

National Department of Health Annual Report 2009/10




TABLE OF CONTENTS

Submission of the Annual Report for 2009/10	1
Foreword by the Minister	2
Introduction by the Director-General	5
 Section 1: Performance Review	 9
1. Information on the Ministry	9
2. Vision and Mission of the Department	9
3. Legislative Mandates	9
4. Programme Performance by Budget Programme	13
5. Departmental Expenditure for 2009/10	16
6. Programme Performance and Service Delivery Achievements	19
 Section 2: Human Resource Oversight Report	 89
 Section 3: Annual Financial Statements for the year ended 31 March 2010	 137

SUBMISSION OF THE ANNUAL REPORT FOR 2009/10

1. In terms of Section 40(1) (d) of the Public Finance Management Act, 1 of 1999 (as amended), and the Public Service Act of 1994 (as amended), I hereby submit to the Minister the Annual Report of the Department of Health for the Financial Year 2009/10.
2. In terms of Section 65 (1) of the Public Finance Management Act, 1 of 1999 (as amended), the Minister is required to table the report to the National Assembly by 30 September 2010.



MS MP MATSOSO
DIRECTOR-GENERAL: HEALTH
DATE: 31-08-2010



FOREWORD BY THE MINISTER

Some of the core values treasured by the democratic government of South Africa are accountability and transparency. Through this Annual Report, the National Department of Health (DoH) accounts to Parliament and to the people of South Africa for its performance on the Strategic Plan for 2009/10–2011/12 during the financial year 2009/10.

The overarching policy framework of the National DoH during 2009/10 was the 10 Point Plan of the health sector, which consists of the following priorities:

1. Providing strategic leadership and the creation of a social compact for better health outcomes
2. Implementing National Health Insurance (NHI)
3. Improving the quality of health services
4. Overhauling the health care system and improving its management
5. Improving human resource planning, development and management
6. Revitalising infrastructure
7. Accelerating the implementation of the HIV AND AIDS and Sexually Transmitted Infections National Strategic Plan 2007–11, and increasing the focus on TB and other communicable diseases
8. Implementing mass mobilisation for better health among the population
9. Reviewing the Drug Policy
10. Strengthening research and development.

Diverse milestones have been recorded towards the attainment of these priorities.

The provision of strategic leadership and stewardship over the entire health sector was a crucial focus area in 2009/10, aimed at creating a unified vision and rallying the sector around the 10 Point Plan, which is our common set of goals. The National Health Council (NHC), which comprises the nine MECs for Health and myself as Chairperson, steered the implementation of this vision. The NHC also continued to monitor the performance of the health system at all levels, and to act swiftly to address deviations from nationally adopted policies.

On the policy front, the key highlight of the year 2009/10 was the new discourse on HIV and AIDS ushered in by the watershed announcements by the President of South Africa, His Excellency Mr JG Zuma on World AIDS Day, 01 December 2009. The President announced that Antiretroviral Treatment (ART) would be provided to pregnant women with a CD4 count of 350 or less to enhance maternal survival. ART would also be provided to people co-infected with TB and HIV with a CD4 count of 350 or less. Treatment would be initiated on all children less than one year of age who test positive for HIV, irrespective of their CD4 count. This initiative should contribute significantly to reducing the morbidity and mortality rates associated with TB and HIV and AIDS.

In keeping with the new policy, access to ART has been massively expanded. By the end of 2009/10, more than 1,1 million South Africans living with HIV&AIDS had been initiating on treatment. The impact of this intervention is that South Africans living with HIV will have their longevity extended, and continue to live productive lives.

It must also be emphasised that prevention remains the cornerstone of efforts to combat HIV and AIDS. Treatment is not the panacea for the huge impact of this epidemic on the country. The health sector has implemented a range of prevention interventions with social partners. These include the national HIV Counselling Testing (HCT) campaign, which aims to reach 15 million South Africans by June 2011.

Another significant achievement for 2009/10 is the obtaining of an Unqualified Audit Opinion from the Auditor-General by the National DoH for the first time in seven (7) years. This is a significant milestone that must be sustained into the future. When the fourth democratic government came into office in May 2009, it accentuated the need to do things differently. This is one illustration of this determination. Indeed, some objectives and targets of the Department were not achieved owing to the need to ensure fiscal discipline, and to cut our coat to fit our cloth. Going forward, it will be imperative to sharpen the skills of doing more with less.

One of the ideals of the democratic government of South Africa is to provide universal access to good quality and affordable health care to all citizens, especially the most vulnerable. This is to protect citizens against the catastrophic impact of out-of-pocket health expenditure. During 2009/10, the development of National Health Insurance (NHI) was initiated. On 11 September 2009, I announced the establishment of a Ministerial Advisory Committee on NHI in the Government Gazette (no. 32564). This committee is hard at work, in unison with the Department, driving the development of the NHI policy. Plans are underway to consult the wider public.

The health sector is renewing its focus on Primary Health Care (PHC). This approach is endorsed in key policy documents of the health sector (White Paper of 1997; National Health Act of 2003) as the strategic approach for ensuring an accessible, affordable, acceptable, equitable and efficient health system, with full community participation and intersectoral collaboration. A renewed emphasis on PHC reverberates across the health sector, which will ensure the implementation of key PHC principles such as community participation and the appropriate use of local resources including, in our case, community health workers (CHWs). Access to primary level services, measured in terms of visits to public sector facilities, increased from 117 341 256 in 2008/09 to 121 767 724 by the end of 2009/10.

It must also be reflected that the health system experienced key constraints and challenges during 2009/10.

While access to health care has generally improved, this is not matched by the quality of service provided. Concerns about the quality of health services continue to be expressed. During 2009/10, the Department laid a solid foundation for the implementation of quality improvement initiatives. The national core standards for assessing the performance of health facilities were extensively revised. In November 2009, national consultative process on these standards took place involving key partners from the public and private health sectors.

Health outcomes in South Africa are not optimal. The country continues to confront a quadruple burden of diseases, namely: (i) HIV and AIDS and tuberculosis (TB); (ii) high maternal and child mortality; (iii) non-communicable diseases; and (iv) violence and injuries. HIV and AIDS are a common denominator influencing the mortality rates of mothers and children, and also fuelling the TB epidemic. All South Africans must spare no effort in combating this epidemic.

During 2009/10, the health sector developed plans for the systematic implementation of the recommendations of three reports from Ministerial Committees, namely: (i) Saving Mothers 2005–2007: Fourth Report on Confidential Enquiries into Maternal Deaths in South Africa, produced by the National Committee on Confidential Enquiries into Maternal Deaths (NCCEMD); (ii) the First Report of the Committee on Morbidity and Mortality in Children under 5 Years (CoMMiC); and (iii) the National Perinatal Morbidity and Mortality Committee Report 2008. It must also be noted that a significant proportion of children died due to malnutrition, severe malnutrition and diarrhoeal diseases. This accentuates the imperative to address determinants of health that lie outside the health sector.

We must all be impatient with the slow pace of improving health outcomes. However, there is also a role for all South Africans to play in achieving this. Government has adopted four goals to be achieved by the health sector during 2010–2014, namely: (i) increasing life expectancy at birth; (ii) reducing maternal and child mortality rates; (iii) combating HIV and AIDS and TB; and (iv) strengthening the effectiveness of health systems. The health sector will finalise its Negotiated Service Delivery Agreement in 2010, which is our accelerated plan for achieving these goals. This will be

implemented in partnership with all stakeholders across the country and with international development partners.

Finally, I wish to express my gratitude to the late Deputy Minister of Health, Dr M Sefularo, and the nine Provincial MECs for Health for the leadership they provided during 2009/10. My gratitude also goes to the 271 000 personnel of the health sector for their effort and dedication during the past financial year. I also take this opportunity to welcome the new Director-General of the Department, Ms MP Matsoso, and wish her well in this exciting and challenging environment.



DR A MOTSOALEDI, MP
MINISTER OF HEALTH
DATE: 05-09-2010



INTRODUCTION BY THE DIRECTOR-GENERAL

During the reporting period, the strategic focus of the National Department of Health was on the implementation of health sector priorities known as the 10 Point Plan, which have already been outlined by the Minister in his Foreword. The Department's Strategic Plan for 2009/10–2011/12 served as an important vehicle for implementation. Highlights of the Department's progress towards the 10 Point Plan are reflected below.

HIGHLIGHTS OF THE DEPARTMENT'S PERFORMANCE IN 2009/10

Implementing National Health Insurance (NHI)

The Department worked closely with the Ministerial Advisory Committee on National Health Insurance (NHI) in the design of NHI for South Africa. A technical support unit for NHI was established in the Department. A draft NHI policy is under discussion. This policy will form the basis for public consultation on the NHI.

Improving the Quality of Health Services

The Department continued to develop and institutionalise the national core standards. A revised set of organisational standards was approved by the National Health Council (NHC). The performance of 31 health facilities against the revised core standards was assessed during the pilot phase.

Quality improvement initiatives were developed by 1,112 health facilities, focusing on the six priority areas, namely: patient safety, cleanliness, infection control, staff attitudes, waiting times and drug supply. These are being monitored to ensure improvement in patient experiences of health care in the public sector. The Department also commenced with the development of a suitable institutional framework for quality management and the accreditation of health facilities.

Overhauling the health care system and improving its management

The Department also continued with plans to overhaul the health system to improve its management and effectiveness. In January 2010, the NHC adopted the terms of reference (ToR) developed by the Development Bank of Southern Africa (DBSA) for assessing the functionality, efficiency and appropriateness of the organisational structure of hospitals, as well as the appropriateness of the hospital delegations. Significant progress has been made, and this work will be completed during 2010/11. The key objective is to ensure that the health system is managed by appropriately trained and qualified managers, working in a supportive environment.

Improving Human Resource Planning, Development and Management

The success of health sector interventions to improve the health of all South Africans hinges on the availability of

appropriately trained, adequately qualified and well motivated health workers of diverse categories, providing the required skills mix in all health facilities. The health workforce is the tipping point of the health sector's performance. During the reporting period, the department reviewed, analysed and provided feedback on the Human Resources for Health (HRH) plans of eight provinces. A service provider was also identified to conduct training in HRH planning in all Provinces. The revision of the national HRH planning framework also commenced. This will be completed in 2010/11.

The Department completed a comprehensive audit on all nursing colleges in the country. The audit results pointed to the need to enhance the infrastructure of these institutions, to investigate the impact of the 4 year nursing program on the production of nurses for the public sector, to enhance the recruitment of nursing educators, in order to improve the production of nurses.

Revitalising infrastructure

Planning for the revitalisation of 17 hospitals started during the reporting period. The building of seven hospitals will commence in 2010/11. Construction work started at three revitalisation hospitals, namely: Thabazimbi, Khayelitsha and Mitchell's Plain.

Accelerating the implementation of the HIV and AIDS and Sexually Transmitted Infections National Strategic Plan 2007–11, and increasing the focus on TB and other communicable diseases.

The National Strategic Plan for HIV and AIDS 2007–2011 continued to guide the health sector's interventions, with a focus on the four pillars of the strategy: prevention, treatment, care and support. The Department's interventions were supported by the South African National AIDS Council (SANAC) sectors to ensure a robust multisectoral AIDS response in the country.

Voluntary Counseling and Testing (VCT) services were offered in all fixed PHC facilities. The Department has started to implement a health worker-initiated HIV Counseling and Testing (HCT) campaign, aimed at making people know their status early by massively scaling up provider initiated HCT services in public and private health facilities, to reach people in their homes, work place and public spaces. Key messages disseminated seek to demonstrate the benefits of prevention and early access to treatment through providing HCT services at community level in homes, work place and public space to provide an opportunity of every South Africa to know their status so that they can take responsibility to prevent new infections.

The Department distributed 445 156 000 male condoms. This marked significant progress from the 284 million male condoms distributed in 2008/09. A total of 3,6 million female condoms were also dispensed, which was lower than the 4 276 000 female condoms distributed in 2008/09.

A total of 550 accredited facilities that offer antiretroviral therapy (ART) were established, with 900 down referral sites. Additional sites were established ahead of the commencement of the HCT campaign, which has resulted in over 1 000 accredited sites. A total of 494 775 new adult patients were initiated on ART during 2009/10, which exceeded the target of 215 000. A total of 45 044 new child patients under the age of 15 years were also initiated on ART, which exceeded the target of 33 000.

Behaviour change communication initiatives among young people were accelerated. A total of 270 peer educators were trained on comprehensive sexual reproductive health (SRH) issues. The programme reached 3, 532 283 youth, training on life skills, SRH and HIV and AIDS information through partnerships with NGOs.

To enhance the management of Tuberculosis (TB), 9,730 health professionals were trained in the clinical aspects of TB, while 3 866 non- professionals also received training to provide care and support to TB patients, ensure treatment adherence and raise community awareness and literacy about TB.

Improving the performance of laboratory services for TB management remains a challenge. Only 56% of TB sputa had a turnaround time (TAT) of less than 48 hours against the target of 65% for 2009/10. This reflects limited progress from the 53% reported in 2008/09. South Africa faces a high level of TB-HIV co-infection, estimated at 73%. During the period under review, 56,6% of multidrug-resistant (MDR) patients and 65,6% of extensively drug-resistant (XDR) patients were started on ARV treatment. This was lower than the set target of 100%, and will be scaled up going forward.

Implementing mass mobilisation for better health among the population

During the period under review, the health sector implemented interventions to protect South African children against vaccine preventable diseases. Nationally, a full immunisation coverage of 93,7% for children under-1 year of age was reached. There were variations in immunisation coverage between districts. With regard to measles, 47 of the 52 districts reached a measles immunisation coverage of 80% and above for children under 1-year.

Two new vaccines were introduced into the Expanded Programme on Immunisation (EPI) schedule to protect South African children against Rotavirus and pneumococcal diseases, which are among the leading causes of child mortality. A coverage of 22,8% for the pneumococcal vaccine and 34,6% for the Rotavirus vaccine was achieved.

The Prevention of Mother to Child Transmission (PMTCT) programme underwent substantial review during the reporting period and a number of the clinical protocols were revised. Of the 92,7% of pregnant women who were tested for HIV, about 76,9% of the HIV-positive pregnant women were put on Highly Active Antiretroviral Therapy (HAART). The percentage of HIV-exposed infants who received Nevirapine for the prevention of mother to child transmission was 91,7%. The real impact of these interventions, however, will only be felt when child and infant mortality rates decrease. The DoH is systematically working towards this.

To improve antenatal care, 164 of the 549 identified maternity facilities implemented the Basic Antenatal Care (BANC) programme. During the reporting period, 30% of women were reviewed within three days following delivery of their infants, which was in line with the 2009/10 target. This was to ensure that the mothers and their newborns were in a good state of health.

With regard to women's health, progress was made in the early identification of cervical cancer. The cervical cancer screening coverage increased from 22% in 2008/09 to 47,7% in 2009/10.

A 14% reduction in malaria cases was achieved between 2008/09 and 2009/10, which exceeded the 2009/10 target of 5%. The number of malaria cases decreased from 6 415 in 2008/09 to 5 502 in 2009/10. The malaria case fatality rate was 1%, which was a 37% increase for the season 2009/10 when compared to 2008/09. This resulted from a sudden upsurge of malaria cases and malaria related mortality during January 2010, particularly in Mpumalanga province.

Conclusion

Key milestones were achieved towards the priorities that the National Department of Health had set itself for 2009/10. The highlight of these must be the several improvements in financial management, which resulted in the Department receiving an Unqualified Audit Opinion from the Auditor-General.

Looking ahead, the Department will dedicate greater effort and resources to address the key objectives that could not be attained during 2009/10, owing to capacity constraints. Key focus will be on the four outcomes that the health sector must achieve during 2010-2014, namely: Increasing Life Expectancy; Decreasing Maternal and Child Mortality; Combating HIV and AIDS and Decreasing the Burden of diseases from Tuberculosis and Strengthening Health System Effectiveness. Emphasis will be on doing things differently, and doing different things.



MS MP MATSOSO
DIRECTOR-GENERAL: HEALTH
DATE: 31-08-2010

SECTION 1: PERFORMANCE REVIEW

INFORMATION ON THE MINISTRY

1.1 Institutions reporting to the Executive Authority

The following institutions report to the Minister of Health:

- Council for Medical Schemes
- National Health Laboratory Services (including the National Institute of Communicable Diseases)
- South African Medical Research Council
- Medicines Control Council.

1.2 Ministerial visits abroad

Table 1.1 reflects the official visits by the Minister of Health during the 2009/10 financial year.

TABLE 1.1 International trips undertaken by the Minister of Health during the 2009/10 financial year

PERIOD	COUNTRY	ACTIVITY
12–19 June 2009	New York, United States of America (USA)	Group of Seven (G7) High-level forum on global health
19–24 August 2009	Beijing, China (accompanied by wife)	International scientific symposium on Influenza Pandemic Response and Preparedness
29 August–5 September 2009	Kigali, Rwanda	WHO 59th Regional Committee for Africa meeting
19–24 September 2009	New York, USA	High-level ministerial segment of the United Nations General Assembly
11–13 November 2009	Mbabane, Swaziland	SADC health ministers' meeting
2–7 December 2009	Rio de Janeiro, Brazil	17th Roll Back Malaria (RBM) partnership board meeting
7–9 December 2009	Lusaka, Zambia	State visit to Zambia
1–5 March 2010	London, United Kingdom (UK)	State visit to UK

2. VISION AND MISSION OF THE NATIONAL DEPARTMENT OF HEALTH

Vision

An accessible, caring and high-quality health system

Mission

To improve health status through the prevention of illness and disease and the promotion of healthy lifestyles, and to consistently improve the health care delivery system by focusing on access, equity, efficiency, quality and sustainability

3. LEGISLATIVE MANDATES

The legislative mandate of the Department is derived from the Constitution and several pieces of legislation passed

by Parliament.

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

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

3.1. Legislation falling under the Minister of Health’s portfolio

- **Medicines and Related Substances Act, 101 of 1965**
Provides for the registration of medicines and other medicinal products to ensure their safety, quality and efficacy, and also provides for transparency in the pricing of medicines
- **Foodstuffs, Cosmetics and Disinfectants Act, 54 of 1972 (as amended)**
Provides for the regulation of foodstuffs, cosmetics and disinfectants, in particular quality standards that must be complied with by manufacturers, as well as the importation and exportation of these items
- **Hazardous Substances Act, 15 of 1973**
Provides for the control of hazardous substances, in particular those emitting radiation
- **Occupational Diseases in Mines and Works Act, 78 of 1973**
Provides for medical examinations on persons suspected of having contracted occupational diseases, especially in mines, and for compensation in respect of those diseases
- **Pharmacy Act, 53 of 1974 (as amended)**
Provides for the regulation of the pharmacy profession, including community service by pharmacists
- **Health Professions Act, 56 of 1974 (as amended)**
Provides for the regulation of health professions, in particular medical practitioners, dentists, psychologists and other related health professions, including community service by these professionals
- **Dental Technicians Act, 19 of 1979**
Provides for the regulation of dental technicians and for the establishment of a council to regulate the profession
- **Allied Health Professions Act, 63 of 1982 (as amended)**
Provides for the regulation of health practitioners such as chiropractors, homeopaths, etc., and for the establishment of a council to regulate these professions
- **Human Tissue Act, 65 of 1983**
Provides for the administration of matters pertaining to human tissue
- **National Policy for Health Act, 116 of 1990**
Provides for the determination of national health policy to guide the legislative and operational programmes of the health portfolio
- **SA Medical Research Council Act, 58 of 1991**
Provides for the establishment of the South African Medical Research Council and its role in relation to health research

- **Academic Health Centres Act, 86 of 1993**
Provides for the establishment, management and operation of academic health centres
- **Choice on Termination of Pregnancy Act, 92 of 1996 (as amended)**
Provides a legal framework for the termination of pregnancies based on choice under certain circumstances
- **Sterilisation Act, 44 of 1998**
Provides a legal framework for sterilisations, including for persons with mental health challenges
- **Medical Schemes Act, 131 of 1998**
Provides for the regulation of the medical schemes industry to ensure consonance with national health objectives
- **Tobacco Products Control Amendment Act, 12 of 1999 (as amended)**
Provides for the control of tobacco products, the prohibition of smoking in public places and of advertisements of tobacco products, as well as the sponsoring of events by the tobacco industry
- **National Health Laboratory Service Act, 37 of 2000**
Provides for a statutory body that offers laboratory services to the public health sector
- **Council for Medical Schemes Levy Act, 58 of 2000**
Provides a legal framework for the Council to charge medical schemes certain fees
- **Mental Health Care Act, 17 of 2002**
Provides a legal framework for mental health in the Republic and, in particular, the admission and discharge of mental health patients in mental health institutions, with an emphasis on human rights for mentally ill patients
- **National Health Act, 61 of 2003**
Provides a framework for a structured uniform health system within the Republic, taking into account the obligations imposed by the Constitution and other laws on the national, provincial and local governments with regard to health services. The objects of the Act are to:
 - unite the various elements of the national health system in a common goal to actively promote and improve the national health system in South Africa;
 - provide for a system of co-operative governance and management of health services, within national guidelines, norms and standards, in which each province, municipality and health district must address questions of health policy and delivery of quality health care services;
 - establish a health system based on decentralised management, principles of equity, efficiency, sound governance, internationally recognised standards of research and a spirit of enquiry and advocacy which encourage participation;
 - promote a spirit of co-operation and shared responsibility among public and private health professionals and providers and other relevant sectors within the context of national, provincial and district health plans.
- **Nursing Act, of 2005**
Provides for the regulation of the nursing profession

3.2. Other legislation in terms of which the Department operates includes the following:

- **Criminal Procedure Act, Act 51 of 1977, Sections 212 4(a) and 212 8(a).**
Provides for establishing the cause of non-natural deaths
- **Child Care Act, 74 of 1983**
Provides for the protection of the rights and well-being of children
- **Occupational Health and Safety Act, 85 of 1993**
Provides for the requirements that employers must comply with in order to create a safe working environment for

employees in the workplace

- **Compensation for Occupational Injuries and Diseases Act, 130 of 1993**
Provides for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, and for death resulting from such injuries or disease
- **The National Roads Traffic Act, 93 of 1996**
Provides for the testing and analysis of drunk drivers
- **Constitution of the Republic of South Africa Act, 108 of 1996**
Pertinent sections provide for the rights of access to health care services, including reproductive health and emergency medical treatment
- **Employment Equity Act, 55 of 1998**
Provides for the measures that must be put into operation in the workplace in order to eliminate discrimination and promote affirmative action
- **State Information Technology Act, 88 of 1998**
Provides for the creation and administration of an institution responsible for the state's information technology system
- **Skills Development Act, 97 of 1998**
Provides for the measures that employers are required to take to improve the levels of skills of employees in workplaces
- **Public Finance Management Act, 1 of 1999**
Provides for the administration of state funds by functionaries, their responsibilities and incidental matters
- **Promotion of Access to Information Act, 2 of 2000**
Amplifies the constitutional provision pertaining to accessing information under the control of various bodies
- **Promotion of Administrative Justice Act, 3 of 2000**
Amplifies the constitutional provisions pertaining to administrative law by codifying it
- **Promotion of Equality and the Prevention of Unfair Discrimination Act, 4 of 2000**
Provides for the further amplification of the constitutional principles of equality and elimination of unfair discrimination
- **The Division of Revenue Act, 7 of 2003**
Provides for the manner in which revenue generated may be disbursed
- **Broad-based Black Economic Empowerment Act, 53 of 2003**
Provides for the promotion of black economic empowerment in the manner that the state awards contracts for services to be rendered, and incidental matters

4. PROGRAMME PERFORMANCE BY BUDGET PROGRAMME

TABLE 1.2 National Department of Health's Budget and Expenditure

APPROPRIATION	MAIN APPROPRIATION	ADJUSTED APPROPRIATION	ACTUAL AMOUNT SPENT	UNDER EXPENDITURE
	R'000	R'000	R'000	R'000
National Department of Health Vote 14	18 423 459	18 423 459	17 966 210	457 249
Responsible Minister: Minister of Health				
Administering Department: Department of Health				
Accounting Officer: Director-General of Health				

4.1 Aim of the vote

The aim of the National Department of Health is to promote the health of all people in South Africa through an accessible, caring and effective national health system based on the primary health care approach.

4.2 Programmes

For the financial year 2009/10, the budget structure of the National Department of Health consisted of six budget programmes, namely: Administration; Strategic Health Programmes; Health Planning and Monitoring; Human Resources; Health Services – Special Programmes and Health Entities Management; and International Relations, Health Trade and Health Product Regulation. The purpose of each programme and its measurable objectives are listed below. An overview of the major achievements of the Department is noted in the Director-General's report above. In addition, more detailed achievements and key challenges are described in the sections that follow.

Programme 1: Administration

The purpose of Administration is to conduct the overall management of the Department. Activities include policy-making by the offices of the Minister and Director-General, and the provision of centralised support services. The Corporate Services programme includes transversal functions such as corporate finance, human resources, logistical services, office support, information technology, internal audit and legal services.

Programme 2: Strategic Health Programmes

Strategic Health Programmes co-ordinates a range of strategic national health programmes by developing policies and systems, and by managing and funding key health programmes. It also oversees relationships with National Health Laboratory Services and blood transfusion services.

In 2009/10, Strategic Health Programmes consisted of five sub-programmes to deal with its key policy areas:

- Maternal, Child and Women's Health and Nutrition formulates and monitors policies, guidelines, norms and standards for maternal, child, youth and women's health and nutrition.
- HIV and AIDS and STI Management develops policy and administers the national HIV and AIDS and STI

- programmes, including co-ordinating the integrated plan for HIV and AIDS and the conditional grant.
- Non-Communicable Diseases establishes guidelines on the prevention, management and treatment of a range of chronic diseases, disability, older people, mental health care and oral health. The sub-programme is also responsible for the revitalisation of the forensic mortuaries that were transferred from the South African Police Service to the provincial health departments; developing a national forensic pathology service; the Forensic Chemistry Laboratories and the administration of the Human Tissue Act.
 - Communicable Diseases is responsible for the control of infectious diseases and also holds several occupational health functions, including the Medical Bureau for Occupational Diseases and the Compensation Commission for Occupational Diseases.
 - TB Control and Management develops interventions to curb the spread of tuberculosis; provides support and oversight to the implementation of the TB Crisis Management Plan; and monitors and improves national TB performance indicators.

Programme 3: Health Planning and Monitoring

Health Planning and Monitoring supports the delivery of health services, primarily in the provincial and local spheres of government. It has four sub-programmes:

- Health Financial Planning and Economics is a new sub-programme dealing with health economics research, medical schemes, national health insurance and public private partnerships (PPPs).
- Health Information, Epidemiology, Research and Evaluation deals with the development and maintenance of a national health information system, and also commissions and co-ordinates research. The sub-programme conducts disease surveillance and epidemiological analyses, and monitors and evaluates health programmes. It develops norms, standards and other mechanisms for improving the quality of healthcare services, and provides oversight of the activities of the Medical Research Council.
- Pharmaceutical Policy and Planning (PPP) and Management regulates and co-ordinates the procurement of pharmaceutical supplies to ensure that essential drugs are affordable and available. It also promotes rational drug use by consumers and healthcare workers, and administers legislation on food safety and related matters. In addition, PPP deals with policy on the provision and management of health technology.
- Office of Standards Compliance deals with quality assurance, licencing and the certificates of need required in terms of the new National Health Act (2003). The cluster also deals with radiation control.

Programme 4: Human Resources and Management Development

The Human Resources Management Development programme supports the planning, development and management of human resources for health at both the national and provincial levels. It also includes activities to co-ordinate international health relations, including donor support.

In 2009/10 there were three sub-programmes:

- Human Resources Management and Development is responsible for developing human resource policies, norms and standards, and for ensuring the efficient management of the employees of the National Department of Health.
- Sector Labour Relations and Planning provides the resources and expertise for bargaining in the national Public Health and Welfare Sectoral Bargaining Council.
- Human Resource Policy, Research and Planning supports medium-to-long-term human resource planning in the national health system by conducting research and facilitating the production of provincial human resources plans.

Programme 5: Health Services – Special Programmes and Health Entities Management

Special Programmes and Health Entities Management consists of units previously located in other branches. It supports the delivery of health services in provinces, including primary health care, hospitals, emergency medical services and occupational health.

In 2009/10 the programmes were as follows:

- Infrastructure Planning and Health Facilities Management deals with policy on the provision and management of hospital services and emergency medical services. It is also responsible for the large conditional grants for the revitalisation of hospitals.
- District and Development promotes and co-ordinates the development of the district health system. It monitors the implementation of primary healthcare and activities related to the integrated sustainable rural development programme and the urban renewal programme. It also deals with policy-making and the monitoring of health promotion and environmental health.
- Occupational Health co-ordinates the delivery of occupational health services, including the provision of benefit medical examinations to ex-mineworkers.
- Legal Services and Litigation provides legal services to the Department and the public sector.
- Communication provides linkages between the Department and external stakeholders, including the media.

Programme 6: International Relations, Health Trade and Health Product Regulation

The purpose of International Relations, Health Trade and Health Product Regulation is to co-ordinate bilateral and multilateral international health relations, including donor support. It also regulates the procurement of medicines and pharmaceutical supplies, and regulates and provides oversight for trade in health products.

In 2009/10 there were four sub-programmes:

- Multilateral Relations: Facilitates the development and implementation of bilateral, trilateral and multilateral agreements with developing and developed countries. It also co-ordinates donor support. This sub-programme also facilitates the implementation of the Africa Health Strategy.
- Food Control and Non-Medical Health Product Regulation monitors the safety of food, cosmetics, disinfectants and related products.
- Pharmaceutical and Related Product Regulation and Management regulates trade in pharmaceutical and health-related products.
- Clinical Trials Management provides oversight over clinical trials conducted in South Africa and ensures that all these are registered with the Department.

4.3 Overview of the service delivery environment

South Africa continued to confront a quadruple burden of diseases, consisting of HIV AND AIDS and tuberculosis (TB); high maternal and child mortality; non-communicable diseases; and violence and injuries. HIV and AIDS are a common denominator influencing the mortality rates of mothers and children, and also fuelling the TB epidemic.

The health workforce has grown from 243 000 health workers in 2006 to 271 000 in 2009. The largest growth was in the nursing category.

Key challenges during the reporting period included the industrial action undertaken by medical doctors in the public sector in 2009, who protested about the pace of implementation of the Occupation Specific Dispensation (OSD). These matters were addressed through the appropriate bargaining chamber.

The goal of the health sector is to ensure a workforce with a steady and sustainable supply of appropriately trained, adequately qualified, well-remunerated and well-motivated professionals, providing good quality health care.

The existence of such a workforce is crucial for the achievement of the four outcomes of the health sector for 2010–2014, namely: increasing life expectancy at birth; reducing maternal and child mortality rates; combating HIV and AIDS and TB; and strengthening the effectiveness of health systems.

4.4 Overview of the organisational environment during 2009/10

Owing to serious resource constraints, the Department imposed a moratorium on the appointment of personnel during 2009/10, except under compelling circumstances. The moratorium contributed significantly to improving levels of efficiency, fiscal discipline and financial outcomes of the Department. The unintended trade-off was the limited capacity of the Department to deliver on some of its objectives and targets. This is reflected in detail in the sections dealing with performance information for 2009/10.

4.5 Strategic overview and key policy developments

During the reporting period, several key strategic and policy developments occurred. The Ministerial Advisory Committee on National Health Insurance (NHI) was formally established in September 2009 to lead the creation of NHI policy and legislation.

The Core Standards for Quality were produced and released to both the public and private sectors for comment. In November 2009 health workers from both sectors converged at the Birchwood Conference Centre in Boksburg to review these standards and their domains. Once finalised, these standards will be applicable to both the public and private sectors.

On World AIDS Day, 01 December 2009, the President of South Africa announced new policies and strategies to be implemented by the country to combat HIV and AIDS. Antiretroviral treatment (ART) would be provided to pregnant women with a CD4 count of 350 or less to enhance maternal survival. ART would also be provided to people co-infected with TB and HIV with a CD4 count of 350 or less. Treatment would be initiated on all children less than one year of age who test positive for HIV, irrespective of their CD4 count. As indicated by the Minister, this should contribute significantly to reducing the morbidity and mortality rates associated with TB and HIV and AIDS.

5. DEPARTMENTAL EXPENDITURE FOR 2009/10

5.1 Expenditure per budget programme for 2009/10

Programme 1: Administration

The programme shows an expenditure of 98,3% with an under-expenditure of R4,738 million (1,7%) against a budget of R274, 661 million.

The 1,7% underspending is associated with underpayment for capital assets ascribed to the delays experienced in the relocation to the newly upgraded Civitas Building due to incomplete processes between the contractors and the Public Works Department. Although some of the funds were committed, the payments could not be made during the year.

Programme 2: Strategic Health Programmes

The programme shows an expenditure amounting to 99,6% with an underexpenditure of R24 266 million (0,4%) against a budget of R5 777 billion.

The programme underspent by R24 million (0,4%) due to the delayed delivery of a portion of the H1N1 vaccines procured out of the country, as well as a pending court case for the construction of a mortuary using the Forensic Pathology Services conditional grant in the Northern Cape (R10,2 million).

Programme 3: Health Planning and Monitoring

The programme has spent 97,4% of its allocated funds, amounting to R414 201 million, with an underexpenditure of R10 937 million (2.6%).

The reason for the underexpenditure is the initial slow spending for the new cluster of Office of Standards Compliance.

Capital funds also showed an underspending due to the delays related to the Civitas Building.

Programme 4: Human Resource Planning, Development and Management

The programme shows an expenditure of R1,794 billion, which is 99,6%, with an under expenditure of R7 348 million (0,4%) against a budget of R1, 801 billion.

Programme 5: Health Services – Special Programmes and Health Entities Management

The programme has spent 96% of its allocated funds, amounting to R10, 074 billion, which resulted in an underexpenditure of 4% amounting to R402 million.

The underexpenditure can be attributed to the withholding of the hospital revitalisation conditional grant funds for some provinces due to delays with construction processes of approved projects, as well as invoices which could not be paid before year end owing to cash flow limitations. A roll-over has been requested for these funds since they have been committed.

Programme 6: International Relations, Health Trade and Health Product Regulation

The programme has spent 91% of its allocated funds, amounting to R83 million, with an underexpenditure of R7,572 million (9%) attributed to outstanding accounts to be claimed from the Department of International Corporations and Relations. The projected expenditure for the programme was not realised as planned.

5.2 Transfer payments to public and trading entities

Public entities

Medical Research Council

The Medical Research Council (MRC) undertakes scientific research on clinical and health systems issues. Core funding is through the National Department of Health with the allocations from Government being determined as part of the overall science vote under the control of the Minister of Arts, Culture, Science and Technology, advised by the National Council for Innovation. Funding from the Department's vote amounted to R251 million in 2009/10. The Council is successful in attracting research funding from other sources. There is close co-operation with the Department of Health in setting research priorities.

National Health Laboratory Services

The National Health Laboratory Service Act, (37 of 2000) came into operation in May 2001. The entity is now fully operational as the legislated provider of laboratory services to public health facilities. The National Health Laboratory Services (NHLS) took over the laboratory services in KwaZulu-Natal during the year under review. Its major source of funding is the sale of analytical laboratory services to users such as provincial health departments, but it continues to receive a transfer from the National Department, which amounted to R76,9 million in 2009/10.

Medical Schemes Council

The Medical Schemes Council regulates the private medical scheme industry in terms of the Medical Schemes Act (131 of 1998). It is funded mainly through levies on the industry in terms of the Council for Medical Schemes Levies Act (58 of 2000). During 2009/10 the Department transferred R3,9 million to the Council.

South African National Aids Trust (SANAT)

During the period under review, the SANAT was dormant. South African National AIDS Council (SANAC) itself operates as planned with its activities funded by the HIV and AIDS Cluster. SANAC, together with senior members of the National Department of Health, has drafted a restructuring plan that has to obtain Cabinet approval.

Trading entity

Mines and Works Compensation Fund

The Compensation Commissioner for Occupational Diseases is responsible for the payment of benefits to miners and ex-miners who have been certified as suffering from lung-related diseases owing to working conditions. The Mines and Works Compensation Fund derives funding from levies (Mine Account, Works Account, Research Account and State Account) collected from controlled mines and works, as well as appropriations from Parliament. Payments to beneficiaries are made in terms of the Occupational Diseases in Mines and Works Act (78 of 1973).

The entire financial system of the Compensation Commissioner for Occupational Diseases is being re-engineered.

5.3 Conditional grants and earmarked funds

In terms of the budget of the National Department of Health, 98% consists of transfer payments to third parties. These payments constitute major conditional grants to provinces to fund specific functions. They can be classified as follows:

TABLE 1.3 National Department of Health conditional grants transfared

CONDITIONAL GRANT	AMOUNT
National Tertiary Services Grant	R6, 614 billion
Health Professions Training and Development Grant	R1, 760 billion
Hospital Revitalisation	R2, 989 billion
Comprehensive HIV and AIDS Plan	R4, 376 billion
Forensic Pathology Services	R502 million
2010 World Cup Health Preparations	R30 million
Disaster Response: Cholera	R 50 million

These funds flow to provincial health departments from which spending takes place on items contained in a pre-approved business plan. More details of the transfers per province are contained in the financial statements.

The National Department of Health makes no conditional grants to municipalities. It can certify that all transferred conditional grant funding was transferred into the primary bank account of the province concerned.

The performance of provinces was monitored by the National Department of Health in terms of the reports submitted by provinces and the frameworks published in the Division of Revenue Act (DORA) for 2009/10. In support of the monitoring process described above, officials from the National Department of Health also paid site visits to recipient provinces to verify progress.

Based on the reports received from provinces, it transpires that the allocations achieved the purpose and outputs in the Act.

In the National Department of Health, none of the amounts allocated in terms of the DORA were utilised for administrative purposes. Provincial reports indicated that the transferred funds were used in terms of the framework and business plan for each of the grants.

Where non-compliance occurred in terms of the Act, it was rectified by means of discussion and, in some cases, delaying transfers.

Funds were withheld for one grant, namely: Hospital Revitalisation in consultation with the affected provinces.

Transfers were made to the public entities under the auspices of the National Department of Health and have been listed earlier in the report.

Transfers were made to NGOs, ranging from national NGOs that are delivering services in the field of health. These cover diverse institutions from LoveLife to Soul City, to a range of smaller NGOs which are active in the field of HIV and AIDS. More details of the institutions funded can be found in the Annual Financial Statements.

5.4 Public Private Partnerships (PPP)

A PPP agreement was concluded with the National Department of Health on 30 May 2003 and the partnership has been valid from 1 April 2003. The agreement aims to revive human vaccines manufacturing in South Africa.

