per patient day equivalent	BAS	BAS10	R 602	R 1 100	R 1 203	(R 103)	Cost is closely monitored taking into consideration the service delivery platform.	
<i>Total expenditure in Chronic Hospitals</i>	BAS	BAS10	<i>109 131 253</i>	<i>183 707 700</i>	<i>200 834 231</i>			
<i>Patient day equivalent</i>	DHIS	CHR08	<i>181 411</i>	<i>167 007</i>	<i>167 007</i>			

<sup>56</sup> The actual 2011/12 data reported in the 2011/12 Annual Report (181 411) has been updated in DHIS

<sup>57</sup> DHIS data is being verified (capturing of day patients and usable beds)

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 47: Provincial Strategic Objectives and Annual Targets for Specialised Chronic Hospitals**

SUB-PROGRAMME: SPECIALISED CHRONIC HOSPITALS (PHS1(h))								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
2.6) To implement the National Core Standards in 1005 of Specialised Chronic Hospitals for accreditation of 100% facilities by 2012/13	2.6.1) Number of Specialised Chronic Hospitals compliant with the 6 priority areas of the Core Standards	DQPR	DQPR43	0	1	0	(1)	External accreditation will be conducted once the National Office of Standard Compliance is established. Implementation of the national core standards is however ongoing and closely monitored by Quality Assurance.

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## 2012/13

### **STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE**

- Implementation of the National Core Standards and "Make me look like a hospital project" is ongoing to facilitate compliance with core standards. Facility improvement plans, based on self-assessments are being monitored actively.
- Data quality in Specialised Hospitals has been prioritised at district level.

### **CHANGES TO PLANNED TARGETS**

- No change in targets.
- The re-classification of Ngwelezane Hospital as Developing Tertiary Hospital however considered in interpretation of data. This has been adjusted in the 2013/14 APP.

### **PERFORMANCE AND BUDGET**

- Provincial Hospital Services over-spent by R56.762 million or 0.7 per cent of the total appropriation for Programme 5 (R 7 841 126 000).
- This has mainly been due to increased cost for medicines, blood transfusion costs, as well as unexpected increased costs for water and electricity.



# ANNUAL REPORT (VOTE 7)

2012/13

## PROGRAMME 5: TERTIARY AND CENTRAL HOSPITALS

### PROGRAMME DESCRIPTION

#### Programme Purpose

Rendering Quaternary and other Tertiary Health Services

#### Sub-Programmes

- *Sub-Programme 5.1: Central Hospitals*  
Rendering Central and Quaternary Hospital Services
- *Sub-Programme 5.2: Tertiary Hospitals*  
Rendering Tertiary Hospital services

### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Table 48: Strategic Goals, Objectives and Priorities – Programme 5

Strategic Objectives	2012/13 Priorities
<b>Goal 1: Overhaul Provincial Health Services</b>	
<i>Strategic Objective 1.15:</i> To rationalize hospital services in line with service delivery needs and STP imperatives <sup>58</sup>	Overhaul Tertiary and Central Hospital services
<b>Goal 2: Improve efficiency and quality of health services</b>	
<i>Strategic Objective 2.7 and 2.8:</i> To implement the National Core Standards in 100% of Tertiary and Central Hospitals for accreditation of 100% facilities by 2014/15 <sup>59</sup>	Improve quality and efficiency of Tertiary and Central Hospitals Provide appropriate health technology and infrastructure

<sup>58</sup> Rationalisation of hospital services will be aligned with the STP, NHS 10-Point Plan and informed by current service delivery needs, disease profile and funding envelope

<sup>59</sup> Accreditation is dependent on the National processes for all facilities



2012/13

**CENTRAL HOSPITAL**

**Table 49: Performance Indicators and Targets for Central Hospitals - Inkosi Albert Luthuli Central Hospital**

SUB-PROGRAMME: CENTRAL HOSPITALS – IALCH (CHS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.15) To rationalize hospital services in line with service delivery needs and STP imperatives	1. Caesarean section rate	DHIS	CH22	74.7%	69.8%	79.8%	10%	High level referral hospital.
	<i>Number of caesarean sections performed</i>		CH01	355		394		
	<i>Total number of deliveries in the facility</i>		CH02	475		494		
	2. Separations	DHIS	CH06	24 331	25 053	26 068	1 015	Patient activity is actively monitored to determine the impact of improved efficiency at all levels of the health care system on in- and out-patient services. This is inclusive of referral, admission, and discharge. Incomplete data (at time of reporting) is still a challenge.
	3. Patient day equivalent (PDE)	DHIS	CH07	280 971	294 033	279 186	14 847	
	4. OPD headcount total	DHIS	CH05	178 484	186 707	179 617	7 090	
	5. Average Length of Stay	DHIS	CH21	9.1 Days	9 Days	8.4 Days	0.6	
	<i>Inpatient days-total</i>		CH03	220 104		217 577		
	<i>Day Patients</i>		CH04	Not available		1 526		
	<i>Separations</i>		CH06	24 331		26 068		
6. Bed utilisation rate	DHIS	CH21	72.5%	75%	70.5%	(4.5%)	Within acceptable range.	
<i>Inpatient d days-total</i>		CH03	220 104		217 577			
<i>Day Patients</i>		CH04	Not available		1 526			
<i>Number of usable beds</i>		CH08	295 650		309 885			

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: CENTRAL HOSPITALS – IALCH (CHS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	7. Expenditure per patient day equivalent	BAS	BAS07	R 8 943	R 9 000	R 6 088	R 2 912	Expenditure trends being investigated by the Budget Section.
	<i>Total expenditure in central hospitals</i>	BAS	BAS07	2 512 653 984	2 512 674 000	1 699 716 355		
	<i>Patient day equivalent</i>	DHIS	CH07	280 971	279 186	279 186		
	8. Complaints resolved rate within 25 days	DHIS	CH19	85.7%	90%	84.6%	(5.4%)	It is encouraging to note the reduction in the number of complaints received compared to the previous reporting period (61.9%). Interpretation of the indicator does not make provision for a response time or nature of complaints (which may require a longer time to resolve).
	<i>Total number of complaints resolved within 25 days in reporting period</i>		CH09	36		22		
	<i>Total number of complaints received during the same reporting period</i>		CH10	42		26		
	9. Monthly mortality and morbidity meetings	DQPR	DQPR74	Yes	Yes	Yes	0%	Target achieved.
2.8) To implement the National Core Standards in 100% of Central Hospitals for accreditation of 100% facilities by 2012/13	10. Central Hospital Patient Satisfaction Rate	DQPR	DQPR75	96%	80%	90%	10%	Target exceeded.
	<i>Total number of users that were satisfied with the services they received in the Central hospitals</i>		DQPRR70	<i>Raw data not available</i>		18		
	<i>The total number of users that that participated in the Central hospital Client Satisfaction survey</i>		DQPR71	<i>Raw data not available</i>		20		

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: CENTRAL HOSPITALS – IALCH (CHS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	11. Hospital assessed against the 6 priority areas of the core standards		DQPR72	Yes	Yes	Yes	0	Target achieved.

**Table 50: Provincial Strategic Objectives and Annual Targets for Central Hospital (IALCH)**

SUB-PROGRAMME: CENTRAL HOSPITALS - IALCH (CHS1(b))								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
2.8) To implement the National Core Standards in 100% of Central Hospitals for accreditation of 100% facilities by 2012/13	2.8.1) Hospital fully compliant with the 6 priorities of the national core standards	DQPR	DQPR73	No	Yes	No	(1)	Implementation of the national core standards is ongoing and closely monitored by Quality Assurance. Official accreditation (national function) will be done by the Office of Standard Compliance (not yet established).

# ANNUAL REPORT (VOTE 7)

## 2012/13

### TERTIARY HOSPITALS

Table 51: Performance Indicators and Targets for Tertiary Hospitals - Greys Hospital

SUB-PROGRAMME: TERTIARY HOSPITALS - GREY'S HOSPITAL (THS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.15) To rationalize hospital services in line with service delivery needs and STP imperatives	1. Caesarean section rate	DHIS	GRH16	69%	69.8%	73.2%	(3.3%)	High level referral hospital for the Province. Performance actively monitored.
	<i>Number of caesarean sections performed</i>		GRH01	1 093		1 004		
	<i>Total number of deliveries in the facility</i>		GRH02	1 585		1 372		
	2. Separations	DHIS	GRH06	12 785	14 371	11 320	3 051	Patient activity is actively monitored to determine the impact of improved efficiency at all levels of the health care system on in- and out-patient services. This is inclusive of referral, admission, and discharge.
	3. Patient day equivalent (PDE)	DHIS	GRH07	191 113	193 969	201 607	7 638	
	4. OPD headcount total	DHIS	GRH05	188 637	215 511	185 307	30 204	
	5. Average length of stay	DHIS	GRH18	9.9 Days	9.8 Days	12.2 Days <sup>60</sup>	(2.4)	
	<i>Inpatient days-total</i>		GRH03	126 616		137 598		
	<i>Day patients</i>		GRH04	0		239		
	<i>Separations</i>		GRH06	12 785		11 320		
	6. Bed utilisation rate	DHIS	GRH17	70.5%	75%	80.5%	0.1	Target achieved. Workload, quality and efficiency closely monitored with increased bed utilisation rate.
	<i>Inpatient days-total</i>		GRH03	126 616		137 598		
	<i>Day patients</i>		GRH04	0		239		
	<i>Number of usable beds</i>		GRH08	185 055		171 124		

<sup>60</sup> Variance in Annual Report and PQRS is due to inclusion of Ngwelezane Hospital as Tertiary Hospital

# ANNUAL REPORT (VOTE 7)

## 2012/13

SUB-PROGRAMME: TERTIARY HOSPITALS - GREY'S HOSPITAL (THS2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
	7. Expenditure per patient day equivalent	BAS	BAS05	R 3 490	R 3 500	R 3 825	R 325	Within acceptable range and monitored closely.
	<i>Total expenditure in Grey's Tertiary hospitals</i>	BAS	BAS05	667 079 054	705 624 500	771 069 477		
	<i>Patient day equivalent (PDE)</i>	DHIS	GRH07	191 113	201 607	201 607		
	8. Percentage of complaints of users of Tertiary Hospitals resolved in 25 days	DHIS	GRH19	92%	80%	95%	15%	Target achieved. It is especially motivating to note the reduction in the number of complaints received compared to previous year (reduction of 67.5%). This is closely monitored as part of the Quality Assurance strategy.
	<i>Total number of complaints resolved within 25 days</i>		GRH09	199		138		
	<i>Total number of complaints received</i>		GRH10	216		146		
	9. Monthly mortality and morbidity meetings	DQPR	DQPR52	Yes	Monthly meetings	Yes	0%	Target achieved.
2.7) To implement the National Core Standards in 100% of Tertiary Hospitals for accreditation of 100% facilities by 2012/13	10. Hospital patient satisfaction rate	DQPR	DQPR53	80%	80%	Data not available		Data not available in time for inclusion in report.
	<i>Total number of users that were satisfied with the services they received</i>		DQPR48	-		-		
	<i>The total number of users that participated in the client satisfaction survey</i>		DQPR49	-		-		
	11. Hospital assessed against the 6 priority areas of the core standards	DQPR	DQPR50	Yes	Assessment completed	Yes	0	Target achieved.

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 52: Provincial Strategic Objectives and Annual Targets for Tertiary Hospitals - Grey's Hospital**

SUB-PROGRAMME: TERTIARY HOSPITALS - GREYS (THS1(b))								
Strategic Objectives	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
2.7) To implement the National Core Standards in 100% of Tertiary Hospitals for accreditation of 100% facilities by 2012/13	2.7.1) Hospital compliant with the 6 priorities of the national core standards	DQPR	DQPR51	No	Yes	No	(1)	Implementation of the national core standards is ongoing and closely monitored by Quality Assurance. Official accreditation (national function) will be done by the Office of Standard Compliance (not yet established).

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## 2012/13

### **STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE**

- Implementation of the National Core Standards and "Make me look like a hospital project" is ongoing to facilitate compliance with core standards. Facility improvement plans, based on self-assessments are being monitored actively.

### **CHANGES TO PLANNED TARGETS**

- No change in targets.

### **PERFORMANCE AND BUDGET**

- Central Hospital Services over-spent by R31.336 million, or 1.1 per cent of the Final Appropriation. This was mainly due to higher than expected costs for the PPP at Inkosi Albert Luthuli Central Hospital. These costs are subject to exchange rate fluctuations, which were significantly higher in the latter half of 2012/13. In addition, there was some over-spending against medical supplies, also influenced by the exchange rate and medical inflation.

# ANNUAL REPORT (VOTE 7)

2012/13

## PROGRAMME 6: HEALTH SCIENCES AND TRAINING

### PROGRAMME DESCRIPTION

#### PROGRAMME PURPOSE

The provisioning of training and development opportunities for existing and potential employees of the Department

#### SUB-PROGRAMMES

- Sub-Programme 10.1: Nurse Training College  
Training of Nurses at both undergraduate and postgraduate level
- Sub-Programme 10.2: EMS 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

### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Table 53: Strategic Goals, Objectives and Priorities – Programme 6

Strategic Objectives	2012/13 Priorities
<b>Goal 2: Improve the efficiency and quality of health services</b>	
<i>Strategic Objective 2.9:</i> To implement a Training Strategy aligned with the core functions of the Department	Alignment with the service delivery requirements as an integral part of the Human Resource Plan Implement a Management Training Strategy Implement a Mid-Level Worker Strategy



## 2012/13

**Table 54: Provincial Strategic Objectives and Annual Targets for Health Sciences and Training**

PROGRAMME: TRAINING AND HEALTH SCIENCES (HST1(b))								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
2.9) To implement a Training Strategy aligned with the core functions of the Department	1. Number of Professional Nurses graduating	KZNCN Training Register	HR01	972	820	1 007	187	Increased intake of Professional Nurses as a result of oversupply of EN's and ENA's (reduced intakes and re-direction of funding). This is in direct response to the shortage of Professional Nurses to efficiently manage the increased demand for services. Resources re-directed.
	2. Number of Advanced Midwives graduating per annum	KZNCN Training Register	HR02	120	106	107	1	The Department views variances of less than 5% within an acceptable range from the target.
	3. Number of Managers accessing Management Skills Programmes	HRD Database	HR03	333	550	77	(473)	The target did not consider previous attendance of the programme with a high number of managers who have attended the training previously. Limited allocation of space (per department) jeopardise attendance of higher numbers.
	4. Number of SMS members trained on the Management Induction Programme (MIP)	HRD Database	HR04	2	20	5	(15)	Limited space allocated by the Office of the Premier to accommodate all departments fairly.

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 55: Performance Indicators and Targets for Health Sciences and Training**

SUB-PROGRAMME: HEALTH SCIENCES AND TRAINING (HST2)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
2.9) To implement a Training Strategy aligned with the core functions of the Department	1. Intake of nurse students	KZNCN Training Register	HR05	2 438	2 404	1 923	(481)	Programmes R683 (Bridging Course from EN to PN), R 2175 (EN) & R 2176 (ENA) have had a reduced or no intake due to oversupply within the job market.
	2. Students with bursaries from the province	Bursary Database	HR06	929	800	1 099	299	The expansion of the Cuban Programme has contributed to this deviation. The 75 Cuban students from the other provinces have not been included in this figure.
	3. Basic nurse students graduating	KZNCN Training Register	HR07	1 507	1 400	2 058 <sup>61</sup>	658	The EN Programme (SANC Programme R2175) was over sub-scribed due to a staggered intake of 934 CCG's being up-skilled, with 585 graduating during this reporting period. The PN programmes (included in this figure) also had an additional 187 graduates.

<sup>61</sup> Post-Basic Training Statistics not included here

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## 2012/13

### **STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE**

- ♦ Refine the alignment of Training Plan(s) with core business of the Department including financial allocation and management to ensure value for money.
- ♦ Intensified recruitment for the Cuban Programme increased the budget to R 64 million. The “lead time” is more than 8 years before the investment will begin to pay dividends with the doctors being recruited to rural areas.
- ♦ To improve critical human resource constraints, R156 million was allocated to finance training for the 2012/13 period including bursaries, learnerships and internships.
- ♦ Conservative estimations state that it costs R 120 000 per annum to train a Professional Nurse with these costs escalating rapidly. The cost to train EN's and ENA's is less than training of Professional Nurses. Post-course qualifications are also expensive to maintain due to the high cost of specialised lecturers and training.
- ♦ The cost per candidate attending the PHC Post-Basic Training Course is R 19 000 per graduate with financial aid being applicable and a study-leave contract being enforced.
- ♦ Budget was made available at a cost of R 450 per person for 201 managers to attend a Mentorship Course in 2012/13 in order to improve general management.

### **CHANGES TO PLANNED TARGETS**

- ♦ Increase in the intake of Cuban students to alleviate the shortage of Medical Officers (long-term strategy) in especially more rural areas.

### **PERFORMANCE AND BUDGET**

- ♦ Health Sciences and Training was on track at 100 per cent of the Final Appropriation, or minimal over-spending of R60 000, largely due to an unexpected payment for the Cuban Doctor Programme for study aids for the students, which were not initially planned for.

# ANNUAL REPORT (VOTE 7)

2012/13

## PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

### PROGRAMME DESCRIPTION

#### Programme Purpose

Render Pharmaceutical services to the Department.

#### SUB-PROGRAMMES

- Sub-Programme 7.1: Pharmaceutical Services (Medicine Trading Account)

Manage the supply of pharmaceuticals and medical sundries to Hospitals, Community Health Centres, Clinics and Local Authorities via the Medicine Trading Account

### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Table 56: Strategic Goals, Objectives and Priorities – Programme 7

Strategic Objectives	2012/13 Priorities
<b>Goal 1: Overhaul Provincial health services</b>	
<i>Strategic Objective 1.13:</i> Ensure compliance with Pharmaceutical Legislation with 90% pharmacies compliant by 2014/15 and PPSD 100% compliant by 2012/13	Improve compliance with Pharmaceutical legislation
<b>Goal 2: Improve efficiency and quality of health services</b>	
<i>Strategic Objective 2.3:</i> To improve medicine supply management systems at PPSD and facility level	Improve availability of medicines Improve quality of Pharmaceutical services

## 2012/13

**Table 57: Provincial Strategic Objectives and Annual Targets for Health Care Support Services**

SUB-PROGRAMME: PHARMACEUTICAL SERVICES (HCSS1)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.13) Ensure compliance with Pharmaceutical Legislation with 90% pharmacies compliant by 2014/15 and PPSD compliant by 2012/13.	1. Percentage of pharmacies that obtained A or B grading on inspection	Pharm database	Pharm82	71%	70%	80%	10%	Improved management and active monitoring of compliance to policies, protocols, guidelines and SOPs
	<i>Number of pharmacies that obtained an A or B grading on inspection</i>		Pharm76	61		71		
	<i>Number of pharmacies</i>		Pharm77	86		89		
	2. PPSD compliant with Good Wholesaling Practice Regulations	Certificate of Compliance	Pharm83	Not compliant	Compliant	Not compliant	Not compliant	

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 58: Provincial Strategic Objectives and Annual Targets for Health Care Support Services**

SUB-PROGRAMME: PHARMACEUTICAL SERVICES (HCSS1)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
2.3) To improve medicine supply management systems at PPSD and facility level	1. Tracer medicine stock out rate (Institutions)	Pharm database	Pharm85	0.7%	3%	1.4% <sup>62</sup>	1.6%	Target achieved. Improved pharmaceutical management including supervision and support.
	<i>Number of tracer medicines stock out in bulk store</i>		Pharm78	1 951		3 638		
	<i>Number of tracer medicines expected to be stocked in the bulk store</i>		Pharm79	277 020		255 220		
	2. Tracer medicine stock-out rate (PPSD)	Pharm database	Pharm84	13.2%	3%	9%	(6%)	
	<i>Number of tracer medicine out of stock</i>		Pharm80	5		19		
	<i>Total number of tracer medicine expected to be in stock</i>		Pharm81	38		220		

<sup>62</sup> This includes both the hospitals and the PHC facilities

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## 2012/13

### **STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE**

- Lack of storage space for medicines is being addressed as part of the Infrastructure Plan.

### **CHANGES TO PLANNED TARGETS**

- Compliance of the Provincial Pharmaceutical Supply Depot to legislative prescripts: The current building is inadequate (infrastructure) and alternative options are being explored.

### **PERFORMANCE AND BUDGET**

The Pharmaceutical Supply Depot spent 100% of the final appropriation.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

#### PROGRAMME DESCRIPTION

##### Programme Purpose

To provide new health facilities, upgrade and maintain existing health facilities, and manage the Hospital Revitalisation Programme and Conditional Grants for Infrastructure.

##### Sub-Programmes

- ✦ Sub-Programme 8.1: Community Health Services

Construction of new Community Health Centres, AND Primary Health Care clinics and the upgrading and maintenance of all community health facilities
- ✦ Sub-Programme 8.2: District Hospitals

Construction of new District Hospitals, and the upgrading and maintenance of all District Hospitals
- ✦ Sub-Programme 8.3: Emergency Medical Services

Construction of new Emergency Medical Service facilities, and the upgrading and maintenance of all Emergency Medical Service facilities
- ✦ Sub-Programme 8.4: Provincial Hospital Services

Construction of new Provincial Hospitals, and the upgrading and maintenance of all Provincial Hospitals
- ✦ Sub-Programme 8.5: Tertiary and Central Hospital Services

Construction of new Tertiary and Central Hospitals, and the upgrading and maintenance of all Tertiary and Central Hospitals
- ✦ Sub-Programme 8.6: Other Facilities

Construction of other new health facilities, and the upgrading and maintenance of all other facilities

#### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Table 59: Strategic Goals, Objectives and Priorities – Programme 8

Strategic Objectives	2012/13 Priorities
<b>Goal 1: Overhaul Provincial health services</b>	
<i>Strategic Objective 1.19:</i> Delivery of new clinical infrastructure in line with the approved IPIP (Infrastructure Programme Implementation Plan)	Infrastructure Programme implementation Plan (IPIP) aligned with service delivery and implemented
<i>Strategic Objective 1.20:</i> Upgrading & renovation of existing clinical infrastructure in line with approved IPIP	Create an enabling environment to support service delivery Hospital Revitalisation Programme



## 2012/13

**Table 60: Provincial Strategic Objectives and Annual Targets for Health Facilities Management**

SUB-PROGRAMME: INFRASTRUCTURE MANAGEMENT (HFM1)								
Strategic Objective	Performance Indicator	Data Source	Data ID	Actual Achievement 2011/12	Planned Target 2012/13	Actual Achievement 2012/13	Deviation from planned target to actual achievement for 2012/13	Comment on deviation
1.19) Delivery of new clinical infrastructure in line with the approved IPIP	Number of new clinical projects with completed construction	IRM, IPMP, Optimisation Plan, U-Amp	IPRM01	10	6	9	3	Target achieved.
	Number of new clinical projects where commissioning is completed	IRM, IPMP, Optimisation Plan, U-Amp	IPRM02	22	6	6	0	Target achieved.
1.20) Upgrading and renovation of existing clinical infrastructure in line with the approved IPIP	Number of upgrading and renovation projects with completed construction	IRM, IPMP, Optimisation Plan, U-Amp	IPRM03	27	38	46	8	Target achieved.
	Number of upgrading and renovation projects where commissioning is completed	IRM, IPMP, Optimisation Plan, U-Amp	IPRM04	54	14	18	4	Target achieved.

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## 2012/13

### **STRATEGIES TO OVERCOME AREAS OF UNDER PERFORMANCE**

- The Infrastructure Turn-Around Strategy, developed in line with the Infrastructure Alignment Model (developed by National Treasury IDIP Programme), is showing positive results as reported.
- Year on year budget cuts however require review of priorities to ensure sustained performance.
  - Cancel selected new projects not yet in construction phase
  - Reduce number of major refurbishment projects
  - Re-direct funds towards maintenance (good existing Infrastructure)
  - Consider delivery/procurement models that are not-capital expensive
- The Department performed well in 2012/13 and spent:
  - 103% of the adjusted budget of R 2 303 billion (overall);
  - 111% of the adjusted budget for Hospital Revitalisation;
  - 100% of the Health Infrastructure Grant;
  - 101% of the Nursing College Grant; and
  - 101% of the Equitable Share allocation.

### **CHANGES TO PLANNED TARGETS**

- Delay in capital projects as reported.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### LINKING PROGRAMMES WITH BUDGETS

- The table below summarises the final budget appropriation and actual expenditure per Sub-Programme for 2011/12 and 2012/13.

**Table 61: Budget appropriation and expenditure per Sub-Programme**

Sub- Programme	2012/13			2011/12		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
<b>ADMINISTRATION</b>						
Office of the MEC	19 579	20 372	(793)	15 810	15 615	195
Management	419 659	429 231	(9 572)	369 868	372 258	(2 390)
<b>DISTRICT HEALTH SERVICES</b>						
District Management	243 504	238 924	4 580	166 902	166 894	8
Community Health Clinics	2 588 440	2 513 786	74 654	2 350 067	2 341 072	8 995
Community Health Centres	962 419	963 381	(962)	772 714	772 542	172
Community-based Services	-	790	(790)	25 774	25 774	-
Other Community Services	724 086	723 975	111	646 380	647 842	(1 462)
HIV and AIDS	2 339 641	2 392 690	(53 049)	1 910 935	1 914 057	(3 122)
Nutrition	44 463	44 433	30	65 237	65 237	-
Coroner Services	139 761	140 542	(781)	137 018	137 034	(16)
District Hospitals	4 960 638	4 985 885	(25 247)	4 744 220	4 763 328	(19 108)
<b>EMERGENCY MEDICAL SERVICES</b>						
Emergency Transport	892 895	892 111	784	1 068 726	1 068 670	56
Planned Patient Transport	62 955	62 937	18	37 380	37 433	(53)
<b>PROVINCIAL HOSPITAL SERVICES</b>						
General (Regional) Hospitals	6 392 555	6 438 209	(45 654)	5 529 336	5 541 776	(12 440)
Tuberculosis Hospitals	580 678	591 900	(11 222)	894 057	892 013	2 044
Psychiatric Hospitals	649 553	649 628	(75)	578 938	578 717	221
Sub-Acute, Step Down and Chronic Hospitals	203 489	203 283	206	109 646	109 131	515
Dental Training Hospitals	14 851	14 868	(17)	14 481	14 481	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

Sub- Programme	2012/13			2011/12		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
<b>CENTRAL HOSPITAL SERVICES</b>						
Central Hospital Services	874 101	874 101	-	660 408	758 623	(98 215)
Provincial Tertiary Hospitals	1 858 591	1 889 927	(31 336)	1 801 423	1 754 031	47 392
<b>HEALTH SCIENCES AND TRAINING</b>						
Nursing Training Colleges	362 856	362 857	(1)	394 940	401 068	(6 128)
EMS Training Colleges	10 904	10 904	-	11 507	11 417	90
Bursaries	82 940	82 997	(57)	75 381	64 433	10 948
Primary Health Care Training	54 574	54 574	-	59 013	58 922	91
Training Other	419 459	419 461	(2)	370 712	369 780	932
<b>HEALTH CARE SUPPORT SERVICES</b>						
Medicine Trading Account	15 170	15 170	-	13 971	13 971	-
<b>HEALTH FACILITIES MANAGEMENT</b>						
Community Health Facilities	551 516	562 070	(10 554)	428 421	426 102	2 319
Emergency Medical Services	5 377	5 377	-	3 285	3 285	-
District Hospital Services	624 482	651 614	(27 132)	630 027	720 786	(90 759)
Provincial Hospital Services	851 393	812 897	38 496	577 143	531 961	45 182
Central Hospital Services	28 598	28 598	-	4 720	4 720	-
Other Facilities	311 803	313 041	(1 238)	200 656	208 145	(7 489)
<b>Total</b>	<b>27 290 930</b>	<b>27 390 533</b>	<b>(99 603)</b>	<b>24 669 096</b>	<b>24 791 118</b>	<b>(122 022)</b>

Source: BAS

# ANNUAL REPORT (VOTE 7)

## 2012/13

### SUMMARY OF FINANCIAL INFORMATION

#### DEPARTMENTAL RECEIPTS

The revenue budget in the prior year (2011/12) was R227 798 million and the actual collection R207 998 million (decrease of 9%). This was due to the 2009/10 baseline which was not adjusted. Under-collection was due to non-discounting of the previous financial year RAF project which was run successfully in the 2009/10 financial year.

The Department reviews its UPFS tariffs annually after consultation with the National Department of Health and approval from Provincial Treasury. To improve revenue collection, the Department has streamlined its activities by focusing on institutions that were lagging behind on billing for services rendered.

The Department collected revenue totalling R267.071 million in 2012/13, exceeding the revenue budget by R53.079 million or 24.8 per cent. Revenue in respect of the following categories was higher than budgeted:

- Sale of goods and services other than capital assets: Over-collected by R18.313 million or 9.2 per cent. Over-collection was the higher than anticipated revenue against patient fees, resulting from the Treasury led focus on this category, as well as boarding fees for doctors.
- Fines, penalties and forfeits: Over-collected by R16 000 from parking transgressions at Head Office and other institutions.
- Interest, dividends and rent on land: Over-collected by R185 000. Revenue mainly interest from staff debts which is difficult to project.

An amount of R35.941 million was collected with respect to *Sale of capital assets* against no budget. This was due to the unanticipated auction of redundant motor vehicles.

*Transactions in financial assets and liabilities*: Under-collected by R1.376 million. Revenue from this source includes recoveries of debts related to previous years' salary over-payments, stale cheques, etc. This category is unpredictable in nature.

The table below shows the revenue budget for the Department (Vote 7) and actual revenue collection for the reporting year.

**Table 62: Departmental Receipts – Vote 7**

Departmental Receipts	2012/13			2011/12		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	-	-	-	-	-	-
- Casino taxes	-	-	-	-	-	-
- Horse racing taxes	-	-	-	-	-	-
- Liquor licences	-	-	-	-	-	-
- Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than	200 013	218 326	(18 313)	213 359	196 395	16 964

# ANNUAL REPORT (VOTE 7)

## 2012/13

Departmental Receipts	2012/13			2011/12		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
capital assets						
Transfers received	0	-	-	0	-	-
Fines, penalties and forfeits	1	17	(16)	0	17	(17)
Interest, dividends and rent on land	1	186	(185)	25	366	(341)
Sale of capital assets	0	35 941	(35 941)	20	-	20
Financial transactions in assets and liabilities	13 977	12 601	1 376	14 394	11 220	3 174
<b>Total</b>	<b>213 992</b>	<b>267 054</b>	<b>(53 062)</b>	<b>227 798</b>	<b>207 998</b>	<b>19 800</b>

Source: BAS

### **PROGRAMME EXPENDITURE**

The Department over-spent its 2012/13 Final Appropriation by R99.603 million or 0.4 per cent (Table below).

**Table 63: Programme Expenditure**

Programme Name	2012/13			2011/12		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	439 238	449 603	(10 365)	385 678	387 873	(2 195)
District Health Services	12 002 952	12 004 406	(1 454)	10 819 247	10 833 780	(14 533)
Emergency Medical Services	955 850	955 048	802	1 106 106	1 106 103	3
Provincial Hospital Services	7 841 126	7 897 888	(56 762)	7 126 458	7 136 118	(9 660)
Central Hospital Services	2 732 692	2 764 028	(31 336)	2 461 831	2 512 654	(50 823)
Health Sciences and Training	930 733	930 793	(60)	911 553	905 620	5 933
Health Care Support Services	15 170	15 170	-	13 971	13 971	-
Health Facilities Management	2 373 169	2 373 597	(428)	1 844 252	1 894 999	(50 747)
<b>Total</b>	<b>27 290 930</b>	<b>27 390 533</b>	<b>(99 603)</b>	<b>24 669 096</b>	<b>24 791 118</b>	<b>(122 022)</b>

Source: BAS

# ANNUAL REPORT (VOTE 7)

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## 2012/13

**Programme 1:** The 2011/12 over-expenditure was due to the payment of exit costs for staff leaving the service, which were higher than anticipated.

The 2012/13 over-expenditure by R 10.365 million was mainly related to increased costs of forensic investigations, audit fees and travel and subsistence costs. The latter related to expenses for officials called to Head Office for financial and Hospital Board member training and meetings, for which Programme 1 agreed to carry the costs.

**Programme 2:** The 2011/12 over-expenditure was related to late implementation of OSD for which the 2010/11 roll-over was not approved by Provincial Treasury.

In 2012/13 there was significant over-expenditure against Compensation of Employees (R22.017 million) and Goods and Services (R61.713 million) related to addressing critical staffing needs at PHC level, including:

- ♦ Addressing critical gaps in staffing levels, basic medical equipment, and infrastructure backlogs of municipal clinics taken over from Local Government.
- ♦ Increase in the number of School Health Teams, Family Health Teams, District Clinical Specialist Teams, and TB Tracing and Injection Teams.
- ♦ Progressive commissioning of CHCs and commissioning of the King Dinuzulu District Hospital.

The over-spending was mitigated by under-spending against *Transfers and subsidies to: Provinces and municipalities* (R74.583 million) related to the late submission of invoices by the municipalities for municipal clinics. As no roll-over in this regard will be possible due to the department's total over-spending, this will impact significantly on spending in 2013/14, and the department will need to monitor this.

**Programme 3:** The allocated funds were fully spent in 2011/12.

The 2012/13 under-expenditure by R 808 000 was mainly as a result of the delay in delivery of Planned Patient Transport vehicles which will inevitably impact on spending in 2013/14.

**Programme 4:** The 2011/12 over-expenditure was due to payments of OSD to qualifying Health Professionals, filling of critical posts, increase in the flat rate paid for laboratory services, increase in the cost of medical supplies, and the clearing of the payment backlog in respect of pharmaceutical companies.

The 2012/13 over-expenditure by R 56.762 million or 0.7 per cent was due to the increased demand of "non-negotiable" items e.g. blood transfusion and medicines, as well as the increased costs of water and electricity.

**Programme 5:** The 2011/12 over-expenditure was due to increased costs of blood products, increased stock levels of medical supplies, and clearing of outstanding payments of pharmaceutical companies.

The 2012/13 over-expenditure by R31.336 million or 1.1 per cent was mainly due to the cost of the Public Private Partnership at IALCH as well as cost of medical supplies. Costs are subject to exchange rate fluctuations, which were significantly higher in the latter half of 2012/13.

**Programme 6:** The realised savings in 2011/12 were due to the introduction of stipends to nursing students instead of salaries with full benefits, delays in the implementation of training programmes for Dietitians, Nutrition Advisors, Data Capturers, and the utilisation of departmental venues and facilities for training.

The minimal over-expenditure of R 60 000 in 2012/13 was largely due to an unexpected payment for the Cuban Doctor Programme for study aids which were not initially planned for.

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Programme 7:** Funds were fully spent in both 2011/12 and 2012/13.

**Programme 8:** The 2011/12 over-expenditure was due to the clearing of backlogs in line with infrastructure standards.

In 2012/13 over-expenditure of R 428 000 was largely due to overspending against *Buildings and other fixed structures* resulting from committed projects at the beginning of the year and the Department unable to slow down delivery to match the final appropriation. These projects include Dr Pixley Ka Seme Hospital, the Pomeroy and Dannhauser CHCs, as well as the KZN Provincial Laundry. The over-spending was mitigated by under-spending against *Compensation of employees* due to delays in the implementation of the new staffing structure to improve infrastructure support.

### **Transfer Payments (Excluding Public Entities)**

The table below shows the transfer payments which were budgeted for during the period 1 April 2012 to 31 March 2013 without any payments being made for reasons stated.

**Table 64: Transfer payments made for the period 1 April 2012 to 31 March 2013**

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred R'000	Amount spent by the Entity R'000	Reasons for the funds unspent by the Entity
<b>MUNICIPALITIES</b>					
Endondasuka/Mandeni	To subsidise provision of PHC for personal health services at municipal clinics	Yes	564	564	Payments made on a claim back basis as per SLA
Hibiscus Coast	To subsidise provision of PHC for personal health services at municipal clinics	Yes	4 824	4 824	Payments made on a claim back basis as per SLA
Kwa Dukuza	To subsidise provision of PHC for personal health services at municipal clinics	Yes	3 467	3 467	Payments made on a claim back basis as per SLA
Mthonjaneni	To subsidise provision of PHC for personal health services at municipal clinics	Yes	882	882	Payments made on a claim back basis as per SLA
Okhahlamba	To subsidise provision of PHC for personal health services at municipal clinics	Yes	1 411	1 411	Payments made on a claim back basis as per SLA
Umdoni	To subsidise provision of PHC for personal health services at municipal clinics	Yes	1 585	1 585	Payments made on a claim back basis as per SLA
Umlathuze	To subsidise provision of PHC for personal health services at municipal clinics	Yes	5 630	5 630	Payments made on a claim back basis as per SLA
Umlalazi	To subsidise provision of PHC for personal health services at municipal clinics	Yes	637	637	Payments made on a claim back basis as per SLA
Umtshezi	To subsidise provision of PHC for personal health services at municipal clinics	Yes	1 413	1 413	Payments made on a claim back basis as per SLA



# ANNUAL REPORT (VOTE 7)

## 2012/13

Name of Transferee	Purpose for which the funds were used	Compliance with s 38 (1) (j) of the PFMA	Amount transferred R'000	Amount spent by the Entity R'000	Reasons for the funds unspent by the Entity
Umuziwabantu	To subsidise provision of PHC for personal health services at municipal clinics	Yes	861	861	Payments made on a claim back basis as per SLA
Umvoti	To subsidise provision of PHC for personal health services at municipal clinics	Yes	1 619	1 619	Payments made on a claim back basis as per SLA
<b>DEPARTMENTAL AGENCIES AND ACCOUNTS</b>					
Medical Depot PPSD	Payment made to enable Provincial Medical Supply Centre to carry sufficient medical stock to meet demand	Yes	15 170	15 170	Fully spent
Skills Development Levy	Compulsory levy paid to Health and Welfare Sector Education Training Authority for skills development	Yes	10 118	10 118	Fully spent
Com: SABC TV Licences	TV licences annual fees	Yes	62	62	Fully spent
Department of Transport	Licensing of departmental motor vehicles	Yes	3 437	3 437	Fully spent

Source: Budget Office

**Table 65: Transfer payments budgeted for the period 1 April 2012 to 31 March 2013**

Name of transferee	Purpose for which the funds were to be used	Amount budgeted (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
eThekwini	To subsidise provision of PHC for personal health services at municipal clinics	61 051	0	Delays in the presentation of invoices.
UMshwathi Municipal Clinic	To subsidise provision of PHC for personal health services at municipal clinics	372	0	The clinic was provincialised.
Umgeni	To subsidise provision of PHC for personal health services at municipal clinics	1 059	0	The clinic was provincialised.
Mpofana	To subsidise provision of PHC for personal health services at municipal clinics	734	0	The clinic was provincialised.
Msunduzi	To subsidise provision of PHC for personal health services at municipal clinics	5 074	0	The clinic was provincialised.

Source: Budget Office

### **Transfer Payments to Municipal Clinics**

- PHC Supervisors conducted monthly supervisory visits to provincialised clinics to monitor service delivery and provide guidance with the development of facility improvement plans.

# ANNUAL REPORT (VOTE 7)

## 2012/13

- Ongoing monitoring was provided by clinical programmes and finance to ensure that the requirements of the service level agreement were complied with.
- *Challenges:* Delays in taking over of Municipal Clinics due to non-finalisation of negotiations between the Department and SALGA which impacted on finalisation of Service Level Agreements which resulted in delay of payments.
- Ongoing meetings between the Department, SALGA and Municipalities are continuing to resolve the takeover of the remaining clinics.

### **PUBLIC ENTITIES**

See Annual Financial Statements, Annexure 1E, Page 331 to 333.

### **CONDITIONAL GRANTS AND EARMARKED FUNDS**

The Division of Revenue Act (DORA) requires that annual reports and financial statements of transferring and receiving departments must include information on Conditional Grants set out in Schedules 4, 5, 6 and 7 of the Act; Section 13(1)(2) of DORA outlines information that should be included in the annual reports of the transferring national offices; and Section 13(3)(4) of DORA outlines the information that must be included in the Annual Report and Annual Financial Statements.

The tables below detail the Conditional Grants and earmarked funds for the period 1 April 2012 to 31 March 2013.