In terms of the 2003 PPP agreement, the South African Government, through the National Department of Health, holds 40% shares in The Biovac Institute Pty Ltd (Biovac) while the Biovac Consortium holds 60%. In exchange for the 40% equity, the National Department of Health transferred the staff and assets of the directorate, which housed the State Vaccine Institute, to The Biovac Institute.

The Department foresees no significant future cash flow to the PPP entity.

Part of the PPP agreement allows The Biovac Institute to source and supply all EPI vaccines of good quality at globally competitive prices to the provincial health departments.

Both The Biovac Consortium and the Department of Health were requested to dilute their equity in order to allow Cape Biotech (part of the Department of Science and Technology) to take up a 12,5% equity stake. Cape Biotech has invested in excess of R35 million into The Biovac Institute. This dilution has been approved by Treasury and was implemented in 2010.

The transfers into the PPP were estimated to have a value of R13,5 million. A valuation done on the net assets value method in the December 2009 Annual Financial Statement placed a value in the region of R13 million on the National Department of Health's stake in the PPP.

In 2009 a review of the PPP was initiated by the DoH and Treasury. While this process is under way, no valuation of Biovac will be conducted. The outcomes of the review are expected in 2010.

6. PROGRAMME PERFORMANCE AND SERVICE DELIVERY ACHIEVEMENTS

As already indicated, during the financial year 2009/10 the activities of the Department of Health were organised around six budget programmes, namely:

- Programme 1: Administration and Corporate Services
- Programme 2: Strategic Health Programmes
- Programme 3: Health Planning and Monitoring
- Programme 4: Human Resources and Management Development
- Programme 5: Health Services – Special Programmes and Health Entities Management
- Programme 6: International Relations, Health Trade and Health Product Regulation

The sections that follow reflect the key objectives, indicators, targets and achievements for each sub-programme of the six budget programmes.

PROGRAMME 1: ADMINISTRATION AND CORPORATE SERVICES

Purpose

The aim of this programme is to provide overall management and leadership of the department, as well as strategic planning, monitoring and reporting services. Corporate Services manages the financial and human resources of the Department. It provides financial management services, develops the budget, monitors expenditure, conducts internal audits, ensures appropriate supply chain management, renders information technology support, and develops and implements internal policies for the management of departmental human resources.

Performance and service delivery achievements

The sections that follow reflect the key objectives, indicators, targets and achievements for each sub-programme of the Administration and Corporate Services Programme.

1. Strategic Planning

Health sector planning, monitoring and reporting on the implementation of plans was fortified during 2009/10. The Department developed sector specific guidelines for the development of provincial five-year strategic plans and annual performance plans (APPs), in collaboration with National Treasury.

The Department further produced four analytical quarterly progress reports on its Strategic Plan for 2009/10–2011/12 focusing on the first year of implementation, and four reports on the progress made by provincial DoHs with their APPs.

During the reporting period, no policy briefs were issued as a result of capacity constraints.

A Project Management training programme was conducted for managers of the Department, through which 118 managers in the Department were trained, 87 in project management principles and 31 in project management software. A major criterion in the identification of managers to be trained was that they should be working in an environment where they would be able to use their newly acquired skills.

The Department also continued to strengthen its project management approach in the implementation of its plans and programmes. A total of 23 projects were implemented in accordance with the project management approach. These were both sector wide projects implemented in all Provinces, as well as internal projects of the National Department. Sector-wide projects included conditional grants such as the Hospital Revitalization Grant. Support was provided to Project Management Teams in the Provinces. This will systematically contribute to enhancing the management of conditional grants.

Internal Departmental projects included the relocation to the Department's CIVITAS Building, which was completed in August 2010.

TABLE 1.4 Key objectives, indicators, targets and actual performance of the Strategic Planning sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
STRATEGIC PLANNING	Provide strategic leadership in health sector planning by supporting the development, implementation, monitoring of and reporting on integrated health sector plans, which focus on National Health System (NHS) priorities	Annual National Health Plan (ANHP) produced for each year of the planning cycle	Annual National Health Plan 2009 produced by June 2009	Annual National Health Plan 2009 was produced
			Annual National Health Plan informs bid to Treasury in June 2009	The 10 Point Plan of the Health Sector for 2009 formed the basis of the priorities reflected in the Annual National Health Plan 2009, as well as the budget bid to National Treasury. Provincial submissions into the ANHP 2009/10 indicated key areas where additional funding was required to implement priority areas identified in the 10-Point Plan.
		Annual Provincial Plans (APPs) analysed and comments provided	Comments on all APPs for 2010/11–2012/13 provided in June and December 2009	All 9 provincial APPs were analysed and feedback was provided.
		District Health Plans (DHPs) of 18 priority districts reviewed and comments provided	Comments on all 18 DHPs provided in December 2009	Qualitative analysis of 18 DHPs was conducted and feedback provided.
		Quarterly reports produced during each year of the planning cycle	Quarterly progress reports produced in September and December 2009 and January and June 2010	Summary reports on the performance of the National and Provincial DoHs for all four quarters of 2009/10 were compiled.
	Strengthen and support health policy development	Number of analytical reports on proposed health policies and their possible impact	Three analytical reports (policy briefs) produced	No policy briefs were produced.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
STRATEGIC PLANNING	Enhancing the capacity of National DoH managers in Project Management	Number of projects implemented in accordance with a project management approach	6 projects implemented	23 projects were implemented
		Number of consolidated reports on the implementation of projects	4 quarterly reports produced	4 quarterly reports produced
		Number of DoH managers trained in project management principles	50 DoH managers trained by March 2010	87 DoH managers trained
		Number of DoH managers trained in project management software	20 DoH managers trained by March 2010	31 DoH managers trained

2. Financial Services

For the first time in seven years, the National DoH received an unqualified audit opinion from the Auditor-General for 2009/10. The South African National Aids Trust also received an unqualified audit opinion.

One of the measures implemented by the Department to improve financial management and accountability was to improve the average time taken to respond to queries from the Auditor General (AG). In keeping with the target set for 2009/10, the average turnaround time for queries from the AG was eight working days. This response time must be improved going forward.

The Department planned to establish a Provincial Support Directorate. However, this was not achieved due to financial constraints and the resultant moratorium on the filling of posts. However, measures were put in place to implement the budget and expenditure monitoring and support for provincial health departments with a focus on the reduction of over-expenditure by provinces. Support was also received from the Technical Assistance Unit of National Treasury. During the reporting period, these interventions begun to yield the desired results, as six out of nine provinces did not register an over-expenditure on their compensation of employees. Also, five out of nine provinces did not overspend their goods and services for the 2009/10 financial year. The provinces had reported estimated figures on accruals of R3,2 billion, cumulative unauthorised expenditure of R11,6 billion and bank overdraft of R8 billion, with an overall over-expenditure amounting to R3,4 billion. To ensure sustainability in future, it is imperative that the Provincial Support Directorate is established to steer improvements in financial management in the health sector.

The security plan for the Department was implemented and, in keeping with the target set, a 40% reduction of losses of assets compared to 2008/09 was achieved. During the reporting period, 57% of the Department's SMS members were vetted, which was above the 50% target. The Department was dependent on National Intelligence Services to achieve its target.

TABLE 1.5. Key objectives, indicators, targets and actual performance of the Financial Services programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
FINANCIAL SERVICES AND DEPUTY CFO	Implement a turnaround strategy for improving audit outcomes and reducing the concerns raised by the Auditor General.	Reply to Auditor General queries	8 working days	8 working days
		Audit opinion of the Auditor General : NDOH	Unqualified	Unqualified
		Audit opinion of the Auditor General : CCOD	Unqualified	Adverse
		Audit opinion of the Auditor General: SANAC	Unqualified	Unqualified
		Percentage of posts filled in the Provincial Support Directorate	80%	0%
		Monthly expenditure reports compiled for each province	Expenditure reports for all 9 provinces compiled	Expenditure reports for all 9 provinces compiled
		Percentage reduction in overall overexpenditure in provincial departments compared to 2008/09	80% reduction in expenditure in provincial departments compared to 2008/09	This was partly achieved as 6 out of 9 provinces did not register an over-expenditure on their compensation of employees, and 5 out of 9 provinces did not overspend their goods and services
		Percentage reduction in the financial risks identified in the risk profile	60%	Not measured during the financial year due to capacity constraints
	Ensure that the Department's Security Plan is produced and approved by the Accounting Officer	% reduction of losses of assets compared to 2008/09	40%	40%
		% of the Department's SMS members vetted annually	50% of the Department's SMS members vetted by April 2010	57% of the Department's SMS members were vetted during the period under review.

3. Supply Chain Management

In keeping with its 2009/10 target, the Department maintained an average period of between three to six weeks for the procurement of major goods and services (above R500 000) after the closing date of the bid process. Similarly, the procurement period for goods and services below R500 000 was between one and three working days, which exceeded the set target of seven days. The Department also made progress with regard to the payment of suppliers of goods and services. The average period taken for the processing of a payment from the date of receipt of the invoice by Logistics Management was one week. This was consistent with the 2009/10 target of eight working days.

The average period taken for the placement of an order from the date a request memo was received by Logistics Management was three weeks, which was inconsistent with the 2009/10 target of five working days. The delays occurred as a result of the number of suppliers first needing to be registered on LOGIS. This affected the Department's ability to procure goods and services timeously.

As was the case in 2008/09, constraints were experienced with the processing of bookings for local and international travel. The average period taken from the date a request for booking was received by the Transport Unit until the confirmation of a booking for local travel was between 24 to 48 hours, while the target for 2009/10 was 24 hours. For international travel, the average period from receipt of the date request by the Transport Unit until the confirmation of a booking was between 24 to 72 hours, while the 2009/10 target was 48 hours. Contributing factors that influenced these turnaround times included last-minute bookings and changes. These resulted in delays in the normal flow of work in the Department, and an escalation of costs arising from last-minute bookings.

TABLE 1.6 Key objectives, indicators, targets and actual performance of the Supply Chain Management sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
SUPPLY CHAIN MANAGEMENT	Reduce the turnaround time for the procurement of goods and services	Average period taken for the procurement of major goods and services (value above R500 000); prescribed bid procedures (advertisement) is five weeks	Between 3 to 6 weeks after closing date (depending on the evaluation process)	Between 3 to 6 weeks after closing date (depended on the evaluation process)
		Average period taken for the procurement of major goods and services (value below R500 000)	Within 7 working days	Between 1 and 3 working days
		Average period taken for the placement of an order from date request memo is received by Logistics Management	Within 5 working days	3 weeks
	Reduce the turnaround time for processing payment to suppliers	Average period taken for the processing of a payment from date invoice is received by Logistics Management	Within 8 working days	1 week
	Reduce the turnaround time for processing travel and accommodation requests	Local: Average period taken from date request is received by Transport Unit to confirmation of booking	Within 24 hours	24 to 48 hours
		International: Average period taken from date request is received by Transport Unit to confirmation of booking	Within 48 hours.	24 to 72 hours
		Venues: Average period taken from date request is received by Transport Unit to confirmation of booking	Within 5 days	8 to 14 days

4. Information and Communication Technology Services

During the period under review, there was a 100% availability of network and systems on the transport layer from the NDoH to the State Information Technology Agency (SITA) for the transversal systems PERSAL, LOGIS and BAS. There were no interruptions to the functions of these systems. The Department also maintained a three-day response time to technical faults on workstations, which was consistent with the 2009/10 target.

However, the instability of the electricity supply in the rented Hallmark Building resulted in constant power failures in the server rooms which, in turn, caused hardware failure. This had a negative impact on network availability for electronic communication within the Department.

The high staff turnover and high number of vacancies in the information and communication technology sub-programme hampered the provision of Help Desktop support within the Department.

TABLE 1.7 Key objectives, indicators, targets and actual performance for the Information and Communication Technology Services sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (09/10)
INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES	Provide Help Desktop support to the DoH.	Response to calls logged at Help Desk.	First line (on-line) support calls resolved immediately.	First line (on-line) support calls resolved in between 8 to 72 hours
		Response time to technical faults on workstations	Calls resolved within 3 working days	Calls resolved within 3 working days
		Percentage availability of network	90% network availability	100% availability on the transport layer from NDoH to SITA during official work hours
	Provide network services to the DoH.	System availability	80% system availability (dependency on SITA for support of transversal systems)	100% availability on the transport layer from NDoH to SITA during official work hours
			100% PERSAL availability	100% availability on the transport layer from NDoH to SITA during official work hours
			100% BAS availability	100% availability on the transport layer from NDoH to SITA during official work hours
			100% LOGIS availability	100% availability on the transport layer from NDoH to SITA during official work hours

5. National DoH Human Resources Management

During the reporting period, the Department finalised and implemented its Job Evaluation policy. A Recruitment Policy was also produced and is currently under discussion.

The Employment Equity Plan for the Department was reviewed. The departmental employment equity report was compiled and submitted to the Department of Labour in accordance with section 21 of the Employment Equity Act.

The Department, through its Employment Relations Equity and Workplace Support programme, facilitated the participation of employees in celebrating commemoration days such as Women's Day, Heritage Day and International Day for People with Disabilities.

One of the challenges faced by the Department during the reporting period was the submission of performance management agreements (PMAs) for 2009/10. Only 90 of the 106 SMS members (85%) submitted their PMAs, against a target of 100%. To address this, the Department implemented the Public Service Act and its regulations, ensuring that all SMS members who failed to submit their PMAs for 2009/10 were not considered for both the annual package progression and performance bonuses.

Owing to capacity constraints, the activities related to conducting competency assessments for all SMS members could not be pursued. These have been deferred to the 2010/11 financial year, depending on the availability of resources.

TABLE 1.8 Key objectives, indicators, targets and actual performance of the National DoH Human Resource Management sub-programme

SUB -PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HUMAN RESOURCE MANAGEMENT	Maintain a competency assessment system for SMS members	% of SMS members subjected to competency assessment	Extend competency assessment system to all SMS members by 31 March 2010	Not achieved due to capacity constraints
		Report on outcomes of competency assessment of SMS members		None
	Implement a job evaluation policy to ensure correct grading and remuneration of all posts	Completion of grading and remuneration of all posts in line with job evaluation policy	Grading and remuneration of all posts in line with job evaluation policy completed by 31 March 2010	Job evaluation policy was approved and implemented as from 1 April 2010
	Implement a departmental recruitment policy and fast-track the filing of vacant posts	Departmental recruitment policy implemented by all clusters of the Department	Recruitment policy implemented by all clusters by March 2010	Draft policy still under discussion and consideration by Senior Management Team
	Ensure compliance with the Public Service Regulations relating to compulsory completion of performance agreements by SMS members	Performance agreements signed by all SMS members annually	Signing of performance agreements by all SMS members by 31 May 2009	By the end of 2009/10, 90 SMS members out of 106 filled posts (85%) submitted their performance agreements.

SUB -PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
NATIONAL DoH HUMAN RESOURCE MANAGEMENT: Employment Relations Equity and Workplace Support (EREWS)	Define an appropriately decentralised and more accountable operational management model, including revised legislation to recruit foreign skills, partnerships with private and public sectors, deployment and training for district health management team, etc.	Number of reviews of EREWS programmes conducted with provinces	Quarterly reviews of EREWS programmes with practitioners from provinces	4 quarterly reviews were conducted.

PROGRAMME 2: STRATEGIC HEALTH PROGRAMMES

Purpose

Strategic Health Programmes co-ordinates a range of strategic national health programmes by developing policies and systems, and by managing and funding key health programmes.

Performance and service delivery achievements

The sections that follow reflect the key objectives, indicators, targets and achievements for each sub-programme of the Strategic Health Programmes.

1. Maternal, Child and Women's Health and Nutrition

During 2009/10, the health sector implemented interventions to protect South African children against vaccine preventable diseases. Across the country, 47 of the 52 districts attained a measles coverage of over 80% for children under-1 year of age, which was consistent with the 2009/10 target. However, an outbreak of measles occurred during the reporting period, which affected 10,277 children and youth.

The Household Community Component (HHCC) of the Integrated Management of Childhood Illness (IMCI) programme was implemented by the community health workers in 89% (16) of the priority districts. In addition, 74% of primary healthcare (PHC) facilities had 60% of their health care workers trained in the clinical component of IMCI. This situation has remained the same for both 2008/09 and 2009/10.

Two new vaccines were introduced into the expanded immunisation programme (EPI) schedule to protect South African children against rotavirus and pneumococcal diseases. Coverage of 22,8% for the pneumococcal vaccine and 34,6% for the Rota virus vaccine was achieved. This was below the 2009/10 target of 40% for immunisation coverage of the two vaccines respectively. Challenges related to data management were experienced during the reporting period, which will be addressed during 2010/11.

To support health districts to consistently improve their immunisation coverage, the Department aimed to conduct the Reach Every District (RED) monitoring visits in 9/52 districts. However, no RED visits were conducted owing to the support provided for the management of the measles outbreak, as well as severe capacity constraints.

The Perinatal Problem Identification Programme (PPIP) and the Child Problem Identification Programme (CPIP) seek to enhance the early diagnosis and appropriate management of infants and children presenting with diverse conditions in the public sector. During the reporting period, the PPIP was implemented in 373 of the 549 identified maternity facilities, which was below the 2009/10 target of 439 facilities. The CPIP was implemented in 57 out of the 262 identified hospitals (21%). This was below the 2009/10 target of 30%. Both these programmes are driven by experts external to the health system. Performance is therefore dependent on the responsiveness of health facilities and Provinces, and their capacity to participate in the programme.

During the period under review, 54,6% of HIV-exposed infants were diagnosed using DBS-PCR, which was lower than the 2009/10 target of 80%. Difficulties were experienced with infants not being returned to health facilities for follow-ups, which negatively impacted on the performance.

In order to effectively prevent and reduce Mother to Child Transmission of HIV, a policy decision was made to use Nevirapine (NVP) and Azidothymidine (also known as Zidovudine or AZT) in combination albeit given at different stages in the pregnancy of HIV positive mothers. This intervention is commonly known as "Dual Therapy" and has been shown to be effective in reducing mother to child transmission of HIV and in increasing survival of exposed babies.

The Prevention of Mother-to-Child Transmission (PMTCT) programme underwent substantial review during the reporting period, and a number of the clinical protocols were revised.

About 92,7% of pregnant women were tested for HIV, which exceeded the target of 80%. 91,7% of HIV-exposed infants received Nevirapine, which exceeded the 2009/10 target of 80%. 76,9% of HIV-positive pregnant women

were put on highly active antiretroviral therapy (HAART), which exceeded the 2009/10 target of 30%. The proportion of children under 15 years who accessed HAART was 9,6%, which was consistent with the 2009/10 target of 9%.

Data collection systems for dual therapy posed a challenge during the reporting period, which will be redressed in the new financial year. The challenge in documenting the administration of these drugs has been found to be directly linked to the different stages of administration during the pregnancy period of HIV positive mothers. This will be addressed by robust engagement and ongoing targeted training of all health care providers attending to these mothers and their exposed babies.

The Department is confident that as the new policy guidelines and protocols on PMTCT become routine clinical practice, all health care providers will become more efficient in recording the use of both NVP and AZT which is, an important and proven intervention in increasing baby and mother survival.

To improve birth defects surveillance, 46 of the 52 districts implemented the standardised birth defects tool, which exceeded the 2009/10 target of 44 districts. During 2009/10, 34 of the 52 districts had at least one health care professional trained in genetics. The 2009/10 target was 36 of the 52 districts. Going forward, there is a need to sustain and expand the training of health care professionals in human genetics.

To improve antenatal care, 164 of the 549 identified maternity facilities implemented the Basic Antenatal Care (BANC) programme. This was in line with the 2009/10 target. During the reporting period, 30% of women were reviewed within three post-partum days, which was in line with the 2009/10 target.

In terms of women's health, the cervical cancer screening coverage increased from 22% in 2008/09 to 47,7% in 2009/10. This performance was above the 30% cervical cancer screening coverage target for 2009/10.

The expansion of the provision of Choice on Termination of Pregnancy (CTOP) in Community Health Centres (CHC) experienced a number of challenges. The percentage of CHCs providing CTOP services decreased from 45% in 2008/09 to 25% in 2009/10. The main challenge was the high turnover rate among nurses trained to provide first trimester termination of pregnancy.

TABLE 1.9 Key objectives, indicators, targets and actual performance of the Maternal, Child and Women's Health and Nutrition sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION	Improve management of communicable diseases and non-communicable illnesses	% of PHC facilities that are saturated with IMCI health care providers, i.e. 60% of health care providers who manage children are trained in IMCI	70%	74%
		% of priority districts implementing the Well Child Initiative Module	50%	0% of priority districts have implemented the Well Child Initiative Module in full; 18 priority districts are implementing components of the Well Child Initiative Module
		% of priority districts in which HHCC services are provided by CHWs	60%	88%
		% of district hospitals implementing child PIPP	30%	57 out of 262 = 21%
		Suitable zinc formulation registered	Suitable zinc formulation registered by March 2010	A suitable zinc formulation was approved by the Medicines Control Council and the tender was awarded for the supply of zinc to primary health care facilities.
		% of pregnant women who are tested for HIV	80%	92,7%

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION	Improve management of communicable diseases and non-communicable illnesses	% of pregnant women on ARV prophylaxis (dual therapy)	80% for AZT and Nevirapine respectively	48,7% for AZT; 99,1% for Nevirapine
		% of pregnant women on HAART	30%	76,9%
		% of HIV-exposed infants who receive ARVs for PMTCT (dual therapy)	80%	91,7% for Nevirapine
		Early diagnosis of HIV-exposed infants using DBS-PCR to measure impact of programme and referral for HAART	80%	54,6%
		% of children who receive cotrimoxazole	30%	38%
		% of children who receive HAART (proportion of all those receiving HAART)	9%	9,6%
		Number of districts implementing the standardised birth defects tool	44 out of 52 districts	46 out of 52 districts
		Number of districts with at least one health professional trained in genetics	36 out of 52 districts	34 out of 52 districts
		% of health facilities rendering services for survivors of sexual assault	30%	64%
		Cervical cancer screening coverage	30%	47,7 %
		% of community health centres authorised to provide TOP services	30%	25%

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION	Improve management of communicable diseases and non-communicable illnesses	Coverage of these vaccines in children under 1 year	40% coverage for Rotavirus and pneumococcal diseases respectively	Rotavirus immunisation: 34,6%; pneumococcal disease immunisation: 22,8%
		Measles coverage under 1 year	80% in 80% of the districts	All provinces have reached over 80% coverage; 47 out of 52 districts have achieved over 80%
		Number of districts that receive support visits from the national office on RED Strategy	9 out of 52	0
		Number of districts implementing the Data Quality System (DQS)	9 out of 52 districts	48 out of 52 districts are implementing the DQS
		Number of maternity facilities implementing PPIP	439 out of 549 maternity facilities (80%)	373 out of 549 maternity facilities (68%)
		Number of maternity facilities implementing BANC	164 out of 549 maternity facilities (30%)	164 out of 549 maternity facilities
		Percentage of women reviewed within 3 post-partum days	30%	30%
		Number of facilities providing acceptable contraception mix (dual protection using condom and a contraceptive method)	1 053	All health facilities are providing contraceptive mix (dual protection). A survey will be required to determine if information on dual protection has been provided to the users of the health service.

2. HIV and AIDS and STI Management

During 2009/10, the National Strategic Plan for HIV and AIDS 2007–2010 continued to guide the health sector's interventions to combat HIV and AIDS. The South African National AIDS Council (SANAC) coordinated a robust multisectoral response to HIV and AIDS, which involved diverse sectors of society.

Voluntary Counseling and Testing (VCT) services were offered in all fixed PHC facilities, which was in line with the 2009/10 target. However, in a research study conducted by the Human Science Research Council (HSRC), only 18% of adults reported testing for HIV in the last 12 months.

The Department distributed 445 156 000 male condoms to enhance the prevention of HIV, Sexually Transmitted Infections (STIs) and unwanted pregnancies. The 2009/10 target was 450 million. This marked significant progress

from the 284 million male condoms distributed in 2008/09. A total of 3,6 million female condoms, were also dispensed against a 2009/10 target of 4,5 million. This figure was lower than the 4,2 million condoms distributed in 2008/09.

Community care givers (CCG) are instrumental in providing community-based services, and act as an important link between households and communities, and primary level health facilities. During the period under review, 25 278 CCGs received stipends. Although this was lower than the 2009/10 target of 27 000, it contributed to sustaining the levels of motivation of this cadre of workers. A total of 1,1 million individuals benefited from services provided by CCGs and 6,6 million visits were conducted in households.

76% of TB patients were counseled and tested, against a target of 80%, The percentage of HIV-positive patients who were started on ionised prophylactic treatment was 1,8%. This was below the 12% target for 2009/10. Data quality problems were the main reason for the low performance reported. The number of TB and HIV co-infected patients started on ART in the reporting period was 47%, which exceeded the 2009/10 target of 35%.

A total of 550 accredited facilities were established to offer antiretroviral therapy (ART), with 900 down referral sites. Additional sites were established ahead of the commencement of the HCT campaign, which has resulted in over 1, 000 accredited sites. A total of 494 775 new adult patients were initiated on ART during 2009/10, which exceeded the target of 215 000. A total of 45 044 new child patients under the age of 15 years were initiated on ART, which exceeded the target of 33 000. By March 2010, the total number of patients on treatment was over 1,1 million.

Behaviour change communication initiatives among young people were accelerated. There were 270 peer educators trained on comprehensive sexual reproductive health (SRH) issues. The programme reached 3 532 283 youth, training on life skills, SRH and HIV and AIDS information through partnerships with NGOs.

TABLE 1.10 Key objectives, indicators, targets and actual performance of the HIV and AIDS and STI Management sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HIV AND AIDS AND STI MANAGEMENT	Increase the number of PHC facilities that offer VCT	% of PHC facilities offering VCT	100%	100% All public health facilities offer VCT
		% of adults tested for HIV in the last 12 months	18%	18%
	Develop prevention interventions to deal with HIV and AIDS, with a focus on men	% of men who have ever had an HIV test	50%	50% of the adult population has been tested; data that segregates gender was not available
	Improve access to quality male and female condoms	Number of male condoms distributed; number of female condoms distributed	450 million 4,5 million	445 156 000 male condoms; 3,6 million female condoms
	Facilitate the training of 1 600 support groups on Stigma Mitigation Framework by 2011	Proportion of support groups trained on SMF	60% (960) of support groups trained on SMF	None

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HIV AND AIDS AND STI MANAGEMENT	Facilitate the payment of nationally determined stipend to 47 937 community caregivers by 2012 (as determined by the Framework)	Number of community caregivers receiving stipend	27 000	25 278
	Facilitate the expansion of step down care (SDC) facilities in district hospitals from 83 to 117 by 2012	Number of SDC facilities	93 SDC facilities	91 SDC facilities
	Review and finalise HCBC policy and guidelines to ensure access to comprehensive care by 2010/11	Approved policies and guidelines	Revised policy and guidelines approved and implemented	HCBC final draft policy framework and the first draft of guidelines available
	Increase the HIV testing rate among TB patients from 41% to 90% by 2011	% of TB patients counselled and tested	80%	76%
	Increased rate of PLHA treated for latent TB	% of newly diagnosed eligible HIV+ patients starting IPT	12%	1,8%
	Increase access to ART treatment for TB and HIV+ve co-infected patients	Percentage of eligible TB and HIV+ve co-infected patients who start ART	35%	47%

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HIV AND AIDS AND STI MANAGEMENT	Providing quality and appropriate package of treatment, care and support to 80% of HIV-positive patients and their families	Number of adult new patients initiated on ART	215 000	494 775
		Number of children initiated on ART	33 000	45 044
		% of children and adults still on ART one year after initiation	85%	90%
		Number of accredited CCMT facilities with down referral facilities	495	550 CCMT sites with 900 down referral sites
	Oversee the implementation of the mass mobilisation, communication advocacy strategies for key health programmes in health districts	Number of districts in which social mobilisation and IEC campaigns are developed and implemented to support key health programmes	52 districts	52 districts
	Implement a monitoring and evaluation system for compliance with the funding requirements of NGOs	% recipient NGOs meeting all funding requirements	50%	82%

3. TB Control and Management

The management and control of Tuberculosis was improved during the reporting period, with 77,7% of health facilities implementing TB guidelines appropriately.

9,730 health professionals were trained in the clinical aspects of TB management, while 3,866 non-professionals (community health workers) also received training in DOTS. Community Health Workers provide vital care and support to TB patients, ensure treatment adherence and raise community awareness about TB. These outputs exceeded their corresponding targets for 2009/10, which were to train 2,000 professionals and 2 500 non-professionals respectively.

Improving the performance of laboratory services for TB management remains a challenge. Only 56% of TB sputa had a turnaround time (TAT) of less than 48 hours against the target of 65% for 2009/10. This reflects limited progress from the 53% reported in 2008/09. The health sector experienced challenges, mainly due to logistical inadequacies associated with transportation and poor telecommunication infrastructure that severely undermined the communication of results from laboratories to facilities.

During the period under review, 19 of the 21 TB hospitals were accredited as HIV service points.

Of the drug-resistant patients diagnosed in 2009/10, 56,6% of MDR patients and 65,6% of XDR patients were started on ARV treatment against the target of 100%. This was due to TB registers not making provision for recording HIV status for MDR and XDR patients at the time. The incomplete capturing of information resulted in the inaccurate reflection of performance on this indicator. This has been corrected, and will be fully implemented in 2010/11.

To strengthen the country's capacity to deal with drug-resistant TB effectively, the Department planned to complete seven new drug-resistant hospitals. During the period under review, one hospital was completed, while project initiation, concept and design development were concluded for six hospital sites and tenders for five of these were awarded.

Although a proposal for conducting a national TB drug survey was drafted, limited resources prevented the Department from conducting the survey during the reporting period.

TABLE 1.11 Key objectives, indicators, targets and actual performance of the TB Control and Management sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
TB CONTROL AND MANAGEMENT	Strengthen the implementation of the DOTS strategy	Percentage of facilities appropriately implementing TB guidelines	80%	77,7%
		Percentage of districts scaling up community TB care	65%	Model still in the process of development
		Number of treated patients serving as TB ambassadors	40	5 national; 56 provincial
	Increase the number of health professional and non-professional (CHWs) workers trained annually	Number of professional and non-professional workers trained	2 000 professionals; 2 500 non-professionals	9 730 professionals; 3 866 non-professionals
	Implement best practice model of collaboration on TB and HIV at PHC level	Number of districts with collaboration in line with best-practice model	10 out of 52	Model still in the process of development

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
TB CONTROL AND MANAGEMENT	Initiate all eligible MDR and XDR patients on ARVs	Percentage of eligible MDR and XDR patients started on ARVs	100%	52,6% (For the purpose of the report, all MDR patients were used as a denominator)
	Initiate all eligible XDR patients on ARVs	Percentage of eligible XDR patients started on ARVs	100%	69,1% (For the purpose of the report, all XDR patients were used as a denominator)
	Contribute to strengthening of health systems	Number of TB hospitals accredited as HIV service points	21 TB hospitals	19 TB hospitals
		At least 1 DR TB unit built in each of the 7 provinces (Eastern Cape, Free State, KZN, Limpopo, Mpumalanga, North West, Northern Cape)	New DR TB hospitals in 7 provinces	1 hospital completed in KZN; 6 projects initiated: concept and design development concluded for 6 sites and tenders awarded for 5 sites
		Percentage of health facilities with TAT of less than 48 hours	65%	52,3%
	Co-ordinate and implement research/ evaluations	Survey report completed	Survey report completed by March 2010	A proposal for conducting the national TB drug survey was drafted.

4. Communicable Disease Control

A 14% reduction in malaria cases was achieved between 2008/09 and 2009/10, which exceeded the 2009/10 target of 5%. The number of malaria cases decreased from 6 415 in 2008/09 to 5 502 cases in 2009/10. However the malaria case fatality rate was 1%, which was a 37% increase for the season 2009/10 when compared to 2008/09.

The sudden upsurge of malaria cases during January 2010 led to an increase in malaria related mortality, especially in Mpumalanga Province. Malaria programme reviews were conducted in five provinces: Limpopo, Mpumalanga, KwaZulu-Natal, Gauteng and North West.

In keeping with the set target, the Department continued to share its technical skills in malaria control with neighbouring countries, including Mozambique and Swaziland through the Lubombo Spatial Development Initiative, and with Zimbabwe through the Trans-Limpopo Initiative. The Trans-Limpopo Initiative between South Africa and Zimbabwe is an established initiative. The inclusion of Botswana will require a formal process that will be pursued during the 2010/11 financial year.

Eighty percent of the FIFA 2010 Communicable Disease Control Programme was completed by March 2010, which was in line with the 2009/10 target.

In terms of enhancing the country's capacity to prevent and respond to foodborne diseases, the Department

provided training to the outbreak response teams from all nine provinces.

During the period under review, the Department completed the Communicable Disease Information, Education and Communication (IEC) strategic plan. IEC programmes for cholera, H1N1 and diarrhoeal diseases were also implemented during the review programme.

The Department could not achieve its objective of producing the implementation plan to strengthen epidemic preparedness. This was due to the reprioritisation of resources for the co-ordination of preparedness and response for both the pandemic influenza and the FIFA 2010 World Cup.

TABLE 1.12 Key objectives, indicators, targets and actual performance of the Communicable Disease Control sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
COMMUNICABLE DISEASE CONTROL	Improve management of communicable diseases	% reduction in malaria cases annually	5 % reduction annually	A 14% reduction in the total number of malaria cases was reported. The number of cases was 5 502 in 2009/2010 compared to 6 415 in the 2008/09 financial year.
		% case fatality rate	≤ 0,5 % case fatality rate	≤ 0,5 % case fatality rate
		Malaria Review Report produced.	Malaria programme review report produced by March 2010	Programme reviews conducted in 5 provinces: Limpopo, Mpumalanga, KZN, Gauteng and North West. Provincial reports and national report compiled.
		Number of countries with which technical skills were shared	4 countries: Swaziland, Mozambique, Zimbabwe and Botswana	A Lubombo Spatial Development Initiative, (LSDI) meeting was held in October 2009 – technical expertise was shared in the Malaria Project of the LSDI (a three-country collaboration among South Africa, Mozambique and Swaziland). In the Trans-Limpopo Malaria Initiative (TLMI), technical expertise was shared and an action plan was documented for cross-border collaboration between Zimbabwe and South Africa.
		Implementation plan to strengthen National Epidemic Preparedness completed	Plan completed by June 2009	Assessments were done in line with International Health Regulations in all 9 provinces by June 2009 ; reports being finalised

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
COMMUNICABLE DISEASE CONTROL	Improve management of communicable diseases	Implementation plan to strengthen epidemic preparedness produced	Implementation plan produced by March 2010	Implementation plan was not been produced
		Number of provinces trained per year	9 provinces	9 provinces trained in food-borne diseases
		% Implementation of the Communicable Disease Strategic Plan	80 % implementation of plan by May 2010	80% of the FIFA 2010 CDC plan was implemented
		Strategic plan to prevent importation of communicable diseases at ports of entry developed and costed	Strategic plan developed and costed by March 2010	Input was given into port health strategic plan
		Communicable Disease IEC Strategic Plan developed and implemented	Implementation of the strategic plan by strengthening capacity for training and monitoring at provincial level	IEC strategic plan was developed and IEC programmes on cholera, H1N1 and diarrhoeal diseases implemented

5. Non-Communicable Disease Control

During the period under review, the Department implemented activities to improve the management of non-communicable diseases. The implementation plan for the diabetes declaration was put into action in 16 districts. This performance exceeded the 2009/10 target of nine districts.

The fourth draft of the elder abuse identification tool was completed. The finalisation of this tool was delayed following a decision to combine it with a series of other guidelines around the treatment of the elderly, and to publish and implement these as a single document.

All the designated psychiatric hospitals in the nine identified districts were audited for quality. Based on the findings from the audit, provinces developed and implemented quality improvement plans.

All nine provinces implemented the four pillars of the strategy to reduce the harmful use of alcohol which are: screening for alcohol at all PHC services; health warnings on all alcohol products; detoxification programmes; and raising awareness amongst communities. This exceeded the 2009/10 target of three provinces. Also, all nine provinces developed provincial mini-drug master plans as required by legislation. However, Provinces reached different stages of implementation during the reporting period.

The Department revised the National Oral Health Strategy, which will be consulted with stakeholders during 2010/11. The national secondary and specialised oral health care norms and standards were also developed. School oral health services were implemented in six provinces. On average, 21,3% of schools implemented school oral health services, with a focus on the 18 priority districts.

The Department continued to strengthen clinical forensic pathology services. All nine provinces implemented the Forensic Pathology Services regulations and code of guidelines. The finalisation of a national course curriculum for forensic officers was delayed owing to the withdrawal of two Technikons that initially expressed interest in offering the course.

During the period under review, the Department drafted the Cancer Registration Regulations, which were published for public comment in December 2009. These regulations will be promulgated in 2010/11, once the public consultation process has been completed.

During the reporting period, the Department had 165 dedicated clinical forensic medicine (CFM) centres spread over the nine provinces. This performance exceeded the 2009/10 target of 110 CFM centres.

The Forensic Chemistry Laboratory in Cape Town received accreditation from the accrediting body, the South African National Accreditation System (SANAS).

However, due to personnel shortages, the turnaround times for the blood alcohol and toxicology samples were not improved. This also impacted negatively on the performance of other functions of the state, for instance, the efficient administration of justice.

TABLE 1.13 Key objectives, indicators, targets and actual performance of the Non-Communicable Disease Control sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
NON-COMMUNICABLE DISEASE CONTROL	Standardise organ transplant practices by developing guidelines, norms and standards guiding organ transplantation	Approved documents (i.e. policy, norms and standards) on organ transplantation completed	Policy on organ transplantation to be finalised and approved by March 2010	Draft on policy organ transplantation was completed
	Improve public education on organ donation by developing organ donation awareness strategy.	Organ donation awareness strategy finalised and implemented	9 provinces capacitated in the implementation of the organ donation awareness strategy; 10% increase nationally in transplantations	Provinces implemented awareness strategy with Organ Donor Foundations
	Strengthen health care for people with non-communicable diseases by re-orientating the health system to provide effective management of chronic diseases	Number of districts using the Long-term Care Service Model Framework	18 districts	16 districts
		Number of priority districts using the Implementation Plan for the Diabetes Declaration	9 districts	16 districts
	Prevent and manage elder abuse	Number of districts implementing the elder abuse tool	9 priority districts implementing the elder abuse tool	Implementation of the elder abuse tool in districts did not commence; fourth draft of the Elder Abuse Identification Tool completed
	Cancer registration regulation to be added	Promulgation of cancer registration regulations	Cancer registration regulations promulgated by March 2010	Cancer regulations were published on 31 December 2009 for public comment and the final draft was completed.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
NON-COMMUNICABLE DISEASE CONTROL	Improve the quality of psychiatric services	Number of districts that develop plans to improve psychiatric services and submit written progress reports	9 districts	All the designated psychiatric hospitals in 9 districts were audited for quality. Improvement plans based on the findings are being implemented. Provinces have submitted written reports on each of the designated psychiatric hospitals in the 9 districts covered.
	Support provinces to implement the strategy to reduce the harmful use of alcohol developed and implemented	Number of provinces implementing the strategy to reduce the harmful use of alcohol	3 provinces implementing the strategy to reduce the harmful use of alcohol	All 9 provinces are implementing the four pillars of the strategy to reduce the harmful use of alcohol.
	Support provinces to implement the Health Mini Drug Master Plan	Number of Provinces implementing the Health Mini Drug Master Plan	4 Provinces implementing the Health Mini Drug Master Plan	All 9 provinces have developed provincial Mini Drug Master Plans as required by legislation and are at different stages of implementation.
	Implement a uniform National Oral Health Strategy (NOHS)	Number of provinces implementing the revised NOHS	Revised NOHS, and consulted with stakeholders	The NOHS strategy has been revised. Consultation with key stakeholders is still outstanding.
	Improve quality of secondary and specialised oral health care services at level 1 and 2 hospitals	Number of provinces implementing the Secondary and Specialised Oral Health Care Norms and Standards	National Secondary and Specialised Oral Health Care Norms and Standards approved by TC of NHC	National Secondary and Specialised Oral Health Care Norms and Standards available; approval by TC of NHC still outstanding
	Increase number of schools implementing School Oral Health Services programmes	Percentage of schools in the 18 priority districts implementing School Oral Health Services programmes	60%	21,3 % of schools in priority districts implemented the School Oral Health programmes; data received from 6 provinces

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
NON-COMMUNICABLE DISEASE CONTROL	Implement Forensic Pathology Service (FPS) Regulations and National Code of Guidelines	Number of provinces wherein Regulations are implemented	9	All 9 provinces started with the implementation of the regulations.
		Number of provinces wherein National Code of Guidelines are implemented	4	All 9 provinces started with the implementation of the guidelines.
	Develop and implement a national training course for forensic officers	Course developed, approved and implemented	Course curriculum developed and approved	Course curriculum still in the process of being developed
		Number of dedicated Clinical Forensic Medicine (CFM) centres implemented the policy	110	165 dedicated CFM centres in 9 provinces
	Accredit activities of forensic labs system	Pretoria and Cape Town Forensic Chemistry Laboratories (FCL) accredited	SANAS accreditation certification obtained by May 2009 for Pretoria Lab and September 2009 for Cape Town Lab	<p>The Cape Town FCL: Blood Alcohol Section received SANAS accreditation</p> <p>The Pretoria FCL did not receive SANAS accreditation. The Lab will have to reapply for accreditation in 2010 and is in the process of correcting non-conformances.</p>
	Improved turnaround times for blood alcohol	Turnaround times decreased for blood alcohol	<p>Turnaround times maintained</p> <p>Blood alcohol: 8 weeks from receipt of sample</p>	<p>Turnaround times not maintained at the required level due to staff shortages.</p> <p>The turnaround time for blood alcohol is between 8–18 weeks. In terms of toxicology, waiting lists go back more than 6 years, therefore new samples received have to go to the back of the queue unless they are prioritised for any reason.</p>

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
NON-COMMUNICABLE DISEASE CONTROL	Improved turnaround times for toxicology	Turnaround times decreased for toxicology	By December 2009: Toxicology: 6 months from receipt of samples; Food: 10 working days from receipt of sample	Turnaround times were not decreased due to staff shortages. The backlog toxicology sample is more than 6 years, therefore new samples received have to go to the back of the queue unless they are prioritised for any specific reason.
	Improve the operation of the food testing units of the laboratories	The food units at the two laboratories accredited by April 2010	Standardisation and validation of methods employed in the 2 food units	Methods in Cape Town validated and forwarded to Pretoria; Pretoria Food: Methods in Pretoria in the process of being validated

PROGRAMME 3: HEALTH PLANNING AND MONITORING

Purpose

The Health Planning and Monitoring Programme supports the delivery of health services, primarily in the provincial and local spheres of government.

Performance and service delivery achievements

The sections that follow reflect the key objectives, indicators, targets and achievements for each sub-programme of Health Information, Research and Evaluation.

1. Health Information, Epidemiology, Research and Evaluation

During the reporting period Department continued to implement efforts to strengthen the national health information system.

The assessment of the Health Information Systems of South Africa was finalised with the use of a locally modified Health Metrics Network Assessment of the World Health Organization (WHO). This work was facilitated by Statistics South Africa (STATSSA) in consultation with major stakeholders, including producers, users, financiers of health information, statisticians and other health information specialists at national, provincial, district and health facility levels. Among others, the assessment identified the lack of a comprehensive national health information strategy as one of the key shortcomings. The findings provide the baseline against which future progress in health information system strengthening will be evaluated.

An e-Health committee was appointed with representatives from the nine provinces, National Health Laboratory Services (NHLS), Medical Research Council (MRC) and South African Military Health Services (SAMHS). The committee has drafted an e-Health strategy which has two main pillars: (i) the development of an appropriate information, communication and technology platform for the public health sector and (ii) health management information systems.

The review of the National Indicator Data Set (NIDS) for the District Health Information System was finalised. The new NIDS will be implemented from 2010/11 onwards. This initiative will further improve the quality of the routine data of the health services. The Department, in collaboration with STATSSA, started to conduct data quality assessments with a focus on the 18 priority districts. Data quality assessments were done at 25 facilities in the Metsweding, Mopani, Thabo Mofutsanyana, Ilembe and Ehlanzeni Districts. The focus of this assessment was to improve the quality of priority programme indicators, including the millennium development goals (MDGs) proxy indicators and data elements collected through the DHIS.

The web-based surveillance system was enhanced with the support of funding from the US Centre for Disease Control and Prevention. This system was deployed for use during the 2010 FIFA World Cup to ensure effective and efficient disease surveillance and control.

The 2008 HIV and syphilis survey report was released and published. The Department also completed the data collection, analysis and validation of the 2009 survey.

The Department ensured the effective functioning of two legislative bodies appointed in terms of the National Health Act, namely, the National Health Research Committee (NHRC) and the National Health Research and Ethic Council (NHREC). The NHRC completed the reviews of the business plans of the National Research Foundation, the Medical Research Council (MRC) and the NHLS.

Due to funding constraints, there were delays in conducting the South African Demographic and Health Survey (SADHS) for 2008.

TABLE 1.14 Key objectives, indicators, targets and actual performance of the Health Information, Epidemiology, Research and Evaluation sub-programme.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HEALTH INFORMATION, EPIDEMIOLOGY, RESEARCH AND EVALUATION	Implement a national health information system sufficient to ensure that all parts of the system have the required information to effectively achieve their responsibilities.	ICD – 10 unit standards implemented by March 2011	ICD – 10 unit standards registered with SAQA	The unit standards for clinical coding were approved by the SAQA Executive Board for registration
		Phases 0, 1 and 2 of the Electronic Health Record for South Africa implemented	Phase 0 implementation	90% of Phase 0 completed
		% of health facilities submitting DHIS data electronically	40%	4 provinces are uploading the data regularly to the FTP server
		Availability of national data sets online	Develop and test the portal	The NDoH 4 file was published on the intranet of the national DoH. The file contains data for all national indicator data sets up to the end of December 2009.
		Percentage (%) of functional telemedicine sites	50%	30%
		Strategy for the development of the hub finalised by March 2010	Strategy finalised and phased implementation commences	A Disease Control Hub is being established, which is an initiative between the public and private sector. The draft business plan for the Hub was revised and finalised during June to September 2009. Memoranda and articles of association between parties were drafted by a legal team.
	Prepare and submit UNGASS Report 2008–2009	UNGASS Report submitted timeously	2008–2009 report: data collation, report writing and consultation	The final UNGASS report was submitted to the UNGASS website on 31 March 2010
	Conduct research into the implementation of the CCMT and NSP for HIV and AIDS	Percentage of research projects funded for the comprehensive HIV and AIDS plan completed within stipulated timeframes	100% of funded research projects (one-year projects) completed	The Department of Science and Technology transferred R2 million to the Medical Research Council in order to assist with funding of commissioned research for CCMT.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HEALTH INFORMATION, EPIDEMIOLOGY, RESEARCH AND EVALUATION	Commission a national Burden of Disease (BoD) study	National Burden of Disease survey completed	BoD study completed and report produced by March 2010	A draft final report was received from the service provider during February 2010.
	Conduct research into the implementation of the CCMT and NSP for HIV and AIDS	National Study on Health Inequalities	National Study on Health Inequalities commissioned	Nil
	Increase the quantity of indicators reported by provinces in their datasets	Number of provinces submitting data to monitor the implementation of the comprehensive HIV and AIDS Care, Management and Treatment Plan	9 provincial datasets for at least 60% of indicators available nationally	The monthly summary reports up to January 2010 were compiled monthly, using the database of the monthly data submitted by provinces.
	DHIS data quality assessment conducted by Stats SA and DoH	Report on the DHIS data quality assessment by Stats SA and DoH	Report on the list of indicators meeting the criteria of the SA Statistical Quality Assurance Framework in 18 districts produced by March 2010	By the end of March 2010 a total of 25 hospitals and clinics had been visited for data assessment and interviews in the priority districts of Metsweding(GP), Mopani (LP), Thabo Mofutsanyane (FS), Ehlanzeni (MP) and Ilembe (KZN)
	Conduct annual national survey of HIV and syphilis prevalence estimates	Annual national HIV prevalence estimates and trends report published HIV incidence measuring tool developed	2008 national HIV and syphilis prevalence estimates and trends report published by March 2010	The 2008 national HIV and syphilis prevalence estimates and trends report was launched and published on 5 October 2009.
		Annual HIV prevalence estimate	Estimates of 2008 HIV prevalence trends among 15-49 year olds produced	Estimates of 2008 HIV prevalence trends among 15-49 year olds were produced
	Develop an HIV and AIDS notification strategy	AIDS notification strategy published	HIV and AIDS notification strategy published by March 2010	The HIV notification strategy document has been compiled and presented to management
	Develop regulations for the National Cancer Registry	Regulations on the National Cancer Registry developed	Regulations on the Cancer Registry approved and gazetted by March 2010	Participated in the development of the Cancer Registry regulation formulation

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HEALTH INFORMATION, EPIDEMIOLOGY, RESEARCH AND EVALUATION	Provide epidemiological and surveillance support during disease outbreaks	Reports compiled at the end of each outbreak	Reports compiled for 100% of outbreaks	<ul style="list-style-type: none"> Established the web-based surveillance system for the 2010 World Cup Published 12 Statistical Comments Published Epidemiological Comments
	Revised South African Health Research Policy produced	Revised South African Health Research Policy produced	Revised South African Health Research Policy produced by March 2010	Draft Research Policy available
		Strategy for research done completed	Strategy for research done completed by March 2010	Nil
	Compile an Audit Report on research and expenditure in public-funded research organisations and institutions, and an Annual Report on monitoring and adherence to regulations relating to NHRC	Functional National Health Research Committee (NHRC)	Audit of research and expenditure in public-funded research organisations and institutions compiled by March 2010	Audit completed, report available
			100% of business plans of public-funded research organisations and institutions presented to NHRC by Dec 2010	Review reports of NRF, MRC and NHLS available
	Compile annual reports on Research Ethics Council and research committees	Ethics Council and research committees functional	Produce annual work plan for the Ethics Council and Research Committee; achieve 100% of annual work plan	Research Ethics Council annual work plan, budget and report available; achieved 100% of annual work plan
	Conduct the South African Demographic Health Survey (SADHS) 2008	Conduct SADHS by March 2009	Preliminary report by June 2010 Final report published by December 2010	The lack of funding for conducting the SADHS contributed to severe delays.

2. Office of Standards Compliance

During 2009/10 the Department produced a revised set of organisational standards which was approved by the National Health Council and used as the basis for piloting the facility assessment tools. The performance of 31 health facilities against the revised core standards was assessed during the pilot phase.

Quality improvement projects were developed by 1,112 health facilities, focusing on the six priority areas, namely: patient safety, cleanliness, infection control, staff attitudes, waiting times and drug supply. These are being monitored to ensure improvement in patient experiences of health care in the public sector. The Department also commenced with the development of a suitable institutional framework for quality management and the accreditation of health facilities

One of the key strategies for ensuring patient safety is to reduce adverse incidents. A need exists for the development of a national system to monitor and manage adverse events. During 2009/10, the Department developed the final draft guidelines which describe the adverse event management system, including the classification and management of adverse events, and preventive measures to avoid reoccurrence. Systems descriptions and guidelines on the management of such events will be finalised during the coming financial year.

The Department also commenced with the development of a suitable institutional framework for quality management and the accreditation of health facilities. Options were developed and consultations conducted with seven of the nine provinces.

TABLE 1.15 Key objectives, indicators, targets and actual performance of the Office of Standards Compliance sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
OFFICE OF STANDARDS COMPLIANCE	Co-ordinate the development and review of national norms, standards and guidelines for clinical and organisational quality	National Organisational standards, norms and clinical guidelines released	National organisational standards released	A revised set of organisational standards was approved by the National Health Council in February as a basis for the piloting of assessment tools.
	Measure and benchmark the performance of all health establishments and agencies against a set of national standards every three years	Number of hospitals receiving reports of performance assessment	54 (1,34%) of 4 029 public and private establishments	A total of 31 hospitals and PHC facilities were assessed during the pilot phase

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
OFFICE OF STANDARDS COMPLIANCE	Ensure the identification, reporting and analysis of, and response to, adverse incidents	Number of public hospitals reporting on adverse events	An agreed national system	A final draft guideline describing the system, i.e. the classification of adverse events, how to manage them, and how to prevent them from happening again was prepared and circulated for comments.
	Improve quality outcomes in key areas covering patient safety, infection control and aspects of patient rights.	Number of public facilities with QIPs covering safety, infection prevention, waiting times and cleanliness	100 (3%) of 3 818 public facilities	A total of 2 080 QIPs in 1 112 facilities were reported as undertaking quality improvement activities in at least one of the 6 priority areas.
	Establish and manage a national customer care programme	A national call centre	National Call Centre established and linked to provinces	The National Call Centre has strengthened its working relationship with the Presidential Hotline, which is managed by SITA. The National Call Centre has not yet been linked to provinces.
		Number of public facilities conducting standardised satisfaction surveys	Standardised surveys consulted and agreed	Provisional agreement was reached that the existing standardised patient satisfaction survey module on the DHIS should be used by all facilities.
		Functional Ombuds Office	Research conducted to facilitate establishment of Ombuds Office by March 2010	A literature review was undertaken as the first phase of the research.
	Enforce compliance of private and public establishments and agencies with national regulations	Promulgated regulations	Regulations consulted	Not achieved
	To develop and formalise a suitable institutional framework for quality management and accreditation	Legislative framework strengthened or amended	Options developed and tabled	Options were developed and 7 out of 9 provinces were visited to obtain their inputs

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
OFFICE OF STANDARDS COMPLIANCE	To develop and formalise a suitable institutional framework for quality management and accreditation	Staff and other resources in place and functional	Interim arrangements in place and functional	Seconded staff from provinces were used to conduct the pilot assessment

3. Health Financial Planning and Economics

During 2009/10 the Department worked closely with the Ministerial Advisory Committee (MAC) on National Health Insurance (NHI) for South Africa. A technical support unit for NHI was established in the Department. A draft NHI policy is under discussion, and will form the basis for public consultation on the NHI.

The Department developed the International Benchmarking Methodology for innovator medicines. It is envisaged that this will be published for comment by stakeholders during the first part of 2011/12.

The Department assisted provinces with the implementation of the identified five flagship public private partnership (PPP) projects for the building of hospitals. This included the drafting of agreements, the development of terms of reference, clarification of implementation processes, facilitation of the registration of the projects and liaison with stakeholders such as the Development Bank of South Africa and National Treasury.

A database of PPPs within the public health sector was completed.

TABLE 1.16 Key objectives, indicators, targets and actual performance of the Health Financial Planning and Economics sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HEALTH FINANCIAL PLANNING AND ECONOMICS	Design of the National Health Insurance (NHI) system for South Africa that promotes health system integration and ensures universal access for all South Africans	NHI policy document acceptable to all parties finalised	Publication of draft NHI legislation for public comments by March 2010	The draft policy document was presented to Cabinet Committee. Cabinet Committee requested revision of the document. The document has since been revised.

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HEALTH FINANCIAL PLANNING AND ECONOMICS		Development of draft NHI legislation for presentation to Cabinet and Parliament	Presentation of draft NHI legislation to Cabinet and Parliament	NHI Bill not yet drafted.
	Development of standardised procedural coding schema	Implementation of the schema in health care	Report on the investigation of the appropriate coding schema completed by March 2010	The Department of Health conducted two workshops with both the public and private health sectors to share information on ICD 10 PCS, the schema to undergo due diligence. All health professional groupings and hospitals will be embarking on the due diligence exercise. However, funding of this project remains the major problem.
	Implementation of International Benchmarking for innovative medicines	International Benchmarking methodology finalised	Finalisation of the International Benchmarking methodology by end of 2009	The recommended International Benchmarking methodology for innovative medicines has been sent to the Office of the Minister for consideration and approval to publish it in the Gazette for comment by stakeholders.
	Setting of the logistics fee(s) for the distributors of medicines	Gazetting of fees for distributors of medicines in the private sector	Announcement of the draft logistics fee by end of 2009	The recommendation to the Office of the Minister on the logistics fee cap for logistics service providers was finalised.
	Removal of user fees for specified patient groups in public facilities	User fees removed for specified patient groups in public facilities by March 2012; medical debts of H1 and H2 patients written off	Consultations on the removal of user fees policy by all stakeholders and Cabinet presentation of the policy proposal by March 2010	A policy document on the removal of user fees linked to an efficient billing system for medical schemes was submitted to the NHC for approval.

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HEALTH FINANCIAL PLANNING AND ECONOMICS	Develop a health sector PPP for provinces	Number PPP facilitated with the use of established guidelines	Draft guidelines circulated to provinces	Currently, no guidelines for the sector have been finalised. The PPP Directorate requested all assistance from provinces to implement the five flagship PPP projects.
	Review current and past sector PPP projects	Report on the success and challenges of the past and current PPP projects	Draft report	Collated information from five projects for the review
	Establish a database of PPP and PPI	A national database developed	Assess and develop inhouse capacity for the database	Database completed
	Management of procurement and distribution of medicines and medical-related items on tender	%of tenders and retenders finalised annually out of yearly tender allocation	100%	100%

4. Pharmaceutical Policy, Planning and Management

The Department recorded some progress with the review of the essential medicines lists, to ensure the availability of good quality medicines in health facilities. The review of essential drugs lists (EDL) at hospital level for adults was 40% towards completion, while the paediatric EDL was 30% complete. This was below the set target of 50% completion for both components. The review of tertiary and quaternary essential medicines was at 30% completeness against a target of 30%.

During the reporting period, 77% of the applications received were licensed in terms of the Pharmacy Act, 1974 against the 2009/10 target of 80%. The Department also licensed 94% of applications received from public and private sector prescribers authorised to dispense medicine in terms of Section 22C of the Medicines and Related Substances Act of 1965. This performance exceeded the 2009/10 target of licensing 90% of applications received.

During 2009/10 the Department experienced a number of challenges with regard to continuous drug supply. The average drug stock-out of the 45 antiretroviral medicines on tender measured in nine provinces stood at 11,54%. The average drug stock-out for the 35 TB medicines on tender measured in nine provinces stood at 15,66%. These drug stock-outs resulted from multiple factors, both internal and external to the health sector. These included financial constraints resulting in delays in the payment of suppliers, drug supply management problems, suppliers' incapacity to deliver according to demand, and suppliers' inability to adhere to lead times.

The Department had a severe shortage of pharmacists which limited its capacity to inspect licensed dispensers during the reporting period.

TABLE 1.17 Key objectives, indicators, targets and actual performance of the Pharmaceutical Policy, Planning and Management sub-programme

SUB-PRO-GRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
PHARMACEUTICAL POLICY, PLANNING AND MANAGEMENT	Management of procurement and distribution of medicines and medical-related items on tender	Reported % stock-outs of total number of antiretroviral medicines on tender (45) measured in 9 provinces (405)	0%	11,54%
		Reported % stock-outs of total number of TB medicines on tender (35) measured in 9 provinces (315)	0%	15,66%
	Strengthen drug supply management information system to improve forecasting and monitor usage	Number of sites where implemented	3 sites: NDoH Gauteng Free State	1 site: 90% implementation at the National Department of Health
	Review of Standard Treatment Guidelines and Essential Medicines List – Hospital Level for Adults	% of book reviewed	50%, i.e. at least 12 chapters, to wider stakeholders for comment	40%
	Review of Standard Treatment Guidelines and Essential Medicines List – Hospital Level for Paediatrics	% of book reviewed	50%, i.e. at least 12 chapters, to wider stakeholders for comment	30%
	Review and compile tertiary and quaternary Essential Medicines List	% of drugs reviewed out of a total number of motivations received	60%	50%

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
PHARMACEUTICAL POLICY, PLANNING AND MANAGEMENT	Licensing of premises for pharmacies in terms of the Pharmacy Act, 1974	Number of pharmacy premises licensed out of total number of applications compliant to legislation received in a quarter	80% out of the number of applications received	77%
	Monitoring of the opening vs. closure of community pharmacies	Annual report submitted to DG	Report submitted by March 2010	Report submitted in April 2010
	Licensing of public and private sector authorised prescribers to dispense medicines in terms of Section 22C of the Medicines and Related Substances Act, 1965	Percentage of authorised prescribers licensed out of total number of applications compliant to legislation received in a quarter	90% out of the number of applications received	94%
	Inspection of the premises of licenced authorised prescribers to determine compliance to legislation	Percentage of premises of licenced dispensers inspected	5% (320 premises inspected)	0%
	Institutionalisation of African traditional medicine into the national health care system	Collated comments on draft policy on African traditional medicine	Publication of policy on African traditional medicine	Final draft policy submitted to the Technical Committee of the National Health Council

PROGRAMME 4: HUMAN RESOURCES AND MANAGEMENT DEVELOPMENT

Purpose

The Human Resources and Management Development programme supports the planning, production and development of human resources for health at both national and provincial levels.

Performance and service delivery achievement

The section that follows reflects the key objectives, indicators, targets and achievements for each sub-programme of the Human Resources and Management Development Programme.

1. Human Resource Policy, Research and Planning

Human resources for health are the pivot around which the success of health sector interventions to improve the health of all South Africans hangs. The the availability of appropriately trained, adequately qualified and well motivated health workers of diverse categories, providing the required skills mix in all health facilities, is imperative.

During the reporting period, the Department reviewed, analysed and provided feedback on the HRH plans of eight provinces. A service provider was identified to train all Provinces in human resource planning.

To enhance the planning and monitoring of the HRH, the Department commenced with the revision of the HRH planning framework. The terms of reference for the HRH indicator framework have been developed. The process for the procurement of a service provider to develop the framework has commenced.

Efforts to improve hospital management have also been sustained. A total of 156 hospital managers were enrolled for a hospital management training programme, which exceeded the set target of 150.

In keeping with the 2009/10 target, the Department completed a comprehensive audit on all nursing colleges in the country. The audit results pointed to the need to enhance the infrastructure of these institutions; to review the over-emphasis on the four year nursing programme in terms of its impact on the supply of qualified nurses for the public health sector; to improve to recruitment of nursing educators, to improve the production of nurses.

To facilitate the implementation of the nursing strategy, the Department developed implementation plans based on the six nursing strategy focal areas and on the recommendations of provincial DoHs.

TABLE 1.18 Key objectives, indicators, targets and actual performance of the Human Resource Policy, Research and Planning sub-programme

SUB-PRO-GRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HUMAN RE-SOURCE POLICY, RESEARCH AND PLANNING	Support provincial DoHs to produce human resources for health (HRH) plans	Number of provincial HRH plans produced	4 outstanding provincial HR plans developed; 5 submitted plans analysed, refined and updated	The HRH plans of 8 provinces were reviewed and analysed. Feedback was provided through the National Human Resource Committee meetings.
	Develop indicators for HRH monitoring	HRH indicators available	HRH indicators developed for monitoring and tracking HRH by March 2010 Policy briefs on findings of analysis (and cost of production) of the health workforce developed	The terms of reference for the HRH indicator framework have been developed. The process to procure a service provider to develop the framework has commenced.
	Implementation, management and advocacy of the National Human Resources for Health (HRH) Plan	HRH indicators available	Revised HRH Plan drafted by March 2010	The development of a revised planning framework has commenced.
	Planning to develop and pilot a training programme for health workforce	Tailored health workforce training programme developed to support personnel designated to undertake HRH planning	Planning for training programme for health workforce developed and piloted with selected national and provincial managers responsible for HRH planning by March 2011	The procurement of a service provider is in its final stages.
	Facilitate research and analysis in order to support long-range planning and facilitate the development of projections of HR needs to strengthen HRH supply	Report on trends in production of health professionals compiled	Production capacity for health professional categories assessed by March 2010 Targets for production (and training) of health professionals in various categories developed	The assessment of the production capacity for nurses was completed and 5-year targets were developed. This is linked to the audit of nursing produced by training institutions.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HUMAN RESOURCE POLICY, RESEARCH AND PLANNING	Facilitate research and analysis in order to support long-range planning and facilitate development of projections of HR needs to strengthen HRH supply	Research report on the impact of OSD available by March 2011	Specifications developed for research on effectiveness of the OSD by March 2010 Review of the Health Professions Training and Development Grant finalised with the Department of Education and National Treasury	Specifications for research on the effectiveness of OSD were produced. Several proposals on the review of the HPTD grant were put forward, in collaboration with the Department of Education and National Treasury.
	Develop a strategic framework for proactive engagement of bilateral and multilateral partners on health workforce	Strategic framework for proactive engagement of bi-lateral and multilateral partners on health workforce issues available	Strategic framework for proactive engagement of bilateral and multilateral partners on health workforce issues developed by March 2010	A concept note for proposals for mobilising diaspora and other foreign health care professionals for capacity building of the South African health sector was developed. This process is being led by International Health Liaison.
	Develop and elaborate a human resource information system (HRIS) for the health workforce	Number of districts in which the HRIS has been implemented	HRIS pilot completed and training on software finalised by March 2010	The project was suspended due to lack of funding.
	Appointment of a new HPCSA for 2009–2014	HPSCA inaugurated	New HPCSA inaugurated by March 2010	The Department is awaiting the gazetting of the names of appointed members of professional boards.
	Fast track the process on the amendment of the Allied Health Professions Act	Allied Health Professions Act amendment completed	Preparations for the amendment of the Allied Health Professions Act finalised by March 2010	The Allied Health Professions Amendment Bill has been drafted.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HUMAN RESOURCE POLICY, RESEARCH AND PLANNING	Publish implementation guidelines for the nursing strategy in South Africa.	Implementation plan for the nursing strategy produced	Implementation plan produced for nursing strategy by March 2010	An implementation plan based on the 6 nursing strategy focal areas has been produced after intensive provincial visits.
	Publish implementation guidelines for the nursing strategy in South Africa.	Audit of nursing colleges completed	Nursing colleges audit finalised with costing for recapitalisation by March 2010	A draft report on the audit of nursing training institutions was produced. The process was delayed due to financial constraints during the first half of the year.
	Improved management of hospitals	% of hospital managers enrolled for a hospital management training programme	150 out of 400	156 out of 400

2. Human Resource Development and Management

The clinical associate programme, which was launched in 2008 to improve access to medical care in health facilities, expanded massively during 2009/10. A total of 183 new recruits entered the programme. This exceeded the 2009/10 target of 75 new clinical associates.

To improve the production and supply of emergency medical personnel in the public sector, four Emergency Care Technician (ECT) colleges were accredited by the Health Professionals Council of South Africa during the reporting period, and commenced with the provision of ECT training. This performance was lower than the planned eight ECT colleges for accreditation and the commencement of ECT training. This impacted negatively on the number of learners who entered the training programme. A total of 180 employees and 387 school leavers entered the emergency care training programme during 2009/10. The target for 2009/10 was 300 employees and 250 school leavers.

Innovative ways to strengthen the health system were implemented. A total of 609 interns were trained as data capturers in the 21-day skills programme, which was co-funded by the Department and an external funder. The target for 2009/10 target was 1 200. The external funder withdrew from the project during the period under review, which resulted in lower numbers of interns being trained subsequently employed. Provincial departments employed only 50% of the 609 interns who completed the programme, against the 2009/10 target of 90%.

The monitoring and evaluation of health sector personnel employment data in relation to the occupation specific dispensation and other conditions of service could not be conducted due to lack of resources.

TABLE 1.19 Key objectives, indicators, targets and actual performance of the Human Resource Management and Development sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10– 2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	Review all existing government-to-government agreements that provide for the recruitment of medical doctors to the rural areas of South Africa	Request submitted to NHC to issue policy directive about international recruitment of health professionals through existing government- to-government agreements	Jun 2009	No progress
	Develop a new policy regarding the employment of foreign health professionals residing in SA	Policy approved	Apr 2009	Policy proposal submitted for consideration to the technical committee of NHC
	Develop proposals for the implementation of new occupational-specific remuneration and career dispensation for health professionals	OSD proposals submitted	Jun 2009	All outstanding OSD proposals were submitted to the PHSDSBC in August 2009.
	Manage the process of audits of provinces regarding the implementation of the occupational specific dispensation for nurses	Number of reports submitted	3 reports: April 2009 July 2009 October 2009	The Audit Report was submitted.
	Review the community service programmes and priorities within the current service delivery, staffing and financial situations	Policy approved	Jun 2009	Most provinces do not have adequate funds to cater for additional compulsory employment of community service employees, therefore the review was put on hold.
	Enhance the current inter-provincial collaboration to achieve strategic HR outcomes through the NHRC and other forums, provincial visits and the co-ordination of policies	Coherent process defined and documented	Mar 2010	Provincial meetings were arranged as required by the DDG: HR and MD.

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT	Monitor and evaluate sector personnel (employment) data in relation to OSD and other conditions of service	Number of reports submitted to NHC	5 reports: April 2009 July 2009 October 2009 January 2010 March 2010	Nil Due to lack of resources, the project was shelved.
	Develop the multifunctional role of regional training centres (RTCs)	RTCs offering in-service programmes in addition to HIV and AIDS/ART	5 provinces: Free State Western Cape Eastern Cape North West Gauteng	RTCs in 4 provinces are offering in- service programmes in addition to HIV and AIDS, namely: Free State, Eastern Cape, Limpopo and Mpumalanga. In North West province, the planning has been completed and, in Gauteng, a building has been secured.
	Increase the number of data capturers to strengthen the health information system	Number of interns trained in the 21-day skills programme	1 200	609
		Number of interns employed by provincial departments	90%	50%
	Community caregiver (CCG) policy finalised	CCG policy finalised	Policy finalised by March 2010	The National Cabinet has requested an investigation into the integration of community-based workers. The CCG policy is currently on hold pending the outcomes of the investigation.
	Strengthening of hospital management teams	Number of hospital teams assessed and trained	Consolidate 64	39, which was 100% of facilities requiring consolidation (only 39 of the targeted 64 required consolidation)
	Strengthen human resource capacity in district hospitals	Number of clinical associates entering the degree, programme1	75 new associates (focusing on 18 priority districts)	183
	Strengthen human resource capacity for the delivery of emergency care services	Number of colleges offering ECT	8	4
		Number of employees entering the programme (including RPL)	300	180
		Number of school leavers entering the programme	250	387

3. Sector Labour Relations and Planning

Three collective agreements were tabled in the Public Health and Social Development Sectoral Bargaining Council (PHSDSBC). This was consistent with the 2009/10 target. A total of three disputes lodged with the PHSDSBC were managed and finalised.

In keeping with the 2009/10 target, the collective agreements for: (i) a full-time shop steward; (ii) the Constitution of the PHSDSBC; (iii) a uniform allowance; and (iv) a scarce skills allowance were reviewed.

The Department produced regular reports on the dispute around the occupation specific dispensation (OSD) for nurses. These covered the implementation process, the challenges, the conclusion of the dispute, and the implementation of the arbitration award by provinces. Regular reports with regard to the implementation of the OSD for doctors, dentists, pharmacists and EMS were also produced.

TABLE 1.20 Key objectives, indicators, targets and actual performance of the Sector Labour Relations and Planning sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
SECTOR LABOUR RELATIONS AND PLANNING	Strengthening Human Resources for Health (HRH)	Percentage of all mutual interest disputes lodged at the PHSDSBC managed and finalised	75% mutual interest disputes managed and finalised by March 2010	100% of the mutual interest disputes were finalised. The dispute on the OSD for nurses declared in 2008/09 was finalised in 2009/10; the dispute on the OSD for doctors, dentists, pharmacists and EMS was declared and finalised in 2009/10; the dispute on the wage agreement of 2007 declared in 2009/10 was finalised in 2010/11.
		National strike contingency planning guidelines annually reviewed, finalised and distributed to provinces	National strike contingency planning guidelines reviewed, finalised and distributed to provinces by June 2010	Strike guidelines were prepared for MOH approval prior to distribution to the provinces.
		Number of collective agreements tabled for negotiation	Two collective agreements tabled for negotiation	Three collective agreements were tabled and two were signed: the PHSDSBC Resolution 2 of 2009: Amendment to OSD for social services and related professions, and the PHSDSBC Resolution 3 of 2009: OSD for doctors, dentists, pharmacists and EMS). One was not signed: the OSD for medical therapeutic diagnostic services.

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
SECTOR LABOUR RELATIONS AND PLANNING	Strengthening Human Resources for Health (HRH)	Quarterly reports produced on the implementation of collective agreements concluded at PHSDSBC and PSCBC	Quarterly reports produced on the implementation of collective agreements concluded at PHSDSBC and PSCBC	Quarterly reports were compiled for MOH pertaining to the dispute on the OSD for nurses, the implementation process, the challenges, the conclusion of the dispute, and the implementation of the arbitration award by provinces. Regular reports were provided to the MOH about the implementation of the OSD for doctors, dentists, pharmacists and EMS.
		Number of PHSDSBC collective agreements reviewed and their efficacy assessed for amendment	Four PHSDSBC collective agreements reviewed and their efficacy assessed for amendment	The following collective agreements are under review: (i) Full-time shop steward; (ii) Constitution of the PHSDSBC; (iii) Uniform allowance; (iv) Scarce skills allowance
	Undertake labour relations research to generate information	Number of proposals developed for the formulation of policy on collective bargaining matters	Two proposals developed for the formulation of policy on collective bargaining matters	One proposal : Repeal of scarce skill allowance
	Strengthening Human Resources for Health	Number of up-to-date reports on stakeholders compiled	Quarterly reports on profile and programme-of-action of stakeholders compiled, reviewed and updated	Quarterly reports were not compiled, but 2 national labour relations forum meetings with stakeholders were convened.

PROGRAMME 5: HEALTH SERVICES – SPECIAL PROGRAMMES AND HEALTH ENTITIES MANAGEMENT**Purpose**

The Health Services – Special Programmes and Health Entities Management – support the delivery of Health services in Provinces, including primary health care and occupational health services.

Performance and service delivery achievements

The sections that follow reflect the key objectives, indicators, targets and achievements for each of the sub-programmes of the Health Services – Special Programmes and Health Entities Management.

1. Legal Services and Litigation

During the period under review, no pieces of legislation were processed through Parliament. The Medical Schemes Amendment Bill was discontinued by Parliament. The National Health Insurance (NHI) Act will only be drafted once NHI policy has been completed. As part of the legal framework for the Department, 34 sets of regulations were published during 2009/10.

TABLE 1.21 Key objectives, indicators, targets and actual performance of the Legal Services and Litigation sub-programme of the Health Services

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
LEGAL SERVICES AND LITIGATION	Prepare and implement legislation	National Health Insurance Act passed by Parliament		Bill not yet drafted.
		National Health Amendment Act passed by Parliament		Bill not yet drafted.
		Medical Schemes Amendment Act passed by Parliament	Mar 2010	The Medical Schemes Amendment Bill was discontinued by Parliament.
		Committee of Legal Advisers in place and meeting quarterly	Mar 2010	Committee in place
		Legal framework available	Aug 2009	34 sets of regulations were published

2. Communication

During the reporting period, the Department continued to strengthen its communication with internal and external stakeholders and to raise the profile of health issues.

The Department produced a draft Communication Strategy to guide its interactions with stakeholders and to keep the public informed of health issues.

To keep the public informed on the H1N1 pandemic, several articles and press releases were published. The

Department also conducted media conferences on H1N1 during the pandemic. There were several media briefings on different topics. These focused on: the launch of immunisation campaigns such as measles; targeted media briefings on HIV and AIDS; and briefings on the signing of agreements with foreign countries, and adverse incidents reported in our hospitals. During the same period, a number of press statements were issued. These were part of making policy announcements and part of communication to clearly state the policy position of the Department and Minister on these various issues.

Due to capacity constraints, the finalization and approval of the communication strategy was delayed.

TABLE 1.22 Key objectives, indicators, targets and actual performance of the Communication sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
COMMUNICATION	Develop communication strategy for NDOH	Communication strategy approved and finalised	Complete strategic plan available by April 2009	Draft strategy available
		Number of media briefings, press releases and opinion articles	4 standing media briefings by Minister/ Deputy Minister	14 media briefings and 104 media releases
	Support for broader government communication activities	Number of Izimbizo events and ensuring follow-up on issues raised	At least 3 ministerial Izimbizos	2 ministerial Izimbizos

3. District and Development

During the reporting period, the Department strengthened the district health system (DHS), which is the vehicle for the delivery of primary health care services.

The Department's interventions focused on the implementation of an appropriately decentralised and more accountable operational management model for the district health systems. Out of 52 districts, 31 had District Management Teams (DMT) with delegations. District Health Plans for 20 districts (out of 52) were received from provinces by the end of the financial year. The Department also reviewed the District Health Planning guidelines to align them with the Provincial Planning guidelines, the medium-term strategic framework and the Health Sector's 2009–2014 priorities.

The governance of the health sector was strengthened, with 43 districts having established District Health Councils and 47 districts having functional PHC facility committees.

During the reporting period, 70% of PHC facilities received a supervisory visit once a month, which was lower than the 2009/10 target of 100%. Some of the challenges reported by provinces were the lack of supervisors' posts as well as the lack of logistical support such as transport for appointed supervisors.

Access to primary health care, as measured by headcount, increased from 117 341 256 in 2008/09 to 121 767 724 in 2009/10. The PHC utilisation rate marginally increased from 2,4 visits per person per annum in 2008/09 to 2,5 visits per person per annum in 2009/10. The national target for 2009/10 was 2,7 visits per capita.