**Table 66: National Tertiary Services Grant**

Conditional Grant	Purpose, Expected Output, Comments
Department who transferred the grant	National Department of Health (Vote 16)
Purpose of the grant	Ensure provision of tertiary health services for all South African citizens To compensate tertiary facilities for the costs associated with provision of these services including cross border patients
Expected outputs of the grant	Provision of designated central and national tertiary services (T1, T2 and T3) in 22 hospitals/complexes as agreed between the province and the National Department of Health
Actual outputs achieved	Funded Tertiary Hospitals were able to sustain current services as per SLA. Procured medical equipment improved clinical management in maternal and neonatal care contributing towards improved maternal and neonatal health outcomes. Specialized obstetric sonar services ensured more efficient and timeous interventions thus improving health outcomes. Enhanced Public Private Partnerships e.g. utilizing experts from private sector to improve skills and service delivery in urogynaecology. Training in outpatient hysteroscopic procedures reduced inpatient operative procedures. Intensive Care Unit (ICU), Oncology, Nephrology and Trauma Orthopaedic services were enhanced through the NTSG. All other services as per SLA in each hospital were sustained. Specialist Doctors, Nurses and Allied Health Professional posts have been approved in ICU, Obstetrics & Gynaecology, Anaesthetics, Clinical Haematology, Orthopaedics, Ear, Nose & Throat (ENT), Dermatology, Human Genetics, Radiology and Maxillo - Facial services, Nephrology, Radiation Oncology and Trauma Services. Detailed patient statistics per Tertiary Hospital are attached in the 2012/13 Annual Performance Report

# ANNUAL REPORT (VOTE 7)

## 2012/13

Conditional Grant	Purpose, Expected Output, Comments
Amount per amended DORA (R'000)	R 1 323 114
Amount received (R'000)	R 1 323 114
Amount spent by the department (R'000)	R 1 323 114
Reasons for deviations	No deviations
Monitoring mechanism by the transferring department	<p>The NTSG is monitored by the Tertiary Services Programme Manager.</p> <p>Performance indicators in the Hospital Business Plan are aligned to the Conditional Grants – Schedule 4, DORA and PFMA prescripts. National and Provincial Strategic priorities for the delivery of Tertiary Services are integrated into the activities of the NTSG Service Delivery Plan.</p> <p>Governance structures: Hospital Executive Management, MTEC Meetings and Extended Management meetings - members in each hospital are responsible for monitoring the service delivery outputs, budgeting process, expenditure reviews and reporting to the Tertiary Services Programme Manager quarterly.</p> <p>Hospitals have weekly cash flow meetings, monthly extended management meetings and quarterly performance review meetings. Reports are submitted to the district and provincial finance management component.</p> <p>Clinical audits are conducted monthly in each hospital by multidisciplinary teams, and quality indicators are reported on quarterly to the Tertiary Services Programme Manager.</p> <p>Quality Improvement Plans aligned to the NTSG Business Plans are monitored by the Quality Management Teams in each hospital and reported to Management.</p> <p>Clinical and financial statistics are collected monthly in each hospital and are collated on a quarterly monitoring reporting tool which is forwarded to the Tertiary Services Programme Manager for analysis, review and reporting.</p>

**Table 67: Comprehensive HIV and AIDS Grant**

Conditional Grant	Purpose, Expected Output, Comments		
Department who transferred the grant	National Department Of Health (Vote 16)		
Purpose of the grant	To enable the health sector to develop an effective response to HIV and AIDS including universal access to HIV Counselling and Testing		
	To support the implementation of the National Operational Plan for comprehensive HIV and AIDS treatment and care		
	To subsidise in-part funding for the antiretroviral treatment programme		
Expected outputs versus actual performance		<b>Target</b>	<b>Actual</b>
	Number of fixed public health facilities offering ART services	590	608
	Number of new patients that started on ART	170 000	171 886
	Total number of patients on ART remaining in care	755 175	726 338
	Number of beneficiaries served by home-based caregivers	616 000	2 571 141
	Number of active home-based carers receiving stipends	10 337	6 514
	Number of male and female condoms distributed	213 272 000	98 077 872
	Number of High Transmission Areas intervention sites	55	77
	Number of Antenatal Care clients initiated on life-long ART	21 000	17 921
Number of babies Polymerase Chain Reaction (PCR) tested at 6 weeks	68 000	78 040	

# ANNUAL REPORT (VOTE 7)

## 2012/13

Conditional Grant	Purpose, Expected Output, Comments		
	Number of HIV positive clients screened for TB	408 116	343 026
	Number of HIV positive patients that started on IPT	244 867	102 478
	Number of active lay counsellors on stipends	2 099	2 121
	Number of clients pre-test counselled on HIV testing (including antenatal)	4 081 089	2 534 537
	Number of clients tested for HIV (including antenatal)	3 710 081	2 312 535
	Number of health facilities offering MMC services	-	67
	Medical Male Circumcision performed	174 826	121 228
	Sexual assault cases offered ARV prophylaxis	4 900	5 022
	Step Down Care facilities/units	4	4
	Doctors and professional nurses trained on HIV/AIDS, STIs, TB and chronic diseases	25	177
Amount per amended DORA (R'000)	R 2 225 423		
Amount received (R'000)	R 2 225 423		
Amount spent by the department (R'000)	R 2 226 708		
Reasons for deviations in performance	Pressures in the costs of micro-nutrients and ARVs, and delays in procurement of capital equipment through Supply Chain Management.		
Measures taken to improve performance	<p>Involvement of all stakeholders in the planning and management of human resources, finances, information/ evaluation and research, hospital services, district health and development, laboratory services, and pharmaceutical services.</p> <p>Involvement of the private sector and sector departments to improve comprehensive implementation of the strategic strategies and programmes.</p>		
Monitoring mechanism by the receiving department	The provincial team has been conducting quarterly meetings with the districts to monitor whether the performance targets set out in the Business Plan are reached within specific budget.		

**Table 68: Hospital Revitalisation Grant**

Conditional Grant	Purpose, Expected Output, Comments
Department who transferred the grant	National Department Of Health (Vote 16)
Purpose of the grant	<p>To provide funding to enable provinces to plan, manage, modernise, rationalise and transform health infrastructure, health technology, and monitoring and evaluation of health facilities in line with national policy imperatives.</p> <p>To supplement expenditure on health infrastructure delivered through public-private partnerships.</p>
Expected outputs of the grant	Number of hospitals upgraded, rebuilt and fully commissioned.
Actual outputs achieved	<p>King Edward Hospital: Repairs &amp; renovations to Blocks "N" and "I"/ Refurbishment of lifts in "N", "I" and "S" Blocks.</p> <p>Rietvlei Hospital: Upgrade of access road/ upgrade of water &amp; sewage treatment works.</p> <p>Lower Umfolozi War Memorial Hospital (LUWMH): Lodger Mothers Wing, mortuary, laboratory, kitchen and crisis centre complete.</p> <p>Ngwelezane Hospital: Two new wards and alterations to Nurses College/ Therapy, re-in state water reservoirs, and convert existing wards to psychiatric OPD clinic.</p> <p>Hlabisa Hospital: Phase 1 upgrade of existing theatres</p>

# ANNUAL REPORT (VOTE 7)

## 2012/13

Conditional Grant	Purpose, Expected Output, Comments
	King Dinuzulu Hospital: New level 1 hospital, new TB surgical wards and mortuary, new crèche, new workshop, waste disposal and mini laundry, new main entrance and security, alterations and additions to psychiatric closed unit. Edendale Hospital: Sewer repairs and upgrade water reticulation, demolition of KwaHlengabantu Step-Down facility.
Amount per amended DORA (R'000)	R 586 605
Amount received (R'000)	R 586 605
Amount spent by the department (R'000)	R 586 667
Reasons for deviations on performance	Over-expenditure by R 62 000 mainly because the Department was unable to delay projects to match allocation.
Measures taken to improve performance	Appointment of additional staff to assist with planning and monitoring PIAs.
Monitoring mechanism by the receiving department	Monthly Progress Meeting with PIAs, Site meetings, IRM and PMIS.

**Table 69: Health Professional & Training Grant**

Conditional Grant	Purpose, Expected Output, Comments
Department who transferred the grant	National Department of Health (Vote 16)
Purpose of the grant	Support provinces to fund service costs associated with training of health science trainees on the public service platform. Co-funding of the National Human Resource Plan for Health in expanding undergraduate medical education for 2012 and beyond (2025).
Expected outputs of the grant	Measure performance against the National Human Resource Plan for Health by monitoring the following categories of trainees on the health platform by their category, province and training institution: Undergraduate health sciences trainees, postgraduate health sciences trainees (excluding registrars), registrars, community services health professionals and other health science trainees supervised on the public health service platform as per statutory requirements.
Actual outputs achieved	The total amount of R261, 860 of the grant was spent on 372 Registrars on the Registrar Programme.
Amount per amended DORA (R'000)	R 261 860
Amount received (R'000)	R 261 860
Amount spent by the department (R'000)	R 261 860
Monitoring mechanism by the receiving department	Monitored by the Tertiary Services Programme Manager through quarterly monitoring of the performance indicators with the Provincial Human Resource representative is conducted. Liaison with the relevant managers to rectify financial journals is monitored on a monthly basis this ensured that the HPTDG was correctly utilized. Reports submitted to the Conditional Grants Coordinator, Senior General Manager Specialized Services and Clinical Support, CFO, HOD and NDOH in accordance with DORA reporting framework.

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 70: Health Infrastructure Grant to Provinces**

Conditional Grant	Purpose, Expected Output, Comments
Department who transferred the grant	National Department of Health (Vote 16)
Purpose of the grant	To supplement provincial funding of health infrastructure to address backlogs, to accelerate the provision of health facilities and ensure proper life cycle maintenance of provincial health infrastructure
Expected outputs of the grant	Number of health facilities, planned, designed, constructed, maintained and operationalised. Number of work opportunities created.
Actual outputs achieved	Number of health facilities planned: 13 Number of health facilities designed: 68 Number of health facilities constructed: 74 Number of health facilities maintained: 545 Number of health facilities operationalised: 20
Amount per amended DORA (R'000)	R 573 367
Amount received (R'000)	R 573 367
Amount spent by the department (R'000)	R 573 367
Measures taken to improve performance	Appointment of additional staff to assist with planning and monitoring PIAs.
Monitoring mechanism by the receiving department	Monthly Progress Meeting with PIAs, Site meetings, IRM and PMIS.

**Table 71: National Health Insurance**

Conditional Grant	Purpose, Expected Output, Comments
Department who transferred the grant	National Department Of Health (Vote 16)
Purpose of the grant	Test innovations necessary for implementing National Health Insurance To undertake health system strengthening initiatives and support selected pilot districts in implementing identified service delivery interventions To strengthen the resource management of selected central hospitals
Expected outputs of the grant	Enhances managerial autonomy, delegation of functions and accountability in districts and health facilities Provides for a scalable model, including the required institutional arrangements, for a District Health Authority (DHA) as the contracting agency Tests the linkage between health service management and administration and how it relates to the functions and responsibilities of DHAs Provides models for contracting private providers that include innovative arrangements for harnessing private sector resources at a primary health care level Provides for a rational referral system based on a re-engineered primary health care platform with a particular focus in rural and previously disadvantaged areas Provides a model for revenue collection and management model for identified central hospitals
Actual outputs achieved	<i>Umgungundlovu District:</i> Conducted a gap analysis to determine gaps in the revenue collection system; and Hardware and network upgraded in line with Gap Analysis findings. <i>Umkhanyakazi District:</i> A total of 109 managers were trained including: Finance Management and Budgeting (8); Supply Chain Management for Public Sector (20); Advanced Management and Development (30); Emerging Management Development Programme (8); Programme and Project Management (8); Diversity Management (10);

# ANNUAL REPORT (VOTE 7)

## 2012/13

Conditional Grant	Purpose, Expected Output, Comments
	<p>Customer service for Front Line Staff (25). Also trained Operational Managers in Leadership Change 1 and 2 and the Advanced Management Development Programme; Training and orientation of Hospital Boards and Clinics Committees; Training of the District Health Management Team was done in the following areas; Data Management for Operational Managers, Leadership Development, Leading Change 1 and 2, Supply Chain in the Public Sector.</p> <p>A situational analysis of existing sessional contracts at clinics was concluded and a database of Private General Practitioners has been finalised. Forum established to formalise integration between public and private health care service providers. A total of 34 GPs were orientated on clinical guidelines and protocols. Benguela Referral Model: Review of the referral policy commenced based on the findings of the pilot project. Clinicians, both public and private were trained on the revised referral policy. Finalised referral at a sub-district and hospital level and coordination of referrals formalised; cell phone communication system supplied to the sub-districts; referral books supplied to all facilities, schools and traditional health practitioners.</p> <p>Four Pharmacy Assistants were appointed to assist with the implementation of the Pharmacy Electronic System (PES). Sub-District Pilot: Benchmarking done at the North West Province. Procured medical equipment; 20 high back swivel and tilts chairs for the School Health Teams, Family Health Teams and District Clinical Specialist Teams (DCST). Appointed Family Health Teams, School Health Teams, and DCST teams have been appointed, trained and oriented; information technology equipment has been procured; and linen, pyjamas, crockery and food warmer trollies for all five hospitals were procured and received.</p>
Amount per amended DORA (R'000)	R 33 000
Amount received (R'000)	R 33 000
Amount spent by the department (R'000)	R 17 115
Reasons for the funds unspent by the entity	The under-spending largely relates to invoices received too late for payment in 2012/13 and late delivery of medical equipment such as BP machines, cholesterol machines, diagnostic sets, haemoglobin meter, medicine trolleys, IT equipment and software such as network switches and Medikredit software, as well as various items of medical supplies.
Reasons for deviations on performance	<p>Amajuba: Delays in finalisation of the GP contracting model (National Department of Health); MOU for the CD4 Point of Care was not approved; delays in procurement of cartridges for this service.</p> <p>Umgungundlovu: Higher than estimated cost of hardware and network upgrade resulting in delays with virement of funds from other objectives.</p>
Measures taken to improve performance	The department requested a roll-over of R15.090 million from 2012/13 to 2013/14. National Treasury has approved a roll-over of R14.949 million (based on the Department's unaudited Annual Financial Statements. This figure may be amended once the audited AFS information is available.
Monitoring mechanism by the receiving department	<p>Umgungundlovu: Weekly project monitoring meetings including all stakeholders.</p> <p>Umzinyathi: Monitor the supply chain processes on a weekly basis to manage delays effectively.</p>

**Table 72: Nursing Colleges and Schools Grant**

Conditional Grant	Purpose, Expected Output, Comments
Department who transferred the grant	National Department of Health (Vote 16)
Purpose of the grant	To supplement provincial funding of health infrastructure to accelerate the provision of health facilities including office furniture and related equipment and to ensure proper maintenance of provincial health infrastructure for nursing colleges and schools
Expected outputs of the grant	Number of nursing colleges and schools, planned, designed, constructed, operationalised and maintained. Number of work opportunities created

# ANNUAL REPORT (VOTE 7)

## 2012/13

Conditional Grant	Purpose, Expected Output, Comments
Actual outputs achieved	Two planned projects are in construction as planned.
Amount per amended DORA (R'000)	R 16 840
Amount received (R'000)	R 16 840
Amount spent by the department (R'000)	R 16 840
Measures taken to improve performance	Appointment of additional staff to assist with planning and monitoring PIAs.
Monitoring mechanism by the receiving department	Monthly Progress Meeting with PIAs, Site meetings, IRM and PMIS.

**Table 73: EPW Integrated Grant to Provinces**

Conditional Grant	Purpose, Expected Output, Comments
Department who transferred the grant	National Department of Public Works (Vote 7)
Purpose of the grant	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the EPWP guidelines:- road maintenance and the maintenance of buildings.
Expected outputs of the grant	Increased number of people employed and receiving income through EPWP Increased average duration of the work opportunities created. Increased income per EPWP beneficiary
Actual outputs achieved	Actual Full Time Equivalent Jobs: 2 485 (target: 1 300) Actual work opportunities 571 438 (target: 301 990) Number of people employed: 2 674 (target: 1 300)
Amount per amended DORA (R'000)	R 1 000
Amount received (R'000)	R 1 000
Amount spent by the department (R'000)	R 1 000
Measures taken to improve performance	Continual close monitoring of implementing agents and internal programme.
Monitoring mechanism by the receiving department	Monthly reports from Implementing Agents and Institutions.

**Table 74: AFCON Health and Medical Services Grant**

Conditional Grant	Purpose, Expected Output, Comments
Department who transferred the grant	National Department Of Health (Vote 16)
Purpose of the grant	To provide health and medical services at the 2013 AFCON championship
Expected outputs of the grant	Provision of Emergency Medical Services during the AFCON Event



# ANNUAL REPORT (VOTE 7)

## 2012/13

Conditional Grant	Purpose, Expected Output, Comments
Actual outputs achieved	Establish medical centres with Primary Health Care (PHC) and emergency treatment capability at specific venues to provide medical services. Provide emergency medical vehicles (ambulances and other medical services deployed). Mass gathering preparations. Command and control function ensure that an effective health strategy is provided
Amount per amended DORA (R'000)	R 3 000
Amount received (R'000)	R 3 000
Amount spent by the department (R'000)	R 1 672
Reasons for the funds unspent by the entity	Emergency Medical Services had purchased resources for the 2010 World Cup Event and the same resources were used for the AFCON Event
Reasons for deviations on performance	Lower than anticipated demand for services during the event. The amount will be surrendered.
Measures taken to improve performance	Once-off grant for AFCON
Monitoring mechanism by the receiving department	All requests for funding for the event were contained in the form of submissions which had to be approved by the HOD. Source documents for expenditure was recorded and filed, and a close-up report was submitted and filed

### **DONOR FUNDS**

Donor assistance includes both cash and in-kind contributions. In total, the Department received R14.831 million in 2012/13 (roll-overs, as well as new receipts) and spent R5.353 million.

The tables below details the donor funds (both cash and in-kind contributions) received during for the period 1 April 2012 to 31 March 2013.

**Table 75: Aspen Pharmacare**

Name of donor	Aspen Pharmacare
Full amount of the funding (R'000)	R 2 500
Period of the commitment	Rolled over from 2011/12
Purpose of the funding	Construction of Thathazakhe Clinic
Expected outputs	Construction of Thathazakhe Clinic
Actual outputs achieved	Construction of small clinic with maternity ward, three residential units, public ablutions, gate house, external works and maintenance
Amount received (R'000)	R 2 500
Amount spent by the department (R'000)	R 2 500
Monitoring mechanism by the donor	On-site visits

**Table 76: Astra Zeneca (Astra Zeneca Pharm)**

Name of donor	Astra Zeneca (Astra Zeneca Pharm)
Full amount of the funding (R'000)	R 196
Period of the commitment	Period of approved clinical trial

# ANNUAL REPORT (VOTE 7)

## 2012/13

Name of donor	Astra Zeneca (Astra Zeneca Pharm)
Purpose of the funding	Drug Trial
Expected outputs	Clinical trial
Actual outputs achieved	Clinical trial in progress
Amount received (R'000)	R 196
Amount spent by the department (R'000)	R 79
Reasons for the funds unspent	Trial still in progress
Monitoring mechanism by the donor	On-site supervision as per clinical trial protocols

**Table 77: Atlantic Philanthropies**

Name of donor	Atlantic Philanthropies
Full amount of the funding (R'000)	R 9 429
Period of the commitment	Two years
Purpose of the funding	Improvements for KZN College of Nursing
Expected outputs	Upgrading of infrastructure at nursing colleges, purchase of computers, teaching aids and capacity building
Actual outputs achieved	Feasibility study (policy and procedure development and accreditation of new qualification) conducted Procured teaching and learning equipment (100 computers – desk tops, 20 laptops, 25 printers, and 12 data projectors)
Amount received (R'000)	R 9 429
Amount spent by the department (R'000)	R 1 507
Reasons for the funds unspent	Continued delays with the tender process. Awaiting confirmation (in June 2013) as to whether funding are to be returned to the donor.
Monitoring mechanism by the donor	Progress report

**Table 78: Bayer Health Care: Greys Hospital**

Name of donor	Bayer Health Care: Greys Hospital
Full amount of the funding (R'000)	R 6
Period of the commitment	Not specified
Purpose of the funding	Training and attendance of Neurology congresses
Expected outputs	Trained Registrars in Neurology Department
Actual outputs achieved	Registrars trained
Amount received (R'000)	R 6
Amount spent by the department (R'000)	R 6
Monitoring mechanism by the donor	Routine clinical monitoring and support

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 79: Conforth Investments**

Name of donor	Conforth Investments
Full amount of the funding (R'000)	R 151
Period of the commitment	Not specified
Purpose of the funding	Improvement of Infection Prevention and Control in ward A4
Expected outputs	Installation of access control doors and purchasing of furniture for the Haematology Department
Actual outputs achieved	Installation of 2 access control doors and additional seating for patients in ward A4 West
Amount received (R'000)	R 151
Amount spent by the department (R'000)	R 101
Reasons for the funds unspent	Actual expenditure was less than the initial quote. Awaiting response from donor re utilisation of the remaining balance
Monitoring mechanism by the donor	None

**Table 80: Department of Cooperative Governance & Traditional Affairs**

Name of donor	Department of Local Government and Traditional Affairs
Full amount of the funding (R'000)	R 228
Period of the commitment	Not specified
Purpose of the funding	Purchasing of EMS vehicles and medical equipment
Expected outputs	Emergency and rescue equipment for EMS vehicles
Actual outputs achieved	Purchased emergency and rescue equipment for ambulances
Amount received (R'000)	R 228
Amount spent by the department (R'000)	R 225
Reasons for the funds unspent	The remaining R3 000 will be rolled over to 2013/14 and spent in the first quarter
Monitoring mechanism by the donor	None

**Table 81: Impumumelelo Trust Innovation**

Name of donor	Impumumelelo Trust Innovation
Full amount of the funding (R'000)	R 24
Period of the commitment	Not specified
Purpose of the funding	Training programme for HIV and AIDS
Expected outputs	Prize money for HIV and ADIS project
Actual outputs achieved	None
Amount received (R'000)	R 24
Amount spent by the department (R'000)	R 0
Reasons for the funds unspent	The project is in the planning phase
Monitoring mechanism by the donor	None

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 82: MRI Novartis Training**

Name of donor	MRI Novartis Training
Full amount of the funding (R'000)	R 55
Period of the commitment	Not specified
Purpose of the funding	Training of Radiographers on MRI machines
Expected outputs	Radiographers to gain knowledge on T2 scanning.
Actual outputs achieved	Training conducted
Amount received (R'000)	R 55
Amount spent by the department (R'000)	R 0
Reasons for the funds unspent	The payment was rejected on the SAP/BAS interface programme and could not be paid in 2012/13
Monitoring mechanism by the donor	Progress report

- *HWSETA Learnership St Aidans*: This funding was received late in 2011/12 and was rolled over to 2012/13. The funding was not spent due to delays in the tender process. The tender process was completed in late 2012/13 and funding will be spent in 2013/14.
- *HWSETA Learnerships Edendale Training Campus (two funds)*: Funding was received late in 2012/13 and will be spent in 2013/14.
- *HWSETA Learnerships for Bethesda Sub-Campus and King Edward Sub-Campus*: Received late in 2011/12 and rolled over to 2012/13. Due to problems with the procurement process (related to tender delays) funding will be spent in 2013/14.

## **CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN**

The total 2012/13 budget allocation for institutional maintenance for the 11 districts and maintenance at Head Office was R 387.034 million. Of this, a total amount of R351.200 million was spent equating to 91% of the budget spent. All maintenance projects are procured and managed by the districts and institutions.

The maintenance performance over the last five (5) years shows that the Department has spent on average close to 90% of its allocated maintenance budgets. The table below shows the annual expenditure against the budgets. It is clear that the average percentage budget allocation for maintenance is in the order of 20% of the overall annual budget.

**Table 83: Capital Investment, Maintenance and Asset Management**

Infrastructure projects	2012/13			2011/12		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	630 275	674 066	(43 791)	856 919	856 919	0
Existing infrastructure assets	1 665 663	1 648 517	17 146	928 875	928 875	0

# ANNUAL REPORT (VOTE 7)

## 2012/13

Infrastructure projects	2012/13			2011/12		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
- Upgrades and additions	1 019 083	1 019 943	(860)	399 883	399 883	0
- Rehabilitation, renovations and refurbishments	203 799	207 708	(3 909)	105 042	105 042	0
- Maintenance and repairs	442 781	420 866	21 915	423 950	423 950	0
Infrastructure transfer	20 000	20 000	-	10 000	10 000	0
- Current	442 781	420 866	21 915	423 950	423 950	0
- Capital	1 873 157	1 921 717	(48 560)	1 371 844	1 371 844	0
<b>Total</b>	<b>2 315 938</b>	<b>2 342 583</b>	<b>(26 645)</b>	<b>1 795 794</b>	<b>1 795 794</b>	<b>0</b>

The Department has developed a turnaround strategy whereby districts provide their maintenance needs and are motivated through that plan. The other main intervention in the districts was to develop term contracts for building/civil work. Contracts are not yet in place but plans are in place to ensure that this is operationalised from 2013/14 onwards to improve expenditure going forward.

### Major Maintenance Projects during 2012/13

*Addington Hospital Refurbishment and Renovations to the Core Block:* Total project cost R162.661 million. Overall Progress: Core Block is 22% complete (anticipated completion 30 July 2014); Administration Block is 95% complete (anticipated completion 30 June 2013); Theatre Block is 78% complete (anticipated completion 30 September 2013); and Chillers and Cooling Towers is 88% complete (anticipated completion 30 July 2013).

A revised programme has been drawn up and delays are anticipated in completion of the core block building. The hospital management has confirmed the availability of two (2) floors to the contractor, which will improve the progress and bring completion to April/May 2014.

*Addington Hospital - Part A (General Building Works):* Total project cost R4.968 million. Site handover took place on 13 March 2013.

*Madadeni Hospital:* Painting and upgrade to ablutions in 5 TB and psychiatric wards; Internal partitioning and renovations to Ward G14; Painting of administration block, removal of existing skylight and replacing with new roof sheeting and fitting two tube skylights; Replacement of damaged box gutters to psychiatric corridor and new stormwater piping to same corridor. Total project cost R4.655 million. Final completion February 2013 and retention release in May 2013.

*Madadeni Hospital:* Painting of general wards, replacing ceilings and doors, and upgrading of ablutions to wards. Total project cost R4.790 million. Final completion in January 2013 and retention release in April 2013.

*Madadeni Hospital:* Renovations to entire maternity ward and operating theatre with replacing of all floors sheeting; Plastering and painting to the maternity wards and service off all oxygen point in maternity wards and operating theatre; Replace vinly sheets in operating theatre and maternity. Total project cost R4.686 million. Final completion February 2013 and retention release in May 2013.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

*Niemeyer Memorial Hospital:* Electrical/mechanical installation and upgrade to kitchen. Total project cost R4.079 million. Final completion expected in June 2013.

Renovations to doctor's residents and nurses homes: doors, windows, ablutions, and painting of residences, transport house and OPD. Total project cost R3.167 million. Final completion in March 2013 and retention release in June 2013.

*Newcastle Hospital:* Paint the entire institution. Servicing doors and window frames; upgrade of staff and public ablutions including tiling to ceiling height and floors; Repair portion of sewer line around hospital. Total project cost R13.694 million. First Contractor terminated due to non-completion of works and abandonment of site. Completion contract 25% complete.

The department ended the year with an over-spending against the budget of R26.645 million, or 1.15% more than the Final Appropriation. This was mainly due to committed projects at the beginning of the year, and the Department being unable to slow down delivery sufficiently to match the final appropriation. The over-spending of R43.791million against new and replacement assets relates mainly to higher than expected costs, as well as faster than anticipated progress on a number of projects including the Dr Pixley Ka Seme Hospital (ground works) and the Pomeroy and Dannhauser CHCs.

The over-spending of R0.860 million against upgrading and additions is mainly attributed to faster than expected progress on the following projects:

- *Lower Umfolozi War Memorial Hospital* alterations and additions to the existing hospital (R 22.9 million) and Ngwelezana Hospital with the upgrading of the electrical reticulation at R 24.3 million.
  - The Department over-spent the rehabilitation, renovations and refurbishments final appropriation by R3.909 million. There were a number of projects progressing slower than anticipated and other forced savings to address pressures in the other infrastructure categories. The projects that were mainly affected were the refurbishment of Greys Hospital nurses' home and after-care centre, as well as the refurbishment of Umbonambi and Makhadini clinics.
  - The main contributions to the spending was for the KZN Provincial Laundry (eThekweni) exceeding budget by R 3.2 million. Addington Hospital refurbishment and rehabilitation (Core Block) exceeding budget by R 5.5 million. King Edward VIII Hospital repairs to N & S block roofs (repairs and renovations to N.I and POPD Block) exceeding budget by R 6.6 million.
- ♦ *Maintenance and Repairs:* The Department under-spent by R 21.915 million while it must be borne in mind that this category has a history of low budget and even lower spending. It is pleasing to note that, for the second consecutive year, the budget has significantly increased and spending has followed a similar pattern.

## 2012/13

**Table 84: Completion of Projects 2012/13**

District	Municipality	Project	Project details	Nature of investment	Start date	Completion date	Total project cost (R'000)	Total project expenditure (R'000)	2012/13 Expenditure (R'000)
<b>Total Cost</b>							<b>R 124 908</b>	<b>R 116 135</b>	<b>R 37 525</b>
Umkhanyakude	Umhlabuyalingana	Bhekabantu Clinic	Repairs & Renovations	Upgrade	30 June 2011	4 October 2012	R 4 343	R 4 207	R 1 367
Ugu	Hibiscus Coast	Bhobhoyi Clinic	2006/07 Renovate and Upgrade Clinic (Completion Contract)	Upgrade	3 January 2012	2 August 2012	R 4 950	R 4 781	R 2 263
iLembe	Ndwedwe	Chibini Clinic	Upgrade, Repair and Renovation	Upgrade	11 October 2011	19 July 2012	R 2 946	R 2 874	R 2 199
uMgungundlovu	Msunduzi	Fort Napier Hospital	Renovate kitchen interior	Upgrade	19 July 2011	11 May 2012	R 2 411	R 2 336	R 88
Ugu	Hibiscus Coast	Gcilima Clinic	2006/07 Renovate and Upgrade (Completion Contract)	Upgrade	26 January 2012	28 September 2012	R 924	R 760	R 651
uMgungundlovu	Msunduzi	Greys Hospital	Renovations to second floor Admin Block	Upgrade	13 June 2011	14 June 2012	R 3 827	R 3 239	R 1 356
Umzinyathi	Umvoti	Greytown Mortuary	Construction of Forensic Mortuary (Completion Contract)	New	10 July 2008	25 January 2013	R 10 565	8 907	R 6 270
Umkhanyakude	Hlabisa	Inhlwathi Clinic	Renovation (Completion Contract of WIMS 0255)	Upgrade	31 August 2012	15 December 2012	R 200	R 177	R 177
Sisonke	Ubuhlebezwe	Ixopo Clinic	2006/07 Renovate and Upgrade	Upgrade	12 May 2011	16 May 2012	R 10 277	R 8 563	R 352
Metros KZ	eThekwini	King Edward VIII Hospital	Repairs to N & S block roofs, Repairs and Renovations to NI and POPD Block	Upgrade	8 April 2010	31 July 2012	R 57 329	R 55 460	R 13 125
Zululand	Ulundi	Lomo Clinic	Complete Repairs and Renovations	Upgrade	23 September 2011	1 March 2013	R 6 996	R 6 421	R 3 626
Ugu	Hibiscus Coast	Ludimala (Mlondi) Clinic	2006/07 Renovate and Upgrade (Completion contract 031200)	Upgrade	14 February 2012	6 June 2012	R 1 236	R 1 185	R 134

# ANNUAL REPORT (VOTE 7)

## 2012/13

District	Municipality	Project	Project details	Nature of investment	Start date	Completion date	Total project cost (R'000)	Total project expenditure (R'000)	2012/13 Expenditure (R'000)
<b>Total Cost</b>							<b>R 124 908</b>	<b>R 116 135</b>	<b>R 37 525</b>
iLembe	KwaDukuza	Macambini Clinic	Maintenance for 2001/02 Programme (Repairs & Renovations)	Upgrade	2 August 2011	27 February 2013	R 6 700	R 6 024	R 2 115
uMgungundlovu	Richmond	Mbuthisweni Clinic (Inhlazuka)	2006/07 Renovate and Upgrade	Upgrade	9 September 2011	22 June 2012	R 2 000	R 1 587	R 814
iLembe	KwaDukuza	Ndulinde Clinic	Clinic Repairs and Renovations	Upgrade	2 June 2011	4 June 2012	R 5 838	R 5 622	R 2 760
uMgungundlovu	Msunduzi	Old Greys Complex (Orthopaedic Services)	Convert & Renovate existing building for W/S (tinting of windows and correction of floors)	Upgrade	26 November 2008	20 April 2012	R 3 666	R 3 504	R 23
uMgungundlovu	Msunduzi	Songozima Clinic	2006/07 Renovate and Upgrade (Completion Contract)	Upgrade	3 November 2011	6 December 2012	R 700	R 488	R 205







## **PART C**

# **GOVERNANCE**



# ANNUAL REPORT (VOTE 7)

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## 2012/13

### INTRODUCTION

The Department is committed to maintain the highest standards of governance by ensuring that good governance structures is in place to effectively, efficiently and economically utilize state resources. Overall accountability for the Department rests with the Head of Department on an administrative level and the MEC for Health on a political level.

*Legislative oversight is provided by:*

- ♦ The Executive Council (Cabinet)
- ♦ The Provincial Legislature
- ♦ The Standing Committee on Public Accounts (SCOPA)
- ♦ The Finance Portfolio Committee
- ♦ The Health Portfolio Committee
- ♦ The National Council of Provinces (NCOP)

#### *Governance*

The Department has actively participated and co-operated with all Oversight Committees and have responded to all questions emanating from its deliberations with these committees. The number of Parliamentary questions has reduced from 47 in 2010 to 38 in 2011 and 28 in 2012 - there are no outstanding or unanswered Parliamentary Questions.

The MEC for Health inaugurated the Provincial Health Council on the 12<sup>th</sup> of August 2011 and held bi-annual meetings in 2012. The MEC for Health convened the mandatory consultative forum of all stakeholders on the 6<sup>th</sup> of November 2012. Recommendations from this meeting were taken to the national level for further deliberation and decision making on overall health policy issues.

Since promulgation of the KZN Health Act, 2009 (Act No.1 of 2009) the Department has successfully formalised Hospital Boards at 67 out of 71 hospitals. Only 3 hospitals have interim boards and 1 hospital (Addington) has no board. Formal training of Hospital Boards was conducted from November 2012 to January 2013 with 506 Board Members completing a 3-day training programme covering 9 modules. Specific issues relating to the remuneration/compensation for Board Members must still be resolved (National competency) to reduce the high turnover in membership.

The prestigious national Cecilia Makiwane Award has been awarded to nurses in KwaZulu-Natal for five successive years – this year received by the nurses of Umkhanyakude District for service excellence. Umkhanyakude was also the recipient of the first prize in the Premier's Service Excellence Awards in 2012.

A very auspicious accolade was awarded to the Department when two Professional Nurses, Sister Zanele Mthiyane and Sister Leigh Scott, received the national Marilyn Lehana Award in 2011 and 2012 respectively. This award is in recognition of outstanding members of the nursing profession who show a special quality of caring when dealing with patients and colleagues.

Sister Eugenia Myeza of Addington Hospital received the KZN Florence Nightingale Award for excellence in nursing in early 2013. This is the second time in succession that Addington nurses received this award.

### RISK MANAGEMENT

The Department established a fully-fledged Risk Management Function which is primarily responsible for assisting the Accounting Officer with the establishment of effective and efficient systems and structures of risk management and internal control inclusive of anti-fraud and corruption initiatives.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

In order to ensure the achievement of the above, the Accounting Officer committed the KwaZulu-Natal Department of Health to a process of risk management that is aligned to the principles of good corporate governance, as supported by the Public Finance Management Act (PFMA), Act 1 of 1999 as amended by Act 29 of 1999, KZN Provincial Risk Management Framework and the Public Sector Risk Management Framework.

The execution of Risk Management related activities applies at every level of the department. It is the policy and philosophy of the department that management of risks is the responsibility of every manager at each level within the Department and all the institutions. Such processes are driven through the following:

- The approved Risk Management Framework which comprises of the Risk Management Policy, Strategy and Implementation Plan;
- The development of strategies derived from a risk based approach and informed by the Risk Registers compiled through the Risk Assessments conducted per Programme on a continuous basis;
- Periodic Monitoring of the status of action plans identified for the critical risks deemed to be posing a significant threat to the achievement of set goals and objectives of the Department. The prioritised risks are reported to the Cluster Audit and Risk Management Committee on a quarterly basis for monitoring purposes. The Department established an internal Risk Management Committee which is primarily responsible for monitoring all the activities of Risk Management and providing advice to the Accounting Officer on Risk Management matters; and
- The Department also relies on the services provided by the Provincial Treasury's Internal Audit Services and the Office of the Auditor General to provide independent and objective assurance over the effectiveness of the internal controls established to manage the identified risks.

## FRAUD AND CORRUPTION

The Department has adopted the stance of zero tolerance towards the management of risks of fraud and corruption. The approach is supported by the systems and structures which have been established and have also proven successful in terms of acting on the reported allegations of fraud and corruption. The success of the Department in terms of fighting fraud and corruption is partly based on the sustainable expenditure in the past few financial periods.

In order to ensure proactive management of fraud and corruption, the Department is at an advanced stage of finalising the Fraud Prevention Plan which will guide the implementation of anti-fraud and corruption initiatives.

Mechanisms are in place to enable whistle blowing and investigation of allegations of fraud and corruption and eventually taking the disciplinary actions. The whistle blowing mechanisms do accommodate for anonymous reporting as required in terms of the Protected Disclosure Act (Act No. 26 of 2000). Employees and Departmental Stakeholders are continuously encouraged through communication posters and during respective interactive platforms to report allegations of fraud and corruption.

All received allegations of fraud and corruption are investigated by the fully capacitated team who are Certified Fraud Examiners within the Forensic Investigations Unit. The Department continuously commits to the implementation of the outcomes, particularly the imposed sanctions imposed by the Disciplinary Hearing Committee. Such a process, where applicable, extends to recovering the financial losses suffered by the Department from those implicated.

The Department also continues to address allegations of fraud and corruption on a criminal process level as required in terms of the applicable legislations through partnerships with Law Enforcement Agencies.

# ANNUAL REPORT (VOTE 7)

---

## 2012/13

One of the objectives of the Fiscal Turnaround Strategy is to prevent fraud and corruption. The Department had been conducting investigations into alleged cases of fraud and corruption in the past, however the Department was not seeing a reduction in fraud and corruption and a decision was made to take decisive action against perpetrators of such activities. The introduction of a team in 2009, to work solely on the fight against fraud and corruption has yielded positive results for the Department in recent years.

To date a total of 241 matters pertaining to fraud and corruption have been dealt with. Of these fifty nine (59) employees were dismissed (10 of which were senior managers, at levels 13 and 14), thirty two (32) employees resigned as a result of pressures emanating whilst under investigation (10 of which were senior managers at levels 13 to 15).

The Department has taken an aggressive approach towards fraud and corruption and this has led to an overall decline in the number of cases of alleged fraud and corruption. The Department sends out a strong message to all employees and the knowledge of the cases and their outcomes serve as a deterrent in this regard.

In its efforts to fight fraud and corruption, the Department has engaged with law enforcement agencies and have received their support in ensuring convictions. All matters pertaining to fraud and corruption are also reported at national level and the efforts made in KwaZulu-Natal Department of Health serve as a benchmark and a best practice for other departments.

## AUDIT COMMITTEE REPORT

### **REPORT OF THE AUDIT & RISK COMMITTEE ON VOTE 7 – HEALTH**

**The KwaZulu-Natal Provincial Audit & Risk Committee is pleased to present its report for the financial year ended 31 March 2013.**

#### **Provincial Audit & Risk Committee Members and Attendance**

The Provincial Audit and Risk Committee (the PARC) consists of the members listed hereunder. The PARC is split into three (3) Cluster Audit & Risk Committees (the CARC) which consists of members of the PARC; is responsible for the Governance & Administration, Social and Economic Clusters respectively and reporting into the PARC.

The Chairman of the PARC is also the Chairman of the different CARCs and attends all CARC meetings. The CARC and the PARC are required to meet at least four times and two times respectively in a financial year. During the financial year ending 31 March 2013, a total of sixteen meetings (16) were held, namely, two (2) PARC meetings, twelve (12) CARC meetings, and two (2) special meetings.

Members attended the meetings as reflected below:

# ANNUAL REPORT (VOTE 7)

## 2012/13

Surname & Initial	PARC		CARC		Special		Total no. of Meetings	Total no. of Meetings Attended
	No. of Meetings Held	Attended	No. of Meetings Held	Attended	No. of Meetings Held	Attended		
Ms T Tsautse (Chairman)	2	2	12	12 <sup>#</sup>	2	2	16	16
Ms M Mothipe	2	2	4	4*	2	2	8	8
Ms N Jaxa	2	2	4	4*	2	2	8	8
Mr L Mangquku	2	2	4	4*	2	2	8	8
Mr T Boltman	2	2	4	4*	2	2	8	8
Mr F Docrat	2	2	4	4*	2	2	8	8
Mr V Naicker	2	2	4	2*	2	2	8	6

\* - 4 Meetings per cluster were held

# - Chairman attends all CARC meetings

### Provincial Audit & Risk Committee Responsibility

The Provincial Audit and Risk Committee reports that it complied with its responsibilities arising from the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations, including any other statutory and other regulations. The Provincial Audit and Risk Committee also reports that it adopted appropriate formal terms of reference as its Provincial Audit and Risk Committee Charter, regulated its affairs in compliance with this charter and discharged all its responsibilities as contained therein.

### The Effectiveness of Internal Control

The systems of internal control are the responsibility of the department's management and are designed to provide effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the requirements of the PFMA and the principles of the King III Report on Corporate Governance, the Internal Audit Function provides the Provincial Audit and Risk Committee and the departmental management with assurance that the systems of internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors; and the Report and Management Letter of the Auditor-General on the Annual Financial Statements, it was noted that the systems of internal control and financial internal controls were not effective and inadequate in certain areas for the entire year under review as control deficiencies were detected in the following significant areas:

- Supply Chain Management
- Asset Management
- Contract Management
- Forensic Pathology Services
- Pharmaceutical Services
- Information Technology General and Application Controls
- Human Resource Management

# ANNUAL REPORT (VOTE 7)

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## 2012/13

- Medical Waste Management
- Performance information
- Leave management

### **The quality of “In Year Monitoring” and monthly / quarterly reports submitted in terms of the Treasury Regulations and the Division of Revenue Act**

The Provincial Audit and Risk Committee, through the Internal Audit Function, was satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the department during the year under review except for over-expenditure by the department; as well as a lack of adequate monitoring of transfers made to private institutions by the department to ensure adequate compliance to the required conditions.

### **Audit of Performance Information**

The monitoring of the department's performance is a key function of the executive management of the department. The Provincial Audit & Risk Committee has no direct line of responsibility over the department's performance. However, the Provincial Audit and Risk Committee is responsible for ensuring, principally through the Internal Audit Function that the systems of performance management, measurement and reporting; as well as the systems of internal control that underpin the performance management framework of the department, remain robust and are reviewed routinely in the internal audit plans.

The Committee has accepted the responsibility of ensuring that adequate reporting on performance information is in line with its mandate and charter.

The Committee reviewed the Internal Audit and Auditor-General reports relating to Performance Information and noted the following material deficiencies:

- Lack of policies and procedures to address performance reporting requirements
- Variances re planned and actual targets not adequately explained
- Lack of documentation to support achieved outputs

### **Internal Audit Function**

The Provincial Audit & Risk Committee provides oversight and monitors the activities of the Internal Audit Function. Consequently, the Committee is able to report on the effectiveness and efficiency of the function.

The function was effective during the period under review and there were no unjustified restrictions or limitations. The Committee will in the forthcoming year, monitor progress to ensure that the Internal Audit Function continues to add value to the department and achieves its optimal performance.

### **Risk Management Function**

Risk Management is a proactive discipline that is intended to provide reasonable assurance that the department will achieve its objectives.

During this financial year, the Committee reviewed risk reports of the department on a quarterly basis, with particular focus being on:



# ANNUAL REPORT (VOTE 7)

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## 2012/13

- Reviewing the Risk Maturity Gap Analysis Report as compiled and presented by the PIAS to determine if this department has key structures and policies to take over its risk management responsibilities.
- The result of this analysis was discussed with the department's management, and the department was advised to establish its risk management oversight structures e.g. risk management committee in order to ensure the sustainability of the risk management processes.
- Reviewing progress report on the implementation of risk mitigation plans. The department was urged to finalise the outstanding risk mitigation plans and to update its risk register with completed risk mitigation plans and emerging risks.

### Other Governance Issues

As part of its governance responsibilities, the Committee also monitors the fraud prevention strategies that have been developed and implemented by provincial departments, and these responsibilities include monitoring the implementation of recommendations arising from forensic investigations.

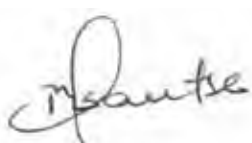
During the period under review, the Committee noted that the department had 3 investigations that were completed, all of which were conducted by the Provincial Treasury's Internal Audit Function.

The department was urged to implement recommendations arising from the completed investigation, and to provide the Internal Audit Function with a detailed list of all other investigations being conducted internally or by other relevant authorities.

The committee has noted action taken by management based on some of the investigations that a substantial number of officials including some senior managers of the department were suspended and subsequently dismissed.

### Evaluation of Financial Statements

The Provincial Audit and Risk Committee reviewed the Annual Financial Statements of the Department, as well as the Auditor General's management report together with management's response thereto. The Provincial Audit and Risk Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



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**Chairperson: Provincial Audit & Risk Committee**

**Date: 31 July 2013**



## **PART D**

# **HUMAN RESOURCE MANAGEMENT**



# ANNUAL REPORT (VOTE 7)

2012/13

## INTRODUCTION

The information contained in this part of the Annual Report has been prescribed by the Minister for Public Service and Administration for all departments within the public sector service - Public Service Regulations (Chapter 1, Part III J.3 and J.4).

## HUMAN RESOURCE OVERSIGHT STATISTICS

### SERVICE DELIVERY

All Departments are required to develop a Service Delivery Improvement Plan (SDIP). The following tables reflect the components of the SDIP as well as progress made with implementation of the Plan.

Table 85: Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Creation of posts	Line function and support personnel of the Department	Members of the population attracted to work in the Department	Efficient workforce	The macro structure was rationalised and aligned with the 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 the 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 case.
Evaluation of posts	All prospective employees of the Department	None	Appropriate levels of posts determined	Appropriate skills mix and competencies identified to complement the Department's organogram and service delivery responsibilities.

Source: HRMS

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 86: Consultation arrangements with customers**

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Institutional Management and Labour Committees	Employees, Organised Labour and Management	None	Institutional committees provide first level intervention on transversal issues.
Bargaining Chamber	Employees, Organised Labour and Management	None	Resolving of disputes emanating from Institutional Management and Labour Committees (IMLC) and reach agreement on sector specific conditions.
Human Resources Management Forum (Family Visits)	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 87: Service delivery access strategy**

Access Strategy	Actual achievements
Batho Pele Principles	Number of people trained on Batho Pele: 252 <sup>63</sup>
Patients Right Charter	Patients' Rights incorporated into Batho Pele

Source: HRMS

**Table 88: Service information tool**

Types of information tools	Actual achievements
Information posters and pamphlets	Posters displayed in institutions e.g. Batho Pele, Patients' Rights Charter and other health information
Signage	Signage – directions to facilities, facility names, opening times, services rendered etc.

Source: HRMS

**Table 89: Complaints mechanism**

Complaints Mechanism	Actual achievements
Grievance Procedure	PSCBC Resolution No. 14 of 2002 is followed for grievances.
Dispute Resolution Mechanism	PSCBS Resolution No. 1 of 2003 is followed for disciplinary procedures.

Source: HRMS

<sup>63</sup> This training was done in support of the "Make Me Look Like a Hospital Initiative"

# ANNUAL REPORT (VOTE 7)

## 2012/13

### **PERSONNEL RELATED EXPENDITURE**

The following tables summarise the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- ◆ Amount spent on personnel
- ◆ Amount spent on salaries, overtime, homeowner's allowances and medical aid

**Table 90 (3.1.1): Personnel expenditure by programme – 2012/13**

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel Expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administrative	R 454 147	R 248 235	-	-	54.7%	R 3
District Health Services	R 12 003 848	R 7 971 587	-	-	66.4%	R 107
Emergency Medical Services	R 955 066	R 641 779	-	-	67.2%	R 9
Provincial Hospital Services	R 7 873 703	R 5 876 791	-	-	74.6%	R 79
Central Hospital Services	R 2 768 713	R 1 383 714	-	-	50%	R 19
Health Sciences & Training	R 931 352	R 746 470	-	-	80.1%	R 10
Health Care Support Services	R 15 170	R 0	-	-	0%	R 0
Health Facilities Management	R 2 394 891	R 21 447	-	-	0.9%	R 0
<b>Total<sup>64</sup></b>	<b>R 27 396 890</b>	<b>R 16 890 023<sup>65</sup></b>	-	-	<b>61.6%</b>	<b>R 227</b>

Source: Vulindlela

<sup>64</sup> Totals as per Financial System (BAS)

<sup>65</sup> This figure does not align with the total for Personnel Expenditure in Table 62 (3.1.2) which was taken from PERSAL. In some instances, amounts are paid in BAS which are categorized under Personnel Expenditure but relate to previous financial periods hence the discrepancy between the two systems

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 91 (3.1.2): Personnel costs by salary bands – 2012/13**

Salary Bands	Personnel Expenditure (R'000)	% of Total Personnel Cost	Number of Employees	Average Personnel Cost per Employee (R'000)
Lower skilled (Levels 1-2)	R 692 294	4.1%	6 208	R 111 516
Skilled (Levels 3-5)	R 4 779 605	28.1%	33 007	R 144 806
Highly skilled production (Levels 6-8)	R 3 204 018	18.8%	13 609	R 235 434
Highly skilled supervision (Levels 9-12)	R 6 061 443	35.6%	12 976	R 467 127
Senior management (Levels 13-16)	R 664 114	3.9%	677	R 980 866
Contract (Levels 1-2)	R 314 709	1.8%	5 538	R 56 827
Contract (Levels 3-5)	R 8 108	0%	71	R 114 197
Contract (Levels 6-8)	R 121 454	0.7%	578	R 210 128
Contract (Levels 9-12)	R 939 560	5.5%	1 744	R 538 739
Contract (Levels 13-16)	R 47 683	0.3%	57	R 836 544
Periodical Remuneration	R 33 748	0.2%	645	R 52 322
Abnormal Appointment	R 913	0%	59	R 15 475
<b>Total</b>	<b>R 16 867 649<sup>66</sup></b>	<b>99%</b>	<b>75,169<sup>67</sup></b>	<b>R 224 396</b>

Source: Vulindlela

The following tables provide a summary per Programme (Table 3.1.3) and Salary Bands (Table 3.1.4) 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.

<sup>66</sup> This figure is taken from PERSAL and does not align with the Personnel Expenditure quoted in Table 61 (3.1.1.) which is quoted from BAS. As in previous comment

<sup>67</sup> This figure includes abnormal appointments and periodic remunerations with a combined total of 704 additional staff being included for expenditure purposes

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 92 (3.1.3.): Salaries, overtime, home owners allowance and medical assistance by programme – 2012/13**

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as % of Personnel Cost	Amount (R'000)	Overtime as % of Personnel Cost	Amount (R'000)	HOA as % of Personnel Cost	Amount (R'000)	Medical Assistance as % of Personnel Cost
Administrative	R 193 383	74.1%	R 1 999	0.8%	R 5 806	2.2%	R 10749	4.1%
District Health Services	R5 862 092	70.7%	R182 698	2.2%	R 343 418	4.1%	R 418 575	5%
Emergency Medical Services	R 406 768	62.8%	R 62 012	9.6%	R 32 523	5%	R 50 005	7.7%
Provincial Hospital Services	R3 892 012	68.8%	R 338 455	6%	R 199 209	3.5%	R 282 596	5%
Central Hospital Services	R 889 793	70.2%	R 93 031	7.3%	R 36 792	2.9%	R 61 693	4.9%
Health Sciences & Training	R 552 308	73.4%	R73 281	11.1%	R 13909	1.8%	R 16 593	2.2%
Health Facilities Management	R14 581	95.2% <sup>68</sup>	R	0%	R 30	0.8%	R 45	1.2%
Donor Funds	R 0	0%	R 0	0%	R 0	0%	R 0	0%
Persal Agencies	R 4 771	72.5%	R 838	12.7%	R 65	1%	R 127	1.9%
Trading Accounts	R 18 047	63.5%	R 115	0.4%	R 1 207	4.2%	R 1 915	6.7%
<b>Total</b>	<b>R 11 918 810</b>	<b>69.9%</b>	<b>R 765 999</b>	<b>4.5%</b>	<b>R 635 567</b>	<b>3.7%</b>	<b>R 846 386</b>	<b>5%</b>

Source: Vulindlela

<sup>68</sup> This figure is high as many of the Department of Works initiatives for increased employment are located in Programme 8: Health Facilities Management. These employees are paid a stipend



# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 93 (3.1.4): Salaries, overtime, home owners allowance and medical assistance by salary bands – 2012/13**

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of Personnel Cost	Amount (R'000)	Overtime as a % of Personnel Cost	Amount (R'000)	HOA as a % of Personnel Cost	Amount (R'000)	Medical Assistance as a % of Personnel Cost
Lower skilled (Levels 1-2)	R 471 499	67.9%	R 531	0.1%	R 66 561	9.6%	R 51 762	7.5%
Skilled (Levels 3-5)	R 3 264 310	67.6%	R 51 031	1.1%	R 334 754	6.9%	R 424 516	8.8%
Highly skilled production (Levels 6-8)	R 471 499	70.2%	R 35 351	1.1%	R 130 522	4%	R 193 375	6%
Highly skilled supervision (Levels 9-12)	R 3 264 310	71.5%	R 316 087	5.2%	R 96 839	1.6%	R 165 255	2.7%
Senior management (Levels 13-16)	R 2 276 528	64%	R 134 560	20% <sup>69</sup>	R 1 913	0.3%	R 5 636	0.8%
Contract (Levels 1-2)	R 4 386 997	97%	R 15	0%	R 2 064	0.7%	R 1 559	0.5%
Contract (Levels 3-5)	R 430 036	87.5%	R 1	0%	R 301	3.7%	R 89	1.1%
Contract (Levels 6-8)	R 305 430	84.5%	R 1 755	1.4%	R 1 709	1.4%	R 1 599	1.3%
Contract (Levels 9-12)	R 7 152	67.9%	R 217 472	23.1%	R 859	0.1%	R 2 374	0.3%
Contract (Levels 13-16)	R 103 285	69.1%	R 9 194	18.9%	R 45	0.1%	R 221	0.5%
Periodical Remuneration	R 639 514	0%	R 0	0%	R 0	0%	R 0	0%
Abnormal Appointment	R 33 613	48.4%	R 0	0%	R 0	0%	R 0	0%
<b>Total</b>	<b>R 11 918 810</b>	<b>69.9%</b>	<b>R 765 997</b>	<b>4.5%</b>	<b>R 635 567</b>	<b>3.7%</b>	<b>R 846 386</b>	<b>5%</b>

Source: Vulindlela

<sup>69</sup> This is due to Medical OSD ranks (i.e. Chief specialists etc.) performing commuted overtime

## 2012/13

### **EMPLOYMENT AND VACANCIES**

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables

- ♦ Programmes (Table 3.2.1)
- ♦ Salary Bands (Table 3.2.2)
- ♦ Critical Occupations (Table 3.2.3)

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on an establishment that can be occupied by more than one employee. Therefore the vacancy rate reflects the percentage of posts that are not filled.

**Table 94 (3.2.1.): Employment and vacancies by programme - 31 March 2013**

Programme	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to establishment <sup>70</sup>
Administrative, Permanent	894	777	13.1%	32
District Health Services, Permanent	47 595	38 141	19.9%	920
District Health Services, Temporary	241	315	-30.7%	0
Emergency Medical Services, Permanent	3 262	3 168	2.9%	0
Provincial Hospital Services, Permanent	23 605	22 284	5.6%	0
Provincial Hospital Services, Temporary	191	279	-46.1%	0
Central Hospital, Permanent	2 784	2 673	4%	0

<sup>70</sup> The bulk of the "Additional to Establishment" posts are for Community Care Givers who are employed on contract. The contract expiry date of 31 March meant that the re-appointments from 1 April were still being processed at the time of the data download for the Oversight Report

# ANNUAL REPORT (VOTE 7)

## 2012/13

Programme	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to establishment <sup>70</sup>
Central Hospital, Temporary	7	18	-157.1%	0
Health Sciences & Training, Permanent	5 261	4 214	19.9%	227
Health Sciences & Training, Temporary	2	2	0%	0
Health Facilities Management, Permanent	705	565	19.9%	499
Persal Agencies, Permanent	12	11	8.3%	0
Persal Agencies, Temporary	0	1	0%	0
Trading Accounts, Permanent	124	123	0.8%	0
<b>Total</b>	<b>86 666</b>	<b>74 464<sup>71</sup></b>	<b>14.1%</b>	<b>1 678</b>

Source: Vulindlela

**Table 95 (3.2.2.): Employment and vacancies by salary bands - 31 March 2013**

Salary band	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to establishment
Lower skilled (Levels 1-2), Permanent	14 233	6 206	56.4%	0
Lower skilled (Levels 1-2), Temporary	40	41	-2.5%	0
Skilled (Levels 3-5), Permanent	34 620	32 946	4.8%	0
Skilled (Levels 3-5), Temporary	44	50	-13.6%	0
Highly skilled production (Levels 6-8), Permanent	14 589	13 469	7.7%	0
Highly skilled production (Levels 6-8), Temporary	101	130	-28.7%	0
Highly skilled supervision (Levels 9-12), Permanent	13 848	12 485	9.8%	1
Highly skilled supervision (Levels 9-12), Temporary	309	473	-53.1%	0

<sup>71</sup> The MEC is not included in this employment figure as this post is a political appointment and normal appointment processes do not apply

# ANNUAL REPORT (VOTE 7)

## 2012/13

Salary band	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to establishment
Senior management (Levels 13-16), Permanent	891	674	24.4%	0
Senior management (Levels 13-16), Temporary	3	3	0%	0
Contract (Levels 1-2), Permanent	5 538	5 538	0%	1 646
Contract (Levels 3-5), Permanent	71	71	0%	5
Contract (Levels 6-8), Permanent	578	578	0%	20
Contract (Levels 9-12), Permanent	1 744	1 744	0%	3
Contract (Levels 13-16), Permanent	57	57	0%	3
<b>Total</b>	<b>86 666</b>	<b>74 465</b>	<b>14.1%</b>	<b>1 678</b>

Source: Vulindlela

**Table 96 (3.2.3.): Employment and vacancies by critical occupation - 31 March 2013**

Critical occupations	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Administrative related, Permanent	393	318	19.1%	0
All artisans in the building metal machinery etc., Permanent	411	374	9%	0
Ambulance and related workers, Permanent	3 068	2 978	2.9%	32
Artisan project and related superintendents, Permanent	136	123	9.6%	0
Auxiliary and related workers, Permanent <sup>72</sup>	13 622	6 407	53%	914
Boiler and related operators, Permanent	146	142	2.7%	0
Building and other property caretakers, Permanent	373	364	2.4%	0

<sup>72</sup> Approximately 9 500 of these are the Home Based Carers that are incorrectly classified. Their contracts expired on the 31<sup>st</sup> March 2013 and contracts were in the process of being renewed when the data was downloaded for the Report

# ANNUAL REPORT (VOTE 7)

## 2012/13

Critical occupations	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Bus and heavy vehicle drivers, Permanent	156	151	3.2%	0
Cashiers tellers and related clerks, Permanent	2	2	0%	0
Chiropodists and other related workers, Permanent	1	1	0%	0
Civil engineering technicians, Permanent	1	1	0%	0
Cleaners in offices workshops hospitals etc., Permanent	5 281	5 088	3.7%	0
Client inform clerks (switchboard receptionist inform clerks), Permanent	293	286	2.4%	0
Communication and information related, Permanent	122	92	24.6%	4
Community development workers, Permanent	1	1	0%	0
Dental practitioners, Permanent	123	119	3.3%	0
Dental practitioners, Temporary	2	2	0%	0
Dental specialists, Permanent	1	1	0%	0
Dental therapy, Permanent	108	103	4.6%	0
Dieticians and nutritionists, Permanent	189	171	9.5%	0
Dieticians and nutritionists, Temporary	2	2	0%	0
Draught and related trades, Permanent	2	2	0%	0
Economists, Permanent	31	27	12.9%	0
Emergency services related, Permanent <sup>73</sup>	41	41	0%	0
Engineering sciences related, Permanent	1	1	0%	0
Engineers and related professionals, Permanent	4	3	25%	0
Environmental health, Permanent	291	265	8.9%	0
Farm hands and labourers, Permanent	2	2	0%	0

<sup>73</sup> This pertains to Supervisory and Management Personnel for Emergency Medical Services. Production level employees are classified under "Ambulance and related workers"

# ANNUAL REPORT (VOTE 7)

## 2012/13

Critical occupations	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Finance and economics related, Permanent	105	83	21%	0
Financial and related professionals, Permanent	5	4	20%	0
Financial clerks and credit controllers, Permanent	654	572	12.5%	8
Food services aids and waiters, Permanent	924	887	4%	0
Food services workers, Permanent	80	79	1.3%	14
Health sciences related, Permanent	916	871	4.9%	1
Health sciences related, Temporary	1	1	0%	0
Home-based personal care workers, Permanent <sup>74</sup>	90	90	0%	8
Household and laundry workers, Permanent	1 790	1 717	4.1%	0
Household food and laundry services related, Permanent	29	29	0%	0
Housekeepers laundry and related workers, Permanent	6	6	0%	0
Human resources & organisational development & related prof. Permanent	32	29	9.4%	0
Human resources clerks, Permanent	1 166	1 070	8.2%	19
Human resources related, Permanent	217	193	11.1%	0
Information technology related, Permanent	23	21	8.7%	4
Inspectors of apprentices works and vehicles, Permanent	8	8	0%	0
Language practitioners interpreters & other communication, Permanent	4	3	25%	2
Legal related, Permanent	8	7	12.5%	0
Librarians and related professionals, Permanent	12	12	0%	0
Library mail and related clerks, Permanent	146	133	8.9%	0

<sup>74</sup> Home Based Care Workers have been incorrectly classified under "Auxiliary and other related Workers"

# ANNUAL REPORT (VOTE 7)

## 2012/13

Critical occupations	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Life sciences related, Permanent	77	77	0%	0
Light vehicle drivers, Permanent	273	259	5.1%	5
Logistical support personnel, Permanent	1	1	0%	0
Managers, Permanent	1	0	100%	0
Material-recording and transport clerks, Permanent	39	36	7.7%	0
Medical practitioners, Permanent	3 361	2 950	12.2%	0
Medical practitioners, Temporary	351	479	-36.5%	0
Medical research and related professionals, Permanent	37	28	24.3%	0
Medical specialists, Permanent	866	641	26%	0
Medical specialists, Temporary	89	155	-74.2%	0
Medical technicians/technologists, Permanent	124	114	8.1%	0
Messengers porters and deliverers, Permanent	1 347	1 180	12.4%	481
Motor vehicle drivers, Permanent	67	65	3%	0
Nursing assistants, Permanent	6829	6499	4.8%	0
Occupational therapy, Permanent	193	167	13.5%	0
Occupational therapy, Temporary	1	1	0%	0
Optometrists and opticians, Permanent	55	49	10.9%	0
Oral hygiene, Permanent	51	45	11.8%	0
Other administration & related clerks and organisers, Permanent	5 257	4 970	5.5%	166
Other administrative policy and related officers, Permanent	187	178	4.8%	0
Other information technology personnel., Permanent	9	9	0%	0
Other machine operators, Permanent	192	183	4.7%	0
Other occupations, Permanent	41	41	0%	0

# ANNUAL REPORT (VOTE 7)

## 2012/13

Critical occupations	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Pharmaceutical assistants, Permanent	894	833	6.8%	0
Pharmacists, Permanent	786	659	16.2%	0
Pharmacists, Temporary	11	12	-9.1%	0
Pharmacologists pathologists & related professional, Permanent	273	273	0%	0
Photographic lithographic and related workers, Permanent	2	2	0%	0
Physicists, Permanent	6	5	16.7%	0
Physicists, Temporary	1	0	100%	0
Physiotherapy, Permanent	302	273	9.6%	0
Physiotherapy, Temporary	2	2	0%	0
Printing and related machine operators, Permanent	5	5	0%	0
Professional nurse, Permanent	16 727	15 557	7%	0
Professional nurse, Temporary	23	22	4.3%	0
Psychologists and vocational counsellors, Permanent	104	91	12.5%	0
Psychologists and vocational counsellors, Temporary	8	15	-87.5%	0
Radiography, Permanent	620	560	9.7%	0
Radiography, Temporary	5	5	0%	0
Road workers, Permanent <sup>75</sup>	3	3	0%	0
Secretaries & other keyboard operating clerks, Permanent	256	243	5.1%	5
Security guards, Permanent	916	887	3.2%	1
Security officers, Permanent	183	175	4.4%	7
Senior managers, Permanent	135	110	18.5%	5

<sup>75</sup> Incorrect interpretation of Occupation Codes



# ANNUAL REPORT (VOTE 7)

## 2012/13

Critical occupations	Number of posts	Number of posts filled	Vacancy rate	Number of posts filled additional to the establishment
Shoemakers, Permanent <sup>76</sup>	4	4	0%	0
Social sciences related, Permanent	2	1	50%	0
Social sciences supplementary workers, Permanent	3	3	0%	0
Social work and related professionals, Permanent	279	266	4.7%	0
Speech therapy and audiology, Permanent	134	116	13.4%	0
Speech therapy and audiology, Temporary	1	1	0%	0
Staff nurses and pupil nurses, Permanent	11 609	10 727	7.6%	2
Student nurse, Permanent	2 259	1 993	11.8%	0
Supplementary diagnostic radiographers, Permanent	16	16	0%	0
Trade labourers, Permanent	612	581	5.1%	0
Trade related, Permanent	1	1	0%	0
Trade/industry advisers & other related profession, Permanent	14	12	14.3%	0
Water plant and related operators, Permanent	3	3	0%	0
<b>TOTAL</b>	<b>86 666</b>	<b>74 465</b>	<b>14.1%</b>	<b>1 678</b>

Source: Vulindlela

The information in each case reflects the situation as at 31 March 2013. For an indication of changes in staffing patterns over the year under review, please refer to section on Employment changes of this report.

<sup>76</sup> This relates to the Orthopaedic Footwear Technicians employed in the Medical Orthotics and Prosthetics Unit

# ANNUAL REPORT (VOTE 7)

## 2012/13

### **JOB EVALUATION**

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 during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

**Table 97 (3.3.1.): Job Evaluation - 1 April 2012 to 31 March 2013**

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	14 273	0	0%	0	0%	0	0%
Skilled (Levels 3-5)	34 664	1	0%	4	400% <sup>77</sup>	0	0%
Highly skilled production (Levels 6-8)	14 690	9	0.1%	58	644.4% <sup>78</sup>	2	22.2%
Highly skilled supervision (Levels 9-12)	14 157	0	0%	0	0%	0	0%
Senior management service Band A	606	0	0%	0	0%	0	0%
Senior management service Band B	64	0	0%	0	0%	0	0%
Senior management service Band C	216	0	0%	0	0%	0	0%
Senior management service Band D	8	0	0%	0	0%	0	0%
Contract (Levels 1-2)	5 538	0	0%	0	0%	0	0%
Contract (Level 3-5)	71	0	0%	0	0%	0	0%
Contract (Levels 6-8)	578	1	0.2%	0	0%	0	0%
Contract (Levels 9-12)	1 744	0	0%	0	0%	0	0%

<sup>77</sup> One (1) job description was evaluated and upgraded with repercussions for 4 posts dependent on that job description, resulting in 400%. These figures are pre-determined by Vulindlela and cannot be amended

<sup>78</sup> Nine (9) job descriptions were evaluated and upgraded with repercussions for 58 posts dependent on those job descriptions, resulting in 644.4%. These figures are pre-determined by Vulindlela and cannot be amended

# ANNUAL REPORT (VOTE 7)

## 2012/13

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Contract (B and A)	43	0	0%	0	0%	0	0%
Contract (B and B)	5	0	0%	0	0%	0	0%
Contract (B and C)	8	0	0%	0	0%	0	0%
Contract (B and D)	1	0	0%	0	0%	0	0%
<b>Total</b>	<b>86 666</b>	<b>11</b>	<b>0%</b>	<b>62</b>	<b>563.6%</b>	<b>2</b>	<b>18.2%</b>

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 98 (3.3.2.): Profile of employees whose salary positions were upgraded due to their posts being upgraded - 1 April 2012 to 31 March 2013**

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Employees with a disability</b>					<b>0</b>

Note: No data was available from Vulindlela

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 99 (3.3.3): Employees whose salary level exceed the grade determined by job evaluation - 1 April 2012 to 31 March 2013 (in terms of PSR 1.V.C.3)**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total number of employees whose salaries exceeded the level determined by job evaluation in 2012/13				0
Percentage of total employment				0%

Source: Vulindlela

The table below summarises the beneficiaries of the above in terms of race, gender, and disability.

**Table 100 (3.3.4): Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2012 to 31 March 2013 (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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Source: Vulindlela

Total number of employees whose remuneration exceeded the grade determined by job evaluation in 2012/13	Nil
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# ANNUAL REPORT (VOTE 7)

## 2012/13

### 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 3.4.1) and critical occupations (Table 3.4.2).

**Table 101 (3.4.1): Annual turnover rates by salary band for the period 1 April 2012 to 31 March 2013**

Salary Band	Number of employees per band on 1 April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2), Permanent	6 856	382	295	4.3%
Lower skilled (Levels 1-2), Temporary	47	7	12	25.5%
Skilled (Levels 3-5), Permanent	32 201	1 944	1 096	3.4%
Skilled (Levels 3-5), Temporary	42	5	8	19%
Highly skilled production(Levels 6-8), Permanent	12 689	489	714	5.6%
Highly skilled production (Levels 6-8), Temporary	129	18	27	20.9%
Highly skilled supervision(Levels 9-12), Permanent	12 386	505	723	5.8%
Highly skilled supervision(Levels 9-12), Temporary	440	39	79	18%
Senior Management Service Band A, Permanent	159	3	15	9.4%
Senior Management Service Band B, Permanent	165	2	7	4.2%
Senior Management Service Band B, Temporary	2	0	0	0%
Senior Management Service Band C, Permanent	40	5	12	30%
Senior Management Service Band D, Permanent	1	0	0	0%
Contract (Levels 1-2), Permanent	6 639	3 388	9 538	143.7%
Contract (Levels 3-5), Permanent	70	38	28	40%
Contract (Levels 6-8), Permanent	453	378	213	47%
Contract (Levels 9-12), Permanent	1 541	623	363	23.6%

# ANNUAL REPORT (VOTE 7)

## 2012/13

Salary Band	Number of employees per band on 1 April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Contract (Band A), Permanent	6	1	1	16.7%
Contract (Band B), Permanent	8	1	3	37.5%
Contract (Band C), Permanent	2	0	1	50%
Contract (Band D), Permanent	1	0	0	0%
<b>Total</b>	<b>73 877</b>	<b>7 828</b>	<b>13 135</b>	<b>17.8%</b>

Source: Vulindlela

**Table 102 (3.4.2): Annual turnover rates by critical occupation for the period 1 April 2012 to 31 March 2013**

Occupation	Number of employees per occupation as on 1 April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent	273	11	23	8.4%
All artisans in the building metal machinery etc., Permanent	366	34	37	10.1%
Ambulance and related workers, Permanent	3 013	48	95	3.2%
Artisan project and related superintendents, Permanent	110	17	7	6.4%
Auxiliary and related workers, Permanent <sup>79</sup>	7 926	1 728	8 087	102%
Boiler and related operators, Permanent	137	8	5	3.6%
Building and other property caretakers, Permanent	407	1	26	6.4%
Bus and heavy vehicle drivers, Permanent	151	10	11	7.3%
Cashiers tellers and related clerks, Permanent	3	0	0	0%

<sup>79</sup> Approximately 9 500 of these are the Home Based Carers that are incorrectly classified. Their contracts expired on 31<sup>st</sup> March 2013 and are in the process of being renewed when the data was downloaded

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Number of employees per occupation as on 1 April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Chiropodists and other related workers, Permanent	1	0	0	0%
Civil engineering technicians, Permanent	1	0	0	0%
Cleaners in offices workshops hospitals etc., Permanent	5 276	218	263	5%
Client inform clerks (switchboard receptionist information clerks), Permanent	282	7	9	3.2%
Communication and information related, Permanent	84	42	32	38.1%
Community development workers, Permanent	1	0	0	0%
Dental practitioners, Permanent	113	31	18	15.9%
Dental practitioners, Temporary	3	0	1	33.3%
Dental specialists, Permanent	1	0	0	0%
Dental therapy, Permanent	86	20	4	4.7%
Dieticians and nutritionists, Permanent	149	41	24	16.1%
Dieticians and nutritionists, Temporary	1	0	0	0%
Draught and related trades, Permanent	2	0	0	0%
Economists, Permanent	26	1	0	0%
Emergency services related, Permanent <sup>80</sup>	43	0	1	2.3%
Engineering sciences related, Permanent	0	1	0	0%
Engineers and related professionals, Permanent	3	1	1	33.3%
Environmental health, Permanent	186	99	50	26.9%
Farm hands and labourers, Permanent	2	0	0	0%
Finance and economics related, Permanent	51	10	1	2%
Financial and related professionals, Permanent	3	0	0	0%

<sup>80</sup> This pertains to Supervisory and Management Personnel for Emergency Medical Services. Production level employees are classified under "Ambulance and related workers"

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Number of employees per occupation as on 1 April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Financial clerks and credit controllers, Permanent	558	129	80	14.3%
Food services aids and waiters, Permanent	916	30	55	6%
Food services workers, Permanent	86	0	10	11.6%
Forestry labourers, Permanent	1	0	0	0%
Health sciences related, Permanent	864	14	43	5%
Home-based personal care workers, Permanent <sup>81</sup>	97	0	11	11.3%
Household and laundry workers, Permanent	1 753	39	98	5.65%
Household food and laundry services related, Permanent	27	3	2	7.4%
Housekeepers laundry and related workers, Permanent	7	0	0	0%
Human resources & organisational development & related prof, Permanent	30	0	1	3.3%
Human resources clerks, Permanent	1 017	148	99	9.7%
Human resources related, Permanent	182	5	8	4.4%
Information technology related, Permanent	18	7	3	16.7%
Inspectors of apprentices works and vehicles, Permanent	7	0	0	0%
Language practitioners interpreters & other community, Permanent	18	3	17	94.4%
Legal related, Permanent	7	1	0	0%
Librarians and related professionals, Permanent	12	0	0	0%
Library mail and related clerks, Permanent	142	10	4	2.8%
Life sciences related, Permanent	7	0	4	57.1%
Light vehicle drivers, Permanent	296	39	11	3.7%
Logistical support personnel, Permanent	1	0	0	0%

<sup>81</sup> Home Based Care Workers have been incorrectly classified under "Auxiliary and other related Workers"



# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Number of employees per occupation as on 1 April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Material-recording and transport clerks, Permanent	35	0	1	2.9%
Medical practitioners, Permanent	2 745	640	426	15.5%
Medical practitioners, Temporary	452	50	90	19.9%
Medical research and related professionals, Permanent	16	12	0	0%
Medical specialists, Permanent	592	44	56	9.5%
Medical specialists, Temporary	147	12	24	16.3%
Medical technicians/technologists, Permanent	119	18	25	21%
Messengers porters and deliverers, Permanent	699	691	699	100%
Motor vehicle drivers, Permanent	65	5	4	6.2%
Not available, Permanent	0	1	0	0%
Nursing assistants, Permanent	6 440	559	232	3.6%
Occupational therapy, Permanent	140	54	31	22.1%
Occupational therapy, Temporary	1	0	0	0%
Optometrists and opticians, Permanent	35	16	2	5.7%
Oral hygiene, Permanent	46	11	8	17.4%
Other administration & related clerks and organisers, Permanent	4 596	644	316	6.9%
Other administrative policy and related officers, Permanent	178	4	7	3.9%
Other information technology personnel., Permanent	9	1	0	0%
Other machine operators, Permanent	180	0	6	3.3%
Other occupations, Permanent <sup>82</sup>	48	0	0	0%
Pharmaceutical assistants, Permanent	791	56	30	3.8%

<sup>82</sup> This is an administrative error and has been corrected

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Number of employees per occupation as on 1 April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Pharmacists, Permanent	599	146	105	17.5%
Pharmacists, Temporary	10	3	4	40%
Pharmacologists pathologists & related professionals, Permanent	278	0	2	0.7%
Photographic lithographic and related workers, Permanent	2	0	0	0%
Physicists, Permanent	6	1	1	16.7%
Physiotherapy, Permanent	240	68	39	16.3%
Physiotherapy, Temporary	2	0	0	0%
Printing and related machine operators, Permanent	6	0	0	0%
Professional nurse, Permanent	14 597	536	778	5.3%
Professional nurse, Temporary	22	0	1	4.5%
Psychologists and vocational counsellors, Permanent	70	26	13	18.6%
Psychologists and vocational counsellors, Temporary	16	3	3	18.8%
Radiography, Permanent	528	76	55	10.4%
Radiography, Temporary	5	1	3	60%
Road workers, Permanent	2	1	0	0%
Secretaries & other keyboard operating clerks, Permanent	236	15	6	2.5%
Security guards, Permanent	922	4	40	4.3%
Security officers, Permanent	179	3	9	5%
Senior managers, Permanent	110	7	7	6.4%
Shoemakers, Permanent <sup>83</sup>	4	0	0	0%
Social sciences related, Permanent	1	0	0	0%

<sup>83</sup> This relates to the Orthopaedic Footwear Technicians employed in the Medical Orthotics and Prosthetics Unit

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Number of employees per occupation as on 1 April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Social sciences supplementary workers, Permanent	4	0	1	25%
Social work and related professionals, Permanent	248	21	8	3.2%
Speech therapy and audiology, Permanent	88	38	18	20.5%
Speech therapy and audiology, Temporary	1	0	0	0%
Staff nurses and pupil nurses, Permanent	10 922	712	727	6.7%
Student nurse, Permanent	2 164	481	182	8.4%
Supplementary diagnostic radiographers, Permanent	16	0	0	0%
Trade labourers, Permanent	505	111	35	6.9%
Trade related, Permanent	0	1	0	0%
Trade/industry advisers & other related profession, Permanent	11	0	0	0%
Water plant and related operators, Permanent	3	0	0	0%
<b>TOTAL</b>	<b>73 877</b>	<b>7 828</b>	<b>13 135</b>	<b>17.8%</b>

Source: Vulindlela

The table below identifies the major reasons why staff left the Department.