In terms of environmental health issues, seven of the nine provinces appointed health care waste management service providers.

Seven provinces established port health services. By the end of the reporting period, two provinces – namely Northern Cape and North West – had initiated and fully established port health services. Insufficient infrastructure at the ports of entry and the lack of human resources were some of the major challenges experienced by provinces.

The Department drafted and gazetted the Environmental Management Plan (EMP) for health in response to the requirement of the National Environmental Management Act (NEMA). This process took longer than anticipated, and as a result, only one province implemented the EMP as required by the NEMA.

TABLE 1.23 Key objectives, indicators, targets and actual performance of the District and Development sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10-2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
DISTRICT AND DEVELOPMENT	Implement an appropriately decentralised and more accountable operational management model	Number of district health plans (DHPs) received from provinces by end November	52 DHPs by March 2010	20 DHPs
		District management teams with delegations	52 DMTs by March 2010	31 DMTs
		Number of district health councils established and functional	52 districts	43 districts
		Number of provinces with demarcated sub-districts	5 provinces	6 provinces
		Number of districts with PHC facilities where committees are functional	52 districts	46 districts
		% of PHC facilities visited by a supervisor once a month	100%	70%
		Number of provinces where PPHC services have been provincialised	5 provinces	3 provinces
		PHC utilisation rate	3,5 visits	2,5 visits
		PHC per capita expenditure per district	R350	R305

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10-2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
DISTRICT AND DEVELOPMENT	Promote quality, including measuring and benchmarking actual performance against quality standards	Available strategy	Strategy developed and implemented	Implementation plan developed in consultation with provinces and NDoH clusters Champion for the identified districts appointed
	Support and monitor implementation of the contract for health care waste	Number of provinces where service provider complies with contractual agreements	9 provinces	7 provinces
	Implementation of NEMA	Number of provinces implementing NEMA	9 provinces	1 province
	Support and Strengthen port health services	Number of provinces with established port health services	5 provinces	7 provinces have established port health services: 2 out of the 7 have initiated fully established port health services; 3 are establishing services while the other 2 are struggling. The remaining 2 provinces have virtually no port health services in place.
	Support provinces in the implementation of healthy lifestyle programmes	Number of districts implementing HLS strategy (5 pillars)	HLS strategy finalised	The HLS strategy was finalised. All provinces are implementing the 5 pillars of the HLS, with a focus on 18 priority health districts.
	Support the implementation of Healthy Environment for Children Initiative (HECI) programmes in all provinces	Number of provinces implementing HECI programmes	9 provinces	9 provinces

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10- 2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
DISTRICT AND DEVELOPMENT	Support implementation of tobacco control programme	Number of Provinces implementing tobacco control programme	9 provinces	9 provinces
	Develop an implementation strategy and collaboration/ partnerships to leverage funding and increase health sector efficiencies	Number of districts implementing CBHS framework	45 districts	52 districts
		Total number of districts where NGOs are providing CHBC services	45 districts	52 districts
	Bring in additional capacity and expertise to strengthen a results-based health system, particularly at the district level	% of registered caregivers with accredited training according to Health and Welfare Seta	80%	98%

4. Infrastructure Planning and Health Facilities Management

(a) Improving Hospital Infrastructure

Planning processes for the revitalisation of 17 hospitals were started. Construction of seven of these hospitals will commence in 2010/11. Construction work started at three revitalisation hospitals during 2009/10, namely Thabazimbi, Khayelitsha and Mitchell's Plain.

(b) Strengthening Hospital Management

Hospital improvement plans were implemented in 80 hospitals, which exceeded the set target of 57 hospitals. The Department worked with provincial DoHs to provide technical support to these hospitals and to enhance the implementation of these plans and the resultant improvement of the quality of services. Seventeen percent of public hospitals established cost centres, which was below the 2009/10 target of 50%. The lack of financial resources at a provincial level impacted negatively on the performance for this indicator.

The finalisation of the generic framework for the delegation of authority to hospital CEOs was delayed. During the period under review, only 3% of the targeted 50% of hospital CEOs had formal delegations of authority from provincial DoHs.

The Department completed the training manual for the training of hospital boards. This took longer than anticipated and no hospital boards were trained during the reporting period

(c) Improving Emergency Medical Services (EMS)

Dedicated obstetric ambulance services were rendered by four of the nine provinces namely, Gauteng, Free State, KwaZulu-Natal and the Western Cape. This initiative will contribute to the effective management of complicated obstetric cases and to a decrease in maternal mortality. Three provinces, namely Limpopo, Mpumalanga and North West, initiated the process of mobilising resources for the implementation of obstetric ambulance services.

Draft regulations for mass gatherings were released. The generic hospital disaster management plans were distributed to all hospitals designated to manage disasters during the 2010 FIFA World Cup.

TABLE 1.24

Key objectives, indicators, targets and actual performance of the Infrastructure Planning and Health Facilities Management sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
INFRASTRUCTURE PLANNING AND HEALTH FACILITIES MANAGEMENT	To accelerate implementation of the Hospital Revitalisation Programme (HRP), depending on budget availability	Number of hospitals accepted in the programme per financial year	2 additional hospitals to be in planning per province	17 hospitals began the planning process and 7 hospitals are expected to start construction in 2010. Gauteng was the only province that did not have a new hospital in planning
			1 additional hospital per province to be in construction	Only 3 hospitals started construction, namely Thabazimbi, Khayelitsha and Mitchell's Plain. The construction of the Cecilia Makiwane Hospitals (Eastern Cape), Trompsburg (Free State), Hlabisa (KZN) and De Aar (Northern Cape) was delayed.
	Regulations pertaining to mass crowd gatherings	Publication of mass crowd gathering regulations (nationally)	Approval of regulations by NHC and publication in Government Gazette	Regulations have been drafted.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
INFRASTRUCTURE PLANNING AND HEALTH FACILITIES MANAGEMENT	Implementation of an EMS obstetrics ambulance service	Number of provincial EMS rendering obstetric ambulance services	3 provinces	4 provinces: Gauteng, Free State, Kwa-Zulu-Natal and Western Cape
	Development and implementation of an integrated disaster plan for the public health care sector	Based upon the envisaged integrated disaster plan for the public health care sector: development, implementation and roll-out	Phase 1 –national and provincial health departments; Phase 2 – 45 pre-identified hospitals for 2010	The workshop to develop a draft disaster plan was successfully conducted during February 2010. The generic hospital disaster plans were distributed to all 2010 designated hospitals for comments and implementation.
	Publish HT regulations in terms of National Health Act	HT regulations published in Gazette	Approval of draft regulations by NHC	Drafting of norms and standards commenced
	Publish HT norms and standards	Published HT norms and standards	Draft HT norms and standards approved by NHC	Not achieved
	Support the implementation of Hospital Improvement Plan	Number of hospitals implementing the Hospital Improvement Plan	57 of the hospitals implementing the Hospital Improvement Plan; 57 hospitals cumulative	80 hospitals
	Improve the capacity of hospital board members	Number of hospital boards trained	150 of hospital boards trained	0 hospital boards trained
	Develop framework for the delegation of authority to the hospital CEOs	Percentage of CEOs who have signed delegations of authority	50% out of 381 hospitals)	3%
	Monitoring and evaluating implementation of cost centres	Percentage of hospitals with cost centres	50% of public hospitals (out of 381 hospitals)	17%
	Determine infrastructure area and cost norms for health establishments (based on NHC-approved definitions of levels of care)	NHC-approved area and cost norms policy document published	Draft area norms policy document submitted to NHC for approval	Draft area standards framework for district hospitals has been developed
		NHC-approved infrastructure standards policy document	Draft infrastructure standards policy document forwarded for NHC approval	Not achieved

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
INFRASTRUCTURE PLANNING AND HEALTH FACILITIES MANAGEMENT	Promote improved infrastructure maintenance standards for health establishments based on approved national policies	NHC-approved Planned Preventative Maintenance Policy and Procedures Guideline document	Prepare a draft Planned Preventative Maintenance Policy and Procedures Guideline document for discussion in the sector	Not achieved
	Promote accelerated delivery of health facility infrastructure based on approved national policies	Ongoing sector support for National Treasury's Infrastructure Deliver Improvement Programme (IDIP)	Promote the adoption of the IDIP frameworks, toolkits and methodology by 9 provinces	Promoting IDIP at sector level through presentations to management Supporting the continuation of IDIP implementation in provinces through steering committee meetings and scheduled workshops with provincial health representatives

5. Medical Bureau of Occupational Diseases

Comprehensive occupational health units (OHU) were established in a total of 27 hospitals: 3 in KwaZulu-Natal and 24 in the Free State. Two primary health care facilities in the Free State also established OHUs. The target for 2009/10 was to establish comprehensive OHUs in three district hospitals.

During the reporting period, the Department prepared a proposal for benefit medical examinations (BME) for examine workers for approval by the National Health Council.

Constraints experienced during the reporting period included the lack of provincial funding allocation for the establishment of two sub-bureaus for the MBOD. The decision on the delegation of post-mortems is still pending.

The Department planned to train 20 occupational health practitioners through the provision of bursaries. However, it was not possible to conduct this training due to financial constraints.

TABLE 1.25. Key objectives, indicators, targets and actual performance for the Medical Bureau of Occupational Diseases sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (09/10)
MEDICAL BUREAU OF OCCUPATIONAL DISEASES	Establishment of sub-bureaus for MBOD office in each province	Number of sub-bureaus established per year	2	0
	Budget allocation for the establishment of sub-bureaus in provinces	Number of provinces that receive the budget for the establishment of sub-bureaus	2	0
	Improve access to benefit medical examinations (BME) for ex-mineworkers across the country	NHC Technical Committee decision adopting the implementation of BME for ex-mine workers in all provinces	NHC Technical Committee decision obtained by March 2010	Submission prepared for approval by NHC
	Expand comprehensive occupational health units (OHU) in district hospitals and PHC facilities	Number of district hospitals with comprehensive OHU in each province	3	3 in KZN, 34 hospitals and 2 PHC facilities in Free State
	Provision of bursaries by National Health for training of occupational health nurses and doctors	Number of trained occupational health practitioners sponsored by the National Department of Health	20	0

PROGRAMME 6: INTERNATIONAL RELATIONS, HEALTH TRADE AND HEALTH PRODUCT REGULATION**Purpose**

The programme co-ordinates bilateral and multilateral international health relations, including donor support, and provides oversight over health trade and the development of health products.

Performance and service delivery achievements

The sections that follow reflect the key objectives, indicators, targets and achievements for each sub-programme of the International Relations, Health Trade and Health Product Regulation Programme.

1. Africa and South-South Relations

During the reporting period, the Department strengthened its international relations and co-operation on health matters. Agreements on health matters between South Africa and various countries in the Southern African Development Community (SADC) region, the continent and countries in the Southern hemisphere were developed and signed. These included agreements with Zambia, Lesotho, Malawi and Cuba.

To enhance the availability of medical personnel in South Africa, the Department continued to co-ordinate the training programme for doctors as part of the agreement with Cuba. 75 students were recruited for medical training in Cuba for the 2009/10 academic year. A total of 252 South African students have qualified in Cuba since 2004, and returned to work in South African hospitals. A total of 320 students are currently at various levels of medical training in Cuba.

A ministerial delegation visited the People's Republic of China in August 2009 to participate in an International scientific symposium on Influenza Pandemic Response and Preparedness and a rural health management course.

Technical experts from the Department participated in SADC meetings on HIV and AIDS, TB and malaria. These meetings resulted in the approval of harmonised regional minimum standards for HIV testing and counselling, minimum standards for the prevention of mother-to-child transmission, and minimum standards for the prevention and control of HIV and AIDS, TB and malaria. The meetings facilitated the approval of a SADC strategic framework on HIV and AIDS and a harmonised surveillance framework for HIV and AIDS, TB and malaria in the SADC region.

Post-conflict support was provided to two countries, the Democratic Republic of Congo (DRC) and Burundi. A twinning agreement between the Charlotte Maxeke Johannesburg Academic Hospital and the Clinique Ngaliema Hospital in the DRC was signed in South Africa on 10 December 2009. This will enable the continued referral of patients from the DRC to South Africa to access tertiary services. Patients from Burundi also continue to be referred to South Africa to access tertiary services.

Health care services in South Africa were also accessed by patients from Lesotho, Swaziland and Zimbabwe, in the Free State, Mpumalanga and Limpopo Provinces respectively.

TABLE 1.26. Key objectives, indicators, targets and actual performance of the Africa and South–South Relations sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (09/10)
AFRICA AND SOUTH–SOUTH RELATIONS	Strengthen international relations	Number of agreements and implementation plans developed	4	<ul style="list-style-type: none"> A MoU on financing the Cuba Medical Brigade was signed with Rwanda on 18 November 2009 for the recruitment of 35 Cuban Medical Brigade to work in Rwanda A MoU on health matters was signed with Zambia on 9 December 2009. A programme of co-operation (POC) has been signed with Lesotho to implement the Agreement. A Twinning Arrangement between the Steve Biko Academic and Kamazu Central Hospitals was signed with Malawi (5–7 October 2009) Implementation plan for IBSA health sector was tabled for discussion in an IBSA strategic planning workshop chaired by DIRCO
		Number of multilateral activities, meetings & other forums co-ordinated	3	<ul style="list-style-type: none"> South Africa recruited 75 students for medical training in Cuba for the 2009/10 academic year. The Directorate, together with the HRD, organised and co-ordinated the graduation ceremony of RSA/Cuba-trained medical doctors, which took place at Limpopo University (MED-UNSA) on 03 July 09. Facilitated the First Joint Academic Meeting of South African and Cuban Deans of Medical Faculties which took place in Cuba from 21–28 March 2010 Facilitated NDoH's participation in the RSA/CUBA JBC in December 2009 in Cuba. Draft Agreement was submitted to the Department of Justice and Constitutional Development for legal advice and review Hosted the study tour of a Vietnamese delegation from 22–27 March 2010. Co-ordinated the Deputy Minister's visit to the People's Republic of China in April for the H1N1 symposium and the Department's participation in the rural health management course Pre-recruitment screening of pharmacists from India was done in May 2009 Hosted a Chinese delegation from Ministry of Health of China on a study tour of RSA health systems and visits to health facilities.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (09/10)
AFRICA AND SOUTH-SOUTH RELATIONS	Strengthen international relations	Number of reports and activities co-ordinated on the implementation of outcomes of major international conferences	3	<ul style="list-style-type: none"> Reports were developed and sent to the Minister for the SADC Health Ministers' meeting and the launch of the SADC Healthy Lifestyle Day. Reports were developed for the outcomes of the fourth session of the African Union Conference of Ministers of Health, May 2009
		Number of priority health programmes/projects supported for the consolidation of regional and continental health agenda	3	<ul style="list-style-type: none"> Technical experts from the NDoH participated in following 3 SADC meetings: HIV and AIDS, malaria and TB. These meetings resulted in the approval of harmonised regional minimum standards for HIV testing and counselling; minimum standards for the prevention of mother-to-child transmission; and minimum standards for the prevention and control of HIV and AIDS, TB and malaria for the military services during Nov 2009. In addition, these meetings resulted in the approval of the SADC Strategic Framework on HIV and AIDS and its business plan and harmonised surveillance framework for HIV and AIDS, TB and malaria in the SADC region during Nov 2009. In the area of malaria, experts from the Department participated in the meeting where the Southern African Regional Network (SARN) Work Plan 2010–11 was approved by the RBM Board with an estimated amount of US\$700 000 for 2010 and US\$ 600 000 for 2011.
		Develop agreements and implementation plans with the DRC, Sudan, Zimbabwe and Burundi	2 agreements: Sudan and Zimbabwe	<ul style="list-style-type: none"> An agreement was signed with Zimbabwe, in SA, on 21 April 2009. Zimbabwe's mobile population continues to access health services in SA public institutions, such as in Musina Hospital in Limpopo.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
AFRICA AND SOUTH-SOUTH RELATIONS	Strengthen international relations		2 implementation plans: DRC and Burundi	<ul style="list-style-type: none"> • Twinning agreement between Charlotte Maxeke Johannesburg Academic and Clinique Ngaliema hospitals was signed in SA on 10 December 2009. Patients from DRC continue to be referred to SA to access tertiary services. • Patients from Burundi continue to be referred to SA to access tertiary services

2. Multilateral and North–South Relations

Multilateral relations were strengthened in various ways during the reporting period.

The Department participated in a number of meetings to share best practices. These were held in the United Kingdom, Sweden, Switzerland, Canada and Belgium.

Funding agreements were signed with the United States of America, and an agreement of intent was entered into with Sweden. The Department also renewed its bi-ennial agreement with World Health Organization (WHO) for the provision of technical expertise to the country.

Discussions with international development partners aimed at mobilising resources for South Africa were also convened during the reporting period. These included meetings with DFID, the European Union, the German Development Co-operation, WHO, UNFPA and USAID Development Co-operation.

TABLE 1.27 Key objectives, indicators, targets and actual performance of the Multilateral Relations: North–South sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
MULTILATERAL RELATIONS: NORTH–SOUTH	Strengthen international relations	Number of agreements and implementation plans developed	2	Nil
		Number of activities and meetings co-ordinated for sharing of best practices	3	<ul style="list-style-type: none"> • 1 SA-German Bi-national Commission • 1 State visit to UK by Minister and Deputy Minister • 1 SA/Sweden Bi-national Commission • 1 Swiss Bi-national Commission • 1 Aid effectiveness regional workshop attended • 1 UNAIDS Group of Champions meeting; • 1 Canada inter-departmental meeting • 1 SA/EU JCC held in Brussels
		Number of multi-lateral activities, meetings and other forums co-ordinated	3	<ul style="list-style-type: none"> • Facilitated participation in the following meetings: <ul style="list-style-type: none"> – 1 WHO/AFRO meeting – 1 WHA meeting, April 2009 – 126th session of the World Health Assembly Executive Board held in Geneva from 18–23 January 2010. – 1 WHO semi-annual meeting – 1 UN annual consultation – 1 UNFPA meeting – 1 UNAIDS meeting – Human resources for maternal survival task-shifting to non-physician clinicians, Ethiopia, July 2009
		Number of reports and activities co-ordinated on the implementation of outcomes of major international conferences	3	<ul style="list-style-type: none"> • 1 SA/EU JCC held in Brussels • 1 WHO semiannual meeting • UN annual consultation • WHO meeting on country experiences in the scale-up of male circumcision in the Eastern region of Africa, June 2009

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
MULTILATERAL RELATIONS: NORTH-SOUTH	Strengthen international relations	Established ODA resource mobilisation and co-ordination and management strategy	Implement and review ODA resource mobilisation, co-ordination and management strategy	<ul style="list-style-type: none"> • Consultation meetings held with DFID on ODA resource mobilization strategy workshops. • Presentation on ODA resource mobilization strategy at SMT • Co-ordinated provincial visit on SA-EU SPSP to Eastern Cape, Mpumalanga, Free State and Gauteng • Facilitated SA-EU overall clusters performance indicators for the sector policy support programme • Co-ordinate German Development Co-operation workshop; 5th NDOH/WHO semi-annual co-ordinating meeting; UN-FPA and DoH consultation • International US annual consultation; facilitated USAID development co-operation consultation
		No of ODA Agreements signed	4	<ul style="list-style-type: none"> • 1 USA agreement • 1 EU agreement • WHO Country Co-operation Strategy • 1 declaration of intent SA/Sweden

3. Africa Health Strategy Co-ordination Unit

During the reporting period, the Department continued to provide support to SADC countries with strategies to improve maternal and child health.

The Department hosted technical delegations from Botswana, Ghana, Lesotho and Swaziland on a study tour for the Confidential Enquiries into Maternal Deaths (CEMD), as well as the mortality reviews of the neonates and under-five children. Skills imparted and experiences exchanged during these visits will contribute to combating high maternal and child mortality rates in the region.

TABLE 1.28 Key objectives, indicators, targets and actual performance of the Africa Health Strategy Co-ordination Sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
AFRICA HEALTH STRATEGY CO-ORDINATION UNIT	Ensure compliance with major AU and RECS resolutions	Number of multilateral meetings, workshops and other forums	3	<ul style="list-style-type: none"> • Technical planning and organisation of the Fourth Session of the African Union Ministers of Health held in Addis Ababa, Ethiopia on the 4–8 August 2009 was completed. • Co-ordinated and facilitated the hosting by South Africa of technical delegations from Botswana, Ghana, Lesotho and Swaziland on a Study Tour for the Confidential Enquiries into Maternal Deaths as well as the mortality reviews of the neonates and under-five children. The delegations were hosted in South Africa from 17–22 August 2009. • Facilitated and co-ordinated the hosting of a national workshop with the institutions responsible for the education and training of the basic and advanced midwives in collaboration with the clusters of Maternal, Child, Women's Health and Nutrition and Human Resource Policy and Planning. The workshop was held at the Protea Hotel, OR Tambo International Airport on 3 and 4 March 2010.

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
AFRICA HEALTH STRATEGY CO-ORDINATION UNIT	Promote and facilitate NEPAD values and principles in the implementation of health programmes and projects in line with continental and regional strategies	Number of reports on meetings and activities essential for promotion of NEPAD values and principles in implementation of health programmes and projects	3	<ul style="list-style-type: none"> Facilitated and coordinated the development of the report of the African Union CAMH3 Bureau, including the report of its chairperson; reports submitted, presented and discussed at the African Union CAMH4 in August 2009 Co-ordinated the submission of the report of the 59th session of the WHO regional committee for Africa held in Kigali, Rwanda from 31 August to 4 September 2009 Facilitated and co-ordinated the development of the progress report for South Africa on the Maputo Plan of Action to operationalise the Continental Policy Framework for Sexual and Reproductive Health and Rights (2007-2010) submitted to the African Union in March 2010

4. Pharmaceutical and Related Product Regulation and Management (MRA)

There were significant improvements in the performance of the Department in its quest to enhance access to good quality, safe and affordable medicines. The Department reduced the registration timelines of medicines to 24 to 30 months for NCE and 15 to 18 months for generics. This was consistent with the 2009/10 targets.

Due to resource and capacity constraints, the Department did not achieve the targets of sampling and testing three batches of TB medicines on state tender and one batch available in the private market; establishing XDR-TB registers, and publishing regulations for medical devices and in-vitro diagnostic sets (IVDs).

TABLE 1.29

Key objectives, indicators, targets and actual performance of the Pharmaceutical and Related Product Regulation and Management (MRA) sub-programme.

SUB-PROGRAMME	MEASURABLE OBJECTIVES FOR 2009/10–2011/12	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
PHARMACEUTICAL AND RELATED PRODUCT REGULATION AND MANAGEMENT (MRA)	Timely access to medicines: improve registration of medicines; intervention activities	Reduction in registration time-lines for medicines	Registration time-lines of 24 months for NCE and 18 months for generics achieved	Registration time-lines of 24 to 30 months for NCE and 15 to 18 months for generics achieved
	Implementation of EDMS	EDMS system piloted: Go live with EDMS	Feb 09 Test group 31 May 09	The system development and functional design specifications were completed.
	Regulate complementary medicines (safety, quality and efficacy)	Complementary medicines regulations published for implementation	Mar 2010	Draft regulations available
		Guidance documents for the registration of complementary medicines published	Mar 2010	Draft guidelines available
		Finalise risk-based matrix addressing the call in of complementary medicines	Jun 2010	This information will be incorporated into the guidelines for complementary and alternative medicines
	TB medicines quality issues	Sample and test TB medicines on state tender at least 3 times per year and products available on the private market at least once per year	Test 3 batches of medicines on state tender and 1 batch available to private sector	No tests were performed due to financial constraints
		Establish TB registers in house for XDR TB	TB registers established by Oct 2009	Nil
	Regulate medical devices and in-vitro diagnostic sets (IVDs)	Draft regulations and guidance documents	Publish regulations for comment	Nil
		Guidance documents	Publish guidance documents for comment	Nil

5. Clinical Trials Management

During the reporting period, the Department continued to monitor clinical trials, to ensure that these complied with ethical standards, and to protect the safety and integrity of human beings participating in these. A total of 1,214 trials were registered on the Department's database. The draft guidelines for the compensation of clinical trial participants were developed. Regulations governing experimentation with human subject participants were formulated.

Key challenges during the reporting period included the inability of the Department to upload South African clinical trials onto the WHO platform due to lack of funding. In addition, no progress was made with regard to the quarterly systematic reviews of clinical trials and the bi-annual publication of reports on the reviews owing to resource constraints.

TABLE 1.30 Key objectives, indicators, targets and actual performance for the Clinical Trials Management sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
CLINICAL TRIALS MANAGEMENT	Develop policies, guidelines and regulations for the conduct of clinical trials	Guidelines on the compensation of clinical trials participants published	Guidelines published for comment by March 2009	Draft guidelines available
		Implement regulations relating to experimentation with human subject participants	Regulations published for implementation by Feb 2009	Draft regulations available
		Electronic system for the registration of clinical trials accessible on DoH website	Report on number of clinical trials conducted published biannually	1214
	Monitor and oversee the conduct of clinical trials and related activities	Annual systematic reviews of clinical trials published	Quarterly systematic reviews conducted and reports published biannually	Nil
		Co-ordinate the assessment of clinical trial sites for MDR TB drugs in public facilities	All assessments concluded by Dec 2009	Assessments conducted and reports available
	International collaborations and partnerships	% of South African clinical trials uploaded to the WHO platform	100%	Nil

6. Food Control and Non-Medical Health Product Regulation

During the reporting period, the Department strengthened the regulation of food and non-medical products. Three universities of technology presented nine training courses to 274 environmental health practitioners (EHPs) on the WHO's 5 Keys to Safer Foods training programme. Both the final labelling and advertising of foodstuffs regulations, as well as the draft trans-fats regulations for public comment were published in the Government Gazette.

The two objectives of strengthening the Department's capacity to monitor foodstuffs by means of food sampling programmes and of attending to its food safety emergency alert functions were not attained. The work study investigation, which would have informed capacity requirements, did not take place owing to a moratorium on the filling of posts.

TABLE 1.31 Key objectives, indicators, targets and actual performance of the Food Control and Non-Medical Health Product Regulation sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
FOOD CONTROL AND NON-MEDICAL HEALTH PRODUCT REGULATION	Roll-out of the WHO 5 Keys to Safer Foods training programme to provinces/ municipalities for training of formal/informal food handlers	Number of training courses presented to EHPs	24 training courses presented to EHPs	3 of the 5 universities of technology, namely Tswhane, Nelson Mandela Metro and Free State Central, presented 9 training courses to 274 EHPs
		Number of groups of formal/informal food handlers trained	200 groups of formal/informal food handlers trained	An estimated number of 20 groups were trained; target not achieved due to delays experienced by training institutions to commence with training of EHPs
	Strengthening of regulatory nutrition measures through appropriate legislation	Publication of final regulations	Final regulations published by March 2010	Final regulations were published in the Government Gazette on 1 March 2010
		Health claims and listing of non-essential foodstuffs evaluated	Nutrient profiling model developed	A report compiled by the University of North West regarding other countries' experiences related to the development of a model, including recommendations on the way forward, was made available in February 2010

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
FOOD CONTROL AND NON-MEDICAL HEALTH PRODUCT REGULATION	Strengthening of regulatory nutrition measures through appropriate legislation	Trans-fats regulations implemented	Draft regulations published for comment	Draft trans fats regulations published in the Government Gazette for public comment on 30 March 2010
	Strengthening of the Department's capacity to monitor food samples	Increased capacity to deal with food monitoring/ emergency alert functions	Work study investigation completed; request for additional resources submitted	The work study investigation did not take place due to a moratorium on the filling of posts.
	Strengthening of the Department's capacity to monitor foodstuffs through its food sampling programmes	Increased capacity to provide an effective food analysis laboratory service	Feasibility study and action plan completed; request for additional resources submitted	Report submitted by convener of the working group to chairman of the Dept/NHLS task team in Jan 2010

7. Nutrition

The Department continued to implement strategies to improve the nutritional status of communities.

During the reporting period, the WHO's 10 Step Programme for managing severe malnutrition was introduced in 34 health facilities, additional to the 111 health facilities in which it had already been introduced. With regard to the promotion of safe breastfeeding practices, the Department facilitated the implementation of the Breast Feeding Hospital Initiative in 24 district hospitals. The 2009/10 target was to implement this initiative in 29 district hospitals across the 18 priority districts.

A national coverage of 39,9% for Vitamin A in children aged 12–59 months was attained. This performance was lower than the 2009/10 target of 50% coverage.

Sixteen percent of samples taken by environmental health practitioners were compliant with the fortification regulations, and three quarters of the food fortification samples conducted by the SABS were compliant.

Limited progress was made on the development of an integrated food production strategy in collaboration with the Departments of Agriculture and Education.

TABLE 1.32 Key objectives, indicators, targets and actual performance of the Nutrition sub-programme

SUB-PROGRAMME	MEASURABLE OBJECTIVES	INDICATOR	TARGET 2009/10	ACTUAL PERFORMANCE (2009/10)
NUTRITION	Promoting quality of care in health facilities in the 18 priority districts	Number of health professionals trained in the management of severe malnutrition	Prioritise 50 % (84) district hospitals in the 18 districts for advocacy and training	The WHO 10 Step programme was introduced in 34 additional facilities
		Number of facilities implementing the expanded BFHI plan	29 district hospitals in the 18 priority districts	24 district hospitals
		% coverage of Vitamin A in children aged 12–59 months	50% of children of 12–59 months receiving 2 doses of Vitamin A	39,9%
		Number of samples complying with the fortification regulations	50%	16% of the environmental health practitioner samples were compliant; ¾ of the SABS fortification samples were compliant
	Develop and implement an integrated food production strategy in collaboration with the National Departments of Agriculture and Education	Strategy document	18 sub-districts	The Department participated in the development of a concept paper under the leadership of the Department of Agriculture

SECTION 2

HUMAN RESOURCE OVERSIGHT – HEALTH

April 2009 to March 2010

1. SERVICE DELIVERY

TABLE 1.1 Main service for service delivery improvement and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Improving performance management and development of human resources	Employees of the National Department of Health	DPSA, Cabinet	All senior managers should have individual performance agreements, which individual workplans should stem from that stipulate desired objectives to be achieved.	Senior managers are submitting individual performance agreements. A performance management and development policy has been developed to monitor, evaluate and develop performance.
Ensuring that posts are correctly graded to ensure adequate remuneration	Employees of the National Department of Health	DPSA, organised labour organisations	A job evaluation system that is applied to ensure equal pay for work of equal value	A job evaluation policy has been developed, approved and implemented.
Ensuring that critical posts are filled	Management of the National Department of Health	DPSA, provincial departments of health, private organisations, public	Effective recruitment and retention of human resources	A recruitment and selection policy has been developed, approved and implemented.
Ensuring ongoing consultation with stakeholders on matters of mutual interest	Organised labour organisations	PHSDSBC	Functioning bargaining structures in place	Regular engagement with stakeholders takes place in the Bargaining Chamber.

TABLE 1.2 Consultation arrangements for customers

Type of arrangement	Actual customer	Potential customer	Actual achievements
Accessibility to all HR services and information	All employees in the National Department of Health	Other state departments and organs of state	Information is accessible on request, but also on a regularly updated departmental intranet site and circulars.
Active engagement with organised labour in the PHSDSBC on matters of mutual interest	Organised labour organisations	PHSDSBC	Regular engagement with stakeholders takes place in the Bargaining Chamber.

TABLE 1.3 Service delivery access strategy

Access strategy	Actual achievements
Personal interaction, circulars, briefings to management, induction sessions and workshops	Information is available and accessible based on the requirements from the client .

TABLE 1.4 Service information tool

Type of information tool	Actual achievements
Quarterly reporting	Quarterly reporting
Publishing of strategic plan	Annual reporting
Intranet	Regularly updated intranet

TABLE 1.5 Complaint mechanism

Complaint mechanism	Actual achievements
Grievances and complaints procedure	HR-related grievances are addressed in collaboration with employment relations and the relevant line managers.

2. EXPENDITURE

TABLE 2.1 Personnel costs by programme

Programme	Total voted expenditure (R'000)	Compensation of employees expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Compensation of employees as percent of total expenditure ¹	Average compensation of employees: cost per employee (R'000) ²	Employment ³
Programme 1: Administration	269 923	100 473	617	2 684	0,56	251	400
Programme 2: Strategic Health Programmes	5 752 199	78 721	700	1 253	0,44	277	284
Programme 3: Health Planning and Monitoring	403 265	56 654	802	8 828	0,31	272	208
Programme 4: Human Resource Planning, Development and Management	1 793 990	16 058	451	5 320	0,09	226	71
Programme 5: Health Services	9 671 358	39 909	484	3 321	0,22	256	156
Programme 6: International Relations, Health Trade and Health Product Regulation	75 475	41 208	643	48	0,23	233	177
Z = Total as on financial systems (BAS)	17 966 210	333 023	3 697	21 454	1,85	257	1 296

1. Compensation of employees expenditure divided by total voted expenditure multiplied by 100

2. Compensation of employees expenditure divided by number of employees in programme

3. Employment in numbers

TABLE 2.2 Personnel costs by salary band

Salary bands	Compensation of employees cost (R'000)	Percentage of total personnel cost for Department ¹	Average compensation cost per employee (R) ²	Total personnel cost for Department including goods and transfers (R'000)	Number of employees
Lower skilled (Levels 1–2)	5 923	1,78%	100 390	333 023	59
Skilled (Levels 3–5)	32 178	9,66%	101 189		318
Highly skilled production (Levels 6–8)	73 089	21,95%	190 336		384
Highly skilled supervision (Levels 9–12)	132 557	39,80%	355 381		373
Senior management (Levels 13–16)*	59 901	17,99%	730 500		82
Contract (Levels 1–2)	1 716	0,52%	107 250		16
Contract (Levels 3–5)	1 146	0,34%	104 182		11
Contract (Levels 6–8)	2 046	0,61%	186 000		11
Contract (Levels 9–12)	7 175	2,16%	448 438		16
Contract (Levels 13–16)	17 292	5,19%	665 077		26
TOTAL	333 023	100%	256 962		1 296

* Includes Minister and Deputy Minister

1. Compensation of employees per salary band divided by total multiplied by 100

2. Compensation of employees per salary band divided by number of employees per salary band (in hundreds)

TABLE 2.3 Salaries, overtime, home owners allowance and medical aid by programme

Programme	Salaries (R'000)	Salaries as % of personnel cost ¹	Overtime (R'000)	Overtime as % of personnel cost ²	HOA (R'000)	HOA as % of person- nel cost ³	Medi- cal ass. (R'000)	Medical ass. as % of per- sonnel cost ⁴	Total person- nel cost per pro- gramme (R'000)
Programme 1: Administration	93 377	28,04%	723	0,21%	2 471	0,74%	3 902	1,17%	100 473
Programme 2: Strategic Health Programmes	73 871	22,18%	170	0,05%	1 660	0,50%	3 020	0,91%	78 721
Programme 3: Health Planning and Monitoring	53 238	15,99%	21	0,01%	1 064	0,32%	2 331	0,70%	56 654
Programme 4: Human Re- source Plan- ning, Develop- ment and Man- agement	15 036	4,51%	27	0,01%	419	0,12%	576	0,17%	16 058
Programme 5: Health Services	36 437	10,94%	446	0,13%	1 278	0,39%	1 748	0,53%	39 909
Programme 6: International Relations, Trade and Health Product Regula- tion	39 395	11,83%	23	0,01%	620	0,19%	1 170	0,35%	41 208
Total	311 354	93,49%	1 410	0,42%	7 512	2,26%	12 747	3,83%	333 023

1: Salaries divided by total Compensation of employees expenditure in table 2.1 multiplied by 100

2: Overtime divided by total Compensation of employees expenditure in table 2.1 multiplied by 100

3: Home Owner allowance divided by total Compensation of employees expenditure in table 2.1 multiplied by 100

4: Medical Assistance divided by total Compensation of employees expenditure in table 2.1 multiplied by 100

TABLE 2.4 - Salaries, overtime, home owners allowance and medical aid by salary band

Salary bands	Salaries (R'000)	Salaries as % of personnel cost ¹	Overtime (R'000)	Overtime as % of personnel cost ²	HOA (R'000)	HOA as % of personnel cost ³	Medical ass. (R'000)	Medical ass. as % of personnel cost ⁴	Total personnel cost per salary band (R'000)
Lower skilled (Levels 1–2)	5 537	1,66%	25	0,01%	134	0,04%	227	0,07%	5 923
Skilled (Levels 3–5)	30 085	9,03%	136	0,04%	726	0,22%	1 231	0,37%	32 178
Highly skilled production (Levels 6–8)	68 332	20,52%	310	0,09%	1 649	0,49%	2 798	0,85%	73 089
Highly skilled supervision (Levels 9–12)	123 932	37,21%	561	0,17%	2 990	0,90%	5 074	1,52%	132 557
Senior management (Levels 13–16)	56 003	16,82%	254	0,08%	1 351	0,41%	2 293	0,69%	59 901
Contract levels (Levels 1–2)	1 604	0,48%	7	0,00%	39	0,01%	66	0,02%	1 716
Contract levels (Levels 3–5)	1 073	0,32%	5	0,00%	25	0,01%	43	0,01%	1 146
Contract (Levels 6–8)	1 913	0,58%	9	0,00%	46	0,01%	78	0,02%	2 046
Contract (Levels 9–12)	6 710	2,01%	30	0,01%	161	0,05%	274	0,08%	7 175
Contract (Levels 13–16)	16 165	4,86%	73	0,02%	391	0,12%	663	0,20%	17 292
TOTAL	311 354	93,49%	1 410	0,42%	7 512	2,26%	12 747	3,83%	333 023

1. Salaries divided by total Compensation of employees in table 2.2 multiplied by 100
2. Overtime divided by total Compensation of employees in table 2.2 multiplied by 100
3. Home Owner allowance divided by total Compensation of employees in table 2.2 multiplied by 100
4. Medical Assistance divided by total Compensation of employees in table 2.2 multiplied by 100

3. EMPLOYMENT

TABLE 3.1 Employment and vacancies by programme at end of period

Programme	Number of posts	Number of posts filled	Number of vacant posts	Vacancy rate ¹	Number of posts filled additional to the establishment
Programme 1: Administration	512	400	112	22%	12
Programme 2: Strategic Health Programmes	376	284	92	24%	15
Programme 3: Health Planning and Monitoring	296	208	88	30%	8
Programme 4: Human Resource Planning, Development and Management	102	71	31	30%	12
Programme 5: Health Services – Special Programmes and Health Entities Management	197	156	41	21%	7
Programme 6: International Relations, Health Trade and Health Product Regulation	232	177	55	24%	8
TOTAL	1 715	1 296	419	24%	62