**Table 103 (3.4.3): Reasons why staff are leaving the department**

Termination Type	Number	% of total resignations
Death, Permanent	500	3.8%
Death, Temporary	1	0%
Resignation, Permanent	1 940	14.8%
Resignation, Temporary	94	0.7%

# ANNUAL REPORT (VOTE 7)

## 2012/13

Termination Type	Number	% of total resignations
Expiry of contract, Permanent	9 465	72.1%
Expiry of contract, Temporary	30	0.2%
Transfers, Permanent	17	0.1%
Discharged due to ill health, Permanent	21	0.2%
Dismissal-misconduct, Permanent	205	1.6%
Dismissal-inefficiency, Permanent	11	0.1%
Retirement, Permanent	838	6.4%
Retirement, Temporary	1	0%
Other, Permanent	12	0.1%
<b>Total</b>	<b>13 135</b>	<b>100%</b>
Total number of employees who left as a % of the total employment		<b>17.8%</b>

Source: Vulindlela

**Table 104 (3.4.4): Promotions by critical occupation**

Occupation	Employees as at 1 April 2012	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Administrative related	273	54	19.8%	133	48.7%
All artisans in the building metal machinery etc.	366	11	3%	182	49.7%
Ambulance and related workers	3 013	0	0%	1 368	45.4%
Artisan project and related superintendents	110	7	6.4%	41	37.3%
Auxiliary and related workers <sup>84</sup>	7 926	60	0.8%	2 097	26.5%

<sup>84</sup> Approximately 9 500 of these are the Home Based Carers that are incorrectly classified. Their contracts expired on 31<sup>st</sup> March 2013 and are in the process of being renewed when the data was downloaded

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Employees as at 1 April 2012	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Boiler and related operators	137	0	0%	55	40.1%
Building and other property caretakers	407	0	0%	142	34.9%
Bus and heavy vehicle drivers	151	0	0%	60	39.7%
Cashiers tellers and related clerks	3	0	0%	1	33.3%
Chiropodists and other related workers	1	0	0%	0	0%
Civil engineering technicians	1	0	0%	0	0%
Cleaners in offices workshops hospitals etc.	5 276	58	1.1%	3 025	57.3%
Client inform clerks (switchboard receptionist information clerks)	282	12	4.3%	165	58.5%
Communication and information related	84	6	7.1%	41	48.8%
Community development workers	1	0	0%	0	0%
Dental practitioners	116	1	0.9%	31	26.7%
Dental specialists	1	0	0%	1	100%
Dental therapy	86	0	0%	9	10.5%
Dieticians and nutritionists	150	0	0%	46	30.7%
Draught and related trades	2	0	0%	2	100%
Economists	26	7	26.9%	10	38.5%
Emergency services related <sup>85</sup>	43	0	0%	9	20.9%
Engineers and related professionals	3	1	33.3%	0	0%
Environmental health	186	1	0.5%	97	52.2%
Farm hands and labourers	2	0	0%	1	50%
Finance and economics related	51	28	54.9%	20	39.2%

<sup>85</sup> This pertains to Supervisory and Management Personnel for Emergency Medical Services. Production level employees are classified under "Ambulance and related workers"

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Employees as at 1 April 2012	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Financial and related professionals	3	2	66.7%	1	33.3%
Financial clerks and credit controllers	558	29	5.2%	311	55.7%
Food services aids and waiters	916	8	0.9%	486	53.1%
Food services workers	86	0	0%	5	5.8%
Forestry labourers	1	0	0%	0	0%
Health sciences related	864	52	6%	178	20.6%
Home-based personal care workers <sup>86</sup>	97	0	0%	0	0%
Household and laundry workers	1 753	39	2.2%	692	39.5%
Household food and laundry services related	27	0	0%	16	59.3%
Housekeepers laundry and related workers	7	0	0%	1	14.3%
Human resources & organisational development & relate prof	30	3	10%	16	53.3%
Human resources clerks	1 017	72	7.1%	550	54.1%
Human resources related	182	21	11.5%	108	59.3%
Information technology related	18	0	0%	15	83.3%
Inspectors of apprentices works and vehicles	7	0	0%	3	42.9%
Language practitioners interpreters & other community	18	0	0%	1	5.6%
Legal related	7	0	0%	2	28.6%
Librarians and related professionals	12	0	0%	7	58.3%
Library mail and related clerks	142	7	4.9%	65	45.8%
Life sciences related	7	0	0%	29	414.3%
Light vehicle drivers	296	4	1.4%	115	38.9%

<sup>86</sup> Home Based Care Workers have been incorrectly classified under "Auxiliary and other related Workers"

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Employees as at 1 April 2012	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Logistical support personnel	1	0	0%	0	0%
Material-recording and transport clerks	35	1	2.9%	11	31.4%
Medical practitioners	3 197	163	5.1%	579	18.1%
Medical research and related professionals	16	1	6.3%	3	18.8%
Medical specialists	739	42	5.7%	175	23.7%
Medical technicians/technologists	119	4	3.4%	39	32.8%
Messengers porters and deliverers	699	7	1%	389	55.7%
Motor vehicle drivers	65	1	1.5%	32	49.2%
Nursing assistants	6 440	0	0%	393	6.1%
Occupational therapy	141	1	0.7%	45	31.9%
Optometrists and opticians	35	0	0%	8	22.95%
Oral hygiene	46	1	2.2%	12	26.1%
Other administrative & related clerks and organisers	4 596	180	3.9%	2 269	49.4%
Other administrative policy and related officers	178	12	6.7%	103	57.9%
Other information technology personnel.	9	0	0%	3	33.3%
Other machine operators	180	9	5%	82	45.6%
Other occupations	48	0	0%	10	20.8%
Pharmaceutical assistants	791	8	1%	320	40.5%
Pharmacists	609	29	4.8%	190	31.2%
Pharmacologists pathologists & related professional	278	0	0%	61	21.9%
Photographic lithographic and related workers	2	0	0%	0	0%
Physicists	6	1	16.7%	5	83.3%

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Employees as at 1 April 2012	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Physiotherapy	242	9	3.7%	102	42.1%
Printing and related machine operators	6	0	0%	1	16.7%
Professional nurse	14 619	474	3.2%	1 180	8.1%
Psychologists and vocational counsellors	86	0	0%	12	14%
Radiography	533	17	3.2%	286	53.7%
Road workers <sup>87</sup>	2	0	0%	1	50%
Secretaries & other keyboard operating clerks	236	8	3.4%	140	59.3%
Security guards	922	6	0.7%	424	46%
Security officers	179	6	3.4%	124	69.3%
Senior managers	110	7	6.4%	46	41.8%
Shoemakers <sup>88</sup>	4	0	0%	0	0%
Social sciences related	1	0	0%	1	100%
Social sciences supplementary workers	4	0	0%	4	100%
Social work and related professionals	248	3	1.2%	112	45.2%
Speech therapy and audiology	89	4	4.5%	26	29.2%
Staff nurses and pupil nurses	10 922	90	0.8%	776	7.1%
Student nurse	2 164	0	0%	354	16.4%
Supplementary diagnostic radiographers	16	0	0%	10	62.5%
Trade labourers	505	4	0.8%	263	52.1%
Trade/industry advisers & other related profession	11	1	9.1%	3	27.3%

<sup>87</sup> Incorrect classification of garden maintenance staff – will be amended

<sup>88</sup> This relates to the Orthopaedic Footwear Technicians employed in the Medical Orthotics and Prosthetics Unit



# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupation	Employees as at 1 April 2012	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Water plant and related operators	3	0	0%	1	33.3%
<b>Total</b>	<b>73 877</b>	<b>1 572</b>	<b>2.1%</b>	<b>18 732</b>	<b>25.4%</b>

Source: Vulindlela

**Table 105 (3.4.5): Promotions by salary band**

Salary Band	Employees on 1 April 2012	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2), Permanent	6 856	7	0.1%	2 861	41.7%
Lower skilled (Levels 1-2), Temporary	47	0	0%	0	0%
Skilled (Levels 3-5), Permanent	32 201	427	1.3%	10 789	33.5%
Skilled (Levels 3-5), Temporary	42	0	0%	4	9.5%
Highly skilled production (Levels 6-8), Permanent	12 689	487	3.8%	2 594	20.4%
Highly skilled production (Levels 6-8), Temporary	129	0	0%	11	8.5%
Highly skilled supervision (Levels 9-12), Permanent	12 386	560	4.5%	2 012	16.2%
Highly skilled supervision (Levels 9-12), Temporary	440	0	0%	72	16.4%
Senior management (Levels 13-16), Permanent	365	44	12.1%	160	43.8%
Senior management (Levels 13-16), Temporary	2	0	0%	2	100%
Contract (Levels 1-2), Permanent	6 639	9	0.1%	12	0.2%
Contract (Levels 3-5), Permanent	70	6	8.6%	3	4.3%
Contract (Levels 6-8), Permanent	453	11	2.4%	6	1.3%
Contract (Levels 9-12), Permanent	1 541	17	1.1%	198	12.8%

# ANNUAL REPORT (VOTE 7)

## 2012/13

Salary Band	Employees on 1 April 2012	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Contract (Levels 13-16), Permanent	17	4	23.5%	8	47.1%
<b>Total</b>	<b>73 877</b>	<b>1 572</b>	<b>2.1%</b>	<b>18 732</b>	<b>25.4%</b>

Source: Vulindlela

### **EMPLOYMENT EQUITY**

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

**Table 106 (3.5.1): Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2013**

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers, Permanent	44	0	10	2	40	4	6	4	110
Professionals, Permanent	1 532	61	863	430	2 080	101	1 291	479	6 837
Professionals, Temporary	202	1	173	97	74	1	76	42	666
Technicians and associate professionals, Permanent	3 745	50	417	41	19 676	502	1 944	408	26 783
Technicians and associate professionals, Temporary	1	0	1	0	5	0	5	19	31
Clerks, Permanent	2 187	43	413	31	3 856	131	480	168	7 309
Service and sales workers, Permanent	4 593	46	517	27	15 505	196	537	86	21 507
Craft and related trades workers, Permanent	313	32	69	77	21	0	1	0	513
Plant and machine operators and assemblers, Permanent	586	12	72	2	122	4	8	1	807

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Elementary occupations, Permanent	2 892	40	281	29	6 235	95	243	46	9 861
Other, Permanent	15	0	2	1	16	0	3	4	41
<b>Total</b>	<b>16 110</b>	<b>285</b>	<b>2 818</b>	<b>737</b>	<b>47 630</b>	<b>1 034</b>	<b>4 594</b>	<b>1 257</b>	<b>74 465</b>
Employees with disabilities	94	6	31	3	80	1	10	5	230

Source: Vulindlela

**Table 107 (3.5.2): Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2013**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	22	3	72	46	8	0	31	9	191
Senior Management, Permanent	103	3	124	61	65	8	82	37	483
Senior Management, Temporary	1	0	2	0	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management, Permanent	1 415	49	609	172	7 983	259	1 593	405	12 485
Professionally qualified and experienced specialists and mid-management, Temporary	166	0	105	64	55	0	53	30	473
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	2 376	74	823	94	8 293	319	1 173	317	13 469
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	27	1	33	12	17	1	20	19	130
Semi-skilled and discretionary decision making, Permanent	8 631	104	608	51	22 139	310	959	144	32 946
Semi-skilled and discretionary decision making, Temporary	6	0	18	8	5	0	6	7	50

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Unskilled and defined decision making, Permanent	1 918	20	123	16	3 953	48	114	14	6 206
Unskilled and defined decision making, Temporary	3	0	16	13	2	0	2	5	41
Contract (Top Management), Permanent	1	0	1	4	2	0	0	1	9
Contract (Senior Management), Permanent	23	0	4	13	6	0	0	2	48
Contract (Professionally qualified), Permanent	384	22	235	174	389	31	313	196	1 744
Contract (Skilled technical), Permanent	129	4	20	8	235	8	108	66	578
Contract (Semi-skilled), Permanent	11	0	2	0	49	0	8	1	71
Contract (Unskilled), Permanent	894	5	23	1	4 429	50	132	4	5 538
<b>Total</b>	<b>16 110</b>	<b>285</b>	<b>2 818</b>	<b>737</b>	<b>47 630</b>	<b>1 034</b>	<b>4 594</b>	<b>1257</b>	<b>74 465</b>

Source: Vulindlela

**Table 108 (3.5.3): Recruitment for the period 1 April 2012 to 31 March 2013**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	0	0	0	3	1	0	1	0	5
Senior Management, Permanent	1	0	1	1	1	0	1	0	5
Professionally qualified and experienced specialists and mid-management, Permanent	74	4	28	27	253	10	78	31	505
Professionally qualified and experienced specialists and mid-management, Temporary	10	0	7	4	10	0	8	0	39
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	102	4	6	5	315	6	32	19	489
Skilled technical and academically qualified workers,	4	0	6	2	0	1	4	1	18

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
junior management, supervisors, foremen, Temporary									
Semi-skilled and discretionary decision making, Permanent	490	4	13	0	1 388	12	34	3	1944
Semi-skilled and discretionary decision making, Temporary	1	0	1	1	1	0	1	0	5
Unskilled and defined decision making, Permanent	177	0	1	1	199	2	1	1	382
Unskilled and defined decision making, Temporary	3	0	0	2	1	0	0	1	7
Contract (Senior Management), Permanent	1	0	0	1	0	0	0	0	2
Contract (Professionally qualified), Permanent	113	8	52	81	152	8	104	105	623
Contract (Skilled technical), Permanent	63	1	17	8	128	7	92	62	378
Contract (Semi-skilled), Permanent	9	0	2	0	21	0	6	0	38
Contract (Unskilled), Permanent	767	5	9	0	2 548	13	43	3	3 388
<b>Total</b>	<b>1 815</b>	<b>26</b>	<b>143</b>	<b>136</b>	<b>5 018</b>	<b>59</b>	<b>405</b>	<b>226</b>	<b>7 828</b>

<b>Employees with disabilities</b>	<b>9</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22</b>
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Source: Vulindlela

**Table 109 (3.5.4): Promotions for the period 1 April 2012 to 31 March 2013**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	4	0	6	7	2	0	0	0	19
Senior Management, Permanent	32	3	60	32	19	2	29	8	185
Senior Management, Temporary	1	0	1	0	0	0	0	0	2

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management, Permanent	449	21	310	69	1 034	57	513	119	2 572
Professionally qualified and experienced specialists and mid-management, Temporary	35	0	12	3	9	0	8	5	72
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	761	38	198	46	1 531	82	329	96	3 081
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	4	0	3	0	1	0	2	1	11
Semi-skilled and discretionary decision making, Permanent	3 807	51	321	31	6 407	124	418	57	11 216
Semi-skilled and discretionary decision making, Temporary	2	0	0	0	2	0	0	0	4
Unskilled and defined decision making, Permanent	775	10	71	11	1 906	26	63	6	2 868
Contract (Senior Management), Permanent	6	0	0	3	2	0	0	1	12
Contract (Professionally qualified), Permanent	45	2	48	26	27	8	40	19	215
Contract (Skilled technical), Permanent	5	0	1	0	9	0	0	2	17
Contract (Semi-skilled), Permanent	2	0	0	0	6	0	1	0	9
Contract (Unskilled), Permanent	2	0	0	0	19	0	0	0	21
<b>Total</b>	<b>5 930</b>	<b>125</b>	<b>1 031</b>	<b>228</b>	<b>10 974</b>	<b>299</b>	<b>14 03</b>	<b>314</b>	<b>20 304</b>

<b>Employees with disabilities</b>	<b>55</b>	<b>5</b>	<b>15</b>	<b>1</b>	<b>35</b>	<b>0</b>	<b>6</b>	<b>3</b>	<b>120</b>
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Source: Vulindlela

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 110 (3.5.5): Terminations for the period 1 April 2012 to 31 March 2013**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	2	0	7	3	0	0	0	0	12
Senior Management, Permanent	4	0	10	4	1	0	1	2	22
Professionally qualified and experienced specialists and mid-management, Permanent	105	3	52	36	411	13	60	43	723
Professionally qualified and experienced specialists and mid-management, Temporary	28	0	12	9	11	0	11	8	79
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	133	7	35	8	423	22	55	31	714
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	9	0	9	2	4	0	2	1	27
Semi-skilled and discretionary decision making, Permanent	329	4	35	5	650	26	37	10	1096
Semi-skilled and discretionary decision making, Temporary	1	0	0	3	2	1	0	1	8
Unskilled and defined decision making, Permanent	96	2	5	1	180	6	4	1	295
Unskilled and defined decision making, Temporary	3	0	3	2	1	0	1	2	12
Contract (Top Management), Permanent	0	0	0	1	0	0	0	0	1
Contract (Senior Management), Permanent	2	0	0	2	0	0	0	0	4
Contract (Professionally qualified), Permanent	57	4	38	50	88	10	50	66	363
Contract (Skilled technical), Permanent	37	0	10	2	76	2	39	47	213
Contract (Semi-skilled), Permanent	6	0	1	0	19	0	2	0	28
Contract (Unskilled), Permanent	984	3	6	0	8 487	22	34	2	9 538
<b>Total</b>	<b>1 796</b>	<b>23</b>	<b>223</b>	<b>128</b>	<b>10 353</b>	<b>102</b>	<b>296</b>	<b>214</b>	<b>13 135</b>
Employees with disabilities	2	0	0	0	3	0	1	0	6

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 111 (3.5.6): Disciplinary action for the period 1 April 2012 to 31 March 2013**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Dismissal	1	0	0	0	0	0	0	0	1
Final written warning	2	0	0	0	8	0	0	0	10
No outcome	5	0	0	0	5	0	0	0	10
Suspended without payment	3	0	0	0	2	0	0	0	5
Written warning	3	0	0	0	0	0	0	0	3
<b>Total</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29</b>

Source: Vulindlela

**Table 112 (3.5.7): Skills development for the period 1 April 2012 to 31 March 2013**

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	0	0	0	0	0	0
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	0	0	0	0	0	0	0	0	0
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers & Craft and related trades workers	0	0	0	0	0	0	0	0	0



# ANNUAL REPORT (VOTE 7)

2012/13

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Source: Vulindlela

## 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 113 (3.6.1): Performance Rewards by race, gender, and disability from 1 April 2012 to 31 March 2013**

Race, Gender, Disability	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African, Female	4	47 550	0%	R 25	R 6 313
African, Male	1	16 016	0%	R 10	R 9 996
Asian, Female	0	4 584	0%	R 0	R 0
Asian, Male	0	2 787	0%	R 0	R 0
Coloured, Female	0	1 033	0%	R 0	R 0
Coloured, Male	0	279	0%	R 0	R 0
Total Blacks, Female	4	53 167	0%	R 25	R 6 313
Total Blacks, Male	1	19 082	0%	R 10	R 9 996
White, Female	0	1 252	0%	R 0	R 0

# ANNUAL REPORT (VOTE 7)

## 2012/13

Race, Gender, Disability	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
White, Male	0	734	0%	R 0	R 0
Employees with a disability	1	230	0.4%	R 6	R 6 021
<b>Total</b>	<b>6</b>	<b>74 465</b>	<b>0%</b>	<b>R 41</b>	<b>R 6 878</b>

Source: Vulindlela

**Table 114 (3.6.2): Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2012 to 31 March 2013**

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure <sup>89</sup>
Lower skilled (Levels 1-2)	0	6208	0%	R 0	R 0	0%
Skilled (Levels 3-5)	0	33 007	0%	R 0	R 0	0%
Highly skilled production (Levels 6-8)	6	13 609	0%	R 41	R 6 833	0%
Highly skilled supervision (Levels 9-12)	0	12 976	0%	R 0	R 0	0%
Contract (Levels 1-2)	0	5 538	0%	R 0	R 0	0%
Contract (Levels 3-5)	0	71	0%	R 0	R 0	0%
Contract (Levels 6-8)	0	578	0%	R 0	R 0	0%
Contract (Levels 9-12)	0	1 744	0%	R 0	R 0	0%
Periodical Remuneration	0	645	0%	R 0	R 0	0%
Abnormal Appointment	0	59	0%	R 0	R 0	0%
<b>Total</b>	<b>6</b>	<b>74 435<sup>90</sup></b>	<b>0%</b>	<b>R 41</b>	<b>R 6 833</b>	<b>0%</b>

<sup>89</sup> Figure of R 16 890 023 000 utilised for "Total Personnel Expenditure" as per Table 53: Personnel Cost per Programme – 2012/13

<sup>90</sup> Data to be verified and confirmed

# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 115 (3.6.3): Performance Rewards by critical occupations from 1 April 2012 to 31 March 2013**

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	0	318	0%	R 0	R 0
All artisans in the building metal machinery etc.	0	374	0%	R 0	R 0
Ambulance and related workers	0	2 978	0%	R 0	R 0
Artisan project and related superintendents	0	123	0%	R 0	R 0
Auxiliary and related workers <sup>91</sup>	0	6 405	0%	R 0	R 0
Boiler and related operators	0	142	0%	R 0	R 0
Building and other property caretakers	0	364	0%	R 0	R 0
Bus and heavy vehicle drivers	0	151	0%	R 0	R 0
Cashiers tellers and related clerks	0	2	0%	R 0	R 0
Chiropodists and other related workers	0	1	0%	R 0	R 0
Civil engineering technicians	0	1	0%	R 0	R 0
Cleaners in offices workshops hospitals etc.	0	5 088	0%	R 0	R 0
Client inform clerks (switchboard receptionist inform clerks)	0	286	0%	R 0	R 0
Communication and information related	0	92	0%	R 0	R 0
Community development workers	0	1	0%	R 0	R 0
Dental practitioners	0	121	0%	R 0	R 0
Dental specialists	0	1	0%	R 0	R 0
Dental therapy	0	103	0%	R 0	R 0
Dieticians and nutritionists	1	173	0.6%	R 2	R 2 000

<sup>91</sup> Approximately 9 500 of these are the Home Based Carers that are incorrectly classified. Their contracts expired on 31<sup>st</sup> March 2013 and are in the process of being renewed when the data was downloaded.

# ANNUAL REPORT (VOTE 7)

## 2012/13

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Draught and related trades	0	2	0%	R 0	R 0
Economists <sup>92</sup>	0	27	0%	R 0	R 0
Emergency services related <sup>93</sup>	0	41	0%	R 0	R 0
Engineering sciences related	0	1	0%	R 0	R 0
Engineers and related professionals	0	3	0%	R 0	R 0
Environmental health	0	264	0%	R 0	R 0
Farm hands and labourers <sup>94</sup>	0	2	0%	R 0	R 0
Finance and economics related	1	83	1.2%	R 6	R 6 000
Financial and related professionals	0	4	0%	R 0	R 0
Financial clerks and credit controllers	0	572	0%	R 0	R 0
Food services aids and waiters	0	887	0%	R 0	R 0
Food services workers	0	79	0%	R 0	R 0
Health sciences related	0	872	0%	R 0	R 0
Home-based personal care workers <sup>95</sup>	0	90	0%	R 0	R 0
Household and laundry workers	0	1 717	0%	R 0	R 0
Household food and laundry services related	0	29	0%	R 0	R 0
Housekeepers laundry and related workers	0	6	0%	R 0	R 0
Human resources & organisational development & relate prof	0	29	0%	R 0	R 0
Human resources clerks	1	069	0.1%	R 5	R 5 000

<sup>92</sup> Incorrect classification of financial staff – to be amended

<sup>93</sup> This pertains to Supervisory and Management Personnel for Emergency Medical Services. Production level employees are classified under "Ambulance and related workers".

<sup>94</sup> Incorrect classification of garden maintenance staff – to be amended

<sup>95</sup> Home Based Care Workers have been incorrectly classified under "Auxiliary and other related Workers"

# ANNUAL REPORT (VOTE 7)

## 2012/13

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Human resources related	3	193	1.6%	R 28	R 9 333
Information technology related	0	21	0%	R 0	R 0
Inspectors of apprentices works and vehicles	0	8	0%	R 0	R 0
Language practitioners interpreters & other community	0	3	0%	R 0	R 0
Legal related	0	7	0%	R 0	R 0
Librarians and related professionals	0	12	0%	R 0	R 0
Library mail and related clerks	0	133	0%	R 0	R 0
Life sciences related	0	77	0%	R 0	R 0
Light vehicle drivers	0	258	0%	R 0	R 0
Logistical support personnel	0	1	0%	R 0	R 0
Material-recording and transport clerks	0	36	0%	R 0	R 0
Medical practitioners	0	3 416	0%	R 0	R 0
Medical research and related professionals	0	28	0%	R 0	R 0
Medical specialists	0	796	0%	R 0	R 0
Medical technicians/technologists	0	114	0%	R 0	R 0
Messengers porters and deliverers	0	1 179	0%	R 0	R 0
Motor vehicle drivers	0	65	0%	R 0	R 0
Nursing assistants	0	6 494	0%	R 0	R 0
Occupational therapy	0	168	0%	R 0	R 0
Optometrists and opticians	0	49	0%	R 0	R 0
Oral hygiene	0	45	0%	R 0	R 0
Other administration & related clerks and organisers	0	4 968	0%	R 0	R 0
Other administrative policy and related officers	0	178	0%	R 0	R 0

# ANNUAL REPORT (VOTE 7)

## 2012/13

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Other information technology personnel.	0	9	0%	R 0	R 0
Other machine operators	0	183	0%	R 0	R 0
Other occupations	0	41	0%	R 0	R 0
Pharmaceutical assistants	0	833	0%	R 0	R 0
Pharmacists	0	667	0%	R 0	R 0
Pharmacologists pathologists & related professionals	0	273	0%	R 0	R 0
Photographic lithographic and related workers	0	2	0%	R 0	R 0
Physicists	0	5	0%	R 0	R 0
Physiotherapy	0	274	0%	R 0	R 0
Printing and related machine operators	0	5	0%	R 0	R 0
Professional nurse	0	15 573	0%	R 0	R 0
Psychologists and vocational counsellors	0	106	0%	R 0	R 0
Radiography	0	564	0%	R 0	R 0
Rank: Unknown <sup>96</sup>	0	41	0%	R 0	R 0
Road workers <sup>97</sup>	0	3	0%	R 0	R 0
Secretaries & other keyboard operating clerks	0	243	0%	R 0	R 0
Security guards	0	887	0%	R 0	R 0
Security officers	0	175	0%	R 0	R 0
Senior managers	0	110	0%	R 0	R 0
Shoemakers <sup>98</sup>	0	4	0%	R 0	R 0

<sup>96</sup> This is an administrative challenge and has been corrected

<sup>97</sup> Incorrect classification of employees – to be amended

<sup>98</sup> This relates to the Orthopaedic Footwear Technicians employed in the Medical Orthotics and Prosthetics Unit

# ANNUAL REPORT (VOTE 7)

## 2012/13

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Social sciences related	0	1	0%	R 0	R 0
Social sciences supplementary workers	0	3	0%	R 0	R 0
Social work and related professionals	0	266	0%	R 0	R 0
Speech therapy and audiology	0	116	0%	R 0	R 0
Staff nurses and pupil nurses	0	10 727	0%	R 0	R 0
Student nurse	0	1 993	0%	R 0	R 0
Supplementary diagnostic radiographers	0	16	0%	R 0	R 0
Trade labourers	0	580	0%	R 0	R 0
Trade/industry advisers & other related profession	0	12	0%	R 0	R 0
Water plant and related operators	0	3	0%	R 0	R 0
<b>Total</b>	<b>6</b>	<b>74 465</b>	<b>0%</b>	<b>R 41</b>	<b>R 6 833</b>

Source: Vulindlela

**Table 116 (3.6.2): Performance related rewards (cash bonus), by salary band, for Senior Management Service**

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within band			
Band A	0	480	0%	R 0	R 0	0%
Band B	0	54	0%	R 0	R 0	0%
Band C	0	196	0%	R 0	R 0	0%
Band D	0	4	0%	R 0	R 0	0%
<b>Total</b>	<b>0</b>	<b>734</b>	<b>0%</b>	<b>R 0</b>	<b>R 0</b>	<b>0%</b>

Source: Vulindlela

# ANNUAL REPORT (VOTE 7)

## 2012/13

### **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 117 (3.7.1): Foreign Workers, 1 April 2012 to 31 March 2013, by salary band**

Salary Band	1 April 2012		31 March 2013		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	2	0.4%	3	0.5%	1	2.7%
Skilled (Levels 3-5)	9	1.7%	9	1.5%	0	0%
Highly skilled production (Levels 6-8)	19	3.5%	21	3.6%	2	5.4%
Highly skilled supervision (Levels 9-12)	249	45.7%	193	33.2%	-56	-151.4%
Senior management (Levels 13-16)	26	4.8%	72	12.4%	46	124.3%
Contract (Levels 1-2)	1	0.2%	1	0.2%	0	0%
Contract (Levels 3-5)	4	0.7%	3	0.5%	-1	-2.7%
Contract (Levels 6-8)	23	4.2%	23	4%	0	0%
Contract (Levels 9-12)	208	38.2%	220	37.8%	12	32.4%
Contract (Levels 13-16)	3	0.6%	34	5.8%	31	83.8%
Periodical Remuneration	1	0.2%	3	0.5%	2	5.4%
<b>TOTAL</b>	<b>545</b>	<b>100%</b>	<b>582</b>	<b>100%</b>	<b>37</b>	<b>100%</b>

Source: Vulindlela



# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 118 (3.7.2): Foreign Worker, 1 April 2012 to 31 March 2013, by major occupation**

Major Occupation	1 April 2012		31 March 2013		Change	
	Number	% of total	Number	% of total	Number	% change
Administrative office workers	5	0.9%	6	1%	1	2.7%
Craft and related trades workers	1	0.2%	2	0.3%	1	2.7%
Elementary occupations	5	0.9%	4	0.7%	-1	-2.7%
Professionals and managers	525	96.3%	566	97.3%	41	110.8%
Social natural technical and medical sciences and support	7	1.3%	3	0.5%	-4	-10.8%
Technicians and associated professionals	2	0.4%	1	0.2%	-1	-2.7%
<b>Total</b>	<b>545</b>	<b>100%</b>	<b>582</b>	<b>100%</b>	<b>37</b>	<b>100%</b>

Source: Vulindlela

### **LEAVE UTILISATION**

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 91) and disability leave (Table 92). In both cases, the estimated cost of the leave is also provided.

**Table 119 (3.8.1): Sick leave, 1 January 2012 to 31 December 2012**

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)
Lower skilled (Levels 1-2)	23 724.5	90.5%	3 284	7.3%	7	R 6 151
Skilled (Levels 3-5)	151 425.5	88.3%	21 269	47.5%	7	R 53 528
Highly skilled production (Levels 6-8)	69 874	86.6%	9 515	21.2%	7	R 41 283
Highly skilled supervision (Levels 9-12)	58 571	84.7%	8 229	18.4%	7	R 69 337

# ANNUAL REPORT (VOTE 7)

## 2012/13

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)
Senior management (Levels 13-16)	1 621	71.2%	280	0.6%	6	R 4 793
Contract (Levels 1-2)	5 484	83.5%	1 232	2.7%	4	R 773
Contract (Levels 3-5)	112	85.7%	30	0.1%	4	R 22
Contract (Levels 6-8)	1 465.5	71.1%	279	0.6%	5	R 802
Contract (Levels 9-12)	2 682	63.5%	669	1.5%	4	R 3 861
Contract (Levels 13-16)	96	72.9%	19	0%	5	R 282
<b>Total</b>	<b>315 055.5</b>	<b>87%</b>	<b>44 806</b>	<b>100%</b>	<b>7</b>	<b>R 180 832</b>

Source: Vulindlela

**Table 120 (3.8.2): Disability leave (temporary and permanent), 1 January 2012 to 31 December 2012**

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	3 364	99.9%	194	9.3%	17	R 876
Skilled (Levels 3-5)	18 228	99.9%	1 054	50.4%	17	R 6 374
Highly skilled production (Levels 6-8)	10 031	100%	456	21.8%	22	R 5 825
Highly skilled supervision (Levels 9-12)	9 039	99.9%	369	17.6%	24	R 10 232
Senior management (Levels 13-16)	254	100%	9	0.4%	28	R 1 002
Contract (Levels 1-2)	10	100%	1	0%	10	R 1
Contract (Levels 6-8)	9	100%	1	0%	9	R 7
Contract (Levels 9-12)	145	100%	7	0.3%	21	R 246
<b>TOTAL</b>	<b>41 080</b>	<b>99.9%</b>	<b>2 091</b>	<b>100%</b>	<b>20</b>	<b>R 24 563</b>

Source: Vulindlela

# ANNUAL REPORT (VOTE 7)

## 2012/13

Table 3.8.3 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 121 (3.8.3): Annual Leave for 1 January 2012 to 31 December 2012**

Salary Bands	Total days taken	Average per employee
Lower skilled (Levels 1-2)	114 582.39	21
Skilled (Levels 3-5)	581 170.21	20
Highly skilled production (Levels 6-8)	260 689.43	21
Highly skilled supervision (Levels 9-12)	243 412.02	21
Senior management (Levels 13-16)	13 044.76	21
Contract (Levels 1-2)	46 991.84	15
Contract (Levels 3-5)	738	16
Contract (Levels 6-8)	5 503.92	15
Contract (Levels 9-12)	17 663.72	14
Contract (Levels 13-16)	886	18
<b>Total</b>	<b>1 284 682.29</b>	<b>20</b>

Source: Vulindlela

**Table 122 (3.8.4): Capped leave for 1 January 2012 to 31 December 2012**

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2012
Lower skilled (Levels 1-2)	390	5	32
Skilled (Levels 3-5)	1 246	5	49
Highly skilled production (Levels 6-8)	1 644	6	58

# ANNUAL REPORT (VOTE 7)

## 2012/13

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2012
Highly skilled supervision (Levels 9-12)	1 597	6	63
Senior management (Levels 13-16)	123	11	44
Contract (Levels 13-16)	2	2	20
<b>Total</b>	<b>5 002</b>	<b>6</b>	<b>53</b>

Source: Vulindlela

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

**Table 123 (3.8.5): Leave pay-outs for the period 1 April 2012 to 31 March 2013**

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave pay out for 2011/12 due to non-utilisation of leave for the previous cycle	3	3	1 000
Capped leave pay-outs on termination of service for 2011/12	18 232	2 075	8 787
Current leave pay-out on termination of service for 2011/12	21	609	34
<b>Total</b>	<b>18 256</b>	<b>2 687</b>	<b>6 794</b>

Source: Vulindlela

# ANNUAL REPORT (VOTE 7)

2012/13

## HIV, AIDS AND HEALTH PROMOTION PROGRAMMES

**Table 124 (3.9.1): Steps taken to reduce the risk of occupational exposure**

Units/categories of employees identified to be at high risk of contracting HIV & 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
EMS personnel	Provision of gloves

**Table 125 (3.9.2): 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 his / her name and position.	✓		Mr DD Dumisa: Manager: Employee Wellness
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose?	✓		Head Office Structure is in place although vacancies impact on service delivery. Increasing demand further challenges the effectiveness of the programmes. Budget is still inadequate to ensure comprehensive and sustainable EAP services.
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements / service of this programme.	✓		Health Promotion Programme and EAP are available in all Districts and Head Office, although it still does not meet demand and in many instances lacks sustainability. Key elements / services: Supervisory training; Marketing and promotion of wellness programmes; Counselling services; assessment and referral; Wellness Programmes including staff HCT Campaigns; Financial Wellness Programmes available in terms of Retirement Planning, financial education and debt counselling; Work and Play programmes are being introduced and linked to wellness days.

# ANNUAL REPORT (VOTE 7)

2012/13

Question	Yes	No	Details, if yes
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.		✓	
5. Has the Department reviewed it's 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.	✓		<ul style="list-style-type: none"> <li>• HIV/ AIDS in the workplace</li> <li>• Affirmation Action and Representatively</li> </ul>
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.	✓		<ul style="list-style-type: none"> <li>• HIV / AIDs Policy</li> <li>• Confidentiality</li> </ul>
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	✓		<ul style="list-style-type: none"> <li>• Pre-test Counselling: 12 840</li> <li>• Tested: 4 391</li> <li>• Tested Positive: 28</li> <li>• Tested Negative: 542</li> <li>• Inconclusive: 2</li> <li>• General Wellness Screening: 13 031</li> </ul>
8. Has the Department developed measures / indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures / indicators.	✓		<ul style="list-style-type: none"> <li>• EAP Clients and Supervisors satisfaction</li> <li>• Questions including tools for Financial Wellness</li> <li>• A process evaluation has been developed to measure worksite EAP against the standard set for EAPA Association</li> <li>• Workshops and capacity building programmes – evaluation questions have been drawn up.</li> </ul>

Source: HRMS

# ANNUAL REPORT (VOTE 7)

## 2012/13

### LABOUR RELATIONS

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

**Table 126 (3.10.1): Collective agreements from 1 April 2012 to 31 March 2013**

Subject Matter	Date
Nil	Collective agreements are handled by the National Government including Provincial subject matters.

If there were no agreements, then use the following table

Total collective agreements	Nil
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Source: HRMS

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

**Table 127 (3.10.2): Misconduct and disciplinary hearings finalised from 1 April 2012 to 31 March 2013**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	123	23%
Verbal warning	96	18%
Written warning	59	11%
Final written warning	371	68%
Suspended without pay	42	8%
Fine	0	0
Demotion	1	0.1%
Dismissal	53	10%
Not guilty	18	3%

# ANNUAL REPORT (VOTE 7)

2012/13

Outcomes of disciplinary hearings	Number	% of total
Case withdrawn	17	3%
<b>Total</b>	<b>543</b>	

Source: HRMS

**Table 128 (3.10.3): Types of misconduct addressed at disciplinary hearings**

Type of misconduct	Number	% of total
Fraud and Corruption	124	30%
Insubordination	50	12%
Absenteeism	51	12%
Sexual Harassment	3	0.3%
Under the influence of Alcohol	22	5%
Other	160	39%
<b>Total</b>	<b>410</b>	

Source: HRMS

**Table 129 (3.10.4): Grievances lodged for the period 1 April 2012 to 31 March 2013**

Grievances	Number	% of Total
Number of grievances resolved	137	41%
Number of grievances not resolved	196	59%
<b>Total number of grievances lodged</b>	<b>333</b>	

Source: HRMS



# ANNUAL REPORT (VOTE 7)

## 2012/13

**Table 130 (3.10.5): Disputes lodged with Councils for the period 1 April 2012 to 31 March 2013**

Disputes	Number	% of Total
Number of disputes upheld	13	8%
Number of disputes dismissed	30	18%
Total number of disputes lodged	166	
Outstanding/ Pending	12	7%

Source: HRMS

**Table 131 (3.10.6): Strike actions for the period 1 April 2012 to 31 March 2013**

<i>Total number of person working days lost</i>	
Total cost (R'000) of working days lost	Nil
Amount (R'000) recovered as a result of no work no pay	Nil

Source: HRMS

**Table 132 (3.10.7): Precautionary suspensions for the period 1 April 2012 to 31 March 2013**

Number of people suspended	
Number of people whose suspension exceeded 30 days	32
Average number of days suspended	72 days
Cost (R'000) of suspensions	R4 281 739

Source: HRMS

# ANNUAL REPORT (VOTE 7)

## 2012/13

### SKILLS DEVELOPMENT

This section highlights the efforts of the department with regard to skills development.

**Table 133 (3.11.1): Training needs identified 1 April 2012 to 31 March 2013<sup>99</sup>**

Occupational Categories	Gender	Number of employees as at 1 April 2012	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	948		234		234
	Male	917		170		170
Professionals	Female	19 038		3 181		3 181
	Male	4 143		810		810
Technicians and associate professionals	Female	19 206		2 115		2 115
	Male	5 909		1 003		1 003
Clerks	Female	3 881		1 242		1 242
	Male	24 98		762		762
Service and sales workers	Female	5 732		1 332		1 332
	Male	2 964		718		718
Skilled agriculture and fishery workers, Craft and related trades workers	Female	39		2		2
	Male	597		119		119
Plant and machine operators and assemblers	Female	468		52		52
	Male	939		150		150
Elementary occupations	Female	1 060		195		195

<sup>99</sup> This reflects as per the data submitted for the Workplace Skills Plan proposed for 2012/13

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupational Categories	Gender	Number of employees as at 1 April 2012	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	Male	777		232		232
Sub Total	Female	50 372		8 343		8 343
	Male	18 744		3 964		3 964
<b>Total</b>		<b>69 116</b>		<b>12 307</b>		<b>12 307</b>

Source: HRD

**Table 134 (3.11.2): Training provided 1 April 2012 to 31 March 2013**

Occupational Categories	Gender	Number of employees as at 1 April 2012	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	948		184		184
	Male	917		191		191
Professionals	Female	19 038		2 375		2 375
	Male	4 143		682		682
Technicians and associate professionals	Female	19 206		45		45
	Male	5 909		77		77
Clerks	Female	3 881		829		829
	Male	2 498		448		448
Service and sales workers	Female	5 732		1 339		1 339
	Male	2 964		461		461
Skilled agriculture and fishery workers, Craft	Female	39		0		0

# ANNUAL REPORT (VOTE 7)

## 2012/13

Occupational Categories	Gender	Number of employees as at 1 April 2012	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
and related trades workers	Male	597		620		620
Plant and machine operators and assemblers	Female	468		24		24
	Male	939		37		37
Elementary occupations	Female	1 060		121		121
	Male	777		104		104
Sub Total	Female	50 372		<b>4 979</b>		<b>4 979</b>
	Male	18 744		<b>2 000</b>		<b>2 000</b>
<b>Total</b>		<b>69 116</b>		<b>6 979</b>		<b>6 979</b>

Source: HRD

### ***INJURY ON DUTY***

The following tables provide basic information on injury on duty.

**Table 135 (3.12.1): Injury on duty from 1 April 2012 to 31 March 2013**

Nature of injury on duty	Number	% of total
Required basic medical attention only	1 899	90.43%
Temporary Total Disablement	197	9.38%
Permanent Disablement	3	0.14%
Fatal	1	0.05%
<b>Total</b>	<b>2 100</b>	<b>100%</b>

Source: HRMS





## **PART E**

# **FINANCIAL INFORMATION**



# ANNUAL REPORT (VOTE 7)

---

2012/13

## ANNUAL FINANCIAL STATEMENT KWAZULU-NATAL HEALTH

VOTE 7

### REPORT OF THE ACCOUNTING OFFICER

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 mandate of the Department of Health is to develop and implement a sustainable, coordinated, integrated and comprehensive health care system through the primary health care approach which is based on accessibility, equity, community participation, use of appropriate technology and inter-sectoral collaboration.

Programmes for 2012/13 financial year, with certain adjustments and new developments during the 2010/11 to 2014/15 MTSF period, represents the third year of implementation of the strategic planning cycle.

##### 1.1 National Insurance Fund

The primary aim of the National Health Insurance (NHI) is to ensure a universal access to quality healthcare in a more sustainable and equitable manner for the entire population. The objective is to reduce the burden of disease particularly that borne by women and children, and improvements in the overall health system.

The National Minister of Health outlined National priorities for the first five years of the NHI piloting phases. Kwa-Zulu Natal Department of Health has developed provincial priorities in line with the national priorities by rolling out the Primary Health Care re-engineering through Operation Sukuma Sakhe integrated in the three streams of establishing District based Clinical Specialist Teams (DCST); Primary Health Care Family Health Teams and School Health Teams linked to war rooms.

A Conditional Grant budget of R33 million was allocated by the National Department of Health to pilot the NHI in uMgungundlovu District; uMzinyathi District; Inkosi Albert Luthuli Hospital; and King Edward Hospital. The Department resolved to add Amajuba District as pilot site utilizing its own equitable share funding. The budget for the first year of the roll-out of the NHI was primarily deployed towards preparing the identified pilot sites. Due to delays in the approval of the business plans and the subsequent delays in the project implementation, only 50% of the allocated funds were utilized whilst the remainder was surrendered to the Revenue Fund. The department has since submitted a claim for roll-over of committed funds and is awaiting the approval of the National Treasury.

##### 1.2 Emergency Medical Services

One of major projects for the period under review was to increase access to health care services through increasing fleet of Ambulances, Planned Patients Transport, and Rapid and Rescue Vehicles by the Emergency Medical Services Unit (EMS) to serve under-serviced areas and to increase response times. A total of 554 vehicles were distributed across the districts comprised of 338 Pre-Hospital Emergency Ambulances, 29 Obstetric Ambulances, 38 Inter Facilities Transportation, 60 Planned Transport Buses, and 89 Rapid and Rescue Vehicles.



# ANNUAL REPORT (VOTE 7)

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## 2012/13

### **1.3 Infrastructure Development**

The Department completed the construction of eight (8) new clinics located in various districts with an aim of improving the access to health care. A further twenty five (25) new clinics are under-construction with at least twenty (20) of these clinics expected to be completed in the next financial year. In addition, four (4) Community Health Centres are under construction of which two (2) are located in the NHI districts. The Department also completed the upgrade of Charles Johnson Memorial Hospital Nursing College and currently major upgrades are underway in Addington and Edendale Colleges which are expected to be completed in 2013 and 2014, respectively. Various maintenance and refurbishment programmes (major and minor) were being undertaken to ensure that health facilities meet the required standards to conduct health services.

### **1.4 KZN Children Hospital**

A partnership between the Department and KZN Children Hospital Trust aimed at restoring the Kwa-Zulu Natal Children Hospital is starting to yield dividends. The first phase of the five phases of the project, which comprising of the Outpatient Department, Training, Meeting Rooms and Offices has been completed at the cost of R18.2 million and is planned to be operational by 01 July 2013. Other major refurbishment to main hospital is underway and the project will be phased over a five year period.

### **1.5 Training and Development**

In order to address the shortage of the medical doctors and also align ourselves with the policy directive of Re-engineering Primary Health Care, the Department awarded bursaries (fully and partial bursaries) to 421 qualifying students to study medicine in Cuba. In addition, to create career path for the Community Care Givers (CCG's), the Department in partnership with the University of Kwa-Zulu Natal established a training programme of Nutrition Advisors and a total of 396 CCG's qualified as Nutrition Advisors.

### **1.6 Financial Performance**

The Department's total appropriation was R27, 290 billion for the financial year. A total of R27, 395 billion was spent, resulting in an over-expenditure of R99, 603 million or 0.40% of the allocated budget for the year. The over-expenditure could be attributable to pressures in goods and services mainly from non-negotiable items as well as prior commitments on infrastructure projects.

The Department received an additional R735 million at the Adjustments Estimate, which included an amount of R 380 million for the higher than anticipated 2012 Wage Agreement and the increased housing allowance. The budget for infrastructure projects was increased by an additional R406 million.

# ANNUAL REPORT (VOTE 7)

## 2012/13

Programme	Total Appropriation	Actual Expenditure	Variance	% Spent	Factors that led to variances from Voted Funds, after considering the shifting and the virements of funds
	R'000	R'000	R'000		
Administration	439 238	449 603	(10 365)	102.40%	<ul style="list-style-type: none"> <li>The variance is mainly the result of acceleration in the fight against fraud and corruption as well as increased in audit fees.</li> </ul>
District Health Services	12 002 952	11 993 168	9 784	99.99%	<ul style="list-style-type: none"> <li>The variance is mainly related to expenditure pressure related to HIV/Aids Conditional Grant for antiretroviral medication and micronutrients for the Grant.</li> </ul>
Emergency Medical Service	955 850	955 048	802	100.10%	<ul style="list-style-type: none"> <li>The variance is related to delays with delivery of machinery and equipment: patient transport vehicles.</li> </ul>
Provincial Hospital Services	7 831 188	7 887 054	(55 866)	100.70%	<ul style="list-style-type: none"> <li>The variance is related to pressures in goods and services mainly from the non-negotiable items: blood products, medicines - including MDR drugs, medical surgical supplies, X-Ray consumables, ambulance services (flying doctors) relate to fuel price increases, and repairs of medical equipment, municipal rates.</li> </ul>
Central Hospital Services	2 732 692	2 764 028	(31 336)	101.10%	<ul style="list-style-type: none"> <li>The variance is the result of changes in dollar exchange relate for PPP contract (Inkosi Albert Luthuli Central Hospital).</li> </ul>
Health Sciences and Training	930 733	930 793	(60)	100%	<ul style="list-style-type: none"> <li>The Department spent almost in line with the budgeted allocation.</li> </ul>
Health Care Support Services	15 170	15 170	0	100%	<ul style="list-style-type: none"> <li>Spending is within the allocated transfer.</li> </ul>
Health Facilities Management	2 383 107	2 395 669	(12 562)	100.50%	<ul style="list-style-type: none"> <li>The variance is the result of prior commitments for building and fixed structure and improved project management performance.</li> </ul>
<b>Total</b>	<b>27 290 930</b>	<b>27 390 533</b>	<b>(99 603)</b>	<b>100.40%</b>	

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## 2012/13

### 2. SERVICE RENDERED BY THE DEPARTMENT

The Department generates its revenue mainly from patients' fees which includes medical aid claims for services rendered, Road Accident Fund for treatment of patients injured from public roads and other health services rendered by hospitals to patients and other departments. It also generates revenue from use of Department facilities and accommodation by the staff which includes boarding fees, non-residents and parking fees.

The set revenue target was over collected by R53 million, the budget revenue collection for 2012/13 was R214 million and the actual revenue collected was R 267 million. The main reason for over-collection was as a result of the sale of redundant capital assets mainly motor vehicles, which was not included in the projected budget set at the beginning of the financial year.

#### 2.1 *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 Fee Schedule as prescribed by the National Department of Health and which are reviewed annually. Boarding fee is treated as part of housing allowance which is negotiated at Bargaining Council.

#### 2.2 *Free Services*

Free services rendered by the Department are in line with the Uniform Patient Fee Schedule and it includes primary health care services at all the Clinics and Community Health Centres, old age pensioners, children under six years and pregnant women who are not members of medical aid are exempted from paying fees.

#### 2.3 *Inventory*

The total inventory on hand as at 31 March 2013 is disclosed under the Inventory Annexure 5.

### 3. CAPACITY CONSTRAINTS

The delivery of health services is dependent on the availability of all the necessary resources at the right quantity and the right mix to maximise the service delivery impact. The Department continues to strive to ensure that all the necessary resources are in place to enhance service delivery. However, the Department continues to face challenges due to shortage of skilled professional staff, lack of electronic patient record system, backlog in fixed infrastructure, inadequate machinery and equipment, increasing burden of disease and co-morbidities.

### 4. UTILISATION OF DONOR FUNDS

During this financial year an amount of R 884 thousand in respect of local and foreign donor funds was received by the Department. In addition an amount of R 13, 948 million was brought forward from the previous financial year, giving a total of R 14, 832 million for the year. Of this amount R 4, 751 million was spent and an amount of R 602 thousand was surrendered to the Reconstruction and Development Programme fund leaving a balance of R9, 479 million which has been carried into the 2013/14 financial year. All donor funding received was utilised according to the Donor agreement.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### 5. TRADING AND PUBLIC ENTITIES

The only trading activity for the Department of Health is the Provincial Pharmaceutical Supply Depot. The 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 R15, 170 million 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 medicine 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 547, 411 in (2011/12) to 726, 338 in (2012/13).

The trading entity realised a surplus amounting to R75, 570 million in the current financial year. 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, and
- Non-Profit Organisations, which provide HIV and AIDS, Clinics, Mental Health and Hospital Services.

The Department has completed the project of provincialisation of all Municipal Clinics with exception of eThekweni and uMhlathuze Municipal Clinics. Transfer payments also include the payment of bursaries, claims against the State, leave gratuities, the skills levy, and a provision for the augmentation of the Medicine Trading Account.

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

### 7. PUBLIC PRIVATE PARTNERSHIP (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 notes of the financial statements.

### 8. ASSET MANAGEMENT

All assets have been captured in the asset register to comply with the requirement for asset management. The department is currently developing the standard operating procedures to manage effectively and efficiently its assets.

### 9. CORPORATE GOVERNANCE ARRANGEMENTS

#### 9.1 Risk Management

The Department established a fully-fledged Risk Management Unit which is primarily responsible for assisting the Accounting Officer with the establishment of effective and efficient systems and structures of risk management and internal control inclusive of anti-fraud and corruption initiatives. The Departmental risk management framework was developed in line with good Corporate Governance, Public Finance

# ANNUAL REPORT (VOTE 7)

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## 2012/13

Management Act, KZN Provincial Risk Management Framework and Public Sector Risk Management Framework

The execution of Risk Management related activities applies at every level of the Department. It is the policy and philosophy of the Department that management of risks is the responsibility of every manager within the Department. Such processes are driven through the following:

- The approved Risk Management Framework which comprises of the Risk Management Policy, Strategy and Implementation Plan;
- The development of strategies derived from a Risk Based approach and informed by the Risk Registers compiled through the Risk Assessments conducted per Programme on a continuous basis;
- Periodic Monitoring of the status of action plans identified for the critical risks deemed to be posing a significant threat to the achievement of set goals and objectives of the Department. The prioritised risks are reported to the Cluster Audit and Risk Management Committee on a quarterly basis for monitoring purposes. The Department established an internal Risk Management Committee which is primarily responsible for monitoring all the activities of Risk Management and providing advice to the Accounting Officer on Risk Management matters; and
- The Department also relies on the services provided by the Provincial Treasury's Internal Audit Services and the Office of the Auditor General to provide independent and objective assurance over the effectiveness of the internal controls established to manage the identified risks.

### **9.2 Fraud and Corruption**

The Department has adopted the stance of zero tolerance towards fraud and corruption. The approach is supported by the systems and structures which have been established and proven successful in terms of acting on the reported allegations of fraud and corruption.

In order to ensure proactive management of fraud and corruption, the Department is at an advanced stage of finalising the Fraud Prevention Plan which will guide the implementation of anti-fraud and anti-corruption initiatives. Mechanisms are in place to enable whistle blowing and investigation of allegations of fraud and corruption and eventually taking the disciplinary actions against transgressors.

One of major investigation conducted in the current financial year was in respect of the Medical Doctors who conducted Remunerated Work outside the Public Service (RWOPS) without following the due process. The first phase of the investigation has been finalised however the extent of possible recovery has not been determined due to the processes that need to take place after investigation

### **10. EVENTS AFTER REPORTING DATE**

A due diligence is being conducted by both the Department and Provincial Treasury of possible take-over of McCords Hospital.

### **11. PERFORMANCE INFORMATION**

The performance information is discussed under Performance Information in the annual report for the financial year ended 31 March 2013.

### **12. STANDING COMMITTEE ON PUBLIC ACCOUNTS RESOLUTIONS (SCOPA)**

The SCOPA Resolution Register is being maintained and resolutions are investigated and implemented accordingly.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### 13. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department received an audit qualification on issues of asset management, irregular expenditure and journal on conditional grants. Measures (Action Plan) have been put in place to improve the audit opinion and regular meetings and feedback on progress were communicated to the Office of the Auditor General.

### 14. 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:

#### 14.1 *BAS/Persal reconciliation*


The Provincial Treasury had approved a practice note on the compilation of the reconciliation. 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

#### 14.2 *Disclosure of immovable assets*

The disclosure of immovable assets is included under the annexure to the annual financial statements of the Provincial Department of Works in accordance with a Provincial Treasury directive.

### 15. APPROVAL

The Annual Financial Statements, as attached, are hereby approved by the Accounting Officer of the Department of Health: KwaZulu-Natal.



DR S.M. ZUNGU

ACCOUNTING OFFICER

KWAZULU-NATAL DEPARTMENT OF HEALTH

31 MAY 2013



# ANNUAL REPORT (VOTE 7)

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**2012/13**

## **ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY FOR ANNUAL FINANCIAL STATEMENTS**

### **Statement of Responsibility for the Annual Financial Statements for the year ended 31 March 2013**

The Accounting Office is responsible for the preparation of the Department's Annual Financial Statements and for the judgements made in this information.

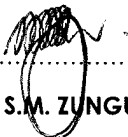
The Accounting Officer is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the Annual Financial Statements.

In my opinion, the Financial Statements fairly reflect the operations of the KwaZulu-Natal Department of Health for the financial year ended 31 March 2013.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements of the Department.

The Department of Health Annual Financial Statements for the year ended 31 March 2013 have been examined by the external auditors and their report is presented on Pages 256 and 360.

The Annual Financial Statements of the Department set out on page 262 to 355 have been approved.

  
.....  
**DR S.M. ZUNGU**

**ACCOUNTING OFFICER**

**KWAZULU-NATAL DEPARTMENT OF HEALTH**

**DATE: 21.08.2013**



# ANNUAL REPORT (VOTE 7)

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2012/13

## REPORT OF THE AUDITOR GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE: VOTE NO. 7:  
DEPARTMENT OF HEALTH

### Introduction

1. I have audited the financial statements of the Department of Health set out on pages 262 to 322 which comprise the appropriation statement, the statement of financial position as at 31 March 2013, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of the financial statements in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and Division of Revenue Act of South Africa, 2012 (Act No. 5 of 2012) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *general notice* issued in terms thereof and International Standards on Auditing. 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.
4. 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 department's preparation 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 department'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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

### Basis for qualified opinion

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### **Movable tangible capital assets**

6. I was unable to obtain sufficient appropriate audit evidence regarding movable tangible assets as the department did not effectively implement and maintain adequate systems on asset management. Asset verification procedures performed revealed significant discrepancies with regard to; assets recorded on the register could not be physically located, physical assets located were not recorded on the register and the value assigned to assets does not match the physical asset. I was unable to confirm these assets by alternative means. Consequently I was unable to determine whether any adjustment relating to movable tangible assets stated at R5.21 billion (2012: R2.73 billion) in note 32 to the financial statements was necessary.

### **Leave entitlement liability**

7. I was unable to obtain sufficient appropriate audit evidence for the leave entitlement liability due to delays at the department with regard to the capturing of leave forms. I was unable to confirm the leave entitlement liability by alternative means. Consequently, I was unable to determine whether any adjustment to leave entitlement liability stated at R681.49 million in note 23 to the financial statements was necessary.

### **Qualified opinion**

8. In my opinion, except for the possible effects of the matters described in the Basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Department of Health as at 31 March 2013 and its financial performance and cash flows for the year then ended, in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the PFMA and DoRA.

### **Emphasis of matters**

9. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### **Significant uncertainties**

10. With reference to note 20 to the financial statements, the department is the defendant in lawsuits relating to medical negligence and claims against the state amounting to R1.93 billion. The department is also disputing the amounts payable of R840.27 million to the National Health Laboratory Services. The ultimate outcome of the matters cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

### **Irregular expenditure**

11. As disclosed in note 26 to the financial statements, the department incurred irregular expenditure of R1.47 billion as a result of a failure to comply with supply chain management (SCM) requirements.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### Restatement of corresponding figures

12. As disclosed in note 26 to the financial statements, the corresponding figures for irregular expenditure for 31 March 2012 have been restated as a result of an error discovered during 31 March 2013 in the financial statements of the Department of Health at, and for the year ended, 31 March 2012.

### Additional matters

13. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Unaudited supplementary schedules

14. The supplementary information set out on pages 323 to 355 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

### Financial reporting framework

15. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework and not that they "present fairly". Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

16. In accordance with the PAA and the *general notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

### Predetermined objectives

17. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 61 to 153 of the annual report.
18. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information (FMPP)*.

The reliability of the information in respect of the following selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

# ANNUAL REPORT (VOTE 7)

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**2012/13**

Programme 2: District Health Services  
Programme 4: Provincial Hospital Services  
Programme 5: Central Hospital Services

19. The material findings are as follows:

## **Usefulness of information**

### **Presentation**

#### **Reasons for variances not reported**

20. A total of 83% of targets not achieved, had no explanations of the reasons for variances between planned and actual achievements reported in the annual performance report as required per the National Treasury annual report preparation guide. This was due to a lack of documented and approved internal policies and procedures to address reporting requirements.

## **Reliability of information**

### **Reported performance not reliable**

21. The *FMPPI* requires that institutions should have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets.

I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of information presented with respect to programme 2, programme 4 and programme 5. This was due to the fact that the department could not provide sufficient appropriate evidence in support of the information presented with respect to the selected programmes and the department's records not permitting the application of alternative audit procedures.

## **Compliance with laws and regulations**

22. I performed procedures to obtain evidence that the department has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *general notice* issued in terms of the PAA are as follows:

## **Annual financial statements**

23. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(a) of the Public Finance Management Act.

Material misstatements of disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### **Expenditure management**

24. The accounting officer did not take effective steps to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1.

### **Asset management**

25. Proper control systems to safeguard and maintain assets were not implemented, as required by section 38(1)(d) of the Public Finance Management Act and Treasury Regulation 10.1.1(a).

### **Human resource management**

26. Employees were appointed without following a proper process to verify the claims made in their applications in contravention of Public Service Regulation 1/VII/D.8.
27. The accounting officer did not ensure that all leave taken by employees were recorded accurately and in full as required by Public Service Regulation 1/V/F(b).

### **Service delivery: Management of medical waste**

28. The department did not adhere to the general requirements for the storage of medical waste, in contravention of part 5, section 21 of the National Environmental Management Waste Act, Act 59 of 2008.

### **Strategic planning and performance**

29. The department did not have and maintain an effective and efficient system of internal control regarding performance management, which described and represented how the department's processes of performance monitoring, measurement, review and reporting were conducted, organised and managed, as required by section 38(1)(a)(i) and (b) of the PFMA.

### **Internal control**

30. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for qualified opinion, the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

### **Leadership**

31. Significant deficiencies were noted in the communication and implementation of policies and procedures as well as monitoring and oversight, to enable and support the understanding and execution of internal control objectives, processes and responsibilities with respect to performance management, asset management as well as human resource management.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### Financial and performance management

32. Management did not effectively implement a proper asset management system as well as a proper record keeping system to ensure complete, relevant and accurate information to support performance reporting.

### OTHER REPORTS

#### Investigations

33. Various investigations are being conducted into supply chain and human resource management to probe the awarding of certain contracts, accusations of theft, and the manner in which promotions were awarded within the department.

#### Performance audits

34. During the year under review, a performance audit was conducted on the readiness of Government to report on its performance. The focus of the audit is on how government institutions are guided and assisted to report on their performance, as well as the systems and processes that they have put in place. The audit is currently in the reporting phase and the findings will be reported on in a separate report.

Pietermaritzburg

31 July 2013



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNUAL FINANCIAL STATEMENTS

#### APPROPRIATION STATEMENT FOR THE PERIOD ENDING 31 MARCH 2013

##### Appropriation per Programme

APPROPRIATION STATEMENT	2012/13							2011/12	
	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
<b>1. Administration</b>									
Current payment	390 205	-	18 565	408 770	416 655	(7 885)	101.9%	343 561	343 385
Transfers and subsidies	2 426	-	-	2 426	6 172	(3 746)	254.4%	1 527	3 392
Payment for capital assets	25 459	-	2 583	28 042	26 775	1 267	95.5%	40 549	40 549
Payment for financial assets	-	-	-	-	1	(1)	-	41	547
	418 090	-	21 148	439 238	449 603	(10 365)		385 678	387 873
<b>2. District Health Services</b>									
Current payment	11 490 212	-	9 619	11 499 831	11 583 558	(83 727)	100.7%	10 270 247	10 310 859
Transfers and subsidies	338 334	-	(64)	338 270	271 170	67 100	80.2%	350 580	338 569
Payment for capital assets	158 383	-	(3 095)	155 288	140 115	15 173	90.2%	198 382	184 308
Payment for financial assets	-	-	-	-	-	-	-	38	44
	11 986 929	-	6 460	11 993 389	11 994 843	(1 454)		10 819 247	10 833 780
<b>3. Emergency Medical Services</b>									
Current payment	889 428	-	-	889 428	891 225	(1 797)	100.2%	863 511	880 351
Transfers and subsidies	5 892	-	(864)	5 028	4 164	864	82.8%	2 535	3 230
Payment for capital assets	78 111	-	(16 717)	61 394	59 659	1 735	97.2%	240 060	222 521
Payment for financial assets	-	-	-	-	-	-	-	-	1

# ANNUAL REPORT (VOTE 7)

## 2012/13

APPROPRIATION STATEMENT	2012/13							2011/12	
	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
<b>4. Provincial Hospital Services</b>	973 431	-	(17 581)	955 850	955 048	802		1 106 106	1 106 103
Current payment	7 706 040	-	43 712	7 749 752	7 813 304	(63 552)	100.8%	6 934 662	7 002 905
Transfers and subsidies	63 194	-	-	63 194	71 177	(7 983)	112.6%	62 492	60 107
Payment for capital assets	57 999	-	(20 256)	37 743	22 970	14 773	60.9%	129 289	73 091
Payment for financial assets	-	-	-	-	-	-	-	15	15
	7 827 233	-	23 456	7 850 689	7 907 451	(56 762)		7 126 458	7 136 118
<b>5. Central Hospital Services</b>									
Current payment	2 713 399	-	9 346	2 722 745	2 753 848	(31 103)	101.1%	2 417 872	2 494 543
Transfers and subsidies	1 675	-	865	2 540	2 773	(233)	109.2%	3 000	2 257
Payment for capital assets	27 000	-	(19 593)	7 407	7 407	-	100.0%	40 959	15 854
	2 742 074	-	(9 382)	2 732 692	2 764 028	(31 336)		2 461 831	2 512 654
<b>6. Health Sciences and Training</b>									
Current payment	853 248	-	(28 507)	824 741	824 745	(4)	100.0%	803 739	810 413
Transfers and subsidies	96 018	-	63	96 081	96 138	(57)	100.1%	95 328	83 361
Payment for capital assets	11 457	-	(1 546)	9 911	9 910	1	100.0%	12 486	11 845
Payment for financial assets	-	-	-	-	-	-	-	-	1
	960 723	-	(29 990)	930 733	930 793	(60)		911 553	905 620
<b>7. Health Care Support Services</b>									
Transfers and subsidies	15 170	-	-	15 170	15 170	-	100.0%	13 971	13 971
	15 170	-	-	15 170	15 170	-		13 971	13 971
<b>8. Health Facilities Management</b>									
Current payment	495 144	-	(9 938)	485 206	463 509	21 697	95.5%	431 284	522 372
Transfers and subsidies	20 000	-	-	20 000	20 000	-	100.0%	10 000	10 783



# ANNUAL REPORT (VOTE 7)

## 2012/13

APPROPRIATION STATEMENT	2012/13							2011/12	
	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
Payment for capital assets	1 852 136	-	15 827	1 867 963	1 890 088	(22 125)	101.2%	1 402 968	1 361 844
	2 367 280	-	5 889	2 373 169	2 373 597	(428)		1 844 252	1 894 999
<b>TOTAL</b>	<b>27 290 930</b>	<b>-</b>	<b>-</b>	<b>27 290 930</b>	<b>27 390 533</b>	<b>(99 603)</b>	<b>100.4%</b>	<b>24 669 096</b>	<b>24 791 118</b>
<b>Reconciliation with Statement of Financial Performance</b>									
<b>Add:</b> Department receipt				267 071				207 998	
Aid assistance				884				4 232	
<b>Actual amounts per Statement of Financial Performance (Total Revenue)</b>				<b>27 558 885</b>				<b>24 881 326</b>	
<b>Add:</b> Aid assistance					4 751				6 227
<b>Actual amounts per Statement of Financial Performance Expenditure</b>					<b>27 395 284</b>				<b>24 797 345</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Appropriation per Economic Classification

	2012/13							2011/12	
	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
<b>Current payments</b>									
Compensation of employees	16 896 484	-	(10 139)	16 886 345	16 886 345	-	100.0%	15 074 380	15 118 307
Goods and services	7 641 192	-	52 936	7 694 128	7 860 499	(166 371)	102.2%	6 990 496	7 246 503
Interest and Rent on Land	-	-	-	-	-	-	-	-	20
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	102 371	-	(519)	101 852	26 330	75 522	25.9%	97 735	88 879
Departmental agencies & accounts	25 317	-	23	25 340	25 351	(11)	100.0%	22 559	22 559
Universities & Technikons	-	-	-	-	57	(57)	-	-	-
Non-profit institutions	281 361	-	-	281 361	277 586	3 775	98.7%	293 265	273 487
Households	133 660	-	496	134 156	157 440	(23 284)	117.4%	125 874	130 743
<b>Payment for capital assets</b>									
Buildings & other fixed structures	1 492 131	-	148 680	1 640 811	1 662 936	(22 125)	101.3%	1 063 220	1 048 172
Machinery & equipment	718 414	-	(191 477)	526 937	493 988	32 949	93.7%	990 078	835 384
Land and subsoil assets	-	-	-	-	-	-	-	11 395	26 455
Payment for financial assets	-	-	-	-	1	(1)	-	94	609
<b>TOTAL</b>	<b>27 290 930</b>	<b>-</b>	<b>-</b>	<b>27 290 930</b>	<b>27 390 533</b>	<b>(99 603)</b>	<b>100.4%</b>	<b>24 669 096</b>	<b>24 791 118</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 1 - Administration

Programme per Sub-programme	2012/13							2011/12	
	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
<b>1.1 Office of the MEC</b>									
Current payment	18 198	-	(2 625)	15 573	16 366	(793)	105.1%	15 773	15 578
Transfers and subsidies	120	-	(110)	10	10	-	100.0%	4	4
Payment for capital assets	2 000	-	1 996	3 996	3 996	-	100.0%	33	33
<b>1.2 Management</b>									
Current payment	372 007	-	21 190	393 197	400 289	(7 092)	101.8%	327 788	327 807
Transfers and subsidies	2 306	-	110	2 416	6 162	(3 746)	255.0%	1 523	3 388
Payment for capital assets	23 459	-	587	24 046	22 779	1 267	94.7%	40 516	40 516
Payment for financial assets	-	-	-	-	1	(1)	-	41	547
<b>TOTAL</b>	<b>418 090</b>	<b>-</b>	<b>21 148</b>	<b>439 238</b>	<b>449 603</b>	<b>(10 365)</b>	<b>102.4%</b>	<b>385 678</b>	<b>387 873</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 1 - Administration

Programme 1 Per Economic classification	2012/13							2011/12	
	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
<b>Current payments</b>									
Compensation of employees	247 382	-	(365)	247 017	246 972	45	100.0%	209 160	208 965
Goods and services	142 823	-	18 930	161 753	169 683	(7 930)	104.9%	134 401	134 401
Interest and Rent on land	-	-	-	-	-	-	-	-	20
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	39	-	-	39	95	(56)	243.6%	27	26
Households	2 387	-	-	2 387	6 077	(3 690)	254.6%	1 500	3 365
<b>Payments for capital assets</b>									
Machinery & equipment	25 459	-	2 583	28 042	26 775	1 267	95.5%	40 549	40 549
Payment for financial assets	-	-	-	-	1	(1)	-	41	547
<b>TOTAL</b>	<b>418 090</b>	<b>-</b>	<b>21 148</b>	<b>439 238</b>	<b>449 603</b>	<b>(10 365)</b>	<b>102.4%</b>	<b>385 678</b>	<b>387 873</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 2 – District Health Services

Programme per sub-programme	2012/13							2011/12	
	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
<b>2.1 District Management</b>									
Current payment	193 265	-	(1 563)	191 702	192 590	(888)	100.5%	151 343	151 343
Transfers and subsidies	920	-	(284)	636	638	(2)	100.3%	830	822
Payment for capital assets	34 369	-	16 797	51 166	45 696	5 470	89.3%	14 729	14 729
<b>2.2 Community Health Clinics</b>									
Current payment	2 456 090	-	(27 408)	2 428 682	2 428 897	(215)	100.0%	2 163 918	2 182 767
Transfers and subsidies	134 866	-	(394)	134 472	59 603	74 869	44.3%	134 289	120 519
Payment for capital assets	23 157	-	2 129	25 286	25 286	-	100.0%	51 860	37 786
<b>2.3 Community Health Centres</b>									
Current payment	921 395	-	25 056	946 451	946 616	(165)	100.0%	761 202	761 202
Transfers and subsidies	2 260	-	-	2 260	2 921	(661)	129.2%	1 451	1 277
Payment for capital assets	11 663	-	2 045	13 708	13 844	(136)	101.0%	10 061	10 061
Payment for financial assets	-	-	-	-	-	-	-	-	2
<b>2.4 Community Based Services</b>									
Current payment	-	-	-	-	790	(790)	-	25 774	25 774
<b>2.5 Other Community Services</b>									
Current payment	679 956	-	34 025	713 981	713 185	796	99.9%	628 697	628 698
Transfers and subsidies	4 060	-	-	4 060	4 745	(685)	116.9%	1 085	2 540
Payment for capital assets	37 827	-	(31 782)	6 045	6 045	-	100.0%	16 598	16 598
Payment for financial assets	-	-	-	-	-	-	-	-	6
<b>2.6 HIV and AIDS</b>									
Current payment	2 318 480	-	-	2 318 480	2 371 566	(53 086)	102.3%	1 896 998	1 899 525
Transfers and subsidies	20 036	-	614	20 650	20 613	37	99.8%	13 654	14 219

# ANNUAL REPORT (VOTE 7)

## 2012/13

Programme per sub-programme	2012/13							2011/12	
	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
Payment for capital assets	5 400	-	(4 889)	511	511	-	100.0%	283	313
<b>2.7 Nutrition</b>									
Current payment	47 602	-	(3 179)	44 423	44 387	36	99.9%	65 234	65 234
Payment for capital assets	40	-	-	40	46	(6)	115.0%	3	3
<b>2.8 Coroner Services</b>									
Current payment	138 497	-	885	139 382	139 842	(460)	100.3%	135 683	135 682
Transfers and subsidies	220	-	-	220	427	(207)	194.1%	94	111
Payment for capital assets	4 000	-	(3 841)	159	273	(114)	171.7%	1 241	1 241
<b>2.9 District Hospitals</b>									
Current payment	4 734 927	-	(18 197)	4 716 730	4 745 685	(28 955)	100.6%	4 441 398	4 460 634
Transfers and subsidies	175 972	-	-	175 972	182 223	(6 251)	103.6%	199 177	199 081
Payment for capital assets	41 927	-	16 446	58 373	48 414	9 959	82.9%	103 607	103 577
Payment for financial assets	-	-	-	-	-	-	-	38	36
<b>TOTAL</b>	<b>11 986 929</b>	<b>-</b>	<b>6 460</b>	<b>11 993 389</b>	<b>11 994 843</b>	<b>(1 454)</b>	<b>100.0%</b>	<b>10 819 247</b>	<b>10 833 780</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 2 – District Health Services

Programme 2 Per Economic Classification Economic classification	2012/13							2011/12	
	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
<b>Current Payment</b>									
Compensation of employees	7 928 880	-	7 853	7 936 733	7 958 750	(22 017)	100.3%	7 161 433	7 193 071
Goods and services	3 561 332	-	1 766	3 563 098	3 624 811	(61 713)	101.7%	3 108 814	3 117 789
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	99 373	-	(531)	98 842	24 259	74 583	24.5%	96 605	86 838
Departmental agencies & accounts	-	-	8	8	6	2	75.0%	-	-
Non-profit institutions	208 437	-	-	208 437	204 686	3 751	98.2%	229 081	213 387
Households	30 524	-	459	30 983	42 217	(11 234)	136.3%	24 894	38 343
<b>Payment of Capital Assets</b>									
Machinery & equipment	158 383	-	(3 095)	155 288	140 114	15 174	90.2%	198 382	184 307
Payment for financial assets	-	-	-	-	-	-	-	38	45
<b>TOTAL</b>	<b>11 986 929</b>	<b>-</b>	<b>6 460</b>	<b>11 993 389</b>	<b>11 994 843</b>	<b>(1 454)</b>	<b>100.0%</b>	<b>10 819 247</b>	<b>10 833 780</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 3 – Emergency Medical Services

Programme per sub programme	2012/13							2011/12	
	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
<b>3.1 Emergency Transport</b>									
Current payment	849 134	-	(22 626)	826 508	828 288	(1 780)	100.2%	826 132	842 973
Transfers and subsidies	5 767	-	(774)	4 993	4 164	829	83.4%	2 534	3 175
Payment for capital assets	78 111	-	(16 717)	61 394	59 659	1 735	97.2%	240 060	222 521
Payment for financial assets	-	-	-	-	-	-	-	-	1
<b>3.2 Planned Patient Transport</b>									
Current payment	40 294	-	22 626	62 920	62 937	(17)	100.0%	37 379	37 378
Transfers and subsidies	125	-	(90)	35	-	35	-	1	55
<b>TOTAL</b>	<b>973 431</b>	<b>-</b>	<b>(17 581)</b>	<b>955 850</b>	<b>955 048</b>	<b>802</b>	<b>99.9%</b>	<b>1 106 106</b>	<b>1 106 103</b>



# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 3: Emergency Medical Services

Programme 3 per Economic classification	2012/13							2011/12	
	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
<b>Current Payment</b>									
Compensation of employees	638 830	-	2 949	641 779	641 810	(31)	100.0%	595 254	595 253
Goods and services	250 598	-	(2 949)	247 649	249 414	(1 765)	100.7%	268 257	285 098
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	2 400	-	-	2 400	1 537	863	64.0%	955	1 842
Households	3 492	-	(864)	2 628	2 628	-	100.0%	1 580	1 388
<b>Payment for Capital Assets</b>									
Machinery & equipment	78 111	-	(16 717)	61 394	59 659	1 735	97.2%	240 060	222 521
Payment for financial assets	-	-	-	-	-	-	-	-	1
<b>TOTAL</b>	<b>973 431</b>	<b>-</b>	<b>(17 581)</b>	<b>955 850</b>	<b>955 048</b>	<b>802</b>	<b>99.9%</b>	<b>1 106 106</b>	<b>1 106 103</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 4 – Provincial Hospital Services

Programme per sub programme	2012/13							2011/12	
	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
<b>4.1 General (Regional) Hospitals</b>									
Current payment	6 282 098	-	58 282	6 340 380	6 393 379	(52 999)	100.8%	5 376 758	5 445 000
Transfers and subsidies	32 209	-	-	32 209	38 740	(6 531)	120.3%	30 797	31 208
Payment for capital assets	47 737	-	(18 208)	29 529	15 653	13 876	53.0%	121 766	65 568
Payment for financial assets	-	-	-	-	-	-	-	15	-
<b>4.2 Tuberculosis Hospitals</b>									
Current payment	565 146	-	(10 086)	555 060	565 779	(10 719)	101.9%	866 600	866 600
Transfers and subsidies	21 167	-	-	21 167	21 669	(502)	102.4%	23 209	21 150
Payment for capital assets	6 265	-	(1 814)	4 451	4 452	(1)	100.0%	4 248	4 248
Payment for financial assets	-	-	-	-	-	-	-	-	15
<b>4.3 Psychiatric Hospitals</b>									
Current payment	643 609	-	(257)	643 352	643 185	167	100.0%	574 154	574 154
Transfers and subsidies	4 159	-	-	4 159	4 405	(246)	105.9%	2 425	2 204
Payment for capital assets	2 373	-	(331)	2 042	2 038	4	99.8%	2 359	2 359
<b>4.4 Chronic Medical Hospitals</b>									
Current payment	200 627	-	(4 186)	196 441	196 442	(1)	100.0%	102 699	102 700
Transfers and subsidies	5 655	-	-	5 655	6 341	(686)	112.1%	6 061	5 545
Payment for capital assets	1 124	-	269	1 393	500	893	35.9%	886	886
<b>4.5 Dental Training Hospitals</b>									
Current payment	14 560	-	(41)	14 519	14 519	-	100.0%	14 451	14 451
Transfers and subsidies	4	-	-	4	22	(18)	550.0%	-	-
Payment for capital assets	500	-	(172)	328	327	1	99.7%	30	30
<b>TOTAL</b>	<b>7 827 233</b>	<b>-</b>	<b>23 456</b>	<b>7 850 689</b>	<b>7 907 451</b>	<b>(56 762)</b>	<b>100.7%</b>	<b>7 126 458</b>	<b>7 136 118</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 4 – Provincial Hospital Services

Programme 4 per Economic classification	2012/13							2011/12	
	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
<b>Current Payment</b>									
Compensation of employees	5 901 669	-	(14 154)	5 887 515	5 887 232	283	100.0%	5 221 180	5 233 665
Goods and services	1 804 371	-	57 866	1 862 237	1 926 070	(63 833)	103.4%	1 713 482	1 769 240
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	529	-	-	529	397	132	75.0%	122	143
Departmental agencies & accounts	42	-	-	42	56	(14)	133.3%	-	-
Non-profit institutions	37 794	-	-	37 794	37 770	24	99.9%	38 770	35 802
Households	24 829	-	-	24 829	32 955	(8 126)	132.7%	23 600	24 162
<b>Payment of Capital Assets</b>									
Machinery & equipment	57 999	-	(20 256)	37 743	22 971	14 772	60.9%	129 289	73 091
Payment for financial assets	-	-	-	-	-	-	-	15	15
<b>TOTAL</b>	<b>7 827 233</b>	<b>-</b>	<b>23 456</b>	<b>7 850 689</b>	<b>7 907 451</b>	<b>(56 762)</b>	<b>100.7%</b>	<b>7 126 458</b>	<b>7 136 118</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 5 – Central Hospital Services

Programme per sub programme	2012/13							2011/12	
	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
<b>5.1 Central Hospital Services</b>									
Current payment	872 629	-	892	873 521	873 521	-	100.0%	763 722	868 630
Transfers and subsidies	600	-	(20)	580	580	-	100.0%	1 000	665
Payment for capital assets	-	-	-	-	-	-	-	(104 314)	(110 672)
<b>5.2 Provincial Tertiary Hospitals Services</b>									
Current payment	1 840 770	-	8 454	1 849 224	1 880 327	(31 103)	101.7%	1 654 150	1 625 913
Transfers and subsidies	1 075	-	885	1 960	2 193	(233)	111.9%	2 000	1 592
Payment for capital assets	27 000	-	(19 593)	7 407	7 407	-	100.0%	145 273	126 526
<b>TOTAL</b>	<b>2 742 074</b>	<b>-</b>	<b>(9 382)</b>	<b>2 732 692</b>	<b>2 764 028</b>	<b>(31 336)</b>	<b>101.1%</b>	<b>2 461 831</b>	<b>2 512 654</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 5 – Central Hospital Services