1. Number of posts minus number of posts filled divided by number of posts multiplied by 100

TABLE 3.2 Employment and vacancies by salary band at end of period

Salary band	Number of posts	Number of posts filled	Number of posts vacant	Vacancy rate ¹
Lower skilled (Levels 1–2), Permanent	75	59	16	21%
Skilled (Levels 3–5), permanent	420	318	102	24%
Highly skilled production (Levels 6–8), permanent	477	382	95	20%
Highly skilled production (Levels 6–8), temporary	2	2	0	0%
Highly skilled supervision (Levels 9–12), permanent	544	371	173	32%
Highly skilled supervision (Levels 9–12), temporary	2	2	0	0%
Senior management (Levels 13–16), permanent	110	80	30	27%
Contract (Levels 1–2)	0	0	0	0%
Contract (Level 1–2), additional	16	16	0	0%
Contract (Levels 3–5)	2	2	0	0%
Contract (Level 3–5), additional	9	9	0	0%
Contract (Levels 6–8)	0	0	0	0%
Contract (Level 6–8), additional	11	11	0	0%

Salary band	Number of posts	Number of posts filled	Number of posts vacant	Vacancy rate ¹
Contract (Levels 9–12)	2	2	0	0%
Contract (Level 9–12), additional	15	14	1	7%
Contract (Levels 13–16)	18	18	0	0%
Contract (Level 13–16), additional	10	8	2	20%
Minister	1	1	0	0%
Deputy Minister	1	1	0	0%
TOTAL	1 715	1 296	419	24%

1. Number of posts minus number of posts filled divided by number of posts multiplied by 100

TABLE 3.3 Employment and vacancies by critical occupation at end of period

Critical occupations	Number of posts	Number of posts filled	Number of vacant posts	Vacancy rate ¹	Number of posts filled additional to the establishment
Administrative related, permanent	223	168	55	25%	8
Artisan project and related superintendents, permanent	2	1	1	50%	0
Auxiliary and related workers, permanent	10	6	4	40%	1
Chemical and physical science technicians, permanent	1	1	0	0%	0
Chemists, permanent	38	28	10	26%	0
Cleaners in offices, workshops hospitals, etc., permanent	75	69	6	8%	0
Client information clerks (switchboard, reception, information clerks), permanent	5	4	1	20%	0
Communication and information related, permanent	19	14	5	26%	1
Computer programmers, permanent	1	1	0	0%	0
Computer system designers and analysts, permanent	5	3	2	40%	0
Dieticians and nutritionists, permanent	2	2	0	0%	0
Engineering sciences related, permanent	1	1	0	0%	0
Engineers and related professionals, permanent	2	1	1	50%	0
Environmental health, permanent	2	1	1	50%	0
Finance and economics related, permanent	22	15	7	32%	1
Financial and related professionals, permanent	32	24	8	25%	1

Critical occupations	Number of posts	Number of posts filled	Number of vacant posts	Vacancy rate ¹	Number of posts filled additional to the establishment
Financial clerks and credit controllers, permanent	29	22	7	24%	0
Food services aids and waiters, permanent	23	19	4	17%	0
General legal administration and related professionals, permanent	7	5	2	29%	0
Head of department/chief executive officer, permanent	2	0	1	50%	0
Health sciences related, permanent	99	77	22	22%	1
Human resources and organisational development and related professions, permanent	16	14	2	13%	0
Human resources clerks, permanent	27	23	4	15%	0
Human resources related, permanent	25	17	8	32%	1
Information technology related, permanent	14	10	4	29%	1
Language practitioners, interpreters and other communication related, permanent	5	4	1	20%	0
Legal related, permanent	1	0	1	100%	0
Librarians and related professionals, permanent	2	1	1	50%	0
Library mail and related clerks, permanent	41	33	8	20%	3
Light vehicle drivers, permanent	5	4	1	20%	0
Logistical support personnel, permanent	17	10	7	41%	0
Material-recording and transport clerks, permanent	61	48	13	21%	0
Medical practitioners, permanent	2	2	0	0%	0
Medical research and related professionals, permanent	61	40	21	34%	1
Medical specialists, permanent	9	6	3	33%	2
Medical technicians/technologists, permanent	2	1	1	50%	0
Messengers, porters and deliverers, permanent	29	23	6	21%	0
Natural sciences related, permanent	23	18	5	22%	0
Other administrative and related clerks and organisers, permanent	259	209	50	19%	11

Critical occupations	Number of posts	Number of posts filled	Number of vacant posts	Vacancy rate ¹	Number of posts filled additional to the establishment
Other administrative policy and related officers, permanent	97	74	23	24%	2
Other information technology personnel, permanent	14	13	1	7%	5
Other occupations, permanent	20	20	0	0%	16
Pharmacists, permanent	23	7	16	70%	0
Pharmacologists, pathologists and related professionals, permanent	52	34	18	35%	0
Physicists, permanent	23	15	8	35%	0
Professional nurses, permanent	1	1	0	0%	0
Radiography, permanent	2	1	1	50%	0
Secretaries and other keyboard operating clerks, permanent	99	67	32	32%	0
Security guards, permanent	3	1	2	67%	0
Security officers, permanent	55	39	16	29%	0
Senior managers, permanent	125	97	29	23%	7
Social work and related professionals, permanent	1	1	0	0%	0
Staff nurses and pupil nurses, permanent	1	1	0	0%	0
TOTAL	1 715	1 296	419	24%	62

1. Number of posts minus number of posts filled divided by number of posts multiplied by 100

4. EVALUATION

TABLE 4.1 Job evaluation

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated ¹	Number of posts upgraded	% of upgraded posts evaluated ²	Number of posts downgraded	% of downgraded posts evaluated ³
Lower skilled (Levels 1–2)	75	0	0%	0	0%	0	0%
Contract (Levels 1–2)	16	0	0%	0	0%	0	0%
Contract (Levels 3–5)	9	0	0%	0	0%	0	0%
Contract (Levels 6–8)	13	0	0%	0	0%	0	0%
Contract (Levels 9–12)	17	2	12%	1	50%	1	50%
Contract (Band A)	9	0	0%	0	0%	0	0%
Contract (Band B)	1	0	0%	0	0%	0	0%
Contract (Band C)	0	0	0%	0	0%	0	0%
Contract (Band D)	0	0	0%	0	0%	0	0%
Skilled (Levels 3–5)	422	5	1%	4	80%	0	0%
Highly skilled production (Levels 6–8)	477	2	0%	1	50%	0	0%
Highly skilled supervision (Levels 9–12)	546	41	8%	11	27%	3	7%
Senior management Service band A	94	0	0%	0	0%	0	0%
Senior management Service band B	25	0	0%	0	0%	0	0%
Senior management Service band C	8	0	0%	0	0%	0	0%
Senior management Service band D	3	0	0%	0	0%	0	0%
TOTAL	1 715	50	2.9%	17	34%	4	8%

1. Number of jobs evaluated divided by number of posts multiplied by 100

2. Number of posts upgraded divided by number of jobs evaluated multiplied by 100

3. Number of posts downgraded divided by number of jobs evaluated multiplied by 100

TABLE 4.2 Profile of employees whose positions were upgraded due to a post upgrade

Beneficiaries	African	Asian	Coloured	White	Vacant	Total
Female	6	0	0	1	4	11
Male	6	0	0	0	0	6
Total	12	0	0	1	4	17
Employees with a disability	0	0	0	0	0	0

TABLE 4.3 Employees whose salary level exceeds the grade determined by job evaluation (i.t.o PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation	Number of employees in department
Media liaison officer	1	11	13	Ministerial appointment	1 296
Parliamentary officer	1	11	13	Ministerial appointment	
Chief registry clerk	1	7	10	Ministerial appointment	
Media liaison officer	1	12	13	Ministerial appointment	
Head: Deputy minister's office	1	13	14	Ministerial appointment	
Personal assistant I	4	5	6	Deviation from JECC outcome of secretary posts	
Personal assistant I	8	5	7	Deviation from JECC outcome of secretary posts	
Assistant internal auditor	1	6	7	Retention of services	
Audit supervisor	1	10	12	Retention of services	
Work study officer	1	7	8	Retention of services	
Deputy director: Administration	1	11	12	Retention of services	
Assistant director: Communication	1	9	10	Retention of services	
Deputy director: SANAC sectoral support	1	11	12	Retention of services	
Assistant director: Administration	1	9	10	Retention of services	
Deputy director: Administration	1	11	12	Upgrade as result of job evaluation	
Assistant director: Administration	1	9	10	Retention of services	
Assistant director: Administration	1	9	10	Retention of services	
Deputy director: Administration	1	11	12	Retention of services	
Senior administration clerk Grade I	1	4	5	Transferred on SR5	
Principal medicine control officer	1	9	10	Retention of services	
Total	30				
Percentage of total employment ¹	2,3%				1 296

1. Total divided by number of employees in the Department multiplied by 100

TABLE 4.4 Profile of employees whose salary level exceeds the grade determined by job evaluation (i.t.o. PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	14	0	0	6	20
Male	9	0	1	0	10
Total	23	0	1	6	30
Employees with a Disability	0	0	0	0	0

5. EMPLOYMENT CHANGES

TABLE 5.1 Annual turnover rates by salary band

Salary band	Employment at beginning of period (April 2009)	Appointments	Terminations	Turnover rate ¹
Lower skilled (Levels 1–2), permanent	68	5	3	4,41%
Skilled (Levels 3–5), permanent	295	15	7	2,37%
Highly skilled production (Levels 6–8), permanent	407	5	11	2,70%
Highly skilled production (Levels 6–8), temporary	2			0%
Highly skilled supervision (Levels 9–12), permanent	333	6	26	7,81%
Senior management Service band A, permanent	79	3	5	6,33%
Senior management Service band B, permanent	10	2	4	40,00%
Senior management Service band C, permanent	5		2	40,00%
Senior management Service band D, permanent	2		1	50,00%
Other, permanent	68			0%
Other, temporary	1			0%
Contract (Levels 1–2)	61	18	62	101,64%
Contract (Levels 3–5)	17	17	11	64,71%
Contract (Levels 6–8)	13	2	9	69,23%
Contract (Levels 9–12)	6	4	10	166,67%
Contract (Band A)	4	2	3	75,00%
Contract (Band B)	1			0%
Contract (Band C)		1		0%
Contract (Band D)	1		1	100%
TOTAL	1 373	80	155	11,29%

1. Terminations divided by employment at beginning of period multiplied by 100

TABLE 5.2 Annual turnover rates by critical occupation

Occupation	Employment at beginning of period (April 2009)	Appointments	Terminations	Turnover rate ¹
Administrative related, permanent	170	7	12	7,06%
Artisan project and related superintendents, permanent	1			0%
Auxiliary and related workers, permanent	7			0%
Chemists, permanent	30		1	3,33%
Cleaners in offices, workshops, hospitals, etc., permanent	68	1	2	2,94%

Occupation	Employment at beginning of period (April 2009)	Appointments	Terminations	Turnover rate ¹
Client information clerks(switchboard, reception, information clerks), permanent	4			0%
Communication and information related, permanent	17		4	23,53%
Computer programmers, permanent	2			0%
Computer system designers and analysts, permanent	3		1	33,33%
Dieticians and nutritionists, permanent	1			0%
Engineers and related professionals, permanent	1			0%
Environmental health, permanent	2			0%
Finance and economics related, permanent	14			0%
Financial and related professionals, permanent	27			0%
Financial clerks and credit controllers, permanent	23	1		0%
Food services aids and waiters, permanent	20		1	5,00%
General legal administration and related professionals, permanent	5	1	2	40,00%
Head of department/chief executive officer, permanent	2		1	50,00%
Health sciences related, permanent	90		9	10,00%
Human resources and organisation development and related professions, permanent	14		1	7,14%
Human resources and organisational development and related professions, temporary	0	1		0%
Human resources clerks, permanent	25			0%
Human resources related, permanent	17			0%
Information technology related, permanent	8	4	1	12,50%
Language practitioners, interpreters and other communicators, permanent	5		2	40,00%
Legal related, permanent	2		1	50,00%
Librarians and related professionals, permanent	1			0%
Library mail and related clerks, permanent	32	3	4	12,50%
Library mail and related clerks, temporary	3			0%
Light vehicle drivers, permanent	3			0%
Logistical support personnel, permanent	10		1	10,00%
Material-recording and transport clerks, permanent	48	9	3	6,25%
Medical practitioners, permanent	2			0%
Medical research and related professionals, permanent	39	3	4	10,26%
Medical specialists, permanent	6		1	16,67%
Medical technicians/technologists, permanent	1			0%
Messengers, porters and deliverers, permanent	23		1	4,35%
Natural sciences related, permanent	20		1	5,00%
Other administration and related clerks and organisers, permanent	216	14	26	12,04%
Other administrative policy and related officers, permanent	76		2	2,63%
Other information technology personnel, permanent	15		3	20,00%
Other occupations, permanent	67	18	43	64,18%

Occupation	Employment at beginning of period (April 2009)	Appointments	Terminations	Turnover rate ¹
Pharmacists, permanent	11	1	2	18,18%
Pharmacologists pathologists and related professionals, permanent	33	2	3	9,09%
Physicists, permanent	17		2	11,76%
Professional nurses, permanent	1		1	100%
Radiography, permanent	0	1		0%
Secretaries and other keyboard operating clerks, permanent	64	3	8	12,50%
Security guards, permanent	1			0%
Security officers, permanent	35	5	2	5,71%
Senior managers, permanent	89	6	10	11,24%
Social work and related professionals, permanent	1			0%
Staff nurses and pupil nurses, permanent	1			0%
TOTAL	1 373	80	155	11,29%

1. Terminations divided by employment at beginning of period multiplied by 100

TABLE 5.3 Reasons why staff are leaving the department

Termination type	Number	Percentage of total resignations ¹	Percentage of total employment ²	Total	Total employment ³
Death, permanent	8	5,16%	0,58%	155	1 373
Resignation, permanent	45	29,03%	3,28%		
Expiry of contract	88	56,77%	6,41%		
Transfers, permanent	1	0,65%	0,07%		
Discharged due to ill health, permanent	1	0,65%	0,07%		
Dismissal – misconduct, permanent	4	2,58%	0,29%		
Retirement, permanent	8	5,16%	0,58%		
TOTAL	155		11,29%	155	1 373

1. Number per termination type divided by total terminations multiplied by 100

2. Total of terminations divided by total employment from table 5.1 multiplied by 100

3. Employment in numbers

Resignations as % of employment ¹
11,29%

1. Total of terminations divided by total employment from table 5.1 multiplied by 100

TABLE 5.4 Promotions by critical occupation

Occupation	Employment at beginning of period (April 2009)	Promotions to another salary level	Salary level promotions as a % of employment ¹	Progressions to another notch within salary level	Notch progressions as a % of employment ²
Administrative related, permanent	170	8	4,71%	103	60,59%

Occupation	Employment at beginning of period (April 2009)	Promotions to another salary level	Salary level promotions as a % of employment ¹	Progressions to another notch within salary level	Notch progressions as a % of employment ²
Artisan project and related superintendents, permanent	1		0%	0	0%
Auxiliary and related workers, permanent	7		0%	0	0%
Chemists, permanent	30		0%	0	0%
Cleaners in offices, workshops, hospitals, etc., permanent	68		0%	65	95,59%
Client information clerks(switchboard, reception, information clerks), permanent	4		0%	4	100%
Communication and information related, permanent	17	1	5,88%	17	100%
Computer programmers, permanent	2		0%	2	100%
Computer system designers and analysts, permanent	3		0%	3	100%
Dieticians and nutritionists, permanent	1		0%	1	100%
Engineers and related professionals, permanent	1		0%	1	100%
Environmental health, permanent	2		0%	2	100%
Finance and economics related, permanent	14	1	7,14%	14	100%
Financial and related professionals, permanent	27		0%	26	96,30%
Financial clerks and credit controllers, permanent	23		0%	0	0%
Food services aids and waiters, permanent	20		0%	20	100%
General legal administration and related professionals, permanent	5	1	20,00%	5	100%
Head of department/chief executive officer, permanent	2	2	100%	2	100%
Health sciences related, permanent	90	1	1,11%	85	94,44%
Human resources and organisational development and related professions, permanent	14	1	7,14%	14	100%
Human resources and organisational development and related professions, temporary	0		0%	0	0%
Human resources clerks, permanent	25		0%	25	100%
Human resources related, permanent	17	2	11,76%	17	100%

Occupation	Employment at beginning of period (April 2009)	Promotions to another salary level	Salary level promotions as a % of employment ¹	Progressions to another notch within salary level	Notch progressions as a % of employment ²
Information technology related, permanent	8	3	37,50%	8	100%
Language practitioners, interpreters and other communicators, permanent	5	2	40,00%	5	100%
Legal related, permanent	2		0%	2	100%
Librarians and related professionals, permanent	1		0%	1	100%
Library mail and related clerks, permanent	32		0%	1	3,13%
Library mail and related clerks, temporary	3		0%	0	0%
Light vehicle drivers, permanent	3		0%	1	33,33%
Logistical support personnel, permanent	10		0%	10	100%
Material-recording and transport clerks, permanent	48		0%	1	2,08%
Medical practitioners, permanent	2	1	50,00%	2	100%
Medical research and related professionals, permanent	39	3	7,69%	25	64,10%
Medical specialists, permanent	6	1	16,67%	2	33,33%
Medical technicians/technologists, permanent	1	4	400,00%	1	100%
Messengers, porters and deliverers, permanent	23	1	4,35%	3	13,04%
Natural sciences related, permanent	20		0%	1	5,00%
Other administrative and related clerks and organisers, permanent	216	1	0,46%	20	9,26%
Other administrative policy and related officers, permanent	76		0%	10	13,16%
Other information technology personnel., permanent	15	11	73,33%	15	100%
Other occupations, permanent	67	5	7,46%	39	58,21%
Pharmacists, permanent	11	3	27,27%	4	36,36%
Pharmacologists, pathologists and related professionals, permanent	33		0%	0	0%
Physicists, permanent	17	2	11,76%	1	5,88%
Professional nurses, permanent	1	1	100%	1	100%
Radiography, permanent	0		0%	0	0%
Secretaries and other keyboard operating clerks, permanent	64		0%	63	98,44%
Security guards, permanent	1	7	700,00%	1	100%

Occupation	Employment at beginning of period (April 2009)	Promotions to another salary level	Salary level promotions as a % of employment ¹	Progressions to another notch within salary level	Notch progressions as a % of employment ²
Security officers, permanent	35		0%	35	100%
Senior managers, permanent	89	2	2,25%	32	35,96%
Social work and related professionals, permanent	1	1	100%	1	100%
Staff nurses and pupil nurses, permanent	1		0%	1	100%
TOTAL	1 373	65	4,73%	692	50,40%

1. Promotions to another salary level divided by employment at the beginning of the period multiplied by 100

2. Progression to another notch within the salary level divided by employment at beginning of the period multiplied by 100

TABLE 5.5 Promotions by salary band

Salary band	Employment at beginning of period (April 2009)	Promotions to another salary level	Salary level promotions as a % of employment ¹	Progressions to another notch within salary level	Notch progressions as a % of employment ²
Lower skilled (Levels 1–2), permanent	68	0	0%	42	61,76%
Skilled (Levels 3–5), permanent	295	18	6,10%	176	59,66%
Highly skilled production (Levels 6–8), permanent	407	24	5,90%	249	61,18%
Highly skilled production (Levels 6–8), temporary	2	0	0%	1	50,00%
Highly skilled supervision (Levels 9–12), permanent	333	18	5,41%	165	49,55%
Senior management (Levels 13–16), permanent	96	5	5,21%	56	58,33%
Other, permanent	68	0	0%	0	0%
Other, temporary	1	0	0%	0	0%
Contract (Levels 1–2)	61	0	0%	0	0%
Contract (Levels 3–5)	17	0	0%	0	0%
Contract (Levels 6–8)	13	0	0%	2	15,38%
Contract (Levels 9–12)	6	0	0%	1	16,67%
Contract (Levels 13–16)	6	0	0%	0	0%
TOTAL	1 373	65	4,73%	692	50,40%

1. Promotions to another salary level divided by employment at the beginning of the period multiplied by 100

2. Progression to another notch within the salary level divided by employment at beginning of the period multiplied by 100

6. EMPLOYMENT EQUITY

TABLE 6.1 Total number of employees (incl. employees with disabilities) per occupational category (SASCO)

Occupational categories	Male, African	Male, Co-coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers, permanent	16	2	1	19	10	18	1	4	23	2	54
Legislators, senior officials and managers, contract (added)	4	0	4	8	1	6	0	1	7	3	19
Professionals, permanent	110	5	4	119	22	127	10	15	152	31	324
Professionals, temporary	6	0	0	6	2	6	0	0	6	6	20
Technicians and associate professionals, permanent	86	3	3	92	11	129	4	0	133	30	266
Technicians and associate professionals, contract (added)	6	0	0	6	0	5	0	0	5	0	11
Clerks, permanent	132	3	3	138	6	182	14	4	200	68	412
Clerks, temporary	7	0	0	7	0	8	0	0	8	3	18
Service and sales workers, permanent	32	0	0	32	2	8	0	0	8	0	42
Craft and related trades workers, permanent	1	0	0	1	0	0	0	0	0	0	1
Plant and machine operators and assemblers, permanent	1	0	0	1	1	1	0	0	1	0	3
Elementary occupations, permanent	45	3	0	48	0	55	7	0	62	0	110
Elementary occupations, temporary	9	0	0	9	0	7	0	0	7	0	16
Other, permanent	0	0	0	0	0	0	0	0	0	0	0
TOTAL	455	16	15	486	55	552	36	24	612	143	1 296

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	1	0	0	1	2	2	0	0	2	4	9

TABLE 6.2 Total number of employees (incl. employees with disabilities) per occupational bands

Occupational bands	Male, African	Male, Co-loured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Co-loured	Female, Indian	Female, Total Blacks	Female, White	Total
Top management, permanent	2	0	0	2	0	2	0	1	3	0	5
Contract (top management)	2	0	2	4	0	0	0	0	0	1	5
Senior management, permanent	29	3	1	33	13	28	2	3	33	5	84
Professionally qualified and experienced specialists and mid-management, permanent	77	3	6	86	22	101	8	11	120	26	254
Professionally qualified and experienced specialists and mid-management, contract	5	0	0	5	0	6	0	0	6	3	14
Skilled technical and academically qualified workers, junior management, supervisors and foremen, permanent	159	6	2	167	14	212	14	7	233	91	505
Skilled technical and academically qualified workers, junior management, supervisors and foremen, contract	7	0	0	7	1	7	0	0	7	3	18
Semi-skilled and discretionary decision making, permanent	136	2	2	140	3	140	12	1	153	9	305
Semi-skilled and discretionary decision making, contract	5	0	0	5	0	6	0	0	6	1	12
Unskilled and defined decision making, permanent	20	2	0	22	0	37	0	0	37	0	59
Unskilled and defined decision making, contract	9	0	0	9	0	7	0	0	7	0	16
Contract (senior management)	4	0	2	6	2	6	0	1	7	4	19
TOTAL	455	16	15	486	55	552	36	24	612	143	1 296

TABLE 6.3 Recruitment

Occupational bands	Male, African	Male, Co-loured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Top management, permanent				0					0		0
Senior management, permanent	1		1	2	1	2			2		5
Professionally qualified and experienced specialists and mid-management, permanent	3			3		2		1	3		6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	3			3		2			2		5
Semi-skilled and discretionary decision making, permanent	7			7		8			8		15
Unskilled and defined decision making, permanent	5			5					0		5
Contract (top management)				0					0	1	1
Contract (senior management)				0	1	1			1		2
Contract (professionally qualified)				0	1	1			1	2	4
Contract (skilled technical)	2			2		8			8		10
Contract (semi-skilled)	9			9		8			8		17
Contract (unskilled)	10			10					0		10
TOTAL	40	0	1	41	3	32	0	1	33	3	80

	Male, African	Male, Co-loured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Co-loured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	0	0	0	0	0	0	0	0	0	0	0

TABLE 6.4 Promotions

Occupational bands	Male, African	Male, Co-coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Senior management, permanent	3	0	0	3	0	2	0	0	2	0	5
Professionally qualified and experienced specialists and mid-management, permanent	8	0	0	8	0	7	0	3	10	0	18
Skilled technical and academically qualified workers, junior management, supervisors, foremen, permanent	11	0	0	11	0	12	0	0	12	1	24
Skilled technical and academically qualified workers, junior management, supervisors, foremen, temporary	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making, permanent	8	1	0	9	0	9	0	0	9	0	18
Unskilled and defined decision making, permanent	0	0	0	0	0	0	0	0	0	0	0
Contract (top management)	0	0	0	0	0	0	0	0	0	0	0
Contract (senior management)	0	0	0	0	0	0	0	0	0	0	0
Contract (professionally qualified)	0	0	0	0	0	0	0	0	0	0	0
Contract (skilled technical)	0	0	0	0	0	0	0	0	0	0	0
Contract (unskilled)	0	0	0	0	0	0	0	0	0	0	0
TOTAL	30	1	0	31	0	30	0	3	33	1	65

	Male, African	Male, Co- loured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Co- loured	Fe- male, Indian	Fe- male, Total Blacks	Fe- male, White	Total
Employees with disabilities	0	0	0	0	0	0	0	0	0	0	0

TABLE 6.5 Terminations

Occupational bands	Male, African	Male, Co- loured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Fe- male, Indian	Female, Total Blacks	Fe- male, White	Total
Top management, permanent	1			1					0		1
Senior management, permanent	1		1	2	1	1			1		4
Professionally qualified and experienced specialists and mid-management, permanent	9	1		10	1	9			9	5	25
Skilled technical and academically qualified workers, junior management, supervisors and foremen, permanent	1			1		6			6	4	11
Semi-skilled and discretionary decision making, permanent	3			3		2			2	2	7
Unskilled and defined decision making, permanent	1	1		2		1			1		3
Contract (top management)		1		1				2	2	2	5
Contract (senior management)	2			2	1	3			3		6
Contract (professionally qualified)	2	1		3	1	5			5	2	11
Contract (skilled technical)	3			3		4	1		5	1	9
Contract (semi-skilled)	5			5		6			6		11
Contract (unskilled)	22			22		40			40		62
TOTAL	50	4	1	55	4	77	1	2	80	16	155

	Male, African	Male, Co-loured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Co-loured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	0	0	0	0	0	0	0	0	0	0	0

TABLE 6.6 Disciplinary action

Disciplinary action	Male, African	Male, Co-loured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Co-loured	Female, Indian	Female, Total Blacks	Female, White	Total
Total	4	1	0	5	1	2	0	0	2	1	9

TABLE 6.7 Skills development

Occupational categories	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Legislators, senior officials and managers	71	6	9	86	10	90	11	11	112	10	218
Professionals	26	2	1	29	2	17	2	3	22	7	60
Technicians and associate professionals	28	5	4	37	6	21	5	4	30	9	82
Clerks	49	3	1	53	0	105	0	0	105	8	166
Service and sales workers	0	0	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0	0	0
Elementary occupations	17	0	0	17	0	33	0	0	33	0	50
TOTAL	196	16	15	227	18	269	18	18	305	34	584

	Male, African	Male, Co-loured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Co-loured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	1	0	0	1	0	0	0	0	0	0	1

7. PERFORMANCE

TABLE 7.1 Performance rewards by race, gender and disability

Demographics	Number of beneficiaries	Total employment	Percentage of total employment ¹	Cost (R'000)	Average cost per beneficiary (R) ²
African, Female	244	552	44,20	1 519	6 225
African, Male	187	455	41,10	1 362	7 283
Asian, Female	17	24	70,83	304	17 882
Asian, Male	7	15	46,67	116	16 571
Coloured, Female	18	36	50,00	150	8 333
Coloured, Male	8	16	50,00	207	25 875
Total Blacks, Female	279	612	45,59	1 973	7 072
Total Blacks, Male	202	486	41,56	1 684	8 337
White, Female	106	143	74,13	716	6 755
White, Male	31	55	56,36	349	11 258
Employees with a disability	6	9	66,7	70	11 667
TOTAL	624	1 296	48,15	4 791	7 678

Note: The list includes 41 performance bonuses for 2007/2008

1. Number of beneficiaries divided by total employment multiplied by 100

2. Cost divided by number of beneficiaries (in hundreds)

TABLE 7.2 - Performance rewards by salary band for personnel below senior management service

Salary band	Number of beneficiaries	Total employment	Percentage of total employment ¹	Cost (R'000)	Average cost per beneficiary (R) ²
Lower skilled (Levels 1–2)	37	59	62,71%	35	946
Skilled (Levels 3–5)	120	318	37,74%	260	2 167
Highly skilled production (Levels 6–8)	221	384	57,55%	997	4 511
Highly skilled supervision (Levels 9–12)	198	373	53,08%	2 289	11 561
Contract (Levels 1–2)	0	16	0%	0	0
Contract (Levels 3–5)	0	11	0%	0	0
Contract (Levels 6–8)	0	11	0%	0	0
Contract (Levels 9–12)	0	16	0%	0	0
TOTAL	576	1 188	48,48%	3 581	6 217

1. Number of beneficiaries divided by total employment multiplied by 100

2. Cost divided by number of beneficiaries (in hundreds)

TABLE 7.3 Performance rewards by critical occupation

Critical occupations	Number of beneficiaries	Total employment	Percentage of total employment ¹	Cost (R'000)	Average cost per beneficiary (R) ²
Administrative related	96	168	57,14%	822	8 563
Agriculture related	0	0	0%	0	0
Artisan project and related superintendents	0	1	0%	0	0
Auxiliary and related workers	1	6	16,67%	1	1 000
Chemists	10	28	35,71%	50	5 000
Cleaners in offices, workshops, hospitals, etc.	25	69	36,23%	49	1 960
Client information clerks(switchboard, reception, information clerks)	3	4	75,00%	5	1 667
Communication and information related	10	14	71,43%	157	15 700
Computer programmers	0	1	0%	0	0
Computer system designers and analysts	2	3	66,67%	11	5 500
Custodian personnel	0	0	0%	0	0
Dieticians and nutritionists	1	2	50,00%	16	16 000
Engineering sciences related	0	1	0%	0	0
Engineers and related professionals	0	1	0%	0	0
Environmental health	1	1	100,00%	14	14 000
Finance and economics related	8	15	53,33%	85	10 625
Financial and related professionals	7	24	29,17%	62	8 857
Financial clerks and credit controllers	15	22	68,18%	64	4 267
Food services aids and waiters	14	19	73,68%	19	1 357
General legal administration and related professionals	1	5	20,00%	13	13 000
Head of department/chief executive officer	0	0	0%	0	0
Health sciences related	52	77	67,53%	572	11 000
Human resources and organisational development and related professionals	9	14	64,29%	95	10 556
Human resources clerks	17	23	73,91%	69	4 059
Human resources related	8	17	47,06%	126	15 750
Information technology related	1	10	10,00%	9	9 000
Language practitioners, interpreters and other communicators	2	4	50,00%	20	10 000

Critical occupations	Number of beneficiaries	Total employment	Percentage of total employment ¹	Cost (R'000)	Average cost per beneficiary (R) ²
Librarians and related professionals	1	1	100%	3	3 000
Library mail and related clerks	19	33	57,58%	57	3 000
Light vehicle drivers	1	4	25,00%	1	1 000
Logistical support personnel	3	10	30,00%	13	4 333
Material-recording and transport clerks	18	48	37,50%	56	3 111
Medical practitioners	1	2	50,00%	25	25 000
Medical research and related professionals	21	40	52,50%	252	12 000
Medical specialists	5	6	83,33%	99	19 800
Medical technicians/technologists	1	1	100%	12	12 000
Messengers, porters and deliverers	12	23	52,17%	22	1 833
Natural sciences related	8	18	44,44%	111	13 875
Other administrative and related clerks and organisers	114	209	54,55%	431	3 781
Other administrative policy and related officers	40	74	54,05%	242	6 050
Other information technology personnel.	3	13	23,08%	11	3 667
Other occupations	0	20	0%	0	0
Pharmacists	3	7	42,86%	67	22 333
Pharmacologists, pathologists and related professionals	11	34	32,35%	149	13 545
Physicists	5	15	33,33%	38	7 600
Professional nurses	0	1	0%	0	0
Radiography	0	1	0%	0	0
Secretaries and other keyboard operating clerks	32	67	47,76%	135	4 219
Security guards	0	1	0%	0	0
Security officers	14	39	35,90%	32	2 286
Senior managers	28	97	28,87%	766	27 357
Social sciences related	1	1	100%	10	10 000
Staff nurses and pupil nurses	0	1	0%	0	0
Statisticians and related professionals	0	1	0%	0	0
TOTAL	624	1 296	48,15%	4 791	7 678

1. Number of beneficiaries divided by total employment multiplied by 100

2. Cost divided by number of beneficiaries (in hundreds)

TABLE 7.4 Performance related rewards (cash bonus) by salary band for senior management service

SMS band	Number of beneficiaries	Total employment	Percentage of total employment ¹	Cost (R'000)	Average cost per beneficiary (R) ²	% of SMS wage bill ³
Band A	39	77	50,65%	792	2 031	1,03%
Band B	7	22	31,82%	285	4 071	0,37%
Band C	2	6	33,33%	133	6 650	0,17%
Band D	0	3	0%	0	0	0%
TOTAL	48	108	44,44%	1 210	2 520,8	1,57%

1. Number of beneficiaries divided by total employment multiplied by 100

2. Cost divided by number of beneficiaries (in hundreds)

3. Cost divided by Compensation of employees on level 13-16 multiplied by 100

Compensation of employees cost level 13–16 (R'000)	77 193.00
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8. FOREIGN VALUES

TABLE 8.1 Foreign workers by salary band

Salary band	Employment at beginning period	Percentage of total ¹	Employment at end of period	Percentage of total ²	Change in employment	Percentage of total ³	Total employment at beginning of period	Total employment at end of period	Total change in employment
Highly skilled supervision (Levels 9–12)	1	20%	1	25%	0	0%	5	4	-1
Senior management (Levels 13–16)	3	60%	2	50%	-1	100%			
Contract (Levels 13–16)	1	20%	1	25%	0	0%			
TOTAL	5	100%	4	100%	-1	100%	5	4	-1

1. Employment at beginning of period per salary band divided by total multiplied by 100

2. Employment at end of period per salary band divided by total multiplied by 100

3. Change in employment per salary band divided by total multiplied by 100

TABLE 8.2 Foreign workers by major occupation

Major occupation	Employment at beginning period	Percentage of total ¹	Employment at end of period	Percentage of total ²	Change in employment	Percentage of total ³	Total employment at beginning of period	Total employment at end of period	Total change in employment
Professionals and managers	5	100%	4	100%	-1	100%	5	4	-1
TOTAL	5	100%	4	100%	-1	100%	5	4	-1

1. Employment at beginning of period per salary band divided by total multiplied by 100

2. Employment at end of period per salary band divided by total multiplied by 100

3. Change in employment per salary band divided by total multiplied by 100

9. LEAVE

TABLE 9.1 Sick leave for Jan 2009 to Dec 2009

Salary band	Total days	% days with medical certification ¹	Number of employees using sick leave	% of total employees using sick leave ²	Average days per employee ³	Estimated cost (R'000) ⁴	Total number of employees using sick leave	Total number of days with medical certification
Lower skilled (Levels 1–2)	429	67,4	82	7,69%	5	82	1 066	289
Skilled (Levels 3–5)	1 987	60,7	241	22,61%	8	459		1 207
Highly skilled production (Levels 6–8)	2 122	87,3	314	29,46%	7	1,254		1 853
Highly skilled supervision (Levels 9–12)	1 889	75,3	293	27,49%	6	1,793		1 423
Senior management (Levels 13–16)	267	85,4	52	4,88%	5	410		228
Contract (Levels 1–2)	37	67,6	7	0,66%	5	7		25
Contract (Levels 3–5)	172	61	21	1,97%	8	39		105
Contract (Levels 6–8)	184	87,5	27	2,53%	7	109		161
Contract (Levels 9–12)	164	75	25	2,35%	7	156		123
Contract (Levels 13–16)	23	87	4	0,38%	6	35		20
TOTAL	7 274	74,7	1 066	100%	7	4 344	1066	5 434

1. Total number of days divided by total number of days per salary band multiplied by 100

2. Number of employees using sick leave divided by total number of employees using sick leave multiplied by 100

3. Total days per salary band divided by number of employees using sick leave

4. Notch divided by 365 multiplied by number of days OR Notch divided by 261 multiplied by number of days

TABLE 9.2 Disability leave (temporary and permanent) for Jan 2009 to Dec 2009

Salary band	Total days	% days with medical certification ¹	Number of employees using disability leave	% of total employees using disability leave ²	Average days per employee ³	Estimated cost (R'000) ⁴	Total number of days with medical certification	Total number of employees using disability leave
Skilled (Levels 3–5)	100	100%	8	33,33%	13	24	100	24
Highly skilled production (Levels 6–8)	162	100%	5	20,83%	32	86	162	
Highly skilled supervision (Levels 9–12)	155	100%	10	41,67%	16	139	155	
Contract (Levels 6–8)	5	100%	1	4,17%	5	2	5	
TOTAL	422	100%	24	100%	18	251	422	24

1. Total number of days divided by total number of days per salary band multiplied by 100

2. Number of employees using disability leave divided by total number of employees using disability leave multiplied by 100

3. Total days per salary band divided by number of employees using disability leave

4. Notch divided by 365 multiplied by number of days OR Notch divided by 261 multiplied by number of days

TABLE 9.3 Annual leave for Jan 2009 to Dec 2009

Salary band	Total days taken	Average days per employee ¹	Number of employees who took leave
Lower skilled (Levels 1–2)	1 345	22	60
Skilled (Levels 3–5)	6 709	20	333
Highly skilled production (Levels 6–8)	9 492	22	427
Highly skilled supervision (Levels 9–12)	8 760	22	401
Senior management (Levels 13–16)	1 756	19	91
Contract (Levels 1–2)	433	6	72
Contract (Levels 3–5)	76	5	14
Contract (Levels 6–8)	159	12	13
Contract (Levels 9–12)	345	13	26
Contract (Levels 13–16)	418	18	23
Not available	5	5	1
TOTAL	29 498	20	1 461

1. Total days taken per salary band divided by number of employees in salary band who took leave

TABLE 9.4 - Capped leave for Jan 2009 to Dec 2009

	Total days of capped leave taken	Average number of days taken per employee ¹	Average capped leave per employee as at 31 Dec 2009 ²	Number of employees who took capped leave	Total number of capped leave available at 31 Dec 2009	Number of employees as at 31 Dec 2009
Lower skilled (Levels 1–2)	18	1	43	4	1 023	24
Skilled (Levels 3–5)	50	0	39	15	4 044	105
Highly skilled production (Levels 6–8)	129	1	29	29	5 324	182
Highly skilled supervision (Levels 9–12)	147	1	36	23	6 148	170
Senior management (Levels 13–16)	17	0	54	5	2 490	46
Contract (Levels 13–16)	1	0	78	1	235	3
TOTAL	362	1	36	77	19 264	530

1. Total days of capped leave taken divided by number of employees as at 31 December 2009

2. Total number of capped leave available as at 31 December 2009 divided by number of employees as at 31 December 2009

TABLE 9.5 Leave payouts

Reason	Total amount (R'000)	Number of employees	Average payment per employee (R) ¹
Capped leave payouts on termination of service for 2009/10	671	17	39 471
Current leave payout on termination of service for 2009/10	1 127	138	8 167
TOTAL	1 798	155	11 600

1. Total amount divided by number of employees

10. HIV

TABLE 10.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
None	None

TABLE 10.2 Details of health promotion and HIV/AIDS programmes (mark Yes/No and provide required information)

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 or her name and position.	X		Adv. MT Ngake – Director: Employment Relations, Equity and Employee Wellness, and the chairperson of the Integrated Employee Health and Wellness Committee
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		2 employees and a budget are available
3. Has the Department introduced an employee assistance or health promotion programme for your employees? If so, indicate the key elements/services of the programme.	X		The EAP core service is to identify troubled employees, offer counselling, do referrals and follow-up, and look at prevention programmes that will enhance productivity.
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, provide the names of the members of the committee and the stakeholder(s) that they represent.	X		All clusters are represented, together with a NEHAWU representative, a PSA representative and the chairperson.
5. Has the Department reviewed the employment policies and practices of your department 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.	X		Yes. All departmental policies/ workplace guidelines are developed to ensure that no discrimination exists against employees on the basis of their HIV/AIDS status, for example the recruitment and leave policy.
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.	X		Employee policy on HIV and AIDS, STIs and TB in the workplace has been reviewed and is waiting for management approval. Employees and prospective employees have the right to confidentiality with regard to their HIV/AIDS status if an employee informs an employer of his or her HIV/AIDS status.