Programme 5 Per Economic classification	2012/13							2011/12	
	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
<b>Current Payment</b>									
Compensation of employees	1 390 054	-	(6 701)	1 383 353	1 383 329	24	100.0%	1 154 360	1 154 360
Goods and services	1 323 345	-	16 047	1 339 392	1 370 519	(31 127)	102.3%	1 263 512	1 340 183
<b>Transfers &amp; Subsidies</b>									
Provinces & municipalities	8	-	1	9	9	-	100.0%	-	4
Households	1 667	-	864	2 531	2 764	(233)	109.2%	3 000	2 253
<b>Payment of Capital Assets</b>									
Machinery & equipment	27 000	-	(19 593)	7 407	7 407	-	100.0%	40 959	15 854
<b>TOTAL</b>	<b>2 742 074</b>	<b>-</b>	<b>(9 382)</b>	<b>2 732 692</b>	<b>2 764 028</b>	<b>(31 336)</b>	<b>101.1%</b>	<b>2 461 831</b>	<b>2 512 654</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 6 – Health Sciences and Training

Programme per sub programme	2012/13							2011/12	
	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
<b>6.1 Nursing Training Colleges</b>									
Current payment	364 962	-	(16 204)	348 758	348 760	(2)	100.0%	378 848	385 523
Transfers and subsidies	3 158	-	1 054	4 212	4 212	-	100.0%	3 894	3 824
Payment for capital assets	11 289	-	(1 403)	9 886	9 885	1	100.0%	12 198	11 720
Payment for financial assets	-	-	-	-	-	-	-	-	1
<b>6.2 EMS Training Colleges</b>									
Current payment	14 789	-	(3 899)	10 890	10 890	-	100.0%	11 385	11 384
Transfers and subsidies	100	-	(86)	14	14	-	100.0%	122	22
Payment for capital assets	-	-	-	-	-	-	-	-	11
<b>6.3 Bursaries</b>									
Current payment	20 138	-	(6 347)	13 791	13 791	-	100.0%	5 381	5 381
Transfers and subsidies	70 000	-	(851)	69 149	69 206	(57)	100.1%	70 000	59 052
<b>6.4 Primary Health Care Training</b>									
Current payment	52 718	-	1 667	54 385	54 385	-	100.0%	58 763	58 763
Transfers and subsidies	200	-	(11)	189	189	-	100.0%	200	159
Payment for capital assets	120	-	(120)	-	-	-	-	50	-
<b>6.5 Training Other</b>									
Current payment	400 641	-	(3 724)	396 917	396 919	(2)	100.0%	349 362	349 362
Transfers and subsidies	22 560	-	(43)	22 517	22 517	-	100.0%	21 112	20 304
Payment for capital assets	48	-	(23)	25	25	-	100.0%	238	114
<b>TOTAL</b>	<b>960 723</b>	<b>-</b>	<b>(29 990)</b>	<b>930 733</b>	<b>930 793</b>	<b>(60)</b>	<b>100.0%</b>	<b>911 553</b>	<b>905 620</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 6 – Health Sciences and Training

Programme 6 Per Economic classification	2012/13							2011/12	
	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
<b>Current Payments</b>									
Compensation of employees	761 399	-	(15 146)	746 253	746 254	(1)	100.0%	720 257	720 257
Goods and services	91 849	-	(13 361)	78 488	78 491	(3)	100.0%	83 482	90 156
<b>Transfers &amp; subsidies</b>									
Provinces & municipalities	22	-	11	33	33	-	100.0%	26	26
Departmental agencies & accounts	10 105	-	15	10 120	10 119	1	100.0%	8 588	8 588
Universities & Technikons	-	-	-	-	57	(57)	-	-	-
Non-profit institutions	15 130	-	-	15 130	15 130	-	100.0%	15 414	14 298
Households	70 761	-	37	70 798	70 799	(1)	100.0%	71 300	60 449
<b>Payment for Capital Assets</b>									
Machinery & equipment	11 457	-	(1 546)	9 911	9 910	1	100.0%	12 486	11 845
Payment for financial assets	-	-	-	-	-	-	-	-	1
<b>TOTAL</b>	<b>960 723</b>	<b>-</b>	<b>(29 990)</b>	<b>930 733</b>	<b>930 793</b>	<b>(60)</b>	<b>100.0%</b>	<b>911 553</b>	<b>905 620</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 7 – Health Care Support Services

Programme per sub programme	2012/13							2011/12	
	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
<b>7.1 Medicine Trading Account</b>									
Transfers and subsidies	15 170	-	-	15 170	15 170	-	100.0%	13 971	13 971
<b>TOTAL</b>	<b>15 170</b>	<b>-</b>	<b>-</b>	<b>15 170</b>	<b>15 170</b>	<b>-</b>	<b>100.0%</b>	<b>13 971</b>	<b>13 971</b>

### Detail per Programme 7 – Health Care Support Services

Programme 7 Per Economic classification	2012/13							2011/12	
	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
<b>Transfers &amp; Subsidies</b>									
Departmental agencies & accounts	15 170	-	-	15 170	15 170	-	100.0%	13 971	13 971
<b>TOTAL</b>	<b>15 170</b>	<b>-</b>	<b>-</b>	<b>15 170</b>	<b>15 170</b>	<b>-</b>	<b>100.0%</b>	<b>13 971</b>	<b>13 971</b>



# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 8 – Health Facilities Management

Programme per sub-programme	2012/13							2011/12	
	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
<b>8.1 Community Health Facilities</b>									
Current payment	63 959	-	(9 377)	54 582	44 823	9 759	82.1%	87 158	87 165
Transfers and subsidies	-	-	-	-	-	-	-	-	783
Payment for capital assets	490 734	-	6 200	496 934	517 247	(20 313)	104.1%	341 263	338 154
<b>8.2 Emergency Medical Rescue Services</b>									
Current payment	2 518	-	(1 107)	1 411	1 411	-	100.0%	884	884
Payment for capital assets	5 573	-	(1 607)	3 966	3 966	-	100.0%	2 401	2 401
<b>8.3 District Hospital Services</b>									
Current payment	160 420	-	-	160 420	155 975	4 445	97.2%	116 084	206 843
Payment for capital assets	464 062	-	-	464 062	495 639	(31 577)	106.8%	513 943	513 943
<b>8.4 Provincial Hospital Services</b>									
Current payment	134 090	-	(9 938)	124 152	116 637	7 515	93.9%	87 649	87 971
Payment for capital assets	735 476	-	(8 235)	727 241	696 260	30 981	95.7%	489 494	443 990
<b>8.5 Central Hospital Services</b>									
Current payment	21 928	-	(4 797)	17 131	17 131	-	100.0%	3 539	3 539
Payment for capital assets	10 482	-	985	11 467	11 467	-	100.0%	1 181	1 181
<b>8.6 Other Facilities</b>									
Current payment	112 229	-	15 281	127 510	127 532	(22)	100.0%	135 970	135 970
Transfers and subsidies	20 000	-	-	20 000	20 000	-	100.0%	10 000	10 000
Payment for capital assets	145 809	-	18 484	164 293	165 509	(1 216)	100.7%	54 686	62 175
<b>TOTAL</b>	<b>2 367 280</b>	<b>-</b>	<b>5 889</b>	<b>2 373 169</b>	<b>2 373 597</b>	<b>(428)</b>	<b>100.0%</b>	<b>1 844 252</b>	<b>1 894 999</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Detail per Programme 8 – Health Facilities Management

Programme 8 per Economic classification	2012/13							2011/12	
	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
<b>Current Payment</b>									
Compensation of employees	28 270	-	15 425	43 695	21 998	21 697	50.3%	12 736	12 736
Goods and services	466 874	-	(25 363)	441 511	441 511	-	100.0%	418 548	509 636
<b>Transfers and subsidies</b>									
Non-profit Institution	20 000	-	-	20 000	20 000	-	100.0%	10 000	10 000
Households	-	-	-	-	-	-	-	-	783
<b>Payment of Capital Assets</b>									
Buildings & other fixed structures	1 492 131	-	148 680	1 640 811	1 662 936	(22 125)	101.3%	1 063 220	1 048 172
Machinery & equipment	360 005	-	(132 853)	227 152	227 152	-	100.0%	328 353	287 217
Land & subsoil assets	-	-	-	-	-	-	-	11 395	26 455
<b>TOTAL</b>	<b>2 367 280</b>	<b>-</b>	<b>5 889</b>	<b>2 373 169</b>	<b>2 373 597</b>	<b>(428)</b>	<b>100.0%</b>	<b>1 844 252</b>	<b>1 894 999</b>

**2012/13**

**NOTES TO THE APPROPRIATION STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2013**

**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-H) 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 payments for financial assets**

Detail of these transactions per programme can be viewed in the note to Payments for financial assets to the Annual Financial Statements.

**4. Explanations of material variances from Amounts Voted (after Virement):**

**4.1 Per Programme:**

Budget Programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>Administration</b>	439 238	449 603	-10 365	2.4%
The Variance is mainly the result of expenditure related to Forensic Investigation for Central Management. Expenditure related to reduction of fraud and corruption was allocated under Program 1.				
<b>District Health Services</b>	11 993 389	11 994 843	-1 454	-0.1%
The Variance is mainly related to expenditure pressure related to HIV/Aids Conditional Grant for antiretroviral medication and micronutrients for the Grant				
<b>Emergency Medical Service</b>	955 850	955 048	802	-0.1%
The Variance is related to delays with delivery of machinery and equipment: patient transport vehicles.				
<b>Provincial Hospital Services</b>	7 850 689	7 907 451	-56 762	0.7%
The Variance is related to pressures under Goods and Services and affect the non-negotiable items: blood products, medicines - including MDR drugs, medical surgical supplies, X-Ray consumables, ambulance services (flying doctors)- related to fuel price increases, and repairs of medical equipment, municipal rates, etc.				
<b>Central Hospital Services</b>	2 732 692	2 764 028	-31 336	1.1%
The Variance is the result of changes in dollar exchange rate for PPP contract (IALCH).				

# ANNUAL REPORT (VOTE 7)

## 2012/13

Budget Programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>Health Sciences and Training</b>	930 733	930 793	-60	0%
Journals passed after virement request.				
<b>Health Facilities Management</b>	2 373 169	2 373 597	-428	0.5%
The Variance is the result of prior commitments building and fixed structure and improved project management performance together efficient management of invoices and payment thereof.				

		Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
4.2	Per economic classification:	R'000	R'000	R'000	%
<b>Current expenditure</b>					
	Compensation of employees	16 886 345	16 886 345	-	100%
	Goods and services	7 694 128	7 860 499	-166 371	101.5%
	Unauthorised expenditure approved	758 000	758 000	-	0%
<b>Transfers and subsidies</b>					
	Provinces and municipalities	101 852	26 330	75 522	25.9%
	Departmental agencies and account	25 340	25 351	-11	100%
	Universities and Technikons	-	57	-57	0%
	Non-profit institutions	281 361	277 586	3 775	98.7%
	Households	133 984	157 268	-23 284	117.4%
	Gifts and donations	172	172	-	0.0%
<b>Payments for capital assets</b>					
	Buildings and other fixed structures	1 640 811	1 662 936	-22 125	102.8%
	Machinery and equipment	526 937	493 988	32 949	100%
	Payments for financial assets	-	1	1	-

### Explanation of variance

Compensation of employees in keeping with budget, GS Variance a result of higher than anticipated expenditure antiretroviral medication(P2), micronutrients (P2), forensic investigation (P1), medical surgical items, PPP expenditure (P5). PLG under expenditure (variance) a result of late presentation of invoices EThekwini and UMgungundlovu District (P2). Non Profit variance related to delay with processing of payment financial year (P2), Households, DA, in keeping with budget allocated. Universities variance relate to expenditure belonging under Households, Machinery and Equipment variance in keeping with final allocation. Building and Fixed Structure variance relate to prior commitments building and fixed structure and improved project management performance together efficient management of invoices and payment thereof.

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
4.3	R'000	R'000	R'000	%
<b>Health Grants</b>				
National Tertiary Services Grant	1 323 114	1 323 114	-	-
Comprehensive HIV/Aids Grant	2 225 423	2 226 708	-	-
Hospital Revitalisation Grant	586 605	586 667	-	-
Health Prof Training & Development Grant	261 860	261 860	-	-
Health Infrastructure Grant	573 367	573 367	-	-
National Health Insurance Grant	33 000	17 115	15 885	48%
Nursing Colleges & Schools Grant	16 480	16 480	-	-
EPW Integrated Grant to Provinces	1 000	1 000	-	-
AFCON Health & Medical Services Grant	3 000	1 672	1 328	44%

### Explanation of variance

The NTSG, HIV/Aids Grant, Hospital Revitalisation Grant, HPTDG, HIG, NCS, EPW Grants are in keeping with Grant. NHI variance relate to delays and late finalization review of Business Plan. A roll over request made close to R 15 Million. AFCON Grant variance relates to efficient and cost effective use of resources; R 1.328 million will be surrendered.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### STATEMENT OF FINANCIAL PERFORMANCE

#### FOR THE YEAR ENDED 31 MARCH 2013

	Note	2012/13 R'000	2011/12 R'000
<b>REVENUE</b>			
Annual appropriation	<a href="#">1</a>	27 290 930	24 669 096
Department Revenue	<a href="#">2</a>	267 071	207 998
Aid Assistance	<a href="#">3</a>	884	4 232
<b>TOTAL REVENUE</b>		<b>27 558 885</b>	<b>24 881 326</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	<a href="#">4</a>	16 886 345	15 118 307
Goods and services	<a href="#">5</a>	7 860 499	7 246 503
Interest and Rent on land		-	20
Aid Assistance	<a href="#">3</a>	4 751	6 227
<b>Total current expenditure</b>		<b>24 751 595</b>	<b>22 371 057</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	<a href="#">8</a>	486 764	515 668
<b>Total transfers &amp; subsidies</b>		<b>486 764</b>	<b>515 668</b>
<b>Expenditure for capital assets</b>			
Tangible capital assets	<a href="#">9</a>	2 156 924	1 910 011
<b>Total expenditure for capital assets</b>		<b>2 156 924</b>	<b>1 910 011</b>
<b>Payments of Financial Assets</b>	<a href="#">7</a>	1	609
<b>TOTAL EXPENDITURE</b>		<b>27 395 284</b>	<b>24 797 345</b>
<b>SURPLUS/ (DEFICIT) FOR THE YEAR</b>		<b>163 601</b>	<b>83 981</b>
<b>Reconciliation of Net Surplus/ (Deficit) for the year</b>			
Voted Funds		(99 603)	(122 022)
Annual Appropriation		99 603	122 022
Departmental Revenue and NRF Receipts	<a href="#">15</a>	267 071	207 998
Aid assistance	<a href="#">3</a>	(3 867)	(1 995)
<b>SURPLUS / DEFICIT FOR THE YEAR</b>		<b>163 601</b>	<b>83 981</b>

# ANNUAL REPORT (VOTE 7)

2012/13

## STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2013

	Note	2012/13 R'000	2011/12 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Unauthorised expenditure	<a href="#">10</a>	245 577	885 959
Cash and Cash Equivalent	<a href="#">11</a>	336	284
Prepayments and advances	<a href="#">12</a>	-	79
Receivables	<a href="#">13</a>	78 173	67 834
<b>TOTAL ASSETS</b>		<b>324 086</b>	<b>954 156</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	<a href="#">14</a>	18 015	5 400
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<a href="#">15</a>	16 447	3 122
Bank overdraft	<a href="#">16</a>	207 150	908 238
Payables	<a href="#">17</a>	46 445	1 132
Aid assistance unutilised	<a href="#">3</a>	9 479	13 948
<b>TOTAL LIABILITIES</b>		<b>297 536</b>	<b>931 840</b>
<b>NET ASSETS</b>		<b>26 550</b>	<b>22 316</b>
<b>Represented by:</b>			
Recoverable revenue		26 550	22 316
<b>TOTAL</b>		<b>26 550</b>	<b>22 316</b>

# ANNUAL REPORT (VOTE 7)

2012/13

## STATEMENT OF CHANGES IN NET ASSETS

### FOR YEAR ENDING 31 MARCH 2013

	2012/13 R'000	2011/12 R'000
<b>Recoverable revenue</b>		
Opening balance	22 316	23 459
Transfers	<b>4 234</b>	<b>(1 143)</b>
Irrecoverable amounts written off	1	609
Debts recovered (included in departmental receipts)	4 233	(1 752)
<b>Closing balance</b>	<b>26 550</b>	<b>22 316</b>



# ANNUAL REPORT (VOTE 7)

## 2012/13

### CASH FLOW STATEMENTS

#### FOR THE ENDING 31 MARCH 2013

	Note	2012/13 R'000	2011/12 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>27 522 944</b>	<b>24 880 790</b>
Annual appropriated funds received	<a href="#">1.1</a>	27 290 930	24 668 560
Departmental revenue received	<a href="#">2</a>	231 130	207 998
Aid assistance received	<a href="#">3</a>	884	4 232
Net (increase)/ decrease in working capital		675 435	1 182 477
Surrendered to Revenue Fund		(259 146)	(1 354 277)
Surrendered to RDP Fund/Donor		(602)	(3 174)
Current payments		(24 633 977)	(22 243 099)
Payments for Financial Assets		(1)	(609)
Transfers and subsidies paid		(486 764)	(515 668)
<b>Net cash flow available from operating activities</b>	<a href="#">18</a>	<b>2 817 889</b>	<b>1 946 440</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	<a href="#">9</a>	(2 156 924)	(1 910 011)
Proceeds from sale of capital assets	<a href="#">2.4</a>	35 941	-
<b>Net cash flows from investing activities</b>		<b>(2 120 983)</b>	<b>(1 910 011)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/ (decrease) in net assets		4 234	(1 143)
<b>Net cash flows from financing activities</b>		<b>4 234</b>	<b>(1 143)</b>
Net increase/ (decrease) in cash and cash equivalents		701 140	35 286
Cash and cash equivalents at beginning of period		(907 954)	(943 240)
<b>Cash and cash equivalents at end of period</b>	<a href="#">19</a>	<b>(206 814)</b>	<b>(907 954)</b>

# ANNUAL REPORT (VOTE 7)

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2012/13

## ACCOUNTING POLICIES

### FOR THE YEAR ENDING 31 MARCH 2013

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2012.

#### 1. Presentation of the Financial Statements

##### 1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting.

Under this basis, the effects of transactions and other events are recognised in the financial records when the resulting cash is received or paid. The "modification" results from the recognition of certain near-cash balances in the financial statements as well as the revaluation of foreign investments and loans and the recognition of resulting revaluation gains and losses.

In addition supplementary information is provided in the disclosure notes to the financial statements where it is deemed to be useful to the users of the financial statements.

##### 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.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### 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 are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the National/Provincial Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

#### 2.2 Departmental Revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position.

No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however 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.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### 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 Salaries and Wages

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.

#### 3.1.1 Social Contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed 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).

# ANNUAL REPORT (VOTE 7)

---

## 2012/13

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 National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

### 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.

Rental paid for the use of buildings or other fixed structures is classified as *goods and services* and not as *rent on land*.

### 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. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

### 3.4 Payment for Financial Asset

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.

All other losses are recognised when authorisation has been granted for the recognition thereof.

### 3.5 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).

### 3.6 Unauthorised Expenditure

When confirmed 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 derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date stipulated in the Act.

# ANNUAL REPORT (VOTE 7)

---

## 2012/13

### 3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

### 3.8 Irregular expenditure

Irregular expenditure is defined as:

Expenditure other than unauthorized 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 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.

### 3.9 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 more 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 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

# ANNUAL REPORT (VOTE 7)

---

## 2012/13

### 4.3 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.

### 4.4 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.

### 4.5 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.

### 4.6 Capital assets

#### 4.6.1 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.

# ANNUAL REPORT (VOTE 7)

---

## 2012/13

### 4.6.2 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 assets". On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

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 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.



# ANNUAL REPORT (VOTE 7)

---

## 2012/13

### 5.3 Employee benefits

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

### 5.4 Lease commitments

#### Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as a capital expense in the statement of financial performance and are not apportioned between the capital and the interest portions. The total finance lease payment is disclosed in the disclosure notes to the financial statements.

#### Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

### 5.5 Impairment

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows / service potential flowing from the instrument.

### 5.6 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

## 6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements. These receivables are written off when identified as irrecoverable and are disclosed separately.

## 7. Net Assets

### 7.1 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

# ANNUAL REPORT (VOTE 7)

---

## 2012/13

### 8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

### 9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

### 10. 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.

# ANNUAL REPORT (VOTE 7)

## 2012/13

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS

#### FOR THE YEAR ENDING 31 MARCH 2013

#### 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	2012/13 Actual Funds received R'000	Funds not requested/ not received R'000	Appropriation received 2011/12 R'000
Administration	439 238	442 998	(3 760)	385 678
District Health Services	11 993 389	11 990 784	2 605	10 819 247
Emergency Medical Services	955 850	955 850	-	1 106 106
Provincial Hospital Services	7 850 689	7 839 360	11 329	7 126 458
Central Hospital Services	2 732 692	2 732 928	(236)	2 461 831
Health Sciences and Training	930 733	930 733	-	911 553
Health Care Support Services	15 170	15 170	-	13 971
Health Facilities Management	2 373 169	2 383 107	(9 938)	1 843 716
<b>Total</b>	<b>27 290 930</b>	<b>27 290 930</b>	<b>-</b>	<b>24 668 560</b>

##### 1.2 Conditional Grants

	Note	2012/13 R'000	2011/12 R'000
Total grants received	<a href="#">Ann 1A</a>	5 023 849	4 452 554
<b>Provincial Grants included in Total grants received</b>		<b>573 367</b>	<b>358 471</b>

(It should be noted that Conditional Grants are included in the amounts per the Total Appropriation in Note 1.1)

#### 2 Departmental Revenue

		2012/13 R'000	2011/12 R'000
Sales of goods and services other than capital assets	<a href="#">2.1</a>	218 326	196 395
Fines, penalties and forfeits	<a href="#">2.2</a>	17	17
Interest, dividends and rent on land	<a href="#">2.3</a>	186	366
Sales of capital assets	<a href="#">2.4</a>	35 941	-
Transactions in financial assets and liabilities	<a href="#">2.5</a>	12 601	11 220
<b>Total Revenue Collected</b>		<b>267 071</b>	<b>207 998</b>
<b>Departmental revenue collected</b>		<b>267 071</b>	<b>207 998</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

		2012/13 R'000	2011/12 R'000
<b>2.1</b>	<b>Sales of goods and services other than capital assets</b>		
	Sales of goods and services produced by the department	217 499	195 657
	Sales by market establishment	14 141	16 492
	Administrative Fees	3 231	3 028
	Other sales	200 127	176 137
	Sales of scrap, waste and other used current goods	827	738
	<b>Total</b>	<b>218 326</b>	<b>196 395</b>
<b>2.2</b>	<b>Fines, penalties and forfeits</b>		
	Penalties	17	14
	Forfeits	-	3
	<b>Total</b>	<b>17</b>	<b>17</b>
<b>2.3</b>	<b>Interest, dividends and rent on land</b>		
	Interest	<b>186</b>	<b>366</b>
<b>2.4</b>	<b>Sales of capital assets</b>		
	<b>Tangible Assets</b>	35 941	-
	Machinery and Equipment	35 941	-
<b>2.5</b>	<b>Transactions in Financial assets and liabilities</b>		
	Receivables	3 467	3 622
	Stale cheques written back	38	394
	Other receipts including recoverable revenue	9 096	7 204
	<b>Total</b>	<b>12 601</b>	<b>11 220</b>
<b>3.</b>	<b>Aid assistance</b>		
	<b>Aid Assistance received in cash from RDP</b>		
<b>3.1</b>	Foreign		
	Opening Balance	31	4 668
	Expenditure	-	<b>(1 463)</b>
	Current	-	(1 463)
	Surrendered to the RDP		(3 174)
	<b>Closing balance</b>	<b>31</b>	<b>31</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

3.2	Aid Assistance received in cash from other sources	2012/13 R'000	2011/12 R'000
	<b>Local</b>		
	Opening balance	13 241	11 167
	Revenue	884	4 232
	Expenditure	<b>(4 751)</b>	<b>(2 158)</b>
	Current	(4 751)	(2 158)
	<b>Closing balance</b>	<b>9 374</b>	<b>13 241</b>
	<b>Foreign</b>		
	Opening balance	676	3 282
	Expenditure	-	<b>(2 606)</b>
	Current	-	(2 606)
	Surrendered to the donor	(602)	-
	<b>Closing balance</b>	<b>74</b>	<b>676</b>
3.3	<b>Total</b>		
	Opening Balance	13 948	19 117
	Revenue	884	4 232
	Expenditure	<b>(4 751)</b>	<b>(6 227)</b>
	Current	(4 751)	(6 227)
	Surrendered / Transferred to retained funds	(602)	(3 174)
	<b>Closing balance</b>	<b>9 479</b>	<b>13 948</b>
3.4	<b>Analysis of balance</b>		
	<b>Aids Assistance Unutilised</b>	<b>9 479</b>	<b>13 948</b>
	Other Sources	9 479	13 948
	<b>Closing Balances</b>	<b>9 479</b>	<b>13 948</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	2012/13 R'000	2011/12 R'000
<b>4. Compensation of employees</b>		
<b>4.1 Salaries and wages</b>		
Basic Salary	11 281 156	10 095 165
Performance award	39	369
Service Based	18 380	19 486
Compensative/circumstantial	1 242 211	1 108 039
Periodic payments	33 243	34 488
Other non-pensionable allowances	2 112 214	1 879 582
<b>Total</b>	<b>14 687 243</b>	<b>13 137 129</b>
<b>4.2 Social contributions</b>		
<b>Employer contribution</b>		
<b>4.2.1</b> Pension	1 350 736	1 215 864
Medical	845 805	759 759
UIF	2	-
Bargaining council	2 559	5 312
Official unions and associates	-	165
Insurance	-	78
<b>Total</b>	<b>2 199 102</b>	<b>1 981 178</b>
<b>Total compensation of employees</b>	<b>16 886 345</b>	<b>15 118 307</b>
<b>Average number of employees</b>	<b>82 163</b>	<b>78 213</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Note	2012/13 R'000	2011/12 R'000
<b>5. Goods and services</b>			
Administrative fees		32	28
Advertising		12 940	11 982
Assets less than R5,000	<a href="#">5.1</a>	56 645	69 825
Bursaries (employees)		151	1 877
Catering		2 314	4 929
Communication		90 818	83 785
Computer services	<a href="#">5.2</a>	152 688	164 578
Consultants, contractors and agency/ outsourced services	<a href="#">5.3</a>	1 708 572	1 792 985
Entertainment		33	62
Audit cost - External	<a href="#">5.4</a>	9 315	9 257
Fleet services		59 573	-
Inventory	<a href="#">5.5</a>	4 354 434	3 758 106
Operating leases		109 010	109 374
Property payments	<a href="#">5.6</a>	1 085 911	1 054 893
Transport provided as part of the departmental activities		21 840	35 299
Travel and subsistence	<a href="#">5.7</a>	75 510	54 883
Venues and facilities		1 944	5 378
Training and staff development		45 028	33 693
Other operating expenditure	<a href="#">5.8</a>	73 741	55 569
<b>Total</b>		<b>7 860 499</b>	<b>7 246 503</b>
	Note	2012/13 R'000	2011/12 R'000
<b>5.1</b>	<a href="#">5</a>		
Assets less than R5,000			
Tangible assets		56 645	69 825
Machinery and equipment		<b>56 645</b>	<b>69 825</b>
<b>Total</b>		<b>56 645</b>	<b>69 825</b>
	Note	2012/13 R'000	2011/12 R'000
<b>5.2</b>			
<b>Computer services</b>			
SITA computer services	<a href="#">5</a>	122 269	87 662
External computer service providers		30 419	76 916
<b>Total</b>		<b>152 688</b>	<b>164 578</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Note	2012/13 R'000	2011/12 R'000
<b>5.3 Consultants, contractors and agency/outsourced services</b>	<a href="#">5</a>		
Business and advisory services		56 130	43 016
Infrastructure and planning		72	4 912
Laboratory services		539 752	566 011
Legal costs		7 321	5 037
Contractors		175 450	240 942
Agency and support/outsourced services		929 847	933 067
<b>Total</b>		<b>1 708 572</b>	<b>1 792 985</b>
<b>5.4 Audit cost – external</b>	<a href="#">5</a>		
Regulatory audits		9 315	9 257
<b>Total</b>		<b>9 315</b>	<b>9 257</b>
<b>5.5 Inventory</b>	<a href="#">5</a>		
Food and food supplies		101 722	126 371
Fuel, oil and gas		346 983	298 100
Other consumable		214 697	208 012
Materials and supplies		27 271	6 269
Stationery and printing		52 879	51 454
Medical supplies		1 293 502	1 199 821
Medicine		2 317 380	1 868 079
<b>Total</b>		<b>4 354 434</b>	<b>3 758 106</b>
<b>5.6 Property Payment</b>	<a href="#">5</a>		
Municipal Services		357 185	327 380
Property maintenance and repairs		260 949	346 379
Other		467 777	381 134
<b>Total</b>		<b>1 085 911</b>	<b>1 054 893</b>



# ANNUAL REPORT (VOTE 7)

## 2012/13

	Note	2012/13 R'000	2011/12 R'000
<b>5.7 Travel and subsistence</b>	<a href="#">5</a>		
Local		69 164	51 828
Foreign		6 346	3 055
<b>Total</b>		<b>75 510</b>	<b>54 883</b>
	Note	2012/13 R'000	2011/12 R'000
<b>5.8 Other operating expenditure</b>	<a href="#">5</a>		
Learner ships		582	9 298
Professional bodies, membership and subscription fees		9 271	10 307
Resettlement costs		17 418	14 274
Other		46 470	21 690
<b>Total</b>		<b>73 741</b>	<b>55 569</b>
	Note	2012/13 R'000	2011/12 R'000
<b>6 Interest and Rent on Land</b>			
Interest paid		-	20
<b>Total</b>		<b>-</b>	<b>20</b>
	Note	2012/13 R'000	2011/12 R'000
<b>7. Payment for Financial Assets</b>			
Debts written off	<a href="#">7.1</a>	1	609
<b>Total</b>		<b>1</b>	<b>609</b>
	Note	2012/13 R'000	2011/12 R'000
<b>7.1 Debts written off</b>	<a href="#">7</a>		
Nature of debts written off			
Staff debts written off		1	609
<b>Total</b>		<b>1</b>	<b>609</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Note	2012/13 R'000	2011/12 R'000
<b>8. Transfers and subsidies</b>	<a href="#">ANNEXURE</a>		
Provinces and municipalities	<a href="#">1B,Annexure 1C</a>	22 893	88 879
Departmental agencies and accounts	<a href="#">Annexure 1D</a>	28 787	22 559
Non-profit institution	<a href="#">Annexure 1E</a>	277 587	273 487
Households	<a href="#">Annexure 1F</a>	157 440	130 743
Gifts, donations and sponsorships made	<a href="#">Annexure 1G</a>	57	-
<b>Total</b>		<b>486 764</b>	<b>515 668</b>

*Unspent funds transferred to the above beneficiaries*

	Note	2012/13 R'000	2011/12 R'000
<b>9. Expenditure for capital assets</b>			
<b>Tangible assets</b>		<b>2 156 924</b>	<b>1 910 011</b>
Buildings and other fixed structures	<a href="#">33</a>	1 662 947	1 063 220
Machinery and equipment	<a href="#">32</a>	493 977	835 384
Land & subsoil Assets	<a href="#">33</a>	-	11 407
<b>Total</b>		<b>2 156 924</b>	<b>1 910 011</b>

9.1 Analysis of funds utilised to acquire capital assets	2012/13		
	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
<b>Tangible assets</b>	2 156 924	-	<b>2 156 924</b>
<b>Buildings and other fixed structures</b>	1 662 947	-	<b>1 662 947</b>
<b>Machinery and equipment</b>	493 977	-	<b>493 977</b>
<b>Total</b>	<b>2 156 924</b>	<b>-</b>	<b>2 156 924</b>

9.2 Analysis of funds utilised to acquire capital assets-	2011/12		
	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
<b>Tangible Assets</b>	<b>1 910 011</b>	<b>-</b>	<b>1 910 011</b>
Buildings and other fixed structures	1 063 220	-	1 063 220
Machinery and equipment	835 384	-	835 384
Land and subsoil assets	11 407	-	11 407
<b>Total</b>	<b>1 910 011</b>	<b>-</b>	<b>1 910 011</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Note	2012/13 R'000	2011/12 R'000
<b>10. Unauthorised expenditure</b>			
<b>10.1 Reconciliation of unauthorised expenditure</b>			
Opening balance		885 959	2 255 998
Unauthorised expenditure- discovered in current year	<a href="#">14</a>	117 618	127 958
Less: Amount approved by parliament/ legislature with funding		(758 000)	(1 497 997)
<b>Unauthorised expenditure awaiting authorisation / Written off</b>		<b>245 577</b>	<b>885 959</b>
<b>10.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification</b>			
Current		245 577	885 959
<b>Total</b>		<b>245 577</b>	<b>885 959</b>
<b>10.3 Analysis of unauthorised expenditure awaiting authorisation per type</b>			
Unauthorised expenditure relating to overspending of the vote or a main division within the vote		245 577	885 959
<b>Total</b>		<b>245 577</b>	<b>885 959</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

			2012/13 R'000
<b>10.4</b>	<b>Details of unauthorised expenditure - current year</b>		
	<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	
	Programme 1	Overspending of the vote	10 365
	Programme 2	Overspending of the vote	1 454
	Programme 4	Overspending of the vote	56 762
	Programme 5	Overspending of the vote	31 336
	Programme 6	Overspending of the vote	60
	Programme 8	Overspending of the vote	428
	NHI Grant	Under Expenditure to surrender for Roll over	15 885
	AFCON Health Grant	Under Expenditure to surrender to Treasury	1 328
	<b>Total</b>		<b>117 618</b>

		2012/13 R'000	2011/12 R'000
<b>11.</b>	<b>Cash and cash equivalents</b>		
	Cash receipts	48	-
	Cash on hand	288	284
	<b>Total</b>	<b>336</b>	<b>284</b>

		2012/13 R'000	2011/12 R'000
<b>12.</b>	<b>Prepayments and advances</b>		
	Travel and subsistence	-	79
	<b>Total</b>	<b>-</b>	<b>79</b>

		2012/13			Total	2011/12
	Note	Less than one year	One to three years	Older than three years		
<b>13.</b>	<b>Receivable</b>					
	Claims recoverable	<a href="#">13.1</a>	5 329	-	-	5 329
	Recoverable Expenditure	<a href="#">13.2</a>	339	-	-	338
	Staff debt	<a href="#">13.3</a>	8 472	17 374	41 611	67 457
	Other debtors	<a href="#">13.4</a>	5 048	-	-	5 049
	<b>Total</b>		<b>19 188</b>	<b>17 374</b>	<b>41 611</b>	<b>78 173</b>
			<b>67 834</b>			

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Note	2012/13 R'000	2011/12 R'000
<b>13.1 Claims recoverable</b>	<a href="#">13</a>		
Provincial departments		3 548	3 506
Public entities		1 343	-
Universities and Technikons		438	-
<b>Total</b>		<b>5 329</b>	<b>3 506</b>

	Note	2012/13 R'000	2011/12 R'000
<b>13.2 Recoverable Expenditure ( disallowance accounts)</b>	<a href="#">13</a>		
Disallowance dishonoured cheque		22	17
Disallowance payment fraud: CA		180	179
Disallowance Miscellaneous		136	-
<b>Total</b>		<b>338</b>	<b>196</b>

	Note	2012/13 R'000	2011/12 R'000
<b>13.3 Staff debt</b>	<a href="#">13</a>		
Breach of Contract		5 802	4 919
Employee Debt		13 102	12 149
Ex-Employee Debt		45 707	40 039
Government Accidents		2	3
State Guarantee		28	28
Supplier Debt		86	-
Telephone Debt		1	1
Other Staff Debt and Salary Related		918	544
Tax Debt		1 776	1 196
Travel and Subsistence		35	-
<b>Total</b>		<b>67 457</b>	<b>58 879</b>

	Note	2012/13 R'000	2011/12 R'000
<b>13.4 Other debtors</b>	<a href="#">13</a>		
Salary control accounts		5 049	5 253
<b>Total</b>		<b>5 049</b>	<b>5 253</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Note	2012/13 R'000	2011/12 R'000
<b>14. Voted funds to be surrendered to the Revenue Fund</b>			
Opening balance		5 400	1 142 854
Transfer from Statement of Financial Performance		(99 603)	(122 022)
Add: Unauthorised expenditure for current year	<a href="#">10</a>	117 618	127 958
Voted funds not requested/not received	<a href="#">1.1</a>	-	(536)
Paid during the year		(5 400)	(1 142 854)
<b>Closing balance</b>		<b>18 015</b>	<b>5 400</b>
		<b>2012/13 R'000</b>	<b>2011/12 R'000</b>
<b>15. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund</b>			
Opening balance		3 122	6 547
Transfer from Statement of Financial Performance		267 071	207 998
Paid during the year		(253 746)	(211 423)
<b>Closing balance</b>		<b>16 447</b>	<b>3 122</b>
		<b>2012/13 R'000</b>	<b>2011/12 R'000</b>
<b>16. Bank overdraft</b>			
Consolidated Paymaster General Account		207 150	908 238
<b>Total</b>		<b>207 150</b>	<b>908 238</b>
	Note	2012/13 R'000	2011/12 R'000
<b>17. Payables - current</b>			
Clearing accounts	<a href="#">17.1</a>	32 125	17 832
Other payables	<a href="#">17.2</a>	14 320	(16 700)
<b>Total</b>		<b>46 445</b>	<b>1 132</b>
	Note	2012/13 R'000	2011/12 R'000
<b>17.1 Clearing account</b>	<a href="#">17</a>		
Salary control account		12 501	3 028
Inventory profit and loss		19 624	14 804
<b>Total</b>		<b>32 125</b>	<b>17 832</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Note	2012/13 R'000	2011/12 R'000
<b>17.2 Other payables</b>	<a href="#">17</a>		
Pension recoverable account		2 827	6 580
Medsas Account		11 493	(23 280)
<b>Total</b>		<b>14 320</b>	<b>(16 700)</b>

Medsas Account relates to Provincial Pharmaceutical Supply Depot that is a Trade account that operates within the Department and is reported on its own AFS. The Medsas account shows a payable balance however PPSD reports on GAAP Statements.