Question	Yes	No	Details, if yes
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	X		On consultation with the employee assistance programme officer and the departmental nurse, employees are counselled and encouraged to subject themselves to voluntary testing. HIV testing was organised as part of wellness days during May 2010 to celebrate Workers' Day and also in December 2009 as part of the commemoration of World AIDS Day.
8. Has the Department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	X		The integrated employee health and wellness committee is currently working on measures to evaluate health and wellness programmes. Condom usage in the department is being promoted. Male and female condoms are available. An integrated committee is also being established to look at issues that affect wellness, such as EAP, HIV, STI, TB and other health issues that impact on employees.

11. LABOUR RELATIONS

TABLE 11.1 Collective agreements

Subject matter	Date
PHSDSBC Resolution 1 of 2009: Occupation Specific Dispensation for Social Services and Professions	2009/06/04
PHSDSBC Resolution 2 of 2009: Amendment to PHSDCBC Resolution 1 of 2009 - Occupation Specific Dispensation for Social Services and Professions	2009/06/26
PHSDSBC Resolution 3 of 2009: Occupation Specific Dispensation for Doctors, Dentists, Pharmacists and Emergency Care Practitioners	2009/08/07

TABLE 11.2 Misconduct and discipline hearings finalised

Outcomes of disciplinary hearings	Number	Percentage of total ¹	Total
Dismissals	2	50,00%	4
3 months suspension without pay	2	50,00%	
TOTAL	4	100%	

1. Number divided by total multiplied by 100

TABLE 11.3 Types of misconduct addressed and disciplinary hearings

Type of misconduct	Number	Percentage of total ¹	Total
Unlawful possession of state property	1	11,11%	9
Abscondment	2	22,22%	
Fraud, corruption and nepotism	2	22,22%	
Misuse of state property	2	22,22%	
Failure to comply with policies and regulations	1	11,11%	
Insolence	1	11,11%	
TOTAL	9	100%	

1. Number divided by total multiplied by 100

TABLE 11.4 Grievances lodged

Number of grievances addressed	Number	Percentage of total ¹	Total
TOTAL	34	100%	34

1. Number divided by total multiplied by 100

TABLE 11.5 - Disputes lodged

Number of disputes addressed	Number	% of total ¹
Upheld	0	0%
Dismissed	1	100%
Total	1	100%

1. Number divided by total multiplied by 100

TABLE 11.6 - Strike actions

Strike actions	—
Total number of person working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

TABLE 11.7 Precautionary suspensions

Precautionary suspensions	—
Number of people suspended	2
Number of people whose suspension exceeded 30 days	2
Average number of days suspended	90
Cost (R'000) of suspensions	

12. TRAINING NEEDS IDENTIFIED

TABLE 12.1 Training needs identified

Occupational categories	Gender	Employment	Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	35	0	157	18	175
	Male	38	0	115	7	122
Professionals	Female	195	0	87	1	88
	Male	149	0	97	2	99
Technicians and associate professionals	Female	168	0	61	18	79
	Male	109	0	74	16	90
Clerks	Female	279	0	325	0	325
	Male	151	0	183	0	183
Service and sales workers	Female	8	0	0	0	0
	Male	34	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	1	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	69	0	21	23	44
	Male	57	0	5	9	14
Gender sub-totals	Female	755	0	651	60	711
	Male	541	0	474	34	508
Total		1 296	0	1 125	94	1 219

TABLE 12.2 - Training provided

Occupational categories	Gender	Employment	Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	35	0	114	18	132
	Male	38	0	79	7	86
Professionals	Female	195	0	31	1	32
	Male	149	0	26	2	28
Technicians and associate professionals	Female	168	0	32	18	50
	Male	109	0	16	16	32

Occupational categories	Gender	Employment	Learnerships	Skills programmes and other short courses	Other forms of training	Total
Clerks	Female	279	0	115	0	115
	Male	151	0	51	0	51
Service and sales workers	Female	8	0	2	0	2
	Male	34	0	6	0	6
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	1	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	69	0	26	10	36
	Male	57	0	13	1	14
Gender sub-totals	Female	755	0	320	47	367
	Male	541	0	191	26	217
Total		1 296	0	511	73	584

13. INJURIES

TABLE 13.1 Injury on duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	5	100
Temporary total disablement	0	0
Permanent disablement	0	0
Fatal	0	0
Total	5	100

14. CONSULTANTS (Individual)

TABLE 14.1 Report on consultant appointments using appropriated funds

Project title	Total number of consultants that worked on the project	Duration: Work days ¹	Contract value in rands ²
National Health Insurance	1	163	R537 281.50
Drug supply management system	1	219	R527 385.05
2010 Venue Preparations	1	259	R614 703.85
Management of the preparations for the FIFA 2010 World Cup	1	259	R516 164.29
Management of the HIV AIDS CIDA funding project	1	246	R650 000.00

1. Duration work days only for the period 1 April 2009 to 31 March 2010

2. Contract value in rands only for the period 1 April 2009 to 31 March 2010

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in rands
5	5	1 146	R 2 845 534.69

TABLE 14.2 Analysis of consultant appointments using appropriated funds, i.t.o. HDIs*

Project title	Total individual consultants	Total duration: Work days	Number of consultants from HDI groups that work on the project
National Health Insurance	1	163	R460 527.00
Management of the HIV AIDS CIDA funding project	1	246	R350 000.00

*Historically disadvantaged individuals

TABLE 14.3 -Report on consultant appointments using donor funds

Project title	Total number of consultants that worked on the project	Duration: Work days	Contract value in rands	Donor
National data managers to support and manage the quality of primary health care data	11	365	R 2 641 665.00	EU-funded
National Malaria Review TLM Initiative Malaria elimination strategy and implementation	3	154	R 264 825.94	WHO and Clinton Foundation
E-Health	1	240	R 2 000 000.00	(DFID)

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in rands
3	15	759	R 4 906 ,490.94

TABLE 14.4 Analysis of consultant appointments using donor funds, i.t.o. HDIs

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
National data managers to support and manage the quality of primary health care data	0	0	1
E-Health	100	100	1

15. EMPLOYEE-INITIATED SEVERANCE PACKAGES (EISP)

TABLE 15.1: Granting of employee-initiated severance packages

Category	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by the MPSA	Number of packages approved by the Department
Lower skilled (Salary levels 1–2)	0			
Skilled (Salary levels 3–5)	0			
Highly skilled production (Salary levels 6–8)	0			
Highly skilled production (Salary levels 9–12)	0			
Senior management (Salary levels 13 and higher)	0			

16. SMS

TABLE 16.1 -Signing of performance agreement by SMS members

SMS level	Total number of funded SMS posts per level	Total number of SMS members per level	Total number of signed performance agreements per level	Signed performance agreements as % of total number of SMS members per level ¹
Director-General/ Head of Department	1	0	0	0%
Salary level 16, but not HOD	1	1	0	0%
Salary level 15	7	6	5	83%
Salary level 14	26	19	19	100%
Salary level 13	103	80	66	83%
Total	138	106	90	85%

1. Number of performance agreements per level divided by total number of SMS members per level multiplied by 100

TABLE 16.2 Reasons for not having concluded performance agreements for all SMS members

Reasons for not having concluded performance agreements for all SMS members
1. Lack of guidance and understanding of the PMDS system was a key factor in some cases.
2. Lack of clear understanding of roles and responsibilities

TABLE 16.3 Disciplinary steps taken against SMS members for not having concluded performance agreements

Disciplinary steps taken against SMS members for not having concluded performance agreements
1. Warning letters were issued and sent to affected SMS members.

TABLE 16.4 SMS post information as on 31 March 2010

SMS level	Total number of funded SMS posts per level	Total number of SMS posts filled per level	% of SMS posts filled per level ¹	Total number of SMS posts vacant per level ¹	% of SMS posts vacant per level ²
Director-General/ Head of Department	1	0	0%	1	100%
Salary level 16 but not HOD	1	1	100%	0	0%
Salary level 15	7	6	85,71%	1	14,29%
Salary level 14	26	19	73,08%	22	84,62%
Salary level 13	103	80	77,67%	23	22,33%
Total	138	106	76,81%	47	34,06%

1. Number of SMS posts filled per level divided by total number of funded SMS posts per level multiplied by 100

2. Total number of SMS vacant per level divided by total number of funded SMS posts per level multiplied by 100

TABLE 16.5 -Advertising and filling of SMS posts

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertising within 6 months of becoming vacant	Number of vacancies per level filled within 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director –General/Head of Department	1	1	0
Salary level 16 but not HOD	0	0	0
Salary level 15	1	0	0
Salary level 14	1	0	0
Salary level 13			
Total	3	1	0

TABLE 16.6 Reasons for not complying with the filling of funded vacant SMS posts advertised within 6 months and filled within 12 months after becoming vacant

Reasons for vacancies not advertised within six months
1. Financial constraints
2. Skills shortage
Reasons for vacancies not filled within 12 months
1. Financial constraints
2. Skills shortage

TABLE 16.7 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months

Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months
1. None, due to the moratorium on the appointment of personnel, resulting from resource constraints in the Department.

SECTION 3: FINANCIAL REPORT
ANNUAL FINANCIAL STATEMENTS FOR THE NATIONAL DEPARTMENT OF HEALTH - VOTE 14
For the year ended 31 March 2010

Table of contents

Report of the Audit Committee	138
Report of the Accounting Officer	140
Report of the Auditor-General	151
Appropriation Statement	156
Notes to the Appropriation Statement	171
Statement of Financial Performance	173
Statement of Financial Position	174
Statement of Changes in Net Assets	175
Cash Flow Statement	176
Accounting Policies	177
Notes to the Annual Financial Statements (including Accounting Policies)	185
Disclosures Notes to the Annual Financial Statements	197
Annexures	211

AUDIT COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010**NATIONAL DEPARTMENT OF HEALTH****REPORT OF THE AUDIT COMMITTEE**

We are pleased to present our report for the financial year ended 31 March 2010 for the National Department of Health.

Audit Committee Members and Attendance:

The audit committee consists of the members listed hereunder and meets 4 times per annum as per its approved terms of reference. During the current year, 6 meetings were held.

Name of Member	Types and Number of Meetings Attended		
	Normal	Special	Total Meetings
Ms M Nyathi (Chairperson)	4	2	6
Adv. OC Mabaso	4	1	5
Mr. M Maliehe	4	2	6
Ms. VLP Malumbete	4	2	6
Ms. DM Matloa	4	2	6

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1)(a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

Based on the reports provided by both internal and external auditors, the effectiveness of internal control needs urgent attention from management. Management needs to ensure that all matters reported previously are addressed. The matter of lack of resources is uppermost amongst the challenges facing the department and unless this is addressed the department cannot carry out its mandate or even meet its strategic objectives.

The quality of in year management and monthly/quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Committee believes a lot still needs to be done in terms of the content and quality of monthly and quarterly reports that were prepared by the Department during the year under review. Compliance with deadlines for submission of monthly and quarterly reports in terms of DORA is still a challenge, and reporting on performance information needs to be improved.

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report;
- Reviewed the Auditor-General's management letter and management's response thereto;
- Reviewed changes in the accounting policies and practices; and
- Reviewed significant adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements, and is of the opinion that these annual financial statements should be accepted and read together with the report of the Auditor-General.

Internal Audit

The structure of Internal Audit is not adequate in terms of level and number of personnel to meet the demands of the department, however, the Audit Committee is satisfied with the quality of audits it has conducted.



Ms Mizeria Nyathi
Chairperson of the Audit Committee

**REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTIVE AUTHORITY AND PARLIAMENT OF THE
REPUBLIC OF SOUTH AFRICA**

FOR THE YEAR ENDED 31 MARCH 2010

1. General review of state of financial affairs

1.1 Strategic issues facing the Department

- (a) Increasing the life expectancy of all South Africans; reducing maternal and child mortality rates, and decreasing the burden of disease from HIV and AIDS; tuberculosis; other communicable and non-communicable diseases, as well as injuries and trauma
- (b) Ensuring more targeted recruitment, especially to under-served areas, as well as a more robust retention strategy to create a consistent supply of health professionals who are properly trained and highly motivated to provide a quality service
- (c) Poverty, unemployment, low education levels, poor transport infrastructure and social cohesion issues – all are determinants of health that lie outside the health sector but have a significant impact on health outcomes
- (d) Poor health infrastructure, coupled with inadequate resources for expanding and upgrading clinics, community health centres and hospitals, notwithstanding the progress made with the implementation of the Hospital Revitalisation Project.

To address these issues, the Department focused on a set of ten key priorities, known as the 10 Point Plan, which constitutes the strategic framework for improving health service delivery. The 10 Point Plan entails the following priorities:

- (i) Providing strategic leadership and creating a social compact for better health outcomes
- (ii) Implementing National Health Insurance (NHI)
- (iii) Improving the quality of health services
- (iv) Overhauling the health care system and improving its management:
 - (a) Refocusing the health system on primary health care (PHC)
 - (b) Improving the functionality and management of the health system
- (v) Improving human resource planning, development and management
- (vi) Revitalising the infrastructure:
 - (a) Accelerating the delivery of health infrastructure through public private partnerships (PPPs) by revitalising primary level facilities
 - (b) Accelerating the delivery of health technology and information communication technology (ICT) infrastructure
- (vii) Accelerating the implementation of the HIV and AIDS and STI National Strategic Plan 2007–2011, and increasing the focus on TB and other communicable diseases
- (viii) Implementing mass mobilisation for better health among the population
- (ix) Reviewing the drug policy
- (x) Strengthening research and development.

1.2 Significant events that have taken place during the year

- (a) A Ministerial Advisory Committee on National Health Insurance was appointed in September 2009.
- (b) The HIV and AIDS care and support programme is accelerating – 539,819 new patients started treatment during the reporting period.
- (c) Primary health care services have been strengthened. The majority of pregnant women attends antenatal clinics and delivers their babies in health facilities. The cervical cancer screening coverage increased to 47,7%, against a 2009/10 target of 30%.
- (d) Malaria cases have been reduced through improved control programmes.

- (e) The number of cases of serious malnutrition has declined.
- (f) Anti-tobacco policies, an important aspect of chronic disease prevention, have been pursued with vigour.
- (g) Infrastructure improvement is ongoing through the Hospital Revitalisation Programme, albeit at a pace slower than anticipated.
- (h) Medicine prices have been noticeably reduced.
- (i) On World AIDS day on 1 December 2009, the President announced new policies to combat HIV and AIDS.

1.3 Major projects undertaken or completed during the year

- (a) By the end of March 2010, a total of 539,819 new patients were initiated on Antiretroviral Therapy of which 494, 775 were adults and 45 044 were children. This has enhanced access to ART for more than one (1) million patients.
- (b) New quality assurance systems are being put in place, including the National Office of Standards Compliance to monitor both the quality of care and compliance with norms and standards for health facilities.
- (c) A 14% reduction in malaria cases was achieved between 2008/09 and 2009/10, which exceeded the 2009/10 target of 5%. The number of malaria cases decreased from 6 415 in 2008/09 to 5 502 cases in 2009/10. However, the malaria case fatality rate was 1%, which was a 37% increase for the season 2009/10 when compared to 2008/09. This was due to a sudden increase in malaria cases during January 2010, which led to an increase in malaria related mortality, especially in Mpumalanga Province. The Department continued to collaborate with neighbouring countries on malaria control. Technical skills were shared with Mozambique and Swaziland through the Lubombo Spatial Development Initiative. The Trans-Limpopo Initiative between South Africa and Zimbabwe is an established project.
- (d) During 2009/10 the average national measles immunisation coverage for children under one year was 93,7% with 47 out of 52 districts achieving a measles immunisation coverage of 80% and above.
- (e) Two new vaccines were implemented during 2009/10, with the aim of reducing child mortality. The new vaccines aim at combating child morbidity and mortality resulting from the most common forms of pneumonia (pneumococcal) and diarrhoea (Rotavirus).
- (f) The Occupation Specific Dispensation (OSD) for medical doctors, dentists, pharmacists and emergency medical personnel was implemented as per the PSCBC agreement during the period under review.
- (g) The new South African Health Products Regulatory Authority is being established.
- (h) The National Department's oversight capacity over provincial health services will be strengthened. Methods to improve co-ordination and address weaknesses of 'fiscal federalism' (such as the differential implementation of priorities across provinces) are being designed.

1.4 Spending trends

Programme 1: Administration

The Administration programme conducts the overall management of the Department. Activities include policy making by the offices of the Minister, Deputy Minister and Director-General, and the provision of centralised support services, including strategic planning, legal, financial, communication, and human resource services to the Department.

The programme shows an expenditure of 98,3%, with an underexpenditure of R4,738 million (1,7%) against a budget of R274,661 million.

The 1,7% underspending is underpayment for capital assets ascribed to the delays experienced in the relocation to the newly upgraded Civitas Building due to incomplete processes between the contractors and the Public Works Department. Although some of the funds are committed, the payments could not be made during the year.

Programme 2: Strategic Health Programmes

Strategic Health Programmes co-ordinates a range of strategic national health programmes by developing policies, systems, management, funding and the monitoring of key programmes. These programmes include maternal, child and women's health and nutrition; administering the national HIV and AIDS/STIs and TB programmes; and regulating the procurement of pharmaceutical supplies to ensure that essential drugs are affordable and available. Other programmes include Medicines Regulatory Affairs, Non-communicable Diseases and Communicable Diseases.

The five sub-programmes are as follows:

- Maternal, Child and Women's Health and Nutrition
- HIV and AIDS and STI Management
- Communicable Diseases
- Non-Communicable Diseases
- TB Control and Management.

The programme shows an expenditure amounting to 99,6%, with an underexpenditure of R24 266 million (0,4%) against a budget of R5 777 billion.

The programme underspent by R24 266 million (0,4%) due to the delayed delivery of a portion of the H1N1 vaccines procured out of the country, as well as a pending court case for the construction of a mortuary using the Forensic Pathology Services conditional grant in the Northern Cape (R10,2 million).

Programme 3: Health Planning and Monitoring

Health Planning and Monitoring supports the delivery of health services and the Department as a whole.

The four sub-programmes are as follows:

- Health Information Epidemiology Research and Evaluation
- Health Financial Planning and Economics
- Pharmaceutical Policy and Planning and Management
- Office of Standards Compliance.

The programme has spent 97,4% of its allocated funds, amounting to R414,201 million with an underexpenditure of R10 937 million (2.6%).

The reason for the underexpenditure is the initial slow spending for the new cluster of Office of Standards Compliance. Capital funds also showed an underspending due to the delays related to the Civitas Building.

Programme 4: Human Resources and Management Development

The main objective of the programme is to develop and assist provinces to implement a comprehensive long-term national human resource plan, which will ensure an equitable distribution of health human resources.

The three sub-programmes are as follows:

- Human Resources Policy, Research and Planning
- Sector Labour Relations and Planning
- Human Resources and Management Development.

The programme shows an expenditure of R1,794 billion which is 99,6%, with an under expenditure of R7,348 million (0.4%) against a budget of R1,801 billion

Programme 5: Health Services – Special Programmes and Health Entities Management

The Health Services programme supports the delivery of health services, primarily in the provincial and local spheres of government.

The five sub-programmes are as follows:

- District and Development
- Occupational Health
- Infrastructure Planning and Health Facility Management.
- Legal Services and Litigation
- Communication

The programme has spent 96% of its allocated funds amounting to R10 074 billion, which resulted in an underexpenditure of 4% amounting to R402 million. The underexpenditure can be attributed to withholding of hospital revitalisation conditional grant funds for some provinces owing to delays with the construction processes of approved projects, as well as invoices that could not be paid before year-end due to cash flow limitations. A roll-over has been requested for these funds since they have been committed.

Programme 6: International Relations, Health Trade and Health Product Regulation

This programme co-ordinates bilateral and multilateral international health relations, including donor support, and provides oversight over health trade and the development of health products.

The four sub-programmes are as follows:

- Multilateral Relations – North-South
- Food Control and Non-Medical Health Product Regulation
- Pharmaceutical and Related Product Regulation and Management
- Clinical Trials Management.

The programme has spent 91% of its allocated funds amounting to R83 million, with an underexpenditure of R7 572 million (9%) attributed to outstanding accounts to be claimed from the Department of International Corporations and Relations. The projected expenditure for the programme was not realised as planned.

1.5 Virement

The following virements were affected during the financial year under review.

1.5.1 Compensation of employees

To defray excess expenditure on the compensation of employees within various activities, the following shiftings were requested within the Economic Classification: Compensation of Employees:

- Programme 1: an amount of R1 210 million
- Programme 2: an amount of R2 710 million under District Health Services
- Programme 3: R850 000 – from Health Information, Research and Evaluation
- Programme 4: an amount of R1 020 million – from Sector Labour Relations, Human Resource Development and Management
- Programme 5: an amount of R1 090 million – from Environmental Health Promotion and Nutrition

- Programme 6: an amount of R120 000 – from Food Control
- The National Treasury furthermore approved a virement of R4 550 million from Goods and Services to the Compensation of Employees to defray the overspending in the said item. The funds were shifted from the Strategic Health Programme under the cluster: HIV and AIDS and STI.

1.5.2 Goods and services

The Department maintained the six programme structure, which placed a strain on the budget of a number of clusters within the Department. To defray the excess expenditure in these clusters, funds were moved within the Goods and Services budget from various programmes for the amount of R47,5 million.

Furthermore, during the financial year the Department moved an amount of R3,3 million from Goods and Services under the 2010 Emergency Medical Services programme to defray overexpenditure under capital expenditure which could not be envisaged because the 2010 programme is a once-off programme.

An amount of R1 147 million was also shifted within numerous programmes under Machinery and Software to defray expenditure on other clusters which could not be envisaged at the beginning of the financial year.

1.6 Any other material matter – Soccer World Cup clothing and tickets

No expenditure was incurred by the National Department of Health for the purchase of tickets and/or clothing.

2. Services rendered by the Department

2.1 Activities

The National Department of Health develops policies to regulate the public health sector to ensure that South Africa has a health service that meets international requirements and standards. The Department also renders a laboratory service to the public through its forensic laboratories. The Radiation Control Unit is responsible for inspections of radiation equipment, ensuring that the industry complies with norms and standards.

2.2 Tariff policy

The majority of revenue collected by the National Department of Health is derived from applications for the registration of medicines. The balance originates from the laboratory tests conducted by the forensic laboratories, which are under the control of the Department. These fees are reviewed regularly and recover costs.

2.3 Free services

The Department does not provide any free services.

2.4 Inventories

The inventory at year end is R1 358 million and represents a quantity of 15 696. Refer to Annexure 6.

3. Capacity constraints

The National Department is faced with a shortage of skills in the health field in the labour market. This is impacting on policy development as well as the monitoring of health programmes implemented at provincial level. In order to circumvent the problem, health professionals are being employed on a three-year contract. Government has also embarked on an occupational specific dispensation (OSD) project to significantly improve salaries of health professionals.

Another contributing factor is that, due to limited funding for the compensation of employees, a moratorium had to be put in place to reduce possible overexpenditure. As a result, a 24% vacancy was realised which had a negative impact on the achievement of set goals and targets for the financial year.

The Department is actively participating in the internship programme. Through this it is envisaged that some of the vacancies will be filled by employing interns once they have successfully completed their programmes.

4. Utilisation of donor funds

The Department of Health is privileged to have partners from donor organisations. Foreign aid assistance received in kind during the year amounted to R10 720 million for various projects. These funds have been deposited in the RDP fund and are drawn by the Department to implement various projects. The expenditure amounted to R322 million. Donor funds are mainly sourced to areas that both the health department and the donor agree are priorities. Funds are being received from the European Union for the Public Health Sector Support Programme; from Italy, for support in the strengthening of the South African health system; from Belgium, for TB, HIV and STI prevention; from the Global Fund, for TB, AIDS and malaria prevention; and from the CDC, for HIV and AIDS activities.

5. Public entities and trading entities

Public entities

Medical Research Council

The Medical Research Council (MRC) undertakes scientific research on clinical and health systems issues. Core funding is through the Department of Health, with the allocations from Government being determined as part of the overall science vote under the control of the Minister of Arts, Culture, Science and Technology, advised by the National Council for Innovation. Funding from the Department's vote amounts to R251 million in 2009/10. The Council is successful in attracting research funding from other sources. There is close co-operation with the Department of Health in setting research priorities. A critical task is research into a vaccine against the strain of HIV that affects sub-Saharan Africa.

National Health Laboratory Services

The National Health Laboratory Service Act (37 of 2000), came into operation in May 2001. The entity is now fully operational as the legislated preferred provider of laboratory services to public health facilities. The National Health Laboratory Services (NHLS) took over the laboratory services in KwaZulu-Natal during the year under review. Its major source of funding will be the sale of analytical laboratory services to users such as provincial departments of health, but it continues to receive a transfer from the National Department, which amounted to R76,9 million in 2009/10.

Medical Schemes Council

The Medical Schemes Council regulates the private medical scheme industry in terms of the Medical Schemes Act (131 of 1998). It is funded mainly through levies on the industry in terms of the Council for Medical Schemes Levies Act (58 of 2000). During 2009/10 the Department transferred R3,9 million to the Council.

South African National Aids Council Trust (SANACT)

During the period under review, the SANACT was dormant. SANAC itself operates as planned, with its activities funded by the HIV and AIDS cluster. Together with senior members of the National Department of Health, SANAC has drafted a restructuring plan which has to obtain Cabinet approval.

In view of the process that needs to be followed, it is anticipated that the SANACT will be inactive for the 2009/10 financial year.

Trading entity

Mines and Works Compensation Fund

The Compensation Commissioner for Occupational Diseases is responsible for the payment of benefits to miners and ex-miners who have been certified as suffering from lung-related diseases owing to working conditions. The Mines and Works Compensation Fund derives funding from levies (Mine Account, Works Account, Research Account and State Account) collected from controlled mines and works, as well as appropriations from Parliament. Payments to beneficiaries are made in terms of the Occupational Diseases in Mines and Works Act (78 of 1973).

The entire financial system of the Compensation Commissioner for Occupational Diseases is being re-engineered.

6. Organisations to whom transfer payments have been made

In terms of the budget of the National Department of Health, 98% consists of transfer payments to third parties. These are classified as conditional grants, which are major payments to provinces to fund specific functions. These include:

National Tertiary Services Grant	R6, 614 billion
Health Professions Training and Development Grant	R1, 760 billion
Hospital Revitalisation	R2, 989 billion
Comprehensive HIV and AIDS Plan	R4, 376 billion
Forensic Pathology Services	R502 million
2010 World Cup Health Preparations	R30 million
Disaster Response: Cholera	R 50 million

These funds flow to provincial health departments from where spending takes place on items as contained in a pre-approved business plan. More details of the transfers per province are contained in the financial statements.

The National Department of Health makes no conditional grants to municipalities. It can certify that all transferred conditional grant funding was transferred into the primary bank account of the province concerned.

With regard to the monitoring process, the performance of provinces was monitored by the National Department of Health in terms of the reports submitted by provinces and the frameworks published in the DORA Bill for 2009/10. In support of this monitoring process, officials from the National Department of Health also paid site visits to recipient provinces to verify progress.

Based on the reports received from provinces, it transpires that the allocations achieved the purpose and outputs in the Act.

Within the National Department of Health, none of the amounts allocated in terms of the DORA was utilised for administrative purposes. Provincial reports indicate that the transferred funds were applied in terms of the framework and business plan for each of the grants.

Where non-compliance occurred in terms of the Act, it was rectified by means of discussion and – in some cases – delaying transfers.

Funds were withheld for two grants, namely Hospital Revitalisation and Forensic Pathology Services, in consultation with the affected provinces.

Public entities: Transfers are made to public entities under the auspices of the National Department of Health. These have been listed earlier in the report.

Non-governmental organisations (NGOs): NGOs range from national NGOs, which deliver services in the field of health and cover diverse institutions from LoveLife to Soul City, to a range of smaller NGOs that are active in the field of HIV and AIDS. More details of the institutes funded can be found in Annexure 1G of the Annual Financial Statements.

7. Public private partnerships (PPP)

A PPP agreement was concluded with the National Department of Health on 30 May 2003 and the partnership has been valid from 1 April 2003. This PPP aims to revive human vaccines manufacturing in South Africa.

In terms of the 2003 PPP agreement, the South African Government, through the National Department of Health, holds 40% shares in The Biovac Institute Pty Ltd (Biovac) while the Biovac Consortium holds 60%. In exchange for the 40% equity, the National Department of Health transferred the staff and assets of the directorate, which housed the State Vaccine Institute, to The Biovac Institute.

The Department foresees no significant future cash flow to the PPP entity.

Part of the PPP agreement allows The Biovac Institute to source and supply all EPI vaccines of good quality at globally competitive prices to the provincial health departments.

Both The Biovac Consortium and the Department of Health were requested to dilute their equity in order to allow Cape Biotech (part of the Department of Science and Technology) to take up a 12,5% equity stake. Cape Biotech has invested in excess of R35 million into The Biovac Institute. This dilution has been approved by Treasury and was implemented in 2010.

The transfers into the PPP were estimated to have a value of R13,5 million. A valuation done on the net assets value method in the December 2009 Draft Annual Financial Statement placed a value in the region of R13 million on the National Department of Health's stake in the PPP.

In 2009 a review of the PPP was initiated by the DoH and Treasury. While this process is under way, no valuation of Biovac will be conducted. The outcomes of the review are expected in 2010.

8. Corporate governance arrangements

The Department has an active Risk Management Unit which is currently in the Internal Audit Directorate for assistance with its establishment and sustainability. Risk assessment was conducted during the year under review and a departmental risk profile has been developed. The risk assessment is conducted annually and the risk register is updated accordingly.

The Department has a risk policy which includes a fraud prevention plan. Fraud awareness campaigns are conducted through a series of workshops with units in the Department to institutionalise risk management and to instil a fraud prevention culture.

The Department has a fully functional Internal Audit Unit that co-ordinates its efforts with other assurance providers. The unit performs audits in terms of its approved audit plan and reports functionally to the Audit Committee and administratively to the Accounting Officer.

The Internal Audit Unit conducted a quality assurance review on its activities. It “generally conforms” to the standards for the professional practice of internal audit.

The Audit Committee operated in accordance with its approved written terms of reference and held six meetings during the financial year.

9. Discontinued activities/activities to be discontinued

No activities were discontinued during the year under review.

10. New/proposed activities

No significant new activities will be initiated in the near future.

11. Asset management

- Asset management reforms

The Department has progressed substantially in completing its asset management implementation plan. A physical stocktake of all assets was conducted twice during the year under review and an asset register is available for audit purposes.

12. Events after the reporting date

None.

13. Performance information

The quarterly reporting system (QRS) introduced by the National DoH in 2003/04 to monitor the implementation of its strategic plans, as well as the annual performance plans (APPs) of provincial departments of health has grown from strength to strength. This system also serves to identify areas where support is required and thus can provide timeous support to National Department of Health clusters and provincial departments of health where necessary.

For the financial year 2009/10, all nine provinces (100%) submitted all four quarterly progress reports on the implementation of their APPs, as required. The submission rate of clusters at the National DoH hovered close to 100% during 2009/10. Data completeness and quality have also improved significantly over the years, although there are still a few challenges.

The National Department of Health continued to analyse the data in the quarterly progress reports submitted. It compiled summary reports at the end of each quarter, reflecting areas of good progress in the implementation of both national and provincial plans, as well as areas needing intervention.

The National DoH continued work with the National Treasury in strengthening the quarterly reporting system. The two national departments continued to monitor a common set of 67 indicators to alleviate the reporting burden on provinces. The departments compiled summary reports on the performance of provincial DoHs,

which were sent back to provinces as feedback on their performance. In 2008 the National DoH convened a workshop with National DoH and National Treasury, where it was agreed that – to ensure data completeness and to meet the tight time-frames for submitting quarterly reports – provincial DoHs should provide actual data for the first two months of every quarter, and use the data for these months to extrapolate figures for the third month of the quarter. This agreement has continued to be implemented in the 2009/10 financial year.

The Summary reports of progress, along with the implementation of the National DoH strategic plan and the provincial APPs for 2009/10–2011/12 during all four quarters of 2009/10 are available from the National DoH.

To improve the quality and comprehensiveness of the quarterly non-financial data, the National Department of Health continued to implement the following mechanisms:

- Quarterly data received from provinces is sent to managers in the National Department of Health and the provinces for verification to improve its quality.
- Data triangulation with other sources of data is done by the NDoH, comparing data submitted by provincial departments of health to data in the District Health Information System (DHIS).
- Two dedicated officials in the National Department of Health focus on ensuring that provinces submit data timeously.
- Issues pertaining to the quarterly reports are discussed with programme managers in the National Department of Health and their provincial counterparts during meetings of technical committees.
- Analyses of the quarterly reports are presented to, and discussed by, the management committee meetings in the National Department of Health.
- Analytic reports on the quarterly reports are sent to all senior managers in the National Department of Health.

The main source of performance information in the health sector, which assists in tracking service delivery outputs, is the District Health Information System (DHIS). This is a statistical system for the routine collection of data for a key identified set of data elements. It is an open system with no closure date for data capturing.

During the 2009/10 financial year, the office of the Auditor General (A-G) conducted a comprehensive systems review of the DHIS. The A-G reported two key findings, namely: inadequate controls in the DHIS and inconsistent naming of indicators between provinces and the National Department. In terms of the first issue, the A-G indicated that an absence of system-enforced segregation of duties among different levels of health information management posed a risk of changes being made to the data without prior authorisation from the appropriate level of the health system. The second issue pertains to the need for common nomenclature for health indicators.

These two findings are being addressed through a reform process that started early in 2009/10. First, the National Indicator Data Set (NIDS), which is the core of the DHIS, has been revised with a view to developing a new NIDS for implementation during the 2010/11 financial year. The new NIDS entails common nomenclature for health indicators, as well as standard definitions for use across the health system. Second, the internal controls within the DHIS are being enhanced. During 2010/11, the Department will adapt the DHIS software to ensure that all changes to the captured data are subject to approval by a higher-level user in the system. Formal user account management procedures will also be established and implemented to enhance controls over access to the DHIS system.

14. SCOPA resolutions

The Department appeared before the Standing Committee on Public Account but has not yet received any SCOPA resolutions for the 2008/09 financial year. Prior year resolutions have been handled.

15. Prior modifications to audit reports

Nature of qualification Qualified	Financial year in which it first arose	Progress made in clearing the matter
Departmental revenue –related to revenue from the Medical Control Council (MCC)	2008/09	Audit findings and recommendations addressed.
Goods and services – related to travel and subsistence	2008/09	Audit findings and recommendations addressed.

16. Exemptions and deviations received from the National Treasury

None.

17. Other

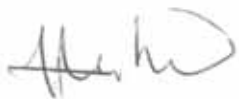
The Department's basic accounting system (BAS) was hacked during August 2009 and R5,2 million was unlawfully transferred into fraudulent bank accounts. The case was reported to the appropriate authorities and is under investigation.

18. Acknowledgements

I wish to express my appreciation to the Minister of Health for his leadership and to all members of staff for their hard work, loyalty and commitment in pursuing the objectives of the National Department of Health.

19. Approval

The Annual Financial Statements set out on pages 156 to 228 have been approved by the Accounting Officer.



Ms MP MATSOSO
DIRECTOR-GENERAL: HEALTH
DATE: 22-07-2010

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF VOTE No. 14: NATIONAL DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2010

REPORT ON THE FINANCIAL STATEMENTS

Introduction

I have audited the accompanying financial statements of the National Department of Health (NDoH), which comprise the appropriation statement, the statement of financial position as at 31 March 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, as set out on pages 156 to 229.

Accounting Officer's responsibility for the financial statements

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 and in the manner required by the Public Finance Management Act of South Africa (PFMA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act (PAA) of South Africa, my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Department of Health for the year ended 31 March 2010, and its financial performance and its cash flows for the year then ended are prepared, in all material respects, in accordance with the modified cash basis of accounting determined by the National Treasury as set out in accounting policy note 1.1 and in the manner required by the Public Finance Management Act of South Africa.

Emphasis of matter

I draw attention to the matters below. My opinion is not modified in respect of these matters:

Basis of accounting

The department's policy is to prepare financial statements on the modified cash basis of accounting, described in accounting policy note 1.1.

Material under spending of the budget

As explained in paragraph 1.4 to the accounting officer's report, the department has materially underspent the budget on programme 5 to the amount of R402,388,000. As a consequence, the department has not achieved its objectives in terms of the Hospital Revitalisation Conditional Grant.

Irregular expenditure

As disclosed in note 24 to the financial statements, irregular expenditure to the amount of R13, 639, 000 (2009: R7, 854, 000) was incurred, as proper supply chain management processes were not followed.