	2012/13 R'000	2011/12 R'000
<b>18. Net cash flow available from operating activities</b>		
Net surplus / (deficit) as per Statement of Financial Performance	163 601	83 981
Add back non-cash movements/ movements not deemed operating activities:	2 654 288	1 862 459
(Increase)/decrease in receivables – current	(10 339)	(3 213)
Increase)/decrease in prepayments and advances	79	(20)
(Increase)/decrease in other current assets	758 000	1 497 997
(Decrease)/Increase in payables – current	45 313	(184 329)
Proceeds from sale of capital assets	(35 941)	-
Expenditure on capital assets	2 156 924	1 910 011
Surrenders to revenue fund	(259 146)	(1 354 277)
Surrenders to RDP Fund/Donor	(602)	(3 174)
Voted funds not requested/not received	-	(536)
<b>Net cash flow generated by operating activities</b>	<b>2 817 889</b>	<b>1 946 440</b>

	2012/13 R'000	2011/12 R'000
<b>19. Reconciliation of cash and cash equivalents for cash flow purposes</b>		
Consolidated Paymaster General Account	(207 150)	(908 238)
Cash receipts	48	-
Cash on hand	288	284
<b>Total</b>	<b>(206 814)</b>	<b>(907 954)</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

		2012/13	2011/12
		R'000	R'000
<b>20. Contingent liabilities and Contingent Assets</b>	<b>Note</b>		
<b>20.1 Liable to</b>	<b>Nature</b>		
Motor vehicle guarantees	Employees <a href="#">Annex 2A</a>	-	299
Housing loan guarantees	Employees <a href="#">Annex 2A</a>	17 894	25 825
Claims against the department	<a href="#">Annex 2B</a>	1 931 159	911 256
Intergovernmental payables (unconfirmed balances)	<a href="#">Annex 4</a>	95 778	157 930
Other		1 983 385	1 143 112
<b>Total</b>		<b>4 028 216</b>	<b>2 238 422</b>
<b>20.2 Contingent Assets</b>		<b>2012/13</b>	<b>2011/12</b>
<b>Nature of Contingent Assets</b>		<b>R'000</b>	<b>R'000</b>
Occupation Specific Dispensation (Nursing over payments)		11 325	11 500
<b>Total</b>		<b>11 325</b>	<b>11 500</b>
<b>21. Commitments</b>		<b>2012/13</b>	<b>2011/12</b>
<b>Current expenditure</b>		<b>R'000</b>	<b>R'000</b>
Approved and contracted		279 128	85 933
Approved but not yet contracted		10 555	11 659
<b>Sub Total</b>		<b>289 683</b>	<b>97 592</b>
<b>Capital expenditure (including transfers)</b>			
Approved and contracted		1 904 049	1 348 179
Approved but not yet contracted		7 484 142	4 618 796
<b>Sub Total</b>		<b>9 388 191</b>	<b>5 966 975</b>
<b>Total Commitments</b>		<b>9 677 874</b>	<b>6 064 567</b>



# ANNUAL REPORT (VOTE 7)

## 2012/13

	30 Days	30+ Days	2012/13	2011/12
	R'000	R'000	Total R'000	Total R'000
<b>22. Accruals</b>				
Goods and services	602 143	98 156	700 299	337 967
Transfers and subsidies	1 062	-	1 062	-
Capital Assets	17 123	426	17 549	29 269
<b>Total</b>	<b>620 328</b>	<b>98 582</b>	<b>718 910</b>	<b>367 236</b>

Listed by programme level	2012/13	2011/12
	R'000	R'000
Administration	318 725	39 074
District Health Services	247 898	203 853
Emergency Medical Services	24 900	3 342
Provincial Hospital Services	74 925	13 367
Central Hospital Services	18 457	74 182
Health Service and Training	19 957	4 150
Health Care Support	2 963	-
Health Facilities Management	11 085	29 268
<b>Total</b>	<b>718 910</b>	<b>367 236</b>

		2012/13	2011/12
		R'000	R'000
Confirmed balances with other departments	<a href="#">Annex 4</a>	22 115	2 136
Confirmed balances with other government entities	<a href="#">Annex 4</a>	184 321	92 974
<b>Total</b>		<b>206 436</b>	<b>95 110</b>

23. Employee benefit provisions	2012/13	2011/12
	R'000	R'000
Leave entitlement	681 498	708 230
Service Bonus (Thirteenth cheque)	445 704	398 243
Capped leave commitments	774 532	782 560
Other	4 460	3 932
<b>Total</b>	<b>1 906 194</b>	<b>1 892 965</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### 24. Lease commitments

#### 24.1 Operating leases expenditure

2012/13	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	37 179	16 456	53 635
Later than 1 year and not later than 5 years	-	-	62 037	9 844	71 881
<b>Total lease commitments</b>	-	-	99 216	26 300	125 516

2011/12	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	35 727	5 959	41 686
Later than 1 year and not later than 5 years	-	-	6 859	2 193	9 052
<b>Total lease commitments</b>	-	-	42 586	8 152	50 738

#### 24.2 Finance leases expenditure

2012/13	Specialised military assets R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	2 557	2 557
Later than 1 year and not later than 5 years	-	-	-	851	851
<b>Total lease commitments</b>	-	-	-	3 408	3 408

### 25. Receivables for departmental revenue

	2012/13 R'000	2011/12 R'000
Sales of goods and services other than capital assets	173 602	148 670
Other	1 813	-
<b>Total</b>	<b>175 415</b>	<b>148 670</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

Other relates to sponsorship for Cuban Students tuition fees receivable for 2012/13 year

	2012/13 R'000	2011/12 R'000
<b>25.1 Analysis of receivables for departmental revenue</b>		
Opening Balances	148 670	148 092
Less: Amounts received	95 637	100 468
Add: Amounts recognised	138 909	124 539
Less: Amounts written-off/reversed as irrecoverable	16 527	23 493
<b>Closing balance</b>	<b>175 415</b>	<b>148 670</b>

	2012/13 R'000	2011/12 R'000
<b>25.2 Receivables for department revenue written off Nature of losses</b> (Group major categories, but list material items)		
Patient Account written Off	6 276	8 679
<b>Total</b>	<b>6 276</b>	<b>8 679</b>

	2012/13 R'000	2011/12 R'000
<b>26. Irregular Expenditure</b>		
<b>26.1 Reconciliation of irregular expenditure</b>		
Opening balance	3 291 807	1 253 708
Add: Irregular expenditure - relating to prior year	1 254 161	1 039 189
Add: Irregular expenditure - relating to current year	1 465 026	998 910
Less: Amounts condoned	(3 015 206)	-
<b>Irregular expenditure awaiting con donation</b>	<b>2 995 788</b>	<b>3 291 807</b>

### Analysis of awaiting Condonation per age classification

Current year	529 745	998 910
Prior years	2 466 043	2 292 897
<b>Total</b>	<b>2 995 788</b>	<b>3 291 807</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

Amounts Condoned R2 079 925 relates prior years and R935 281 relates to 2012/13 period

26.2	Details of irregular expenditure - Incident	Current year Disciplinary steps taken/criminal proceedings	2012/13 R'000
	Overtime	Under investigation	12 047
	Conflict of Interest and other deviations	Investigated by Committee	80 492
	Restricted Suppliers	Investigated by Committee	10 710
	Other SCM deviations	Investigated by Committee	70 159
	Specific Deviations	Investigated by Committee	756 852
	Property Leases	Department of Public Works in process of Contract Finalisation	17 443
	Forensic Investigations	Investigations underway	93 597
	Possible Conflict of Interest	Letter sent currently being investigated	203 952
	Over 65 years of Age Employees employed	Under investigation	53 595
	SCM processes not followed	To be investigated	166 179
	<b>Total</b>		<b>1 465 026</b>

26.3	Details of irregular expenditure condoned Incident	Condoned by (condoning authority)	2012/13 R'000
	Prior year Recommendation by Provincial Treasury in terms of Treasury Regulation 9.1.3		2 079 925
	Conflict of Interest and other deviation - Accounting Officer		80 492
	Restrict Suppliers usage - Accounting Officer		10 710
	Other Deviations - Accounting Officer		70 159
	Specific Deviations including expired contracts- Accounting Officer		756 852
	Expired Property leases		17 068
			<b>3 015 206</b>

26.4	Details of irregular expenditure under investigation Incident	2012/13 R'000
	Cases which are under Investigation by:	
	Forensic Investigations prior years	198 704
	Forensic Investigation - current year	93 597
	Conflict of interest	677 155
	Overtime exceed 30%	31 705
	Employees > 65 years	211 410
	SCM Processes not adhered to	1 783 217
		<b>2 995 788</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

Whilst performing a review of the irregular expenditure for the 2011/2012 and 2012/2013 financial year it was noted that the nature of the procurement of certain items had not changed over the years. For these items which were recognised as irregular expenditure in the 2011/2012 and 2012/2013 financial year the amount spent in prior years was also recognised as irregular expenditure in the current year and disclosed as "Irregular expenditure - relating to prior year". Based on the available data we reviewed transactions from 1 April 2008. The additional expenditure recognised for each financial year is as follows:

2008/2009	R 225 732 994.81
2009/2010	R 246 574 850.29
2010/2011	R 241 735 970.38
2011/2012	R 540 116 951.70
<b>TOTAL</b>	<b>R 1 254 160 767.18</b>

The nature of the transactions consisted of the procurement of consignment stock inventory items, specialised medical items which are dependent on the individual patient needs, purchase of computer equipment, and medical staff over the age of 65 who were previously employed by the department, suppliers with potential conflict of interest.

	2012/13 R'000	2011/12 R'000
<b>27 Fruitless and wasteful expenditure</b>		
<b>27.1 Reconciliation of fruitless and wasteful expenditure</b>		
Opening balance	20	-
Fruitless and wasteful expenditure – relating to current year	113	20
	<u>133</u>	<u>20</u>
<b>Fruitless and wasteful expenditure awaiting resolution</b>		
	<u>133</u>	<u>20</u>
<b>27.2 Analysis of awaiting resolution per economic classification</b>		
Current	133	20
<b>Total</b>	<u>133</u>	<u>20</u>

# ANNUAL REPORT (VOTE 7)

## 2012/13

27.3	Analysis of Current Year's Fruitless and wasteful expenditure		2012/13 R'000
	Incident	Disciplinary steps taken/criminal proceedings	
	Interest on accounts	To investigate	50
	Accommodation for Doctors	To investigate	36
	Medical Directory	To investigate	27
	<b>Total</b>		<b>113</b>

	2012/13 R'000	2011/12 R'000
<b>28. Year end balances arising from revenue/payments</b>		
Payables to related parties	11 493	-
<b>Total</b>	<b>11 493</b>	<b>-</b>

	No of Individuals	2012/13 R'000	2011/12 R'000
<b>29. Key management personnel</b>			
Political office bearers (provide detail below)	1	1 652	1 566
Officials:			
Level 15 to 16	4	3 800	3 008
Level 14 (including CFO if at a lower level)	15	13 861	11 371
Family members of key management personnel	9	3 193	-
<b>Total</b>		<b>22 506</b>	<b>15 945</b>

### DR SM DHLOMO (MEC FOR KZN HEALTH)

#### 29. 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;

# ANNUAL REPORT (VOTE 7)

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## 2012/13

- supply and replacement of Non-Medical Equipment;
- provision of all Services necessary to manage the Project Assets in accordance with Best Industry Practice;
- maintenance and replacement of the Departmental Assets in terms of the replacement schedules;
- provision or procurement of Utilities and Consumables and Surgical Instruments; and
- Provision of Facilities Management Services.

The agreement was concluded with a view to provide the Department with the opportunity to concentrate on the delivery of clinical services at the highest standards in terms of quality, efficiency, effectiveness and patient focussed care.

The Department is responsible for the employment of all healthcare staff and the administration staff, together with the provision of all consumables used in the provision of the healthcare services.

Impilo Consortium is required at its own cost and risk to provide, deliver, Commission, manage, maintain and repair (as the case may be) Project Assets and Department Assets (or part thereof), including the renewal or replacement of Project Assets and Department Assets at such times and in such manner as to enable it to meet the IM&T Output Specifications and the FM Output Specifications; as to ensure that the Department is, at all times, able to provide Clinical Services that fulfil Hospital's Output Specifications using State of the Art Equipment and IM&T Systems; as would be required having regard to Best Industry Practice; and as required by Law.

The replacement of assets over the period of the contract is based on the Replacement Programme which operates on a rolling basis. To that end, at least 1 (one) month prior to the start of each Contract Year thereafter, Impilo Consortium is required to furnish to the Asset Replacement Committee for approval a revised Replacement Programme.

The assets will only transfer to the Department at the end of the period of the agreement.

The Impilo Consortium has to ensure that, at the end of the Project Term the Project Assets and Department Assets comply with the requirements of the Agreement and are in a state of repair which is sound and operationally safe, fair wear and tear excepted and the items comprising each level of Project Assets specified in the agreement between them have an average remaining useful life 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:

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Actual Expenditure: 2012/13 R'000	Commitment for 2013/14 R'000	Payments from 1 April 2013 till the End of the contract R'000
Monthly Service Fee	446,889	254,908	3,563,706
Quarterly Fee	236,622	210,939	2,278,196
<b>TOTAL</b>	<b>683,511</b>	<b>465,847</b>	<b>5,841,902</b>

	Actual Expenditure: 2011/12 R'000	Commitment for 2011/12 R'000	Payments from 1 April 2012 till the end of the contract R'000
Monthly Service Fee	468,645	294,104	3,116,817
Quarterly Fee	216,971	188,278	2,041,574
<b>TOTAL</b>	<b>685,616</b>	<b>482,382</b>	<b>5,158,391</b>

Listed below were the expenditure incurred for the current and prior year

	2012/13 R'000	2011/12 R'000
<b>Contract fee paid</b>		
Indexed component	683 511	685 616
<b>Total</b>	<b>683 511</b>	<b>685 616</b>

Any guarantees issued by the department are disclosed in Note 29.1

	2012/13 R'000	2011/12 R'000
<b>30. Impairment</b>		
Debtors	23 907	31 411
<b>Total</b>	<b>23 907</b>	<b>31 411</b>



# ANNUAL REPORT (VOTE 7)

## 2012/13

### 32. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2013

HERITAGE ASSETS	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
<b>Machinery and Equipment</b>	<b>2 728 959</b>	<b>2 221 806</b>	<b>462 895</b>	<b>204 291</b>	<b>5 209 369</b>
Transport Assets	1 051 829	(156 239)	112 126	204 291	803 425
Computer equipment	210 370	81 098	63 127	-	354 595
Furniture and Office equipment	122 247	256 564	5 605	-	384 416
Other machinery & Equipment	1 344 513	2 040 383	282 037	-	3 666 933
<b>Total movable tangible assets</b>	<b>2 728 959</b>	<b>2 221 806</b>	<b>462 895</b>	<b>204 291</b>	<b>5 209 369</b>

### 32.1 Additions to movable tangible capital asset per asset register for the year ended 31 March 2013

	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
<b>Machinery and equipment</b>	<b>493 977</b>	<b>24 622</b>	<b>(55 704)</b>	<b>-</b>	<b>462 895</b>
Transport assets	112 126	-	-	-	112 126
Computer equipment	45 594	17 533	-	-	63 127
Furniture and Office equipment	5 605	-	-	-	5 605
Other machinery and equipment	330 652	7 089	(55 704)	-	282 037
<b>Total capital assets</b>	<b>493 977</b>	<b>24 622</b>	<b>(55 704)</b>	<b>-</b>	<b>462 895</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### 32.2 Disposals of movable tangible capital assets per asset register for the year ended 31 March 2013

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received Actual
	Cost	Fair Value	Cost	Actual
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>204 291</b>	<b>-</b>	<b>204 291</b>	<b>35 809</b>
Transport assets	204 291	-	204 291	35 809
<b>Total</b>	<b>204 291</b>	<b>-</b>	<b>204 291</b>	<b>35 809</b>

### Movement for 2011/2012

### 32.3 Movement in tangible capital assets per asset register for the year ended 31 March 2012

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
<b>Machinery and equipment</b>	<b>1 903 429</b>	<b>835 165</b>	<b>9 635</b>	<b>2 728 959</b>
Transport assets	823 822	228 007	-	1 051 829
Computer equipment	56 106	162 938	8 674	210 370
Furniture and Office equipment	118 551	3 696	-	122 247
Other machinery and equipment	904 950	440 524	961	1 344 513
<b>Total tangible assets</b>	<b>1 903 429</b>	<b>835 165</b>	<b>9 635</b>	<b>2 728 959</b>

### 32.4 Minor assets

#### Movement in minor asset per the asset register for the ended 31 March 2013

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biologica l assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening Balance	-	-	-	284 928	-	284 928
Current year adjustment to Prior year Balance	-	-	-	309 459	-	309 459
Additions	-	-	-	56 645	-	56 645
Disposals	-	-	-	14	-	14
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>651 018</b>	<b>-</b>	<b>651 018</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Number of R1 minor assets	-	-	-	16 317	-	16 317
Number of minor assets at cost	-	-	-	411 231	-	411 231
<b>TOTAL</b>	-	-	-	<b>427 548</b>	-	<b>427 548</b>

### Minor assets

#### MINOR ASSETS OF THE DEPARTMENT FOR 31 MARCH 2012

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	-	-	-	213 507	-	213 507
Additions	-	-	-	69 756	-	69 756
Disposals	-	-	-	(1 665)	-	(1 665)
<b>TOTAL</b>	-	-	-	<b>284 928</b>	-	<b>284 928</b>

### 33. Immovable Tangible Capital Assets

#### Additions

#### Additions to immovable tangible capital assets per asset register for the year ended 31 March 2013

	Cash R'000	Non-cash R'000	(Capital work-in-progress current costs and finance lease payment) R'000	Received current, not paid (paid current year, received prior year) R'000	Total R'000
<b>Building and Other Fixed Structures</b>	<b>1 306 448</b>	-	<b>(1 306 448)</b>	-	-
Dwellings	65 571	-	(65 571)	-	-
Non-residential buildings	1 077 876	-	(1 077 876)	-	-
Other fixed structures	163 001	-	(163 001)	-	-
<b>Total tangible assets</b>	<b>1 306 448</b>	-	<b>(1 306 448)</b>	-	-

# ANNUAL REPORT (VOTE 7)

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**2012/13**

## **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 in the Province of KwaZulu-Natal resides with the Department of Public Works.

# ANNUAL REPORT (VOTE 7)

---

## 2012/13

### **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.

### **Movements to immovable assets – 2010/2011**

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 in the Province of KwaZulu-Natal resides with the Department of Public Works.

### **Additions**

The additions for the 2010/2011 year recorded on Buildings and fixed structures are R 778 749 million

### **Work in Progress**

The Work-in-progress as at 31 March 2011 recorded on Building and fixed structures are R 425 072 million

### **Disposals/Transfers**

The department did not dispose of any additions on buildings for the 2010/11 financial year.

### **Movements to immovable assets – 2011/2012**

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 in the Province of KwaZulu-Natal resides with the Department of Public Works.

### **Additions**

The additions for the 2011/2012 year recorded on Buildings and fixed structures are R1 063 220 billion

### **Work in Progress**

The Work-in-progress as at 31 March 2012 recorded on Building and fixed structures are R794 495 million

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### **Disposals/Transfers**

The department did not dispose of any additions on buildings for the 2011/12 financial year.

### **Movements to immovable assets – 2012/2013**

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 in the Province of KwaZulu-Natal resides with the Department of Public Works.

### **Additions**

The additions for the 2012/2013 year recorded on Buildings and fixed structures are R1 637 391 billion

### **Work in Progress**

The Work-in-progress as at 31 March 2013 recorded on Building and fixed structures are R1 302 382 billion

### **Disposals/Transfers**

The department did not dispose of any additions on buildings for the 2012/13 financial year.

**The supplementary information presented does not form part of the Annual Financial Statements and is unaudited.**

2012/13

## ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2013

## ANNEXURE 1 A: Statement of Conditional Grants Received

NAME OF GRANT	GRANT ALLOCATION					SPENT				2011/12	
	Division of Revenue Act	Roll Over	DoRA Adjustment	Other Adjustments	Total Available	Amount received by dept.	Amount spent by dept.	Under / (over) spending	% of Available funds spent	Division of Revenue Act	Amount spent by dept.
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Division of Revenue Act</b>											
National Tertiary Services Grant	1 323 114	-	-	-	1 323 114	1 323 114	1 323 114	-	100%	1 201 831	1 201 831
HIV / AIDS Grant	2 225 423	-	-	-	2 225 423	2 225 423	2 226 708	(1 285)	100%	1 889 427	1 907 312
Forensic Pathology Grant	-	-	-	-	-	-	-	-	-	161 550	161 550
Hospital Revitalisation Grant	566 605	-	-	20 000	586 605	586 605	586 667	(62)	100%	611 651	547 698
Health Professional & Training Grant	261 860	-	-	-	261 860	261 860	261 860	-	100%	249 917	249 917
Infrastructure Grant to Provinces	393 367	-	-	180 000	573 367	573 367	573 367	-	100%	358 471	358 471
National Health Insurance	33 000	-	-	-	33 000	33 000	17 115	15 885	52%	-	-
Nursing Colleagues and Schools	16 480	-	-	-	16 480	16 480	16 480	-	100%	-	-
EPWP Grant for Social Sector	-	-	-	-	-	-	3	(3)	-	25 775	25 775
EPW Integrated Grant to Province	1 000	-	-	-	1 000	1 000	1 000	-	100%	536	-
AFCON Health & Med Services Grant	-	-	-	3 000	3 000	3 000	1 672	1 328	56%	-	-
<b>Total</b>	<b>4 820 849</b>	<b>-</b>	<b>-</b>	<b>203 000</b>	<b>5 023 849</b>	<b>5 023 849</b>	<b>5 007 986</b>	<b>15 863</b>		<b>4 499 158</b>	<b>4 452 554</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

Departments are reminded of the DORA 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 Grants Paid to Provinces

NAME OF DEPARTMENT	GRANT ALLOCATION				TRANSFER		SPENT			2011/12	
	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	
	-	-	-	-	-	-	-	-	-	-	2 839
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>		<b>2 839</b>	



# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 C: Statement on Unconditional Grants and Transfers to Municipalities

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2011/12
	Amounts	Roll Over	Adjustment	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
Endondasuka / Mandeni	1 715	-	-	1 715	564	-	564	564	-	-
eThekwini	61 051	-	-	61 051	-	-	-	-	-	-
Hibiscus Coast	4 824	-	-	4 824	4 824	-	4 824	4 824	-	-
Kwa Dukuza	5 509	-	-	5 509	3 467	-	3 467	3 467	-	-
Mthonjaneni	1 234	-	-	1 234	882	-	882	882	-	-
Okhahlamba	1 459	-	-	1 459	1 411	-	1 411	1 411	-	-
Umdoni	1 585	-	-	1 585	1 585	-	1 585	1 585	-	-
Umlathuze	9 311	-	-	9 311	5 630	-	5 630	5 630	-	-
Umlalazi	659	-	-	659	637	-	637	637	-	-
Umtshezi	1 413	-	-	1 413	1 413	-	1 413	1 413	-	-
Umuziwabantu	957	-	-	957	861	-	861	861	-	-
Umvoti	417	-	-	417	1 619	-	1 619	1 619	-	-
UMshwathi Municipal Clinic	372	-	-	372	-	-	-	-	-	-
Umgeni	1 059	-	-	1 059	-	-	-	-	-	-
Mpofana	734	-	-	734	-	-	-	-	-	-
Msunduzi	5 074	-	-	5 074	-	-	-	-	-	-
<b>TOTAL</b>	<b>97 373</b>	<b>-</b>	<b>-</b>	<b>97 373</b>	<b>22 893</b>		<b>22 893</b>	<b>22 893</b>		<b>-</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 D: Statement of Transfers to Departmental Agencies and Accounts

DEPARTMENTS/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2011/12
	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
Medical Depot PPSD	15 170	-	-	15 170	15 170	100%	13 971
Skills Development Levy	10 118	-	-	10 118	10 118	100%	8 588
Com: SABC TV Licences	2	-	-	2	62	3100%	-
Department of Transport	3 074	-	-	3 074	3 437	112%	-
<b>TOTAL</b>	<b>28 364</b>	<b>-</b>	<b>-</b>	<b>28 364</b>	<b>28 787</b>		<b>22 559</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 E: Statement of Transfers and Subsidies to Non-Profit Institutions

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2011/12
	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
<b>Subsidies</b>							
Austerville Halfway House	525	-	-	525	525	100%	500
Azalea House	485	-	-	485	485	100%	462
Bekimpelo/Bekulwandle Trust Clinic	7 600	-	-	7 600	7 600	100%	7 238
Benedictine Clinic	350	-	-	350	350	100%	363
Claremont Day Care Centre	371	-	-	371	371	100%	353
Day Care Club 91	101	-	-	101	101	100%	96
Durban School For The Deaf	203	-	-	203	203	100%	193
Ekukhanyeni Clinic	891	-	-	891	926	104%	834
Elandskop Clinic	458	-	-	458	458	100%	436
Enkumane Clinic	276	-	-	276	276	100%	263
Happy Hour Amaofi	495	-	-	495	495	100%	471
Happy Hour Durban North	247	-	-	247	247	100%	235
Happy Hour Kwaximba	396	-	-	396	396	100%	377
Happy Hour Marianhill	124	-	-	124	124	100%	118
Happy Hour Mpumalanga	396	-	-	396	396	100%	377
Happy Hour Ninikhona	247	-	-	247	247	100%	235
Happy Hour Nyangwini	260	-	-	260	260	100%	248
Happy Hour Overport	186	-	-	186	186	100%	177
Happy Hour Phoenix	247	-	-	247	247	100%	235
Hlanganani Ngothando DCC	210	-	-	210	210	100%	200
Ikhwezi Cripple Care	1 515	-	-	1 515	1 515	100%	1 792
Ikhwezi DNS	175	-	-	175	-	-	167
Jewel House	337	-	-	337	337	100%	321
John Peattie House	1 348	-	-	1 348	1 348	100%	1 284
Jona Vaughn Centre	2 359	-	-	2 359	2 359	100%	2 247

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 E: Statement of Transfers and Subsidies to Non-Profit Institutions - Continue

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2011/12
	Adjusted Approp Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Lynn House	590	-	-	590	590	100%	562
Madeline Manor	849	-	-	849	849	100%	809
Masada NGO	75	-	-	75	75	100%	71
Masibambeni Day Care Centre	148	-	-	148	148	100%	141
Matikwe Oblate Clinic	496	-	-	496	496	100%	472
McCords Hospital	70 462	-	-	70 462	70 251	100%	91 158
Montebello Chronic Sick Home	4 969	-	-	4 969	4 969	100%	4 732
Mountain View Special Hospital	9 971	-	-	9 971	9 971	100%	9 496
Noyi Bazi Oblate Clinic	501	-	-	501	501	100%	477
Pongola Hospital	3 436	-	-	3 436	3 436	100%	3 837
Scadifa Centre	959	-	-	959	959	100%	913
Siloah Special Hospital	19 149	-	-	19 149	19 149	100%	15 702
Sparks Estate	1 067	-	-	1 067	1 067	100%	1 016
St. Luke's Home	730	-	-	730	730	100%	695
St. Mary's Hospital Marianhill	112 640	-	-	112 640	112 226	100%	101 837
Sunfield Home	309	-	-	309	309	100%	294
Umlazi Halfway House	263	-	-	263	263	100%	250
Prenaid A.L.P. NGO	101	-	-	101	101	100%	96
Rainbow Haven	393	-	-	393	393	100%	374
District Serv. Delivery: Ugu (HIV/AIDA)	-	-	-	-	-	-	316
District Serv. Delivery: Zululand	-	-	-	-	-	-	148
District Serv. Delivery: Umkhanyakude	-	-	-	-	-	-	224
District Serv. Delivery: Umzinyathi	19	-	-	19	-	-	-
District Serv. Delivery: Uthungulu	-	-	-	-	-	-	814
District Serv. Delivery: Sisonke	-	-	-	-	-	-	199

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 E: Statement of Transfers and Subsidies to Non-Profit Institutions - Continue

NON PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2011/12
	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
Budget Control Holding Funds	2 975	-	-	2 975	-	-	-
District Serv. Delivery: eThekweni	-	-	-	-	-	-	1 159
Genesis care Centre	2 948	-	-	2 948	2 890	98%	2 753
Mhlummayo Clinic	588	-	-	588	588	100%	560
Philanjolo Hospice	2 881	-	-	2 881	3 378	117%	3 078
Ethembeni Step-down Centre	4 820	-	-	4 820	4 366	91%	3 692
Budget Control Holding Funds	-	-	-	-	-	-	18 168
Kwa-Zulu Natal Childrens Hospital	20 000	-	-	20 000	20 000	100%	10 000
Place of Restoration	200	-	-	200	200	100%	-
Careways	20	-	-	20	20	100%	-
	<b>281 361</b>	<b>-</b>	<b>-</b>	<b>281 361</b>	<b>277 587</b>	<b>-</b>	<b>293 265</b>
<b>TOTAL</b>	<b>281 361</b>	<b>-</b>	<b>-</b>	<b>281 361</b>	<b>277 587</b>	<b>-</b>	<b>293 265</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 F: Statement of Transfers and Subsidies to Households

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2011/12
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available Transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Employee Social Benefits - Injury on Duty	109	-	-	109	107	98%	231
Employee Social Benefits - Leave Gratuity	81 663	-	-	81 663	66 995	82%	51 255
Employee Social Benefits - Post Retirement Ben	-	-	-	-	-	-	449
Employee Social Benefits - Severance Package	338	-	-	338	338	100%	1 067
Bursaries : Non-Employee	69 150	-	-	69 150	69 149	100%	70 000
Claims Against the State	3 927	-	-	3 927	20 679	527%	2 716
PMT / Refunds & Rem - Act of Grace	172	-	-	172	172	100%	156
<b>TOTAL</b>	<b>155 359</b>	<b>-</b>	<b>-</b>	<b>155 359</b>	<b>157 440</b>		<b>125 874</b>

**Claims against the State - Medico Legal - R14. 767 million, Other R 5.912 million total R20. 679 million**

# ANNUAL REPORT (VOTE 7)

## 2012/13

### Annexure 1 G: Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
<b>Received in Cash</b>			
Minority Front	Cash donation Phoenix PHC for sports gear	2	-
De Maradt & Olen Productions: field Station Africa	Cash donation Osindisweni Hospital for Fridge and TV set	4	-
Smith & Nephew	Cash donation	14	-
University of Kwa-Zulu Natal	Purchase flight tickets for Dr. Nicola Kalafatis to attend 5th All Africa Anaesthesia congress	18	-
<b>Subtotal</b>		<b>38</b>	<b>-</b>
<b>Received in kind</b>			
Prior Year Received		-	5 801
Broad Reach Healthcare	Pharmacy Equipment	74	-
Drs Rampersadh, Singh & Associates INC	Siemens Ultrasound Machine	50	-
Boxer Superstore	Cake & Refreshments	1	-
Express Stores	X4 Wheelchairs	6	-
Lutheran Church in Southern Africa	X2 Steel cupboards, X1 Stationery cupboard & X1 Dell Laptop	9	-
Broad Reach Healthcare	6000 Hearing Aids	6 600	-
New Mecia	Pentax Video processor	105	-
Sezela Women's circle	17 Baby Blankets	1	-
Oyster Box	Linen	150	-
TB/ HIV Association	Shelter	30	-
Broadreach Healthcare	68 UPS devices	95	-
FOS Investments cc	300 Boxes of Linen savers	60	-
Broadreach Healthcare	Pharmacy equipment	54	-
Broadreach Healthcare	Equipment and Furniture	62	-
Namsat	TV satellite system	1	-
Alere Healthcare (Pty) Ltd	PIMA CD4 machines	3 185	-
Kshir Patak	43 tops and 43 track pants	2	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
Legal wise	20 blankets	2	-
ORBIS	Eye care equipment	714	-
Cell Life	Mobile Messaging (SMS)	48	-
Liberty Towers	2500 Co-branded mugs	97	-
South African Catholic Bishop Conference	Office equipment and furniture	35	-
TB/ HIV Association	43 computers	52	-
1000 Hills Community Helpers	Baby Clothes, administration sets and syringes	3	-
Broadreach Healthcare	1 Laptop and external hard drive	13	-
Broadreach Healthcare	37 UPS	50	-
Fhi360	Office Furniture	151	-
National Department of Health	Information Technology equipment	92	-
Alere Healthcare (Pty) Ltd	10 CD4 instruments	500	-
Management Science of Health	RX solution software	440	-
Airport Company	88 wheelchairs	260	-
University of KwaZulu Natal	Cash donation	19	-
MSF South Africa & Lesotho	Funding for renovation of the Hospital	400	-
Renault south Africa (Pty) Ltd	vehicle	36	-
University of KwaZulu Natal	Low Tech Paseurizer for Breast Milk	7	-
Norvatis South Africa (Pty)Ltd	Educational grant for T2*MRI training	55	-
Ms. Terecane Viz	Furniture and samsung TV set	23	-
Pink Drive	20 Bard Biopsy kits	5	-
Shri Luxmi Nayaran Temple	200 porcelain plates	1	-
Mr. and Mrs. Khan	10 flat sheets	0	-
Union Canvas cc	Garments and Linen	78	-
Mahatma Gandhi Hospital	Microwave oven	0	-
Nerven Maistry	concrete table	1	-
Happy Hearts	1 treadmill and 1 health walker	5	-



# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
Mrs. Dhurumpall	2 microwave ovens, 170 plates. Cups and saucers	3	-
University of KwaZulu Natal	computer	5	-
Fhi360	Mobile Clinic vehicle	1 100	-
Tongaat Hulets	paint for children's ward	3	-
MRC south Africa	Nissan X-trail	34	-
Iziko Medical & Surgical suppliers cc	Teaching Aids	24	-
Charlen Baxendale	Chest Freezer and Bar Fridge	3	-
BroadReach Healthcare Donation	UPS	1	-
BroadReach Healthcare	UPS	1	-
BroadReach Healthcare	UPS	1	-
BroadReach Healthcare	UPS	1	-
SABC	42" LCD Television	7	-
Broad Reach	steel open shelving unit DIY hammer grey X11	9	-
Broad Reach	Fair desk shell only mel oak	1	-
Broad Reach	Flair 2 drawer fixed ped top drawer lock mel oak	1	-
Broad Reach	Peza H/B chair cont black	1	-
Broad Reach	Single T800 sliding door with coverstrip & fixtures	7	-
Broad Reach	Fridge 70cm	5	-
Broad Reach	UPS	1	-
Medical Research Council South Africa	Advanced Childbirth Simulator 61.SB22438U	6	-
Medical Research Council South Africa	Laerdal Neonatal Resuscitation Baby 240-00001	8	-
Medical Research Council South Africa	Uterine Pelvic Model	3	-
Medical Research Council South Africa	Soft head for demonstrating Vacuum Delivery	2	-
John Hopkins University	Cellular Telephone	2	-
John Hopkins University	Cellular telephone	2	-
USAID Broad Reach	HB Meter (X2) -Hemocue	21	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
USAID Broad Reach	HB Meter (X2) -Hemocue	21	-
USAID Broad Reach	BP Machine (X2) -Gima	2	-
USAID Broad Reach	BP Machine (X2) -Gima	2	-
USAID Broad Reach	Lactometer -Accutrend GCT	3	-
USAID Broad Reach	Lactometer -Accutrend GCT	3	-
USAID Broad Reach	Stethoscope (X2) -Littman II	2	-
USAID Broad Reach	Stethoscope (X2) -Littman II	2	-
USAID Broad Reach	Glucometer (X2) -Contour	1	-
USAID Broad Reach	Glucometer (X2) -Contour	1	-
USAID Broad Reach	Paed Scale -Trolley Inst.	2	-
USAID Broad Reach	Paed Scale -Trolley Inst.	2	-
USAID Broad Reach	Adult Scale (X2)	4	-
USAID Broad Reach	Adult Scale (X2)	4	-
USAID Broad Reach	Movable Bedside Screen	2	-
USAID Broad Reach	Export Pallet (X20)	6	-
USAID Broad Reach	Linbins Size 6 Black (X200)	5	-
USAID Broad Reach	Linbins Size 8 Black (X100)	6	-
USAID Broad Reach	5 Tier Bookcase	1	-
USAID Broad Reach	5 Tier Bookcase (X3)	4	-
USAID Broad Reach	5 Tier Bookcase	1	-
USAID Broad Reach	4 Tier Bookcase (X2)	2	-
USAID Broad Reach	4 Tier Bookcase	1	-
USAID Broad Reach	3 Tier Bookcase (X2)	2	-
USAID Broad Reach	Steel Stationery Cupboard (X2)	3	-
USAID Broad Reach	Steel Stationery Cupboard	1	-
USAID Broad Reach	Steel Stationery Cupboard	1	-
USAID Broad Reach	Steel Stationery Cupboard	1	-
Waltons	Desk Shell only 1600x800	1	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
Waltons	Barstool Back 4 legged	5	-
Waltons	4 Drawer Filing Cabinet 1320x470x630	2	-
Lucky's Discount Centre	Defy 300L Fridge white	3	-
Plastic World	Linbin size 4	6	-
Plastic World	Linbins size 6	3	-
Plastic World	Security Box (600x400xx400) with padlock + keys	6	-
Lexis Nexis	PSSA Pharmacy Law compendium Volume 1	1	-
Lexis Nexis	PSSA Pharmacy Law compendium Volume 2	1	-
Giima	Mecer Proficient Micro ATX	16	-
Giima	Seculock XL3 Key Alike	1	-
Giima	Mecer 1000VA Black UPS	2	-
Giima	Sato LM08e Label Printers (inclusive of USB card)	17	-
Medi Clinic PMB	Patient Stretcher	6	-
Geoaxon	Kuduwave Audiometer	60	-
Alere Healthcare (Pty)Ltd	10xAlere Pima CD4 Analysers	500	-
Cell life	Mobile messaging(SMS)	48	-
Management sciences for Health	RX Solutions(Software)	440	-
Fhi 360	Office furniture	151	-
Fhi 360	Mobile Vehicle	110	-
University Research Co.,LLC	Timers and appliances	19	-
Khethimpilo -NGO	Park homes and Wendy Houses	675	-
Mindset Health	LG DVD Player X 2	1	-
Mindset Health	LG Television	5	-
Mindset Health	LG Television	5	-
Mindset Health	Intel DSD Computer	5	-
Mindset Health	HDMI Decoder	1	-
South African Catholic Bishop Conference	Office equipment and furniture	35	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
UMhlatuze Water	Water Bottles & towels	4	-
Capitec Bank	X3 Trophies	2	-
Old Mutual	T-shirts & pens	3	-
BHP Billiton	Still Water x 300 & black Pens x 300	1	-
Tata Steel	Toys & fruits	1	-
Broad Reach	HB Meter x (16)	136	-
Broad Reach	Lactometer x (17)	192	-
Broad Reach	Stethoscope x (22)	3	-
Broad Reach	Glucometer x (19)	7	-
Broad Reach	Adult Scale x (17)	34	-
Broad Reach	Peads x Scale(19)	29	-
Mumbo security	Cerifactes and trophies	1	-
DSM	Meat for Excellence awards	1	-
Cool Point	Meat for Excellence awards	1	-
Skhobobo	Meat for Excellence awards	1	-
Emini Emnandi	Soft drinks Excellence awards	0	-
Iziko Medical	Groceries excellence awards	1	-
Qendindlala	Vegetables excellence awards	1	-
Sanlam	Water excellence awards	0	-
Junk shop	Meat excellence awards	1	-
Metropolitan	Trophies excellence awards	2	-
Old Mutual	Trophies and medals excellence awards	0	-
Bongani Ngwenya	Decoration excellence awards	1	-
African Bank	Trophies excellence awards	2	-
Mthoba construction	Meat excellence awards	1	-
Mvuzo	Meat excellence awards	1	-
Friends of Umngeni	Television X6	3	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
Friends of Umngeni	Television X6	2	-
T&T Agencies (Ugan Naik)	Cross Overs	2	-
T&T Agencies (Ugan Naik)	Ladies Bras	1	-
Aspen Pharma care	2 Dressing trolley	3	-
Aspen Pharma care	2 Examination couch	5	-
Aspen Pharma care	1 CMS5000 Patient monitor	10	-
Aspen Pharma care	1 Scale cupid 1- Digital Baby	1	-
Aspen Pharma care	1 Digital scale w/Height	2	-
Aspen Pharma care	4 Fetalscope Deluxe	0	-
Aspen Pharma care	1 Diagnostic set universal	1	-
Aspen Pharma care	4 Glucometer palm lab	1	-
Aspen Pharma care	1 Patella hammer	0	-
Aspen Pharma care	4 Double bed step	3	-
Aspen Pharma care	1 Fetal doppler	2	-
Aspen Pharma care	1 surgical suction unit	2	-
Aspen Pharma care	4 Mounted Diagnostic set	31	-
Aspen Pharma care	1Phototherapy lamp	10	-
Aspen Pharma care	10 Blankets	1	-
Aspen Pharma care	10 Sheets	1	-
Aspen Pharma care	20 Pillow cases	1	-
Aspen Pharma care	10 Patient gowns	1	-
Aspen Pharma care	2 Dressing trolley	3	-
Aspen Pharma care	2 Examination couch	5	-
Aspen Pharma care	1 CMS5000 Patient monitor	10	-
Aspen Pharma care	1 Scale cupid 1- Digital Baby	1	-
Aspen Pharma care	1 Digital scale w/Height	2	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
Aspen Pharma care	1 Diagnostic set universal	1	-
Aspen Pharma care	4 Glucometer palm lab	1	-
Aspen Pharma care	4 Double bed step	3	-
Aspen Pharma care	1 Fetal doppler	2	-
Aspen Pharma care	1 surgical suction unit	2	-
Aspen Pharma care	2 Peakflow meter	1	-
Aspen Pharma care	4 Mounted Diagnostic set	31	-
Aspen Pharma care	1Phototherapy lamp	10	-
Aspen Pharma care	10 Blankets	1	-
Aspen Pharma care	10 Sheets	1	-
Aspen Pharma care	20 Pillow cases	1	-
Aspen Pharma care	10 Patient gowns	1	-
Option NGO	1 Parkhome	49	-
Option NGO	2 Drawer desk	1	-
Africa Center NGO	1 Gazebo tent	12	-
Option NGO	1 Parkhome	49	-
Option NGO	1 (2Door) fridge	5	-
Option NGO	2 (4Drawer) filling cabinet	1	-
Option NGO	1 (3Drawer) desk	1	-
Option NGO	1 Parkhome	49	-
Option NGO	2 (4Drawer) desk	1	-
Option NGO	1 Computer desk	1	-
Option NGO	1 (4Drawer) filling Cabinet	1	-
Option NGO	1 Scale	1	-
Option NGO	1 Bar fridge	1	-
Option NGO	2 (2Drawer) desk	1	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
Option NGO	1 (4Drawer) filling Cabinet	1	-
Option NGO	1 Computer stand	1	-
Option NGO	1 (4Drawer) filling Cabinet	1	-
Option NGO	2 Double Drawer filling cabinet	1	-
Option NGO	1 Steel cupboard	1	-
Option NGO	1 (4 Drawer) Desk	1	-
Broad Reach Health Care	5 HB Meters	42	-
Broad Reach Health Care	4 BP Machines	3	-
Broad Reach Health Care	3 Lactometers	8	-
Broad Reach Health Care	4 Stethoscopes	5	-
Broad Reach Health Care	3 Glucometers	1	-
Broad Reach Health Care	4 Adult Scales	8	-
Broad Reach Health Care	4 Baby Scales Including Small Surgical Trolleys	9	-
Foskor	1 Surgeons Chair	26	-
Foskor	1 Autoclave	46	-
Foskor	3 Barrauer wire speculum large	1	-
Foskor	3 New Orleans lens loop	2	-
Foskor	3 Kuglen iris hook angled	2	-
Foskor	3 Castro corneoscleral scissors	3	-
Foskor	3 Castroviejo corneoscleral scissors	3	-
Foskor	3 Vannas capsulotomy scissors straight	3	-
Foskor	3 Vannas capsulotomy scissors curved	3	-
Foskor	3 Eye scissors stand straight	3	-
Foskor	3 conjunctival scissors curved sharp tip	6	-
Foskor	3 Hoskin#16 forceps curved	6	-
Foskor	3 Ultrata capsulorhexis	7	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
Foskor	3 Harms tying forceps	6	-
Foskor	3 Harms tying forceps curved	3	-
Foskor	3 Bonaccol to forceps 1.2mm	7	-
Foskor	3 Needle holder straight with hook	3	-
Foskor	3 K6-1580 Castrovejo NDL holder cvd	3	-
Foskor	3 Simco I/A cannals "216" reverse AA7423	3	-
Foskor	3 Muscle hooks AA1826/AA1827	2	-
Foskor	3 Micro Tray-Base lid & Mat LG	3	-
Mindset Health	1 DSD/Server (Including keyboard, mouse & 19" Monitor)	4	-
Mindset Health	2 LG 37" LCD Televisions	6	-
Mindset Health	1 600VA off line UPS power supply	1	-
Mindset Health	1 Decoder	1	-
Mindset Health	2 Size Adjustable LCD Canteliver Bracket	2	-
Mindset Health	2 Wall Mount Decoder /DVD Security Cage	1	-
Tronox	4 x5220-4 drawer Filing Cabinets	8	-
The Insurance Institute of KwaZulu Natal	Rocky Armless Chair White	2	-
The Insurance Institute of KwaZulu Natal	Jolly Kids Chair Blue	1	-
The Insurance Institute of KwaZulu Natal	Jolly Kids Chair Green	1	-
The Insurance Institute of KwaZulu Natal	Jolly Table Large Blue	1	-
The Insurance Institute of KwaZulu Natal	Stationery Cupboard	2	-
The Insurance Institute of KwaZulu Natal	Sanyo Television LCD	3	-
The Insurance Institute of KwaZulu Natal	Samsung DVD	1	-
The Insurance Institute of KwaZulu Natal	Jungle Gym	1	-
The Insurance Institute of KwaZulu Natal	20 L Proton Silk Sheen Calico	2	-
The Insurance Institute of KwaZulu Natal	5 L Proton Arc/Sheen Swiss Calico	1	-
The Insurance Institute of KwaZulu Natal	5L Proton Arc/Sheen Swiss blue	1	-



# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
The Insurance Institute of KwaZulu Natal	20L Proton Interior Acrylic White	2	-
The Insurance Institute of KwaZulu Natal	Doug's white, Red, Black, Brown, Green, Orange and yellow	1	-
The Insurance Institute of KwaZulu Natal	various	1	-
XTLS Dreadlocks	Plasma TV 26 INCH	2	-
XTLS Dreadlocks	Plasma TV 32 INCH	3	-
Mimosa Pharmacy	Laminator	1	-
Mimosa Pharmacy	Colour Printer/ Scanner/ Copier/ Fax	2	-
Mimosa Pharmacy	White board	1	-
Mimosa Pharmacy	Television	1	-
Mimosa Pharmacy	Various	1	-
MSF	Chairs X 4	1	-
MSF	Portable hard body table X 1	1	-
MSF	Portable Chairs x 4	1	-
MSF	Gazebo x 01	3	-
MSF	PIMA Machine	59	-
MSF	Filling steel Cabinet x 3	5	-
MSF	PIMA Machine	59	-
MSF	Filling steel Cabinet x 2	3	-
MSF	Digital HB meter	3	-
MSF	Portable Chairs x 06	2	-
MSF	Filling steel Cabinet x 2	3	-
MSF	PIMA Machine	59	-
MSF	Digital HB meter	3	-
MSF	PIMA Machine	59	-
MSF	GeneXpert Machine	166	-
Gregs Bedding cc(AFRICA CENTRE)	Dream Scape Single Bed X 12	32	-

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1 G - Statement of Gifts, Donations and Sponsorships Received for the year ended 31 March 2013 – Continue

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
Valgold Industries (PTY) LTD (AFRICA CENTRE)	Wood 1 Door & 1 Drawer Pedestal - No Wheels X 12	12	-
Africa Centre	Parkhome	343	-
Alere Healthcare (Pty) Ltd	PIMA Machine	319	-
Old Mutual	Kettles electric X 6	1	-
Pathfinder International	Steel filing cabinet 4drawer x1	2	-
Pathfinder International	Constant rev 2 workstation x1	1	-
Pathfinder International	Oxford work station Black x2	1	-
Pathfinder International	Regal midback chair- Black x1	1	-
Pathfinder International	Eton Mesh Chair x2	1	-
Pathfinder International	Monitor LG Flatron –SN:106TPKN14101	1	-
Pathfinder International	Monitor LG Flatron –SN:106TPED14628	1	-
Pathfinder International	Desktop HP – SN:TRF1151HZZ	1	-
Pathfinder International	Desktop HP- SN:TRF 1161Z15	1	-
Pathfinder International	LG TV HI-SENSE LCD – SN:9TD32G1116860 1NTC270558	3	-
Pathfinder International	DVD 500DVCPLAYER AC161210E21239	1	-
Pathfinder International	DVD 500DVCPLAYER AC161210E22947	1	-
Pathfinder International	300 Booklets sets (50 SETS OF 1-6 BOOKLETS)	1	-
Pathfinder International	Printer Samsung Monochrome Laser Multifunction X1-SN: Z2W3BADB900621	1	-
Pathfinder International	Couches X2 Red & Black	1	-
<b>Sub - Total</b>		<b>19 206</b>	<b>5 801</b>
<b>Total</b>		<b>19 244</b>	<b>5 801</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

*Donations R500.00 has been rounded to nearest R1000.00 all donations on an individual basis less than R500.00 is not reflected*

### ANNEXURE 1H: Statement of Aid Assistance Received

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDITURE	CLOSING BALANCE
		R'000	R'000	R'000	R'000
<b>Received in cash</b>					
Aspen Pharmcare	Development of Thatthazakhe Clinic	2 500	-	2 500	-
Astra Zeneca (Astra Zeneca Pharm)	Drug Trials	196	-	79	117
Atlantic Philanthropies	Improvements to KZN College of Nursing	9 429	-	1 507	7 922
Bayer Health Care : Greys	Neurology	6	-	6	-
Conforth Investments	Installation of access control doors & purchasing of furniture in Haematology Dept	151	-	101	50
Dept of Local Govt & Traditional Affairs	Purchase of EMRS vehicles	228	-	225	3
EU Funding(PHC)	Partnership for Delivery of PHC Programme	602	-	602	-
HW Seta HIV/AIDS Support	Learnership	45	-	-	45
HW Seta Mseleni / Mosvold	Learnership to Mseleni & Mosvold Hosp	12	-	-	12
HW Seta Prince Mshiyeni Hospital	Learnership	54	-	21	33
HW Seta Learnership : Bethesda Sub-Campus	Learnership	121	-	101	20
HW Seta Learnership : King Edward Sub-Campus	Learnership	126	262	109	279
HW Seta Learnership Head Office	Learnership	37	199	-	236
HW Seta Learnership Mosvold	Learnership to Mosvold Hosp	91	-	-	91
HW Seta Learnership St Aidans	Learnership to St Aidans Hosp	323	-	-	323
HW Seta Learnership Social & Aux	Learnership for Social and Auxillary Workers	-	137	102	35
HW Seta Learnership Bridging Course	Learnership	-	105	-	105

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 1H: Statement of Aid Assistance Received - Continue

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDI-TURE	CLOSING BALANCE
		R'000	R'000	R'000	R'000
HW Seta Learnership Edendale Campus	Learnership	-	126	-	126
Impumumelelo Trust Innovation	Training programme for HIV and AIDS	24	-	-	24
MRI Novartis Training	Training	-	55	-	55
SA Breweries	HIV/AIDS Testing	2	-	-	2
Rounding		1	-	-	1
<b>TOTAL</b>		<b>13 948</b>	<b>884</b>	<b>5 353</b>	<b>9 479</b>

*EU Funding PHC R602 000.00 was surrendered due to project being completed*

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 11: Statement of Gifts, Donations and Sponsorships made and Remissions, Refunds and Payments made as an Act of Grace

NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
	R'000	R'000
<b>Paid in cash</b>		
Cuban Student Medical Programme	57	-
<b>TOTAL</b>	<b>57</b>	<b>-</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 2 A: Statement of Financial Guarantees issued as at 31 March 2013 - Local

Guarantor Institution	Guarantee in respect of	Original Guaranteed capital amount	Opening Balance 1 April 2012	Guarantee drawdown during the year	Guarantee repayments/ cancelled/ reduced/ released during the year	Currency Revaluations	Closing balance 31 March 2013	Guaranteed interest for year ended 31 March 2013	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>Motor vehicles</b>									
Standard bank	Motor vehicles	299	299	-	299	-	-	-	-
<b>Total Motor Vehicles</b>		<b>299</b>	<b>299</b>	<b>-</b>	<b>299</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Housing</b>									
ABSA	Housing	12 692	5 445	-	3 447	-	1 998	-	-
BOE Bank Ltd	Housing	46	46	-	-	-	46	-	-
FirstRand Bank Ltd	Housing	14 264	6 310	-	1 347	-	4 963	-	-
Green Start Home Loans	Housing	45	6	-	-	-	6	-	-
ITHALA Limited	Housing	1 973	1 397	-	368	-	1 029	-	-
Nedbank Ltd	Housing	3 269	2 062	-	96	-	1 966	-	-
Old Mutual Bank	Housing	12 898	5 339	-	1 466	-	3 873	-	-
Peoples Bank Ltd	Housing	446	302	-	127	-	175	-	-
SA Home Loans	Housing	51	247	-	-	-	247	-	-
Standard Bank	Housing	7 092	4 368	-	821	-	3 547	-	-
Company Unique Finance	Housing	102	44	-	-	-	44	-	-
<b>Total Housing Guarantee</b>		<b>52 878</b>	<b>25 566</b>	<b>-</b>	<b>7 672</b>	<b>-</b>	<b>17 894</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>		<b>53 177</b>	<b>25 865</b>	<b>-</b>	<b>7 971</b>	<b>-</b>	<b>17 894</b>	<b>-</b>	<b>-</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 2 B: Statement of Contingent Liabilities as at 31 March 2013

Nature of liability	Opening balance 1 April 2012	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2013
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Medico Legal	844 913	992 273	49 400	-	1 787 786
Claims against the State (Transport, Labour, Civil)	66 343	84 437	7 407	-	143 373
<b>Subtotal</b>	<b>911 256</b>	<b>1 076 710</b>	<b>56 807</b>	<b>-</b>	<b>1 931 159</b>
<b>Others</b>					
National Health Laboratory Services	1 143 112	840 273	-	-	1 983 385
<b>Subtotal</b>	<b>1 143 112</b>	<b>840 273</b>	<b>-</b>	<b>-</b>	<b>1 983 385</b>
<b>TOTAL</b>	<b>2 054 368</b>	<b>1 916 983</b>	<b>56 807</b>	<b>-</b>	<b>3 914 544</b>

National Health Laboratory Services is still under dispute as part of an agreement for amounts still to be finalised up to 31 March 2012.

National Health Laboratory Services not finalised for 2012.2013 R840,273 under dispute based on actual invoices

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 3: Inter-Governmental Receivables

Government Entity	Confirmed balance		Unconfirmed balance		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
Agriculture	1	7	-	4	1	11
Arts and Culture	2	-	-	-	2	-
Community Safety and Liaison	-	17	14	4	14	21
Department of Health Gauteng	-	-	-	76	-	76
Education	-	278	23	-	23	278
Local Government and Traditional Affairs	62	1	-	-	62	1
National Department of Home Affairs	-	12	-	-	-	12
Office of the Premier	-	-	22	33	22	33
Provincial Treasury	-	-	2	-	2	-
Royal Household	-	2	-	-	-	2
Social Welfare and Population Development	-	-	-	80	-	80
South African Social Security Agency	-	-	-	128	-	128
Sports and Recreation	-	40	-	-	-	40
Transport	-	122	467	503	467	625
Works	-	15	1	-	1	15
Justice and Constitutional Development (P Patients)	-	-	-	2 542	-	2 542
KZN Legislature	-	-	-	12	-	12
Correctional Services Kimberly	2	-	-	-	2	-
Correctional Services Kokstad	-	-	1	-	1	-
Correctional Services Waterval	-	-	1	-	1	-
South African Police services	-	-	2	-	2	-
National Department of Health and Social Develop	-	-	1	-	1	-
<b>Total</b>	<b>67</b>	<b>494</b>	<b>534</b>	<b>3 382</b>	<b>601</b>	<b>3 876</b>



# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 3: Inter-Governmental Receivables - Continue

Government Entity	Confirmed balance		Unconfirmed balance		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Other Government Entities</b>						
Less (credit amount within claims recoverable acc)	-	-	-	(2 017)	-	(2 017)
CSIR	-	-	132	132	132	132
Fraud Recovery	-	-	-	(250)	-	(250)
HWSETA Pharmacy	-	-	32	74	32	74
HWSETA Unemployed Graduates	-	-	792	700	792	700
HWSETA Social Auxiliary Worker	-	-	-	137	-	137
University of KwaZulu-Natal (UKZN)	438	-	-	855	438	855
SITA	-	-	321	-	321	-
Ithala Limited	2 254	-	-	-	2 254	-
Department of Justice for Patients	-	-	3 012	-	3 012	-
<b>Subtotal</b>	<b>2 692</b>	<b>-</b>	<b>4 289</b>	<b>(369)</b>	<b>6 981</b>	<b>(369)</b>
<b>Total</b>	<b>2 759</b>	<b>494</b>	<b>4 823</b>	<b>3 013</b>	<b>7 582</b>	<b>3 507</b>

*Ithala Journal to be processed for R2.254 million*

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 4: Inter-Governmental Payables - Current

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
Department of Health & Social Development: Limpopo	4	-	-	386	4	386
Department of Health: Eastern Cape	581	-	720	4 635	1 301	4 635
Department of Health : National	742	-	1 445	-	2 187	-
Department of Justice and Constitutional Development	1 383	-	3 045	-	4 428	-
Department of Social Development: KwaZulu-Natal	4	-	33	-	37	-
Department of Transport	7 694	1 789	8 674	22 198	16 368	23 987
Departments of Kwa- Zulu Public Works	10 901	-	13 201	74 597	24 102	74 597
KZN- Office of the Premier	228	347	-	136	228	483
KZN Provincial Treasury	-	-	-	-	-	-
Department of Health: Northern Cape	164	-	-	-	164	-
South African Police Services	14	-	48	37	62	37
KZN - Department of Arts and Culture	3	-	-	-	3	-
Department of Correctional Services	25	-	-	-	25	-
Department of Mineral Resources	33	-	-	-	33	-
Department of Health : Free State	-	-	-	-	-	-
Department of National Public Works	61	-	-	-	61	-
Department of Health: Mpumalanga	181	-	-	-	181	-
Department of Health: North West	41	-	-	-	41	-
Department of Health Gauteng	56	-	-	-	56	-
<b>SUB TOTAL</b>	<b>22 115</b>	<b>2 136</b>	<b>27 166</b>	<b>101 989</b>	<b>49 281</b>	<b>104 125</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 4: Inter-Governmental Payables – Current - Continue

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
<b>OTHER GOVERNMENT ENTITY</b>						
<b>Current</b>						
University of Kwa-Zulu Natal	35 818	16 419	-	-	35 818	16 419
National Health Laboratory Services	43 503	48 505	68 603	55 941	112 106	104 446
South African National Blood Services	29 282	25 491	-	-	29 282	25 491
Auditor - General South Africa	3 316	2 324	-	-	3 316	2 324
Health and Welfare Sector Education Training Authority	11 285	-	-	-	11 285	-
PALAMA	66	235	-	-	66	235
Government Printing Work	-	-	9	-	9	-
EThekweni Municipality	61 051	-	-	-	61 051	-
<b>Subtotal</b>	<b>184 321</b>	<b>92 974</b>	<b>68 612</b>	<b>55 941</b>	<b>252 933</b>	<b>148 915</b>
<b>Total Other Government Entities</b>	<b>184 321</b>	<b>92 974</b>	<b>68 612</b>	<b>55 941</b>	<b>252 933</b>	<b>148 915</b>
<b>TOTAL INTERGOVERNMENTAL</b>	<b>206 436</b>	<b>95 110</b>	<b>95 778</b>	<b>157 930</b>	<b>302 214</b>	<b>253 040</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### ANNEXURE 5: Inventory

	Notes	Quantity	2012/13	Quantity	2011/12
			R'000		R'000
<b>Inventory</b>					
Opening balance		-	649 449	-	621 410
Add: Additions/Purchases - Cash		-	4 327 681	-	3 758 107
(Less): Issues		-	(4 266 394)	-	(3 730 068)
<b>Closing balance</b>		-	<b>710 736</b>	-	<b>649 449</b>

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**2012/13**

**ANNUAL FINANCIAL  
STATEMENTS**

**KWAZULU-NATAL  
PHARMACEUTICAL  
SUPPLY DEPOT**



# ANNUAL REPORT (VOTE 7)

## 2012/13

*Surcharge of 5%:* Levied on all pharmaceutical items procured by and received at PPSD and thereafter delivered to the institutions via the contracted courier.

*Surcharge of 12%:* Levied on all pharmaceuticals that involve the use of PPSD human resources for repackaging.

### CAPACITY CONSTRAINTS

#### Warehousing

The increasingly limited availability of warehousing has continued to contribute to capacity constraints.

#### Human Resources

Increased demand of pharmaceutical services by the Department's institutions has put pressure on human resources capacity. In this regard, different methods and models are being explored to improve personnel capacity to meet increased demand whilst ensuring compliance.

### PERFORMANCE INFORMATION

#### Financial Performance Indicators

The table below contains the financial performance and outcome targets of PPSD for 2012/13.

Objective	Indicator	2012/13 Target	2012/13 Actual
Increase in standard stock account	Stock level	R 205.922 million	R 202.372 million
Adequate working capital to support adequate stockholding	Stock turnover	R 2 471 064 million	R 2 429 638 million
Sufficient stock available at end user	Service level	92%	82%

The Stock Turnover Target was not achieved due to the cost containment measures that the Department adopted during the period under review.

#### Service Delivery Performance Indicators

The table below contains the service delivery performance and outcome targets of PPSD for the year under review.

Objective	Indicator	2012/13 Target	2012/13 Actual	Comments
Reduce tracer medicine stock-out rate to <4%	Tracer medicine stock-out rate	<2%	5%	Some of the contracted suppliers (National Contracts) were unable to comply with the demand as patient numbers increased.
Ensure 100%	Compliant with	100%	Non-	The main reason for non-

# ANNUAL REPORT (VOTE 7)

## 2012/13

Objective	Indicator	2012/13 Target	2012/13 Actual	Comments
compliance with Pharmaceutical Legislation.	Good Wholesaling Practice Regulations		compliant	compliance is temperature control to ensure storage of pharmaceuticals below 25 degrees.

### APPROVAL

The Annual Financial Statements set out on pages 364 to 378 have been approved by the Accounting Officer.



DR S.M. ZUNGU

ACCOUNTING OFFICER

KWAZULU-NATAL DEPARTMENT OF HEALTH

31 MARCH 2013



# ANNUAL REPORT (VOTE 7)

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2012/13

## REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE ON THE PROVINCIAL PHARMACEUTICAL SUPPLY DEPOT

### Introduction

1. I have audited the financial statements of the Provincial Pharmaceutical Supply Depot set out on pages 364 to 378, which comprise the statement of financial position as at 31 March 2013, the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### 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 South African Statements Generally Accepted Accounting Practice (SA Statement of GAAP) and the requirements of the Public Finance Management Act, 1999 (Act No.1 of 1999) (PFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *general notice* issued in terms thereof and International Standards on Auditing. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the trading entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trading entity's internal control. 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.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### Opinion

6. 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 2013, and its financial performance and cash flows for the year then ended in accordance with SA Statement of GAAP and the requirements of the PFMA.

### Emphasis of matters

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### Irregular expenditure

8. As disclosed in note 7 to the annual financial statements, the trading entity incurred irregular expenditure of R18.98 million, as a result of a failure to comply with supply chain management (SCM) requirements.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the PAA and the *general notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

### Predetermined objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the information in the report on predetermined objectives as set out on pages 150 to 151 of the annual report.

11. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the *National Treasury Framework for managing programme performance information*.

The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

12. There were no material findings on the report on predetermined objectives concerning the usefulness and reliability of the information.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### **Compliance with laws and regulations**

13. I performed procedures to obtain evidence that the trading entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *general notice* issued in terms of the PAA are as follows:

### **Audit committee**

14. An audit committee was not in place, as required by sections 38(1)(a)(ii) of the PFMA and Treasury Regulation 3.1.1.

### **Internal audit**

15. The accounting officer did not ensure that the internal audit function was established, as required by section 38(1)(a)(ii) of the PFMA and Treasury Regulations 3.2.2, 3.2.3 and 3.2.4.

### **Expenditure management**

16. The accounting officer did not take effective steps to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA Treasury Regulation 9.1.1.

### **Procurement and contract management**

17. Goods and services of a transaction value above R500 000 were procured without inviting competitive bids as per the requirements of TR 16A.6.4 and Practice Note 8 of 2007/08.

### **Internal control**

18. I considered internal control relevant to my audit of the financial statements, report on predetermined objectives and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in findings on compliance with laws and regulations included in this report.

### **Leadership**

19. The accounting officer did not exercise sufficient oversight responsibility regarding the compliance with SCM Regulations, PFMA and Treasury Regulations.

### **Financial and performance management**

20. Adequate monitoring processes have not been implemented to prevent irregular expenditure.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### Governance

21. The trading entity did appoint an internal audit function and an audit committee to provide oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations.

Pietermaritzburg

31 July 2013



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

# ANNUAL REPORT (VOTE 7)

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2012/13

## ACCOUNTING POLICIES

### FOR THE YEAR ENDED 31 MARCH 2013

#### 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.

The entity will change its accounting policies for the preparation of financial statements with effect from 1 April 2013, from IFRS to Generally Recognised Accounting Practice (GRAP) and in a manner required by the PFMA. There are no material financial effects on the financial statements as a result of envisaged change of accounting policy.

##### 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

# ANNUAL REPORT (VOTE 7)

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## 2012/13

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:	12% - 16.67%
Computer Equipment:	20% - 33.33%
Furniture and Fittings:	10% - 16.67%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected 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 derecognised.

The asset's residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Valuations are performed after every three year cycle period to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any revaluation surplus is credited to the asset revaluation reserve included in the equity section of the Statement of Financial Position via other comprehensive income. A revaluation deficit is recognised in profit or loss, except that a deficit directly offsetting a previous surplus on the same asset is offset against the surplus in the asset revaluation reserve via other comprehensive income. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to a particular asset being disposed is transferred to retained earnings.

At each balance sheet date, the entity reviews the carrying amounts of its tangible assets 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

Financial assets comprise of trade and other receivables, which are recognised at determinable (not quoted in an open market) amount from time to time between PPSD and KwaZulu-Natal Department of Health (KZNDOH). The PPSD continues to recognise this asset as there is continuing involvement in the KZNDOH banking account in terms of cash receivables.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### 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 or 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 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.

### 1.11 Irregular Expenditure

#### *Irregular expenditure*

Irregular expenditure is defined as expenditure, other than unauthorised expenditure, incurred in contravention or not in accordance with a requirement of any applicable legislation, including:

- The Public Finance Management Act;
- The State Tender Board Act, or any regulations made in terms of this Act; or
- Any Provincial legislation providing for procurement procedures in that Provincial Government.

It is treated as expenditure in the Statement of Financial Performance. If such expenditure is not condoned and it is possibly recoverable it is disclosed as receivable in the Statement of Financial Position at year-end.

# ANNUAL REPORT (VOTE 7)

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## 2012/13

### *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.

### **1.12 Capitalisation Reserve**

The capitalisation reserve represents an amount equal to the value held in a suspense account by Department of Health on behalf of the Provincial Medical Supply Centre for the procurement of pharmaceuticals.

### **1.13 Cash Flow Statement**

The cash flow statement is prepared in terms of the direct method and discloses the effect that operating activities, investing activities and financing activities have on the movement of cash and cash equivalents during the year.

- *Operating Activities* - are primarily derived from the revenue producing or primary operating activities of the entity.
- *Investing Activities* - are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.
- *Financing Activities* - are activities that result in changes in the size and composition of the contributed capital and borrowings of the entity.

### **1.14 Related Party and Related Party Transactions**

Related parties are departments or individuals that control or significantly influence entities in making financial and operating decisions. Specific information with regards to related parties is included in the notes.



# ANNUAL REPORT (VOTE 7)

## 2012/13

### STATEMENT OF FINANCIAL POSITION

	Note	2012/13 R'000	2011/12 R'000 (Restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	6 045	7 798
<b>Current assets</b>			
Inventory	9	189 970	166 912
Receivables	10	165 396	122 090
		<b>361 411</b>	<b>296 800</b>
<b>EQUITY</b>			
Capital and Reserves	11	332,600	264 400
<b>Total Equity</b>		<b>332 600</b>	<b>264 400</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payments	12	28 811	32 400
<b>Total equity and liabilities</b>		<b>361 411</b>	<b>296 800</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

### STATEMENT OF FINANCIAL PERFORMANCE

#### FOR PERIOD ENDED ON 31 MARCH 2013

	Note	2012/13 R'000	2011/12 R'000 (Restated)
<b>REVENUE</b>			
Sale of goods	1	2 429 718	1 973 465
<b>TOTAL REVENUE</b>		<b>2 429 718</b>	<b>1 973 465</b>
<b>EXPENDITURE</b>			
<b>Cost of Sales</b>	2	(2 311 551)	(1 879 543)
<b>Other expenditure</b>		<b>(42 392)</b>	<b>(38 999)</b>
Administrative Expenses	3	(8 931)	(9 381)
Staff Costs	4	(29 150)	(27 597)
Other operating expenses	5	(4 311)	(2 021)
<b>TOTAL EXPENDITURE</b>		<b>(2 353 943)</b>	<b>(1 918 542)</b>
<b>NET SURPLUS FOR THE YEAR</b>		<b>75 775</b>	<b>54 923</b>
Other Comprehensive Income:			
Surplus on revaluation of assets		-	5,883
Other Losses on Sale of Assets	6	(205)	-
<b>Other Comprehensive Income for the year</b>		<b>(205)</b>	<b>5 883</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>75 570</b>	<b>60 806</b>

# ANNUAL REPORT (VOTE 7)

2012/13

## STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED ON 31 MARCH 2013

	Accumulated Surplus/ (Deficit)	Revaluation Reserves	Capitalisation Reserves	Total Equity
	R'000	R'000	R'000	R'000
<b>Balance as at 1 April 2011</b>	<b>206 710</b>	-	<b>173 231</b>	<b>379 941</b>
Surplus for the year	52 575	-	-	52 575
Transfers to/ (from) reserves	(190 318)	-	13 971	(176 347)
Other comprehensive income	-	5 883	-	5 883
<b>Balance as at 31 March 2012 as stated</b>	<b>68 967</b>	<b>5 883</b>	<b>187 202</b>	<b>262 052</b>
Prior year error adjustment	2 348	-	-	2 348
<b>Balance as at 31 March 2012 restated</b>	<b>71 315</b>	<b>5 883</b>	<b>187 202</b>	<b>264 400</b>
Surplus for the year	75 775	-	-	75 775
Transfers to/ (from) reserves	(22 655)	-	15 170	(7 485)
Transfer In/Out – assets disposal	481	(571)	-	(90)
<b>Balance as at 31 March 2013</b>	<b>124 916</b>	<b>5 312</b>	<b>202 372</b>	<b>332 600</b>

# ANNUAL REPORT (VOTE 7)

2012/13

## CASH FLOW STATEMENT

FOR PERIOD ENDED ON 31 MARCH 2013

	Note	2012/13 R'000	2011/12 R'000 (Restated)
<b>Cash flows from operating activities</b>			
Cash received from Provincial Departments		2 386 494	2 124 903
Cash paid to suppliers and employees		(2 378 510)	(1 948 432)
<b>Net cash outflows from operating activities</b>	13	<b>7 984</b>	<b>176 471</b>
<b>Cash flows from investing activities</b>			
Acquisition of Property, Plant and Equipment (PPE)		(594)	(124)
Proceeds on Sale of Assets		95	-
<b>Net cash outflows from investing activities</b>	14	<b>(499)</b>	<b>(124)</b>
<b>Cash flows from financing activities</b>			
Net Increase in Reserves		(7 485)	(176 347)
<b>Net cash flows from financing activities</b>	15	<b>(7 485)</b>	<b>(176 347)</b>
<b>Net increase in cash and cash equivalents</b>		-	-
Cash and bank balances at the beginning of the year		-	-
<b>Cash and bank balances at the end of the year</b>		<b>-</b>	<b>-</b>

# ANNUAL REPORT (VOTE 7)

2012/13

## NOTES ON ANNUAL FINANCIAL STATEMENTS

FOR PERIOD ENDED ON 31 MARCH 2013

	2012/13 R'000	2011/12 R'000 (Restated)
<b>1. Sales of Goods</b>		
Provincial Department	2 429 698	1 973 447
Other	20	18
	<b>2 429 718</b>	<b>1 973 465</b>
<b>2. Cost of Sales</b>		
Opening inventory	166 912	115 597
Purchases	2 334 609	1 930 858
	<b>2 501 521</b>	<b>2 046 455</b>
Less Closing Inventory	(189 970)	(166 912)
	<b>2 311 551</b>	<b>1 879 543</b>
<b>3. Administration Expenses</b>		
General administrative expenses	8 204	8 641
Stationery and printing	725	719
Training and staff development	2	21
	<b>8 931</b>	<b>9 381</b>
<b>4. Staff Costs</b>		
Wages and Salaries		
- Performance awards		
- Basic salaries	17 137	15 783
- Periodic payments	3 428	3 809
- Overtime pay	-	552
	<b>20 565</b>	<b>20 144</b>
Social contributions (Employer's contributions)		
- Medical	1 915	1 848
- Official unions and associations	4	4
- Other salary related costs	875	224
	<b>2 794</b>	<b>2 076</b>
Defined Pension contribution plan expense		
- Current service cost	2 259	2 090
Other long-term employee benefits including long-service leave, profit sharing, deferred compensation	3 532	3 287
	<b>29 150</b>	<b>27 597</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	2012/13 R'000	2011//12 R'000 (Restated)
<b>5. Other operating expenses</b>		
Maintenance, repairs and running costs	<b>2 092</b>	<b>310</b>
- Property and buildings	1 806	-
- Other maintenance, repairs and running costs	286	310
Depreciation	<b>1 974</b>	<b>1 430</b>
- Assets carried at cost	-	-
- Assets carried at re-valued amounts	1 974	1 430
Consumables	155	224
Travel and Subsistence	90	57
	<b>4 311</b>	<b>2 021</b>
<b>6. Loss on Sale of Assets</b>		
Property, plant and equipment	205	-
	<b>205</b>	-
<b>7. Irregular Expenditure</b>		
<b>Opening Balance</b>	<b>44 490</b>	<b>23 046</b>
Expired Contracts	18 142	20 838
Less than three quotes awards	835	495
Overtime	-	111
<b>Closing Balance</b>	<b>63 467</b>	<b>44 490</b>
<b>Analysis awaiting condonation per age analysis:</b>		
Current year	18 977	21 444
Prior year	44 490	23 046
<b>Awaiting to be condoned</b>	<b>63 467</b>	<b>44 490</b>
<b>8. Property, plant and equipment</b>		
<b>Vehicles</b>		
<b>Opening net carrying amount – 1 April 2012</b>	<b>348</b>	<b>79</b>
Gross carrying amount	923	478
Accumulated depreciation	(575)	(399)
Transfers	(74)	-
Additions	385	-
Disposal	(293)	-
Valuation	-	445
Depreciation charge	(78)	(176)
<b>Closing net carrying amount - 31 March 2013</b>	<b>362</b>	<b>348</b>
Gross carrying amount	385	923
Accumulated depreciation	(23)	(575)

# ANNUAL REPORT (VOTE 7)

## 2012/13

	2012/13 R'000	2011/12 R'000 (Restated)
<b>Computer equipment</b>		
<b>Opening net carrying amount – 1 April 2012</b>	<b>1 786</b>	<b>658</b>
- Gross carrying amount	3 207	1 818
- Accumulated depreciation	(1 421)	(1 160)
Additions	-	124
Disposal	(56)	-
Revaluation	-	1 265
Depreciation charge	(642)	(261)
<b>Closing net carrying amount - 31 March 2013</b>	<b>1 088</b>	<b>1 786</b>
- Gross carrying amount	3 006	3 207
- Accumulated depreciation	(1 918)	(1 421)
<b>Office furniture and fittings</b>		
<b>Opening net carrying amount – 1 April 2012</b>	<b>3 166</b>	<b>1 496</b>
- Gross carrying amount	5 412	3 199
- Accumulated depreciation	(2 246)	(1 703)
Additions	10	-
Disposal	(18)	-
Revaluation	-	2 213
Depreciation charge	(903)	(543)
<b>Closing net carrying amount - 31 March 2013</b>	<b>2 255</b>	<b>3 166</b>
- Gross carrying amount	5 379	5 412
- Accumulated depreciation	(3 124)	(2 246)
<b>Other machinery and equipment</b>		
<b>Opening net carrying amount – 1 April 2012</b>	<b>2 499</b>	<b>989</b>
- Gross carrying amount	4 482	2 522
- Accumulated depreciation	(1 983)	(1 533)
Additions	199	-
Disposal	(7)	-
Revaluation	-	1 960
Depreciation charge	(350)	(450)
<b>Closing net carrying amount - 31 March 2013</b>	<b>2 341</b>	<b>2 499</b>
- Gross carrying amount	4 660	4 482
- Accumulated depreciation	(2 319)	(1 983)

# ANNUAL REPORT (VOTE 7)

## 2012/13

	2012/13 R'000	2011/12 R'000 (Restated)
<b>Total property, plant and equipment</b>		
<b>Opening net carrying amount – 1 April 2012</b>	<b>7 799</b>	<b>3 222</b>
- Gross carrying amount	14 024	8 017
- Accumulated depreciation	(6 225)	(4 795)
Transfers	(74)	-
Additions	594	124
Disposal	(374)	-
Revaluation	-	5 883
Depreciation charge	(1 973)	(1 430)
<b>Closing net carrying amount - 31 March 2013</b>	<b>6 045</b>	<b>7 799</b>
- Gross carrying amount	13 431	14 024
- Accumulated depreciation	(7 386)	(6 225)
<b>9. Inventory</b>		
Raw Materials	589	871
Finished goods	189 381	166 041
	<b>189 970</b>	<b>166 912</b>
<b>Inventory Amount Expensed</b>		
Amount recognised as an expense in the statement of financial performance is cost of inventory sold or cost of sales	<b>2 331 551</b>	<b>1 879 543</b>
<b>10. Receivables</b>		
Medsas Account - Department of Health	161 156	122 090
Medsas: Claims Receivable	4 240	-
	<b>165 396</b>	<b>122 090</b>
<b>11. Capital and reserves</b>		
<b>Accumulated surplus</b>		
<b>Balance at the beginning of the year</b>	<b>71 315</b>	<b>206 710</b>
Surplus for the year	75 775	52 575
Correction of prior year error	-	2 348
Transfers	(22 655)	(190 318)
Transfers In/Out – revaluation asset disposal reversed	481	-
<b>Balance at 31 March</b>	<b>124 916</b>	<b>71 315</b>
<b>Revaluation Reserves</b>		
<b>Balance at the beginning of the year</b>	5 883	-
Other comprehensive income	-	5 883
Transfer In / Out	(571)	-
<b>Balance at 31 March</b>	<b>5 312</b>	<b>5 883</b>



# ANNUAL REPORT (VOTE 7)

## 2012/13

	2012/13 R'000	2011/12 R'000 (Restated)
<b>Capitalization</b>		
Balance at the beginning of the year	187 202	173 231
Transfers	15 170	13 971
<b>Balance at 31 March 2013</b>	<b>202 372</b>	<b>187 202</b>
<b>Total Equity</b>		
Balance at the beginning of the year	264 400	379 941
Surplus for the year	75 775	52 575
Correction of prior year error	-	2 348
Transfers	(7 485)	(176 347)
Other comprehensive income	-	5 883
Transfer In /Out	(90)	-
<b>Balance at 31 March 2013</b>	<b>332 600</b>	<b>264 400</b>
<b>12. Trade and other payables</b>		
Trade creditors	21 928	27 220
Accruals	2 920	2 093
Leave pay commitments	3 963	3 087
	<b>28 811</b>	<b>32 400</b>
<b>13. Reconciliation of profit before taxation to cash generated from/(utilised in) operations</b>		
Surplus/ (deficit) before taxation	75 775	52 575
Adjusted for non-cash movements/ working capital changes:	<b>(67 791)</b>	<b>123 896</b>
- Depreciation on property, plant and equipment	1 974	1 430
- (Increase)/ decrease in inventories	(23 058)	(51 315)
- Increase / (decrease) in receivables	(43 118)	153 904
- Increase/ (Decrease) in payables	(3 589)	22 225
- Correction of prior year errors	-	(2 348)
<b>Cash generated from operations</b>	<b>7 984</b>	<b>176 471</b>
<b>14. Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment	(594)	(124)
Cash on sale / disposal of assets	95	-
	<b>(499)</b>	<b>(124)</b>

# ANNUAL REPORT (VOTE 7)

## 2012/13

	2012/13 R'000	2011/12 R'000 (Restated)
<b>15. Cash flows from financing activities</b>		
Increase in capital reserves	15 170	13 971
Prior year surplus paid	(22 655)	(190 318)
	<u><b>(7 485)</b></u>	<u><b>(176 471)</b></u>
<b>16. Operating Leasing</b>		
Commitment Under Operating Lease		
Minimum Lease Payments for Period Less Than 1 Year	282	162
Minimum Lease Payments for Period Greater than 1 Year But Less Than 5 Years	344	56
<b>Totals</b>	<u><b>626</b></u>	<u><b>218</b></u>
<b>17. Impairment of Assets</b>		
The entity did not have any impairment of assets during the 2012/2013 financial year. As a result no impairment losses were recognised in the statement of financial performance.		
<b>18. Taxation</b>		
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.		
<b>19. Events After Reporting Period</b>		
There is neither adjusting nor non-adjusting events after the reporting period by the entity.		

# ANNUAL REPORT (VOTE 7)

## 2012/13

	2012/13	2011/12
	R'000	R'000
<b>20. Related Party and Related Party Transactions</b>		
<b>20.1 Transactions for related parties</b>		
During the year, in the course of normal business, transactions between PPSD and KZN DOH that have occurred are stated below:		
Arm's length transactions for the year:		
Sale of goods	2 429 698	1 973 447
Receivables	165 396	122 090
Equity contributions	15 170	13 971
Equity transfers	(22 655)	(190 318)
Sale / transfer of property, plant and equipment	186	-
<b>Total related party transactions</b>	<b>2 587 795</b>	<b>1 919 190</b>
<b>20.2 Executive management</b>		
No business took place between PPSD and key management personnel and their close family members.		
Manager: Pharmaceutical Services		
- Basic salary	538	477
- Social contributions	19	18
- Other allowances	108	95
		-
<b>Compensation for key management personnel</b>	<b>665</b>	<b>590</b>

## 21. 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.













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