Additional matters

I draw attention to the matter(s) below. My opinion is not modified in respect of these matters:

Unaudited supplementary schedules

The supplementary information set out in Annexure 1A to Annexure 6 does not form part of the financial statements and is presented as additional information. The annexures were not audited and accordingly an opinion will not be expressed thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA of South Africa and *General notice 1570 of 2009*, issued in *Government Gazette No. 32758 of 27 November 2009* I include below my findings on the report on predetermined objectives, compliance with the PFMA, Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) (PPPFA), Division of Revenue Act, Act Number 12 of 2009 (DORA) and Medicines and Related Substances Act, Act No 101 of 1965 and financial management (internal control).

Findings

Predetermined objectives

Non-compliance with regulatory and reporting requirements

Public Finance Management Act, Act No 1 of 1999 (PFMA)

Non adherence to requirements

Lack of effective, efficient and transparent systems and internal controls regarding performance management (applicable at an overall performance management level)

The accounting officer did not ensure that the department has and maintains an effective, efficient and transparent system and internal controls regarding performance management, which describe and represent how the institution's processes of performance planning, monitoring, measurement, review and reporting will be conducted, organised and managed, as required in terms of section 38(1)(a)(i) and (b) of the PFMA.

Reliability of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- **Validity:** Has the actual reported performance occurred and does it pertain to the entity i.e. can the reported performance information be traced back to the source data or documentation?
- **Accuracy:** Amounts, numbers and other data relating to reported actual performance has been recorded and reported appropriately.

- Completeness: All actual results and events that should have been recorded have been included in the reported performance information.

The following audit findings relate to the above criteria:

No supporting source documentation

Sufficient appropriate audit evidence in relation to the following indicators could not be obtained. There were also no satisfactory audit procedures that I could perform to obtain the required assurance as to the validity, accuracy and completeness of the reported information.

- % of PHC facilities offering VCT
- % of adults tested for HIV in the last 12 months
- % of men who have ever had an HIV test
- Number of male condoms distributed
- Number of female condoms distributed
- % of TB patients counselled and tested
- % OF newly diagnosed eligible HIV+ patients starting IPT
- % of eligible TB & HIV co infected patients who start ART
- Number of adults new patients initiated on ART
- Number of children initiated on ART
- % of children and adults still on ART one year after initiation
- Number of districts in which Social Mobilisation and IEC campaigns are developed and implemented to support key health programmes
- % reduction in malaria cases annually
- % case fatality Rate
- Number of Provinces trained per year
- Number of provinces implementing the strategy to reduce harmful use of alcohol
- Number of provinces implementing the Health Mini Drug Master Plan
- Number of provinces wherein Regulations are Implemented
- % of eligible MDR patients on ARVs
- % of eligible XDR patients on ARVs

Compliance with laws and regulations

Public Finance Management Act, Act No 1 of 1999 (PFMA) and Treasury Regulations

Non adherence to requirements

Contrary to the requirements of section 40(1)a of the PFMA the accounting officer did not ensure that full and proper records of revenue received by the Medical Control Council (MCC) were maintained in the accounting records of the department.

Contrary to the requirement of TR 15.10.1.2(j), bank reconciliations were not performed on a daily basis for the MCC.

Division of Revenue Act, Act No 12 of 2009 (DoRA)

Non adherence to requirements

Although the department has a control framework in place to monitor the respective conditional grants to the value of R16.321 billion transferred to the provinces, the department did not always adhere to the framework as:

- The monitoring of applicable conditional grants through quarterly visits and physical inspections by the department was inadequate.
- The evaluation of information provided by provincial departments to ensure the timely identification of potential non-compliance with the conditions attached to the grants by the provinces was inadequate because the unexplained differences, errors and omissions that were identified during the audit was neither explained by the provinces nor investigated by the department.

Monitoring performed by the department was also ineffective due to the following:

- Late submission of business plans for specific conditional grants by the provinces, resulting in late submission by the department to National Treasury.
- Late or non-submission of financial, quarterly and annual performance reports by the provinces, resulting in erroneous consolidated reports of the department.
- Significant inconsistencies in the information supplied in the monthly financial and quarterly performance reports by the provincial departments to the department.

Preferential Procurement Policy Framework Act No. 5 of 2000 (PPPFA) and Treasury Regulations

Non adherence to legislation

Contrary to the requirements of the PPPFA, Treasury Regulations and SCM practice notes issued by National Treasury, irregular expenditure amounting to R13, 639, 000 was incurred.

Public Service Regulations

Non adherence to requirements

Contrary to the requirements of Part III B 2(A) of the Public Service Regulations changes to the organisational structure were not approved by the Minister of Public Service and Administration.

Contrary to the requirements of Part III D1(a) and (b) the Human Resource Plan of the department was not approved by the Minister of Public Service and Administration.

National Health Act, Act No 61 of 2003 (NHA)

Non adherence to requirements

Contrary to the requirements of section 24(3)(c) the National Consultative Health Forum did not meet at least once every 12 months.

INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA, PPPFA, DORA and MRSA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

Leadership

The accounting officer did not exercise adequate oversight responsibility over reporting and compliance with laws and

regulations in relation to the DoRA.

The accounting officer did not ensure that an appropriate documented and approved policy and procedure framework was developed and implemented for predetermined objectives.

Financial and performance management

Inadequate monitoring processes were implemented by the supply chain management unit to identify non-compliance with the policy and initiate corrective action where necessary.

The financial statements were subject to material amendments resulting from the audit due to inadequate monitoring of daily and monthly financial activities to prevent material misstatements.

OTHER REPORTS

Investigations in progress

The following investigations are in progress on the reporting date:

The National Treasury was requested on 9 July 2010 by the NDoH to perform a forensic audit on fraudulent payments that was made on the Basic Accounting System during the 2009-10 financial year

An investigation is in progress into tenders which were approved without sufficient funding being available in prior financial periods.

Performance audits

A performance audit was conducted on the department's use of consultants during the year under review. The audit is currently in the reporting phase and the findings will be reported in a separate report.

A follow up performance audit was conducted during the year under review on the Forensic Science Laboratories. A management report will be issued on this audit.

Auditor-General

Pretoria

20 August 2010



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14
APPROPRIATION STATEMENT
for the year ended 31 March 2010**

Appropriation per programme										
APPROPRIATION STATEMENT	2009/10			2008/09						
	Adjusted Appropria- tion	Shifting of Funds	Virement	Final Appropria- tion	Actual Expenditure	Variance	Expenditure as % of final appropria- tion	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
1. ADMINISTRATION										
Current payment	252 016	-	14 160	266 176	265 602	574	99,8%	218 478	218 617	
Transfers and subsidies	300	-	64	364	362	2	99,5%	358	355	
Payment for capital assets	8 121	-	-	8 121	3 959	4 162	48,8%	26 078	22 041	
2. STRATEGIC HEALTH PROGRAMMES										
Current payment	570 639	-	(12 702)	557 937	542 242	15 695	97,2%	406 335	405 545	
Transfers and subsidies	5 209 710	-	39	5 209 749	5 206 430	3 319	99,9%	3 745 891	3 709 125	
Payment for capital assets	10 904	-	(2 125)	8 779	3 527	5 252	40,2%	14 663	14 815	
3. HEALTH PLANNING AND MONITORING										
Current payment	105 540	-	12 105	117 645	111 727	5 918	95,0%	94 186	94 806	
Transfers and subsidies	288 153	-	202	288 355	288 352	3	100,0%	245 315	245 314	
Payment for capital assets	2 756	-	5 445	8 201	3 185	5 016	38,8%	2 758	2 029	
4. HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT										
Current payment	38 465	-	2 265	40 730	33 904	6 826	83,2%	33 485	23 293	
Transfers and subsidies	1 759 799	-	99	1 759 898	1 759 897	1	100,0%	1 681 897	1 681 893	
Payment for capital assets	710	-	-	710	189	521	26,6%	808	159	
5. HEALTH SERVICES										
Current payment	93 638	-	(12 650)	80 988	61 535	19 453	76,0%	83 883	75 793	
Transfers and subsidies	9 989 402	-	298	9 989 700	9 608 131	381 569	96,2%	9 197 142	8 872 212	
Payment for capital assets	3 059	-	-	3 059	1 693	1 366	55,3%	2 917	1 880	
6. INTERNATIONAL RELATIONS, HEALTH TRADE AND HEALTH PRO- DUCT REGULATION										
Current payment	89 376	-	(7469)	81 907	74 714	7 193	91,2%	96 210	96 086	
Transfers and subsidies	-	-	269	269	268	1	99,6%	70	70	
Payment for capital assets	871	-	-	871	493	378	56,6%	695	437	
TOTAL	18 423 459	-	-	18 423 459	17 966 210	457 249	97,5%	15 851 169	15 464 470	

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

	2009/10		2008/09	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)	18 423 459	17 966 210	15 851 169	15 464 470
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	45 190		31 188	
Aid assistance	375 957		146 024	
Actual amounts per statement of financial performance (total revenue)	18 844 606		16 028 381	
ADD				
Aid assistance		323 249		193 130
Actual amounts per statement of financial performance (total expenditure)		18 289 459		15 657 600

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

Appropriation per economic classification									
	2009/10					2008/09			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	329 132	-	4 550	333 682	333 023	659	99,8%	292 574	292 507
Goods and services	820 542	-	(8 841)	811 701	756 671	55 030	93,2%	642 838	624 266
Financial transactions in assets and liabilities	-	-	-	-	30	(30)	-	-	198
Transfers and subsidies									
Provinces and municipalities	16 702 499	-	-	16 702 499	16 321 348	381 151	97,7%	14 605 446	14 271 335
Departmental agencies and accounts	335 850	-	-	335 850	335 850	-	100,0%	73 257	73 256
Universities and technikons	1 000	-	-	1 000	500	500	50,0%	1 000	733
Public corporations and private enterprises	-	-	38	38	37	1	97,4%	-	-
Non-profit institutions	206 015	-	-	206 015	202 781	3 234	98,4%	187 526	160 209
Households	2 000	-	933	2 933	2 924	9	99,7%	609	605
Payments for capital assets									
Machinery and equipment	26 421	-	2 173	28 594	11 730	16 864	41,0%	47 919	41 361
Software and other intangible assets	-	-	1 147	1 147	1 316	(169)	114,7%	-	-
Total	18 423 459	-	-	18 423 459	17 966 210	457 249	97,5%	15 851 169	15 464 470

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 1 – ADMINISTRATION

2009/10							2008/09		
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 CORPORATE SERVICES									
Current payment	176 919	—	19 770	196 689	196 195	494	99,7%	152 804	152 940
Transfers and subsidies	300	—	64	364	362	2	99,5%	326	324
Payment for capital assets	7 694	—	—	7 694	3 792	3 902	49,3%	25 795	21 599
1.2 DEPUTY MINISTER									
Current payment	1 407	—	(560)	847	842	5	99,4%	828	565
1.3 MANAGEMENT									
Current payment	25 515	—	(4 400)	21 115	21 087	28	99,8%	22 161	22 428
Transfers and subsidies	—	—	—	—	—	—	—	32	31
Payment for capital assets	427	—	—	427	167	260	39,1%	283	442
1.4 MINISTER									
Current payment	1 709	—	(650)	1 059	1 056	3	99,7%	1 119	1 119
1.5 PROPERTY MANAGEMENT									
Current payment	46 466	—	—	46 466	46 422	44	99,9%	41 566	41 565
Total	260 437	—	14 224	274 661	269 923	4 738	98,3%	244 914	241 013

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 1 – ADMINISTRATION

2009/10										2008/09	
Programme 1 per economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Current payments											
Compensation of employees	98 143	-	2 350	100 493	100 473	20	100,0%	86 674	86 674		
Goods and services	153 873	-	11 810	165 683	165 121	562	99,7%	131 804	131 802		
Financial transactions in assets and liabilities	-	-	-	-	8	(8)	-	-	141		
Transfers and subsidies to:											
Departmental agencies and accounts	300	-	-	300	300	-	100,0%	279	278		
Public corporations and private enterprises	-	-	38	38	37	1	97,4%	-	-		
Households	-	-	26	26	25	1	96,2%	79	77		
Payment for capital assets											
Machinery and equipment	8 121	-	(62)	8 059	3 830	4 229	47,5%	26 078	22 041		
Software and other intangible assets	-	-	62	62	129	(67)	208,1%	-	-		
Total	260 437	-	14 224	274 661	269 923	4 738	98,3%	244 914	241 013		

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 2 – STRATEGIC HEALTH PROGRAMMES

Detail per sub-programme	2009/10				2008/09				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 COMMUNICABLE DISEASES									
Current payment	158 548	-	20	158 568	153 982	4 586	97,1%	7 904	7 900
Transfers and subsidies	50 000	-	-	50 000	50 000	-	100,0%	-	-
Payment for capital assets	390	-	-	390	190	200	48,7%	370	171
2.2 HIV AND AIDS AND STI'S									
Current payment	303 314	-	(16 502)	286 812	280 546	6 266	97,8%	320 088	320 087
Transfers and subsidies	4 573 180	-	3	4 573 183	4 570 450	2 733	99,9%	3 064 566	3 039 299
Payment for capital assets	1 208	-	-	1 208	658	550	54,5%	3 048	392
2.3 MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION									
Current payment	45 036	-	9 540	54 576	54 562	14	100,0%	23 379	23 378
Transfers and subsidies	1 084	-	-	1 084	636	448	58,7%	1 030	-
Payment for capital assets	421	-	-	421	230	191	54,6%	403	171
2.4 NON-COMMUNICABLE DISEASES									
Current payment	47 654	-	(3 510)	44 144	42 533	1 611	96,4%	47 539	46 762
Transfers and subsidies	579 781	-	36	579 817	579 679	138	100,0%	676 635	666 167
Payment for capital assets	8 736	-	(2 125)	6 611	2 355	4 256	35,6%	10 700	14 045
2.5 TB CONTROL AND MANAGEMENT									
Current payment	16 087	-	(2 250)	13 837	10 619	3 218	76,7%	7 425	7 418
Transfers and subsidies	5 665	-	-	5 665	5 665	-	100,0%	3 660	3 659
Payment for capital assets	149	-	-	149	94	55	63,1%	142	36
Total	5 791 253	-	(14 788)	5 776 465	5 752 199	24 266	99,6%	4 166 889	4 129 485

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 2 – STRATEGIC HEALTH PROGRAMMES

Programme 2 per economic classification	2009/10					2008/09			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	78 522	-	740	79 262	78 721	541	99,3%	70 173	70 150
Goods and services	492 117	-	(13 442)	478 675	463 514	15 161	96,8%	336 162	335 391
Financial transactions in assets and liabilities	-	-	-	-	7	(7)	-	-	4
Transfers and subsidies to:									
Provinces and municipalities	4 928 055	-	-	4 928 055	4 927 968	87	100,0%	3 490 104	3 479 897
Departmental agencies and accounts	76 475	-	-	76 475	76 475		100,0%	70 623	70 623
Universities and technikons	1 000	-	-	1 000	500	500	50,0%	1 000	733
Non-profit institutions	202 180	-	-	202 180	199 449	2 731	98,6%	183 874	157 583
Households	2 000	-	39	2 039	2 038	1	100,0%	290	289
Payment for capital assets									
Machinery and equipment	10 904	-	(2 135)	8 769	3 239	5 530	36,9%	14 663	14 815
Software and other intangible assets	-	-	10	10	288	(278)	2880,0%	-	-
Total	5 791 253	-	(14 788)	5 776 465	5 752 199	24 266	99,6%	4 166 889	4 129 485

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 3 – HEALTH PLANNING AND MONITORING

Detail per sub-programme	2009/10						2008/09		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 FINANCIAL PLANNING AND HEALTH ECONOMICS									
Current payment	28 194	–	(1 720)	26 474	24 938	1 536	94,2%	18 317	18 100
Transfers and subsidies	33 865	–	–	33 865	33 865	–	100,0%	6 151	6 151
Payment for capital assets	322	–	3 320	3 642	388	3 254	10,7%	308	196
3.2 HEALTH INFORMATION RESEARCH AND EVALUATION									
Current payment	22 311	–	14 250	36 561	36 850	(289)	100,8%	25 576	25 872
Transfers and subsidies	254 288	–	51	254 339	254 338	1	100,0%	239 147	239 146
Payment for capital assets	1 529	–	2 125	3 654	2 217	1 437	60,7%	1 456	1 426
3.3 OFFICE OF STANDARDS COMPLIANCE									
Current payment	40 338	–	(825)	39 513	34 854	4 659	88,2%	36 577	37 161
Transfers and subsidies	–	–	151	151	149	2	98,7%	17	17
Payment for capital assets	745	–	–	745	467	278	62,7%	709	182
3.4 PHARMACEUTICAL POLICY AND PLANNING									
Current payment	14 697	–	400	15 097	15 085	12	99,9%	13 716	13 673
Payment for capital assets	160	–	–	160	113	47	70,6%	285	225
Total	396 449	–	17 752	414 201	403 264	10 937	97,4%	342 259	342 149

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 3 – HEALTH PLANNING AND MONITORING

Programme 3 per economic classification	2009/10					2008/09			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	56 166	-	515	56 681	56 654	27	100,0%	50 256	50 048
Goods and services	49 374	-	11 590	60 964	55 073	5 891	90,3%	43 930	44 705
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	53
Transfers and subsidies to:									
Provinces and municipalities	30 000	-	-	30 000	30 000	-	100,0%	242 660	242 660
Departmental agencies and accounts	255 396	-	-	255 396	255 396	-	100,0%		
Non-profit institutions	2 757	-	-	2 757	2 757	-	100,0%	2 626	2 626
Households	-	-	202	202	199	3	98,5%	29	28
Payment for capital assets									
Machinery and equipment	2 756	-	4 370	7 126	2 286	4 840	32,1%	2 758	2 029
Software and other intangible assets	-	-	1 075	1 075	899	176	83,6%	-	-
Total	396 449	-	17 752	414 201	403 264	10 937	97,4%	342 259	342 149

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 4 – HEALTH HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT

Detail per sub-programme	2009/10						2008/09		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 HUMAN RESOURCE DEVELOPMENT AND MANAGEMENT									
Current payment	13 149	–	1 615	14 764	13 373	1 391	90,6%	26 043	15 904
Transfers and subsidies	1 759 799	–	99	1 759 898	1 759 897	1	100,0%	1 679 061	1 679 061
Payment for capital assets	169	–	–	169	19	150	11,2%	163	24
4.2 HUMAN RESOURCE POLICY, RESEARCH AND PLANNING									
Current payment	19 617	–	2 885	22 502	17 140	5 362	76,2%	7 442	7 389
Transfers and subsidies	–	–	–	–	–	–	–	1	1
Payment for capital assets	210	–	–	210	74	136	35,2%	330	86
4.3 SECTOR LABOUR RELATIONS AND PLANNING									
Current payment	5 699	–	(2 235)	3 464	3 391	73	97,9%	–	–
Transfers and subsidies	–	–	–	–	–	–	–	2 835	2 831
Payment for capital assets	331	–	–	331	96	235	29,0%	315	49
Total	1 798 974	–	2 364	1 801 338	1 793 990	7 348	99,6%	1 716 190	1 705 345

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 4 – HEALTH HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT

2009/10							2008/09		
Programme 4 per economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	17 031	–	(935)	16 096	16 058	38	99,8%	13 835	13 831
Goods and services	21 434	–	3 200	24 634	17 846	6 788	72,4%	22 485	12 293
Transfers and subsidies to:									
Provinces and municipalities	1 759 799	–	–	1 759 799	1 759 799	–	100,0%	1 679 061	1 679 061
Households	–	–	99	99	98	1	99,0%	1	1
Payment for capital assets									
Machinery and equipment	710	–	–	710	189	521	26,6%	808	159
Total	1 798 974	–	2 364	1 801 338	1 793 990	7 348	99,6%	1 716 190	1 705 345

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 5 – HEALTH SERVICES

2009/10										2008/09	
Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
5. DISTRICT HEALTH SERVICES											
Current payment	29 964	–	(2 575)	27 389	11 481	15 908	41,9%	19 025	11 391		
Transfers and subsidies	96	–	–	96	–	96	–	191	100		
Payment for capital assets	266	–	–	266	126	140	47,4%	255	188		
5.2 ENVIRONMENTAL HEALTH PROMOTION AND NUTRITION											
Current payment	17 817	–	(7 040)	10 777	10 685	92	99,1%	25 966	26 498		
Transfers and subsidies	982	–	–	982	575	407	58,6%	936	1		
Payment for capital assets	203	–	–	203	27	176	13,3%	199	134		
5.3 HOSPITALS AND HEALTH FACILITIES MANAGEMENT											
Current payment	20 960	–	(2 640)	18 320	14 895	3 425	81,3%	15 309	14 337		
Transfers and subsidies	9 984 645	–	–	9 984 645	9 603 581	381 064	96,2%	9 193 621	8 869 717		
Payment for capital assets	661	–	635	1 296	1 276	20	98,5%	630	215		
5.4 OCCUPATIONAL HEALTH											
Current payment	24 897	–	(395)	24 502	24 474	28	99,9%	23 583	23 567		
Transfers and subsidies	3 679	–	298	3 977	3 975	2	99,9%	2 394	2 394		
Payment for capital assets	1 929	–	(635)	1 294	264	1 030	20,4%	1 833	1 343		
Total	10 086 099	–	(12 352)	10 073 747	9 671 359	402 388	96,0%	9 283 942	8 949 885		

NATIONAL DEPARTMENT OF HEALTH
VOTE 14

APPROPRIATION STATEMENT
for the year ended 31 March 2010

DETAIL PER PROGRAMME 5 – HEALTH SERVICES

Programme 5 per economic classification	2009/10					2008/09			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	39 680	–	250	39 930	39 909	21	99,9%	35 631	35 923
Goods and services	53 958	–	(12 900)	41 058	21 613	19 445	52,6%	48 252	39 870
Financial transactions in assets and liabilities	–	–	–	–	13	(13)	–	–	–
Transfers and subsidies to:									
Provinces and municipalities	9 984 645	–	–	9 984 645	9 603 581	381 064	96,2%	9 193 621	8 869 717
Departmental agencies and accounts	3 679	–	–	3 679	3 679	–	100,0%	2 355	2 355
Non-profit institutions	1 078	–	–	1 078	575	503	53,3%	1 026	–
Households	–	–	298	298	296	2	99,3%	140	140
Payment for capital assets									
Machinery and equipment	3 059	–	–	3 059	1 693	1 366	55,3%	2 917	1 880
Total	10 086 099	–	(12 352)	10 073 747	9 671 359	402 388	96,0%	9 283 942	8 949 885

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 6 – INTERNATIONAL RELATIONS, HEALTH TRADE AND HEALTH PRODUCT REGULATION

Detail per sub-programme	2009/10						2008/09			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
6.1 FOOD CONTROL AND NON-MEDICAL HEALTH PRODUCT REGULATION										
	Current payment	6 183	-	(770)	5 413	5 389	24	99,6%	6 462	6 412
	Payment for capital assets	280	-	-	280	54	226	19,3%	38	14
6.2 MULTILATERAL RELATIONS										
	Current payment	44 532	-	(7 239)	37 293	34 885	2 408	93,5%	61 313	61 374
	Transfers and subsidies	-	-	1	1	1	-	100,0%	-	-
Payment for capital assets	551	-	(310)	241	75	166	31,1%	524	79	
6.3 PHARMACEUTICAL AND RELATED PRODUCT REGULATION										
	Current payment	38 661	-	540	39 201	34 440	4 761	87,9%	28 435	28 300
	Transfers and subsidies	-	-	268	268	267	1	99,6%	70	70
Payment for capital assets	40	-	310	350	364	(14)	104,0%	133	344	
Total	90 247	-	(7 200)	83 047	75 475	7 572	90,9%	96 975	96 593	

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2010**

DETAIL PER PROGRAMME 6 – INTERNATIONAL RELATIONS, HEALTH TRADE AND HEALTH PRODUCT REGULATION

2009/10							2008/09		
Programme 6 per economic classification	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final Appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	39 590	–	1 630	41 220	41 208	12	100,0%	36 005	35 881
Goods and services	49 786	–	(9 099)	40 687	33 504	7 183	82,3%	60 205	60 205
Financial transactions in as-sets and liabilities	–	–	–	–	2	(2)	–	–	–
Transfers and subsidies to:									
Households	–	–	269	269	268	1	99,6%	70	70
Payment for capital assets									
Machinery and equipment	871	–	–	871	493	378	56,6%	695	437
Total	90 247	–	(7 200)	83 047	75 475	7 572	90,9%	96 975	96 593

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2010**

1. Details of transfers and subsidies as per Appropriation Act (after Virement):

Details of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

2. Details of specifically and exclusively appropriated amounts voted (after Virement):

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

3. Details on financial transactions in assets and liabilities

Details of these transactions per programme can be viewed in the note on Financial transactions in assets and liabilities to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per Programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	274 661	269 923	4 738	98,27%
Capital expenditure for the Civitas project did not realise in 2009/10 as a result of the slow progress made on the refurbishment of the building.				
Strategic Health Programmes	5 776 465	5 752 199	24 266	99,58%
Health Planning and Monitoring	414 201	403 264	10 937	97,36%
Initial slow spending for the new function of the Cluster: Office of Standards Compliance resulted in an underspending. Capital funds also showed an underspending due to the delayed move to Civitas.				
Human Resource Management and Development	1 801 338	1 793 990	7 348	99,59%
Health Services	10 073 747	9 671 359	402 388	96,01%
Funds for the Hospital Revitalisation Conditional Grant were withheld.				
International Relations, Health Trade and Health Product Regulations	83 047	75 475	7 572	90,88%
Expenditure for the Cluster: Pharmaceutical and Related Products did not realise as anticipated.				

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2010**

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments:				
Compensation of employees	333 682	333 023	659	99,8%
Goods and services	811 701	756 671	55 010	93,2%
Financial transactions in assets and liabilities	–	30	(30)	–
Transfers and subsidies:				
Provinces and municipalities	16 702 499	16 321 348	381 151	97,7%
Departmental agencies and accounts	335 850	335 850	–	100,0%
Universities and technikons	1 000	500	500	50,0%
Public corporations and private enterprises	38	37	1	97,4%
Non-profit institutions	206 015	202 781	3 234	98,4%
Households	2 933	2 924	9	99,7%
Payments for capital assets:				
Machinery and equipment	28 594	11 730	16 884	41,0%
Software and other intangible assets	1 147	1 316	(169)	114,7%

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2010**

PERFORMANCE	Note	2009/10 R'000	2008/09 R'000
REVENUE			
Annual appropriation	1	18 423 459	15 851 169
Departmental revenue	2	45 190	31 188
Aid assistance	3	375 957	146 024
TOTAL REVENUE		18 844 606	16 028 381
EXPENDITURE			
Current expenditure			
Compensation of employees	4	333 023	292 507
Goods and services	5	756 671	624 266
Financial transactions in assets and liabilities	6	30	198
Aid assistance	3	322 911	191 459
Total current expenditure		1 412 635	1 108 430
Transfers and subsidies		16 863 440	14 506 138
Transfers and subsidies	7	16 863 440	14 506 138
Expenditure for capital assets			
Tangible capital assets	8	12 068	43 032
Software and other intangible assets	8	1 316	–
Total expenditure for capital assets		13 384	43 032
TOTAL EXPENDITURE		18 289 459	15 657 600
SURPLUS/(DEFICIT) FOR THE YEAR		555 147	370 781
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		457 249	386 699
Annual appropriation		76 098	52 588
Conditional grants		381 151	334 111
Departmental revenue	13	45 190	31 188
Aid assistance	3	52 708	(47 106)
SURPLUS/(DEFICIT) FOR THE YEAR		555 147	370 781

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**
**STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2010**

POSITION	Note	2009/10	2008/09
		R'000	R'000
ASSETS			
Current assets		298 553	493 338
Cash and cash equivalents	9	261 398	466 662
Prepayments and advances	10	3 836	7 889
Receivables	11	33 319	18 787
TOTAL ASSETS		298 553	493 338
LIABILITIES			
Current liabilities		297 631	492 456
Voted funds to be surrendered to the Revenue Fund	12	157 249	376 699
Departmental revenue to be surrendered to the Revenue Fund	13	34 387	290
Payables	14	33 997	23 588
Aid assistance repayable	3	70 335	72 589
Aid assistance unutilised	3	1 663	19 290
Non-current liabilities			
Payables	15	–	42
TOTAL LIABILITIES		297 631	492 498
NET ASSETS		922	840
Represented by:			
Recoverable revenue		922	840
TOTAL		922	840

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2010**

NET ASSETS	Note	2009/10 R'000	2008/09 R'000
Recoverable revenue			
Opening balance		840	610
Transfers:		82	230
Debts recovered (included in departmental receipts)		(331)	(399)
Debts raised		413	629
Closing balance		922	840
TOTAL		922	840

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**
**CASH FLOW STATEMENT
for the year ended 31 March 2010**

CASH FLOW	Note	2009/10 R'000	2008/09 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		18 544 606	16 018 381
Annual appropriated funds received	1.1	18 123 459	15 841 169
Departmental revenue received	2	45 190	31 188
Aid assistance received	3	375 957	146 024
Net (increase)/decrease in working capital		(70)	(1 425)
Surrendered to Revenue Fund		(387 792)	(360 069)
Surrendered to RDP fund/donor		(72 589)	–
Current payments		(1 412 635)	(1 108 430)
Transfers and subsidies paid		(16 863 440)	(14 506 138)
Net cash flow available from operating activities	16	(191 920)	42 319
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(13 384)	(43 032)
Net cash flows from investing activities		(13 384)	(43 032)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		82	230
Increase/(decrease) in non-current payables		(42)	–
Net cash flows from financing activities		40	230
Net increase/(decrease) in cash and cash equivalents		(205 264)	(483)
Cash and cash equivalents at beginning of period		466 662	467 145
Cash and cash equivalents at end of period	17	261 398	466 662

NATIONAL DEPARTMENT OF HEALTH VOTE 14

ACCOUNTING POLICIES for the year ended 31 March 2010

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 2 of 2006.

1. Presentation of the Financial Statements

1.1 Basis of preparation

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. 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 the final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprise departmental allocations as well as direct charges against the 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.

The total appropriated funds received during the year are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the National Revenue Fund. Any amounts owing to the National Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**ACCOUNTING POLICIES
for the year ended 31 March 2010**

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when it is received and is subsequently paid into the National Revenue Fund, unless stated otherwise.

Any amount owing to the National Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

2.3 Direct exchequer receipts/payments

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and are subsequently paid into the National Revenue Fund, unless otherwise stated.

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

Any amount owing to the National Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position.

2.4 Aid assistance

Aid assistance is recognised as revenue when received.

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements.

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year).

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year).

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds since they are not surrendered to the revenue fund.

NATIONAL DEPARTMENT OF HEALTH VOTE 14

ACCOUNTING POLICIES for the year ended 31 March 2010

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

The cost of short-term employee benefits are expensed in the statement of financial performance when financial authorisation for payment is effected on the system (by no later than 31 March each year).

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 must not be recognised in the statement of financial performance or position.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his or her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Post retirement benefits

Employer contributions (i.e. social contributions) 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 each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Social contributions (such as medical benefits) made by the department for certain of its ex-employees are classified as transfers to households in the statement of financial performance.

3.1.3 Termination benefits

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

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**ACCOUNTING POLICIES
for the year ended 31 March 2010**

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/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5 000). All other expenditures are classified as current.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. 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 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written off are limited to the amount of savings and/or underspending 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 statement amounts.

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 of approval.

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.

NATIONAL DEPARTMENT OF HEALTH VOTE 14

ACCOUNTING POLICIES for the year ended 31 March 2010

3.8 Irregular expenditure

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.

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.

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 potentially irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**ACCOUNTING POLICIES
for the year ended 31 March 2010**

4.7 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.

4.8 Capital assets

4.8.1 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 at R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "Expenditure for capital asset" and it is capitalised in the asset register of the Department on completion of the project.

Repairs and maintenance is expensed as current "goods or services" in the statement of financial performance.

4.8.2 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 asset". On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

5. Liabilities

5.1 Payables

Recognised payables mainly comprise amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

5.2 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.

NATIONAL DEPARTMENT OF HEALTH VOTE 14

ACCOUNTING POLICIES for the year ended 31 March 2010

5.3 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.

5.4 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.

5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.6 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.

5.7 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 an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability 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 statements.

5.8 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 when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when 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.

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**ACCOUNTING POLICIES
for the year ended 31 March 2010**

7. Net Assets

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and transferred to the National/Provincial Revenue Fund when the underlining asset is disposed of and the related funds are received.

7.2 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.

8. Related party transactions

Specific information with regard 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 description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

NATIONAL DEPARTMENT OF HEALTH**VOTE 14****NOTES TO THE ANNUAL FINANCIAL STATEMENTS****for the year ended 31 March 2010****1. Annual appropriation****1.1 Annual Appropriation**

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation Received 2008/09 R'000
Administration	274 661	274 661	–	244 914
Strategic Health Programmes	5 778 816	5 478 816	300 000	4 166 889
Health Planning and Monitoring	414 201	414 201	–	332 259
Health Human Resource Management and Development	1 801 338	1 801 338	–	1 716 190
Health Services	10 073 747	10 073 747	–	9 283 942
International Relations, Health Trade and Health Product Regulation	80 696	80 696	–	96 975
Total	18 423 459	18 123 459	300 000	15 841 169

Due to poor performance at three provinces on the Hospital Revitalisation Conditional Grant, R300 million was not requested. National Treasury is aware of the challenges as it was reported to them during a Strategic Planning meeting.

2. Departmental revenue

	<i>Note</i>	2009/10 R'000	2008/09 R'000
Sales of goods and services other than capital assets	2.1	38 412	29 747
Interest, dividends and rent on land	2.2	1 012	249
Financial transactions in assets and liabilities	2.3	5 766	1 192
Total revenue collected		45 190	31 188
Departmental revenue collected		45 190	31 188

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

2.1 Sales of goods and services other than capital assets

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Sales of goods and services produced by the department	2	38 355	29 676
Sales by market establishment		69	71
Administrative fees		38 140	29 478
Other sales		146	127
Sales of scrap, waste and other used current goods		57	71
Total		38 412	29 747

2.2 Interest, dividends and rent on land

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Interest	2	1 012	249
Total		1 012	249

2.3 Financial transactions in assets and liabilities

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Stale cheques written back	2	16	27
Other Receipts including Recoverable Revenue		5 750	1 165
Total		5 766	1 192

3. Aid assistance

3.1 Aid assistance received in cash from RDP

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Foreign			
Opening Balance		91 879	138 985
Revenue		374 294	146 024
Expenditure		(321 978)	(193 130)
Current		(321 640)	(191 459)
Capital		(338)	(1 671)
Surrendered to the RDP		(72 589)	–
Closing Balance		71 606	91 879

NATIONAL DEPARTMENT OF HEALTH**VOTE 14****NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010****3.2 Aid assistance received in cash from other sources**

	2009/10	2008/09
	R'000	R'000
Local		
Opening Balance	–	–
Revenue	1 663	–
Expenditure	(1 271)	–
Current	(1 271)	–
Closing Balance	392	–

3.3 Total assistance

	2009/10	2008/09
	R'000	R'000
Opening Balance	91 879	138 985
Revenue	375 957	146 024
Expenditure	(323 249)	(193 130)
Current	(322 911)	(191 459)
Capital	(338)	(1 671)
Surrendered/Transferred to retained funds	(72 589)	–
Closing Balance	71 998	91 879

	2009/10	2008/09
	R'000	R'000
Analysis of balance		
Aid assistance unutilised	1 663	19 290
RDP	1 271	19 290
Other sources	392	–
Aid assistance repayable	70 335	72 589
RDP	70 335	72 589
Closing Balance	71 998	91 879

*Note***4. Compensation of employees****4.1 Salaries and Wages**

	2009/10	2008/09
	R'000	R'000
Basic salary	225 733	198 103
Performance award	4 886	4 367
Service Based	173	210
Compensative/circumstantial	4 237	3 404
Periodic payments	312	1 975
Other non-pensionable allowances	55 997	48 774
Total	291 338	256 833

Note

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

4.2 Social contributions

	Note	2009/10 R'000	2008/09 R'000
Employer contributions			
Pension		28 898	24 459
Medical		12 747	11 175
Bargaining council		40	40
Total		41 685	35 674
 Total compensation of employees		 333 023	 292 507
 Average number of employees		 1 289	 1 365

5. Goods and services

	Note	2009/10 R'000	2008/09 R'000
Administrative fees		239	718
Advertising		95 149	17 199
Assets less than R5 000	5.1	2 177	2 700
Bursaries (employees)		949	520
Catering		2 527	3 522
Communication		15 952	12 762
Computer services	5.2	31 279	17 790
Consultants, contractors and agency/outsourced services	5.3	69 180	172 276
Entertainment		211	235
Audit cost – external	5.4	31 648	13 221
Inventory	5.5	351 611	127 493
Owned and leasehold property expenditure	5.6	49 667	46 797
Transport provided as part of departmental activities		145	123
Travel and subsistence	5.7	69 740	127 678
Venues and facilities		10 770	6 403
Training and staff development		8 250	23 585
Other operating expenditure	5.8	17 177	51 244
Total		756 671	624 266

The comparative figures for 2008/09 for some items were reclassified.

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

5.1 Assets less than R5 000

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Tangible assets		2 177	2 700
Machinery and equipment		2 177	2 700
Total		2 177	2 700

5.2 Computer services

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
SITA computer services		18 741	672
External computer service providers		12 538	17 118
Total		31 279	17 790

5.3 Consultants, contractors and agency/outsourced services

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Business and advisory services		39 146	124 685
Legal costs		1 741	8 159
Contractors		15 698	32 629
Agency and support/outsourced services		12 595	6 803
Total		69 180	172 276

5.4 Audit cost – External

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Regularity audits		8 012	6 069
Performance audits		3 616	-
Other audits		20 020	7 152
Total		31 648	13 221

NATIONAL DEPARTMENT OF HEALTH**VOTE 14****NOTES TO THE ANNUAL FINANCIAL STATEMENTS****for the year ended 31 March 2010****5.5 Inventory**

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Fuel, oil and gas		323	36
Other consumable materials		4 701	4 073
Maintenance material		–	312
Stationery and printing		21 045	19 208
Medical supplies		325 542	103 864
Total		351 611	127 493

5.6 Owned and leasehold property expenditure

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Other		49 667	46 797
Total		49 667	46 797

5.7 Travel and subsistence

	<i>Note</i>	2009/10	2008/09
	5		
Local		54 603	90 437
Foreign		15 137	37 241
Total		69 740	127 678

5.8 Other operating expenditure

	<i>Note</i>	2009/10	2008/09
	5	R'000	R'000
Professional bodies, membership and subscription fees		11 481	42 415
Resettlement costs		3 282	4 391
Other		2 414	4 438
Total		17 177	51 244

6. Financial transactions in assets and liabilities

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Debts written off	6.1	30	198
Total		30	198

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

6.1 Debts written off

	<i>Note</i> 6	2009/10 R'000	2008/09 R'000
Nature of debts written off			
Salary debt		2	4
Tax debt		14	–
Private telephone debt		–	1
Dishonoured cheques		–	4
Debts written off relating to fruitless and wasteful expenditure		12	189
Bursary		2	–
Total		30	198

6.2 Assets written off

	<i>Note</i>	2009/10 R'000	2008/09 R'000
Nature of write-off			
Equipment < R5 000		6	4
Inventory		72	5
Machinery and Equipment		74	37
Total		152	46

7. Transfers and subsidies

		2009/10 R'000	2008/09 R'000
	<i>Note</i>		
Provinces and municipalities	<i>Annexure 1A</i>	16 321 348	14 028 675
Departmental agencies and accounts	<i>Annexure 1B</i>	335 850	315 916
Universities and technikons	<i>Annexure 1C</i>	500	733
Public corporations and private enterprises	<i>Annexure 1D</i>	37	–
Non-profit institutions	<i>Annexure 1E</i>	202 781	160 209
Households	<i>Annexure 1F</i>	923	605
Gifts, donations and sponsorships made	<i>Annexure 1G</i>	2 001	–
Total		16 863 440	14 506 138

Unspent funds transferred to the above beneficiaries

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

8. Expenditure for capital assets

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Tangible assets		12 068	43 032
Machinery and equipment	29	12 068	43 032
Software and other intangible assets		1 316	-
Computer software	30	1 316	-
Total		13 384	43 032

8.1 Analysis of funds utilised to acquire capital assets – 2009/10

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	11 730	338	12 068
Machinery and equipment	11 730	338	12 068
Software and other intangible assets	1 316	-	1 316
Computer software	1 316	-	1 316
Total	13 046	338	13 384

8.2 Analysis of funds utilised to acquire capital assets – 2008/09

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	41 361	1 671	43 032
Machinery and equipment	41 361	1 671	43 032
Total	41 361	1 671	43 032

9. Cash and cash equivalents

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Consolidated Paymaster General Account		261 373	466 637
Cash on hand		25	25
Total		261 398	466 662

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

10. Prepayments and advances

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Travel and subsistence		431	818
Advances paid to other entities		3 405	7 071
Total		3 836	7 889

11. Receivables

		2009/10				2008/09
		R'000	R'000	R'000	R'000	R'000
		Less than one year	One to three years	Older than three years	Total	Total
	<i>Note</i>					
Claims recoverable	11.1 Annex- ure 4	20 669	1 026	4 199	25 894	16 771
Recoverable expenditure	11.2	5 098	68	242	5 408	320
Staff debt	11.3	452	223	529	1 204	1 107
Other debtors	11.4	219	481	113	813	589
Total		26 438	1 798	5 083	33 319	18 787

11.1 Claims recoverable

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
National departments	11	20 632	4 122
Provincial departments		5 262	12 649
Total		25 894	16 771

11.2 Recoverable expenditure (disallowance accounts)

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Dishonoured cheques	11	310	312
Salary debt		3	2
Income tax debt		–	6
Damages and Losses		5 095	–
Total		5 408	320

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

11.3 Staff debt

	<i>Note</i>	2009/10	2008/09
	11	R'000	R'000
Bursary debt		389	519
Salary overpayments		510	474
State guarantees		34	36
Tax debt		191	18
Loss/Damage to State Property		80	60
Total		1 204	1 107

11.4 Other debtors

	<i>Note</i>	2009/10	2008/09
	11	R'000	R'000
Schedule 9 drugs		58	65
Laboratory tests		60	57
Other debtors		76	57
Ex-employees		619	410
Total		813	589

12. Voted funds to be surrendered to the Revenue Fund

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Opening balance		376 699	328 403
Transfer from statement of financial performance		457 249	386 699
Voted funds not requested/not received	<i>1.1</i>	(300 000)	(10 000)
Paid during the year		(376 699)	(328 403)
Closing balance		157 249	376 699

13. Departmental revenue to be surrendered to the Revenue Fund

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Opening balance		290	768
Transfer from statement of financial performance		45 190	31 188
Paid during the year		(11 093)	(31 666)
Closing balance		34 387	290

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

14. Payables – current

	<i>Note</i>	2009/10 Total	2008/09 Total
Advances received	14.1	33 326	21 294
Clearing accounts	14.2	224	362
Other payables	14.3	447	1 932
Total		33 997	23 588

14.1 Advances received

	<i>Note</i>	2009/10 R'000	2008/09 R'000
	14		
Advances for Havana Students: Mpumalanga Province		1 712	229
Advances for Havana Students: KwaZulu-Natal Province		3 944	3 176
Advances for Havana Students: Limpopo Province		14 539	8 988
Contributions to Cuba for Havana Students: Eastern Cape Province		3 192	4 536
Contributions to Cuba for Havana Students: Gauteng Province		–	733
Contributions to Cuba for Havana Students: Northern Cape Province		3 410	861
Contributions to Cuba for Havana Students: North West Province		4 471	2 771
Advances to National Departments		2 058	–
Total		33 326	21 294

14.2 Clearing accounts

	<i>Note</i>	2009/10 R'000	2008/09 R'000
	14		
Income Tax		211	354
Pension Fund		13	9
Housing		–	2
Garnishee Orders		–	1
Telephone		–	(4)
Total		224	362

14.3 Other payables

	<i>Note</i>	2009/10 R'000	2008/09 R'000
	14		
Deposit to be paid to drawer		–	1 095
GCIS		–	837
Communicative Responsive Programme		410	–
GE – Healthcare		37	–
Total		447	1 932

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

15. Payables – non-current

		2009/10			2008/09
		R'000	R'000	R'000	R'000
		One to two years	Two to three years	More than three years	Total
	Note				
Other payables	15.1	–	–	–	42
Total		–	–	–	42

15.1 Other payables

	Note	2009/10	2008/09
		R'000	R'000
Income Tax	15	–	42
Total		–	42

16. Net cash flow available from operating activities

	Note	2009/10	2008/09
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		555 147	370 781
Add back non cash/cash movements not deemed operating activities		(747 067)	(328 462)
(Increase)/decrease in receivables – current		(14 532)	(7 771)
(Increase)/decrease in prepayments and advances		4 053	(3 002)
Increase/(decrease) in payables – current		10 409	9 348
Expenditure on capital assets		13 384	43 032
Surrenders to Revenue Fund		(387 792)	(360 069)
Surrenders to RDP Fund/Donor		(72 589)	–
Voted funds not requested/not received		(300 000)	(10 000)
Net cash flow generated by operating activities		(191 920)	42 319

17. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2009/10	2008/09
		R'000	R'000
Consolidated Paymaster General Account		261 373	466 637
Cash on hand		25	25
Total		261 398	466 662

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

These amounts are not recognised in the annual financial statements and are disclosed to enhance the usefulness of the annual financial statements.

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

		Note	2009/10 R'000	2008/09 R'000
Liable to	Nature			
Motor vehicle guarantees	Employees	Annexure 3A	190	678
Housing loan guarantees	Employees	Annexure 3A	746	828
Other departments (interdepartmental unconfirmed balances)		Annexure 5	–	14
Total			936	1 520

19. Commitments

	Note	2009/10 R'000	2008/09 R'000
Current expenditure		267 665	263 780
Approved and contracted		266 847	263 454
Approved but not yet contracted		818	326
Capital expenditure		8 410	1 090
Approved and contracted		8 410	1 090
Total commitments		276 075	264 870

The following commitments are for longer than a year:
 Cellular phones: Contracts are for periods of 24 months.
 Tenders: The commitments depend on the periods agreed upon in the service agreements.

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

20. Accruals

	2009/10		2008/09
	R'000		R'000
Listed by economic classification			
	30 days	30+ days	Total
Goods and services	29 148	35 939	65 087
Machinery and equipment	38	199	237
Total	29 186	36 138	65 324

	Note	2009/10	2008/09
Listed by programme level			
Programme 1: Administration		9 333	31 059
Programme 2: Strategic Health Programmes		47 788	31 895
Programme 3: Health Planning and Monitoring		4 561	2 736
Programme 4: Human Resource Management and Development		257	237
Programme 5: Health Services		2 787	1 180
Programme 6: International Relations, Health Trade and Health Product Regulation		598	764
Total		65 324	67 871

	Note	2009/10	2008/09
		R'000	R'000
Confirmed balances with other departments	Annexure 5	33 326	21 294
Confirmed balances with other government entities	Annexure 5	447	–
Total		33 773	21 294

21. Employee benefits

	Note	2009/10	2008/09
		R'000	R'000
Leave entitlement		11 571	11 139
Service bonus (Thirteenth cheque)		9 226	8 058
Capped leave commitments		15 579	15 149
Total		36 376	34 346

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

22. Lease commitments

22.1 Finance leases expenditure

	Land	Buildings and other fixed structures	Machinery and equipment	Total
2009/10				
Not later than 1 year	–	–	1 016	1 016
Later than 1 year and not later than 5 years	–	–	143	143
Later than 5 years	–	–	27	27
Total lease commitments	–	–	1 186	1 186

	Land	Buildings and other fixed structures	Machinery and equipment	Total
2008/09				
Not later than 1 year	–	–	70	70
Later than 1 year and not later than 5 years	–	–	55	55
Later than 5 years	–	–	45	45
Total lease commitments	–	–	170	170

Note: The comparative figures were reclassified from Operating Leases to Financial Leases

23. Receivables for departmental revenue

	Note	2009/10 R'000	2008/09 R'000
Sales of goods and services other than capital assets		8	8
Total		8	8

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

	Note	2009/10 R'000	2008/09 R'000
Opening balance		7 854	6 286
Add: Irregular expenditure – relating to prior year		4 916	–
Add: Irregular expenditure – relating to current year		903	1 636
Less: Amounts condoned		(31)	(68)
Less: Amounts not recoverable (not condoned)		(3)	–
Irregular expenditure awaiting condonation		13 639	7 854

Analysis of awaiting condonation per age classification

Current year	4 916	1 636
Prior years	8 723	6 218
Total	13 639	7 854

24.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2009/10 R'000
Purchasing of a file drawer cabinet	To be investigated	11
Printing of cholera pamphlets	To be investigated	246
Storage of furniture	To be investigated	45
Transport: Malaria Day celebrations – 14 November 2008	To be investigated	116
Decoration and Labour: Bonisiwe Marketing	To be investigated	60
Printing of World TB programme – 20 March 2009	To be investigated	18
Hiring of temporary personnel: Express Personnel Services	To be investigated	94
Appointment of KPMG – 2010 Reference Price List	To be investigated	3 397
Three quotations not obtained – SCM	To be investigated	225
Appointment of preferred consultant – Dr Thulare	To be investigated	691
Failure to obtain three quotations – SCM	To be investigated	13
Total		4 916

NATIONAL DEPARTMENT OF HEALTH**VOTE 14****DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS****for the year ended 31 March 2010****24.3 Details of irregular expenditure condoned**

Incident	Condoned by (condoning authority)	2009/10 R'000
Printing Ethics in HLT Research: Pre Rand Printers	Director-General	13
Printing of World Trial Balance day programmes – 20 March 2009	Acting Director-General	18
Total		31

24.4 Details of irregular expenditure under investigation

Incident	2009/10 R'000
Conference (4–7 July 2001)	35
Conference company (12–13 August 2000)	59
Lab services: FMC 12/2000 and FMC 465/2001	1 501
Drug literacy workshop (1–3 August 2001)	38
Design, compile and edit of articles (April and May 2001)	40
Transportation of furniture: Cape Town to Pretoria (2 March 2002)	35
Payment for a National Conference for Home/Community based Care	76
Racing Against Malaria – Drummer International	73
Gender Focal Point launch	34
Utilising a helicopter during a MINMEC meeting on 7 November 2002	55
Fraud Hotline	59
Supply of anti-virus software: Secure Data	211
Oracle SA (Pty) Ltd: Supply of software	405
IT Integration – MBOD – NCOH – CCOD	400
Purchase of furniture	113
Replacement of detector assembly on water thermabeam: Microcept (Pty) Ltd	39
SADC Health Minister's meeting: 2–3 August 2004, Roodevallei	23
Department's celebration of women's month to honour women staff	23
Women's Day celebration function – Umzumbe	55
Procurement of Service – Dikarabong	602
Procurement of video material for RAM rally – Panache Productions	53
Printing of a report – Pre Rand Printers	9
Freelancers' writing Services	56
Service of medical equipment	38
Meeting for the implementation of the Comprehensive Plan	43
Annual Midwife Congress	190
Human Resource Plan for Health	74
Gender Focal Point launch	31
Purchase of furniture	159
Purchase of furniture	42
Layout, design and translate: down syndrome booklet	147
Orb diagnostics: Mission consumables	87
Payment of consultants: Deloitte	40

NATIONAL DEPARTMENT OF HEALTH**VOTE 14****DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

Incident	2009/10 R'000
Translation services for the hosting of the SADC Health Minister's meeting	193
Catering services – Theleze Investments	3
Accommodation	35
Cabinet unit –Queens Lifestyle	11
Placement of advertisements – Independent Newspapers	48
Removal of office furniture – A P Sepokwane Construction	12
Roll up banners – Woodmead Stationers	16
Banner – Woodmead Stationers	11
Roll up banners – Woodmead Stationers	13
T-shirts – Woodmead Stationers	49
Communication: Venue hire, creative presentation – Kilimanjaro Communication	430
Venue hire: Hilton Sandton	12
Venue hire: SARB	3
Placing of advertisements – Ganeffy Group	76
Repair of air conditioners in server rooms – Nazarene Enterprises	12
Purchase of a scanner – Waymark Infotech	25
Workshop held at Protea Hotel, Centurion	9
Placement of advertisements in newspapers – Saatchi and Saatchi	398
National Traditional Medicines Day celebrations: 6 September 2007 – Limpopo	300
Blum and Hofmeyer: Hiring of temps	485
Utilising of a helicopter	74
Resettlement costs	397
Hiring of a venue	279
Purchasing of file drawer cabinet	11
Utilising of a helicopter	97
Purchasing of blue lights	5
Printing of cholera pamphlets	133
Printing of cholera pamphlets	246
Storage of furniture	23
Storage of furniture	45
Removal of furniture	63
Malaria Day event in KZN: 14 November 2008	684
Malaria Day event in KZN: 14 November 2008	116
Décor and labour – Bonisiwe Marketing Communication	60
Hiring of temporary workers – Express Personnel Services	94
Appointment of KPMG – 2010 Reference pricelist	3 397
Three quotations not obtained	225
Appointment of a preferred consultant – NDoH 14/ 2009–10: Dr Thulare	691
Failure to obtain three written quotations	13
Total	13 639

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

24.5 Details of irregular expenditure not recoverable (not condoned)

Incident	Not condoned by (condoning authority)	2009/10 R'000
Catering – Thakgalang Caterers	National Treasury	3
Total		3

25. Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

	Note	2009/10 R'000	2008/09 R'000
Opening balance		–	–
Fruitless and wasteful expenditure – relating to prior year		–	189
Fruitless and wasteful expenditure – relating to current year		140	–
Less: Amounts condoned		(12)	(189)
Fruitless and wasteful expenditure awaiting condonation		128	–
Analysis of awaiting condonation per economic classification			
Current		128	–
Total		128	–

25.2 Analysis of current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2009/10 R'000
Advance attending the 16th International Aids Conference	Written off	5
Payment of interest to GEPP	Written off	6
No show: Ermelo Inn, Dr M Duma	Written off	1
AMX finance charges – Phakisa World payments	To be investigated	128
Total		140

NATIONAL DEPARTMENT OF HEALTH**VOTE 14****DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS****for the year ended 31 March 2010****26. Related party transactions**

The following entities fall under the Minister of Health's portfolio:

- Medical Research Council
- National Health Laboratory Services
- Medical Schemes Council
- Compensation Commissioner for Occupational Diseases
- South African National Aids Council

The transfer payments made to the related parties are disclosed in Annexure 1C because no other transactions were concluded between the Department and the relevant entities during the 2009/10 financial year. Transactions made on behalf of SANAC to the value of R 6,6 million are included in the expenditure of the National Department of Health.

27. Key management personnel

	No. of individuals	2009/10 R'000	2008/09 R'000
Political office bearers (detail provided below)	2	2 694	1 880
Officials:			
Level 15–16	7	7 975	4 711
Level 14 (incl CFO if at a lower level)	20	15 910	12 112
Family members of key management personnel			
Total		26 579	18 703

Minister Hogan's salary for the period April and May 2009 was R200 791,61. Minister Motsoaledi's salary for the period June 2009 until March 2010 was R1 251 141,67. Deputy Minister Sefularo's salary for the reporting period was R1 241 989,20.

NATIONAL DEPARTMENT OF HEALTH**VOTE 14****DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS****for the year ended 31 March 2010****28. Public private partnership**

A PPP agreement was concluded on 30 May 2003 and the partnership has been valid from 1 April 2003. The agreement aims to revive human vaccines manufacturing in South Africa.

In terms of the agreements entered into in 2003, the South African Government, through the National Department of Health, holds 40% shares in The Biovac Institute Pty Ltd (Biovac) while the Biovac Consortium holds 60%. In exchange for the 40% equity, the National Department of Health transferred the staff and assets of the directorate, which housed the State Vaccine Institute, to The Biovac Institute.

The Department foresees no significant future cash flow to the PPP entity.

Part of the PPP agreement allows The Biovac Institute to source and supply all EPI vaccines of good quality at globally competitive prices to the provincial health departments.

Both The Biovac Consortium and the Department of Health were requested to dilute their equity in order to allow Cape Biotech (part of the Department of Science and Technology) to take up a 12,5% equity stake. Cape Biotech has invested in excess of R35 million into The Biovac Institute. This dilution has been approved by Treasury and was implemented in 2010.

The transfers into the PPP were estimated to have a value of R13,5 million and a valuation done on the December 2009 Draft Annual Financial Statements on the net assets value method placed a value in the region of R13 million on the National Department of Health's stake in the PPP.

In 2009 a review of the PPP was initiated by the DoH and Treasury. While this process is under way, no valuation of Biovac was conducted. The outcomes of the review are expected in 2010.

29. Provisions

	<i>Note</i>	2009/10	2008/09
		R'000	R'000
Potential irrecoverable debts			
Staff debtors		529	453
Other debtors		355	341
Total		884	794

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

30. Movable tangible capital assets

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2010**

	Opening balance	Current year adjust- ments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	108 010	(9 659)	11 970	910	109 411
Transport assets	1 067	-	1 213	-	2 280
Computer equipment	42 923	(9 659)	4 430	286	37 408
Furniture and office equipment	7 045	-	769	3	7 811
Other machinery and equipment	56 975	-	5 558	621	61 912
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	108 010	(9 659)	11 970	910	109 411

30.1 Additions

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2010**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	11 733	-	-	237	11 970
Transport assets	1 213	-	-	-	1 213
Computer equipment	4 323	-	-	107	4 430
Furniture and office equipment	718	-	-	51	769
Other machinery and equipment	5 479	-	-	79	5 558
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	11 733	-	-	237	11 970

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

30.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Sold for cash	Transferred out or destroyed or scrapped	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	910	910	-
Computer equipment	-	286	286	-
Furniture and office equipment	-	3	3	-
Other machinery and equipment	-	621	621	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	910	910	-

30.3 Movement for 2008/09

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	68 402	43 116	3 508	108 010
Transport assets	997	1 375	1 305	1 067
Computer equipment	17 357	27 188	1 622	42 923
Furniture and office equipment	6 399	757	111	7 045
Other machinery and equipment	43 649	13 796	470	56 975
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	68 402	43 116	3 508	108 010

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

30.4 Minor assets

MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2010

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor assets	106	–	30 063	–	30 169
TOTAL	106	–	30 063	–	30 169

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	–	–	–	–	–
Number of minor assets at cost	47	–	32 732	–	32 779
TOTAL NUMBER OF MINOR ASSETS	47	–	32 732	–	32 779

MINOR ASSETS OF THE DEPARTMENT AS AT 31 MARCH 2009

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor assets	–	–	22 958	–	22 958
TOTAL	–	–	22 958	–	22 958

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	–	–	29 747	–	29 747
TOTAL NUMBER OF MINOR ASSETS	–	–	29 747	–	29 747

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

31. Intangible capital assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance	Current year adjust- ments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Computer software	58 793	2 867	1 334	-	62 994
TOTAL INTANGIBLE CAPITAL ASSETS	58 793	2 867	1 334	-	62 994

31.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Cash	Non-cash	(Develop- ment work in progress – current costs)	Received current year, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Computer software	1 334	-	-	-	1 334
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	1 334	-	-	-	1 334

NATIONAL DEPARTMENT OF HEALTH**VOTE 14****DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

for the year ended 31 March 2010

31.2 Disposals**DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010**

	Sold for cash	Transferred out or destroyed or scrapped	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
Computer software	-	-	-	-
TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS	-	-	-	-

31.3 Movement for 2008/09**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009**

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Computer software	58 793	-	-	58 793
TOTAL INTANGIBLE CAPITAL ASSETS	58 793	-	-	58 793

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 1A: STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE/ GRANT	GRANT ALLOCATION				TRANSFER			SPENT			2008/09	
	Division of Revenue Act	Roll-Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocation by National Treasury or National Department	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000	
Health Professional Training and Development				-								
Eastern Cape	151 362	-	-	151 362	151 362	-	-	151 362	124 352	82%	140 641	
Free State	110 755	-	-	110 755	110 755	-	-	110 755	110 504	100%	102 000	
Gauteng	614 812	-	-	614 812	614 812	-	-	614 812	614 812	100%	610 828	
KwaZulu-Natal	222 425	-	-	222 425	222 425	-	-	222 425	222 425	100%	212 092	
Limpopo	88 759	-	-	88 759	88 759	-	-	88 759	81 831	92%	82 896	
Mpumalanga	71 839	-	-	71 839	71 839	-	-	71 839	45 648	64%	59 935	
Northern Cape	58 304	-	-	58 304	58 304	-	-	58 304	58 304	100%	45 278	
North West	78 608	-	-	78 608	78 608	-	-	78 608	78 033	99%	68 977	
Western Cape	362 935	-	-	362 935	362 935	-	-	362 935	362 935	100%	356 414	
National Tertiary Services												
Eastern Cape	509 429	-	-	509 429	509 429	-	-	509 429	528 235	104%	472 542	
Free State	642 835	-	-	642 835	642 835	-	-	642 835	627 021	98%	550 539	
Gauteng	2 328 301	-	-	2 328 301	2 328 301	-	-	2 328 301	2 328 302	100%	2 207 424	
KwaZulu-Natal	983 948	-	-	983 948	983 948	-	-	983 948	984 488	100%	911 892	
Limpopo	176 871	-	-	176 871	176 871	-	-	176 871	174 844	99%	152 238	
Mpumalanga	81 410	-	-	81 410	81 410	-	-	81 410	68 624	84%	67 255	
Northern Cape	173 241	-	-	173 241	173 241	-	-	173 241	173 241	100%	153 567	
North West	134 416	-	-	134 416	134 416	-	-	134 416	134 383	100%	118 433	
Western Cape	1 583 991	-	-	1 583 991	1 583 991	-	-	1 583 991	1 583 991	100%	1 500 193	
Hospital Revitalisation												
Eastern Cape	238 611	-	-	238 611	238 611	-	-	238 611	204 048	86%	282 288	
Free State	247 886	-	-	247 886	181 018	-	-	181 018	180 119	98%	202 753	

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 1A: STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE/ GRANT	GRANT ALLOCATION			TRANSFER			SPENT			2008/09	
	Division of Revenue Act	Roll-Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allo-cations by National Treasury or National De-partment	Amount received by depart-ment	Amount spent by department	% of available funds spent by depart-ment	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Gauteng	755 190	-	-	755 190	755 190	-	-	755 190	525 205	70%	718 312
KwaZulu-Natal	449 558	-	-	449 558	288 862	-	-	288 862	224 909	78%	330 404
Limpopo	206 931	-	-	206 931	206 931	-	-	206 931	172 085	83%	252 029
Mpumalanga	304 441	153 500	-	457 941	304 441	-	-	304 441	343 743	113%	298 297
Northern Cape	340 197	-	-	340 197	340 197	-	-	340 197	267 851	79%	317 480
North West	254 644	-	-	254 644	254 644	-	-	254 644	254 622	100%	254 030
Western Cape	388 845	30 400	-	419 245	419 245	-	-	419 245	377 286	90%	403 944
2010 World Cup Health Prepara-tions											
Eastern Cape	-	-	4 345	4 345	4 345	-	-	4 345	-	0%	-
Free State	-	-	2 208	2 208	2 208	-	-	2 208	333	15%	-
Gauteng	-	-	3 593	3 593	3 593	-	-	3 593	2 286	64%	-
KwaZulu-Natal	-	-	3 581	3 581	3 581	-	-	3 581	3 538	99%	-
Limpopo	-	-	4 345	4 345	4 345	-	-	4 345	-	0%	-
Mpumalanga	-	-	4 345	4 345	4 345	-	-	4 345	-	0%	-
North West	-	-	4 345	4 345	4 345	-	-	4 345	4 345	100%	-
Western Cape	-	-	3 238	3 238	3 238	-	-	3 238	3 212	99%	-
Disaster Response: Cholera											
Limpopo	50 000	-	-	50 000	50 000	-	-	50 000	-	0%	-
	15 578 392	194 107	930 000	16 702 499	16 321 348	-	-	16 321 348	15 828 157	97%	14 362 786

On 26 March 2010, Northern Cape surrendered R81 000.00 and R6 000.00 for the Comprehensive HIV and AIDS and the Forensic Pathology Services conditional grants respectively. These amounts are included in voted funds to be surrendered.

KwaZulu-Natal: Roll-over of funds for the Hospital Revitalisation conditional grant was requested. The over expenditure on the Forensic Pathology Services conditional grant was due to mortuaries being built, but the roll-over for 2007/08 was not granted.

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 1B: STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2008/09
	Adjusted appropria- tion	Roll- overs	Adjust- ments	Total available	Actual transfer	% of available funds trans- ferred	
	R'000	R'000	R'000	R'000	R'000	%	
Compensation Fund	2 479	-	1 200	3 679	3 679	100%	2 355
Human Sciences Research Council	-	-	-	-	-	-	400
Medical Research Council	251 139	-	-	251 139	251 139	100%	236 133
Medical Schemes Council	3 865	-	-	3 865	3 865	100%	6 151
National Health Laboratory Services	71 411	-	5 064	76 475	76 475	100%	70 223
National Health Laboratory Services (Cancer Register)	392	-	-	76 867	392	100%	376
Service Sector Education and Training Authority	300	-	-	300	300	100%	279
	329 586	-	6 264	335 850	335 850	100%	315 917

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

ANNEXURE 1C: STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

	TRANSFER ALLOCATION				TRANSFER			2008/09
	Adjusted appropriation	Roll-overs	Adjustments	Total available	Actual transfer	Amount not transferred	% of available funds transferred	Appropriation Act
UNIVERSITY/TECHNIKON	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
University of Cape Town	500	–	–	500	–	500	–	500
MEDUNSA	500	–	–	500	500	–	100%	500
	1 000	–	–	1 000	500	500	50%	1 000

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 1D: STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE			2008/09
	Adjusted appropriation Act	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Capital	
	R'000	R'000	R'000	R'000	R'000	%	R'000	
Public corporations								
Transfers								
Non-life insurance	-	-	38	38	37	97%	-	-
Total	-	-	38	38	37	97%	-	-

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 1E: STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted appropriation Act	Roll-overs	Adjust- ments	Total available	Actual transfer	% of available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
NON-PROFIT INSTITUTIONS							
Transfers							
Health Systems Trust	2 757	-	-	2 757	2 757	100%	2 626
Life Line	11 550	-	-	11 550	11 500	100%	16 000
Love Life	73 000	21 000	-	94 000	94 000	100%	76 000
South African Council for the Blind	552	-	-	552	552	100%	525
Soul City	16 000	-	-	16 000	16 000	100%	14 000
South African Aids Vaccine Institute	11 000	2 000	-	13 000	11 000	85%	12 000
South African Community Epidemiology Network on Drug Abuse	200	154	154	508	508	100%	200
South African Federation for Mental Health	246	-	-	246	246	100%	234
Health Promotion: NGOs	982	-	-	982		59%	935
Food Gardens Foundation	-	-	-	-	225	-	-
National Council Against Smoking	-	-	-	-	350	-	-
Maternal, Child and Women's Health: NGOs	1 084	-	-	1 084		59%	1 030
IPAS South Africa	-	-	-	-	366	-	-
SAIDA	-	-	-	-	270	-	-
Tuberculosis: NGOs	3 665	-	-	3 665		100%	3 483
TADSA	-	-	-	-	2 662	-	-
Ragoga Support Services	-	-	-	-	1 003	-	-
Environmental health: NGOs	96	-	-	96	-	0%	91
Mental health and substance abuse: NGOs	285	-	(154)	131	-	0%	261
HIV and AIDS: NGOs	61 444	-	-	61 444	-	100%	60 141
ASHYO					1 548		
Bokamoso					3 749		
Centre for Positive Care					3 217		

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 1E: STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted appropriation Act	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	
NON-PROFIT INSTITUTIONS							
Community Health Media Trust					997		
Community Responsiveness Programme					1 400		
Cotlands					3 889		
Educational Support Service Trust					4 979		
Friends for Life					1 587		
Get Down Productions					1 064		
HEAPS					4 614		
Ikusasa Lesizwe					1 254		
Johannesburg Society for the Blind					1 192		
Khulisa Crime Prevention Initiative					2 095		
Leandra Community Centre					600		
Leseding Care Givers					858		
Muslim Aida Programme					450		
NAPWA					3 039		
National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health					313		
NICDAM					2 365		
RULIV					1 504		
SACBC					550		
SAOP (for carers network project)					2 191		
SARCS – National					3 397		
Seboka Training & Support Network					1 463		

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 1E: STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2008/09 Appropriation Act
	Adjusted appropriation Act	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	
NON-PROFIT INSTITUTIONS							
South African Men's Action Group					996		
Teba Development NDA					629		
The AIDS Response Trust					1 297		
Thusanang Youth Activity					1 259		
Thusong Health Project					450		
Tshwaraganang					1 461		
Ukhamba Projects					1 857		
Western Cape Networking AIDS Community					3 974		
Zakheni Training & Development Centre					1 104		
TOTAL	182 861	23 154		206 015	202 781		187 526

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 1F: STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2008/09
	Adjusted appropriation Act	Roll-overs	Adjustments	Total available	Actual transfer	% of Available funds transferred	
HOUSEHOLDS	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave gratuities	-	-	933	933	923	99%	303
	-	-	933	933	923	99%	303

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 1G: STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2009/10	2008/09
		R'000	R'000
Received in kind			
Drexel University	Minister's visit	–	180
GlaxoSmithKline	Conference	24	1 065
GMP applicants	Inspection of good manufacturing practice	102	333
Organising Committee for Inter-Conference on Racism	Attendance of conference	–	156
South African Developing Countries	Meetings, workshops, National Malaria Review	851	127
Tuberculosis Free	Road shows and related activities	–	2 378
UNICEF	Meetings, workshop, training	102	1 074
USAIDS	Equipment and meetings	404	308
World Health Organisation	Various meetings, workshops, conferences, investigation, printing, training	1 650	3 147
Other	Conferences, meetings, training, workshops, etc.	172	216
Department of International Development	Conferences, meeting and campaign	3 284	210 570
SAFELTP	Training programme	–	74
Tokai University Graduate School of Medicine	Training on health planning	–	62
UNAIDS	HIV prevention meeting	–	51
International Council for Nurses	TB and Lung Disease Conference	–	99
Format Travel Counsellors	Forum on TB	–	69
US Department of Agriculture	Workshop, meeting	71	58
PEPFAR	Meetings	32	89
Centre for Disease Control, Atlanta	Meetings, workshop	324	–
Chinese Government	Training workshop on telemedicine network design	–	38
Department of Health, England	Conference in closing the gap in a generation	–	30
DIA Conference Organisers	8th Middle East Regulatory Conference	–	30
Namibian Ministry of Health and Social Services	Malaria elimination meeting	–	46
Atlantic Philanthropies	Consultants	893	–
Bundeskriminalamt	Training	36	–

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010**

ANNEXURE 1G: STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2009/10	2008/09
		R'000	R'000
Convention Secretariat	Meeting	65	-
Council of Europe	Conference	40	-
Department of Health, Taiwan	Forum	37	-
DG Trade	Training	92	-
Family Health International	Meetings	44	-
Elizabeth Glaser Paediatrics AIDS Foundation	Hiring of equipment, catering, consultants	247	-
International Atomic Energy Agency	Training	61	-
International Organization for Migration	Meeting	44	-
International Training Centre of International Training	Workshop	33	-
Italian Government	Vehicle	92	-
London School of Hygiene and Tropical Medicine	Conference	46	-
Medi-Clinic	Catering	60	-
Migration Dialogue for SA	Workshop	37	-
NEPAD	Meetings	54	-
NICD	Conference, printing	126	-
Office of International Programme	Workshop	54	-
People's Republic of China	Training	84	-
PHSDSBC	Congress	81	-
Policy Centre for Inclusive Growth	Forum	62	-
Roche	Congress	44	-
Society for Family Health	Study tour	30	-
Swedish International Development Agency	Training	120	-
UNFPA	Meeting, training	99	-
University Research Corporation	Conference, forum, seminar, 2009 Health Awards	1 093	-
Zambian Ministry	Summit	30	-
TOTAL		10 720	220 200

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 1H: STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDI- TURE R'000	CLOSING BALANCE R'000
Received in kind					
Local					
GMP applicants	Inspection of good manufacturing practice	-	102	102	-
Medi-Clinic	Catering	-	60	60	-
Migration Dialogue for SA	Workshop	-	37	37	-
NICD	Conference, printing	-	126	126	-
PHSDSBC	Congress	-	81	81	-
Society for Family Health	Study tour	-	30	30	-
Other	Congress	-	13	13	-
Foreign					
Centre for Disease Control, Atlanta	Meetings, workshop	-	324	324	-
GlaxoSmithKline	Conference	-	24	24	-
South African Developing Countries	Meetings, workshops, National Malaria Review	-	851	851	-
UNICEF	Meetings, workshop, training	-	102	102	-
USAIDS	Equipment and meetings	-	404	404	-
World Health Organisation	Various meetings, workshops, conferences, investigation, printing, training	-	1650	1650	-
Other	Conferences, meetings, training, workshops, etc.	-	159	159	-
Department of International Development	Conferences, meeting and campaign	-	3 284	3 284	-
US Department of Agriculture	Workshop, meeting	-	71	71	-
PEPFAR	Meetings	-	32	32	-
Atlantic Philanthropies	Consultants	-	893	893	-
Bundeskriminalamt	Training	-	36	36	-
Convention Secretariat	Meeting	-	65	65	-
Council of Europe	Conference	-	40	40	-

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 1H: STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDI- TURE R'000	CLOSING BALANCE R'000
Department of Health, Taiwan	Forum	-	37	37	-
DG Trade	Training	-	92	92	-
Family Health International	Meetings	-	44	44	-
Elizabeth Glaser Paediatrics AIDS Foundation	Hiring of equipment, catering, consultants	-	247	247	-
International Atomic Energy Agency	Training	-	61	61	-
International Organization for Migration	Meeting	-	44	44	-
International Training Centre of International Training	Workshop	-	33	33	-
Italian Government	Vehicle	-	92	92	-
London School of Hygiene and Tropical Medicine	Conference	-	46	46	-
NEPAD	Meetings	-	54	54	-
Office of International Programmes	Workshop	-	54	54	-
People's Republic of China	Training	-	84	84	-
Policy Centre for Inclusive Growth	Forum	-	62	62	-
Roche	Congress	-	44	44	-
Swedish International Development Agency	Training	-	120	120	-
UNFPA	Meeting, training	-	99	99	-
University Research Corporation	Conference, forum, seminar, 2009 Health Awards	-	1 093	1 093	-
Zambian Ministry	Summit	-	30	30	-
TOTAL			10 720	10 720	

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 1I: STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

NATURE OF GIFT, DONATION OR SPONSORSHIP Group major categories, but list material items including name of organisation	2009/10	2008/09
	R'000	R'000
Made in kind		
Gifts to delegation attending UK/SA Nursing and Education Seminar	-	1
Donation to Public Health Association of South Africa to host the 4th PHASA Conference	-	100
Donation to South African Spinal Cord Association for International Spinal Cord Conference	-	100
Donation to Foundation for Professional Development for 1st TB Conference	-	100
Purchasing of garden implements for clinic	-	1
Purchasing of vegetable seed for community	-	1
Purchasing of gifts for caregivers at Daycare Centre	-	2
Purchasing of flowers for deceased officials' families	-	1
Donation to Stellenbosch University: Desmond Tutu TB Centre	2 000	-
Subtotal	2 000	306
Remissions, refunds and payments made as an act of grace		
Refund as an act of grace – payment for blood tests	1	-
Subtotal	1	-
TOTAL	2 001	306

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 3A: STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2010 – LOCAL

Guarantor institution	Guarantee in respect of motor vehicles	Original guaranteed capital amount	Opening balance: 1 April 2009	Guarantees draw downs during the year	Guarantees repayments/cancelled/reduced/ released during the year	Revaluations	Closing balance 31 March 2010	Guaranteed interest for year ended 31 March 2010	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
Stannic		934	678	-	488	-	190	-	-
Subtotal		934	678	-	488	-	190	-	-
Housing									
ABSA		595	104	27	75		56	-	-
Boe Bank (including NBS)		130	87				87	-	-
First Rand Bank (FNB)		511	228	22			250	-	-
Nedbank		444	200		46		154	-	-
Old Mutual (Permanent Bank)		229	41		10		31	-	-
People Bank		49	17				17	-	-
Standard Bank		393	151				151	-	-
Subtotal		2 351	828	49	131		746	-	-
TOTAL		3 285	1 506	49	619	-	936	-	-

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 4: CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2010 R'000	31/03/2009 R'000	31/03/2010 R'000	31/03/2009 R'000	31/03/2010 R'000	31/03/2009 R'000
Department						
Provincial Health: Eastern Cape	1 240	2 584	-	-	1 240	2 584
Provincial Health: Gauteng	388	1 100	-	-	388	1 100
Provincial Health: KwaZulu-Natal	1 570	2 866	-	-	1 570	2 866
Provincial Health: Mpumalanga	1 005	1 234	-	-	1 005	1 234
Provincial Health: Northern Cape	496	1 986	-	-	496	1 986
Provincial Health: Limpopo	32	1 981	-	-	32	1 981
Provincial Health: North West	423	769	-	-	423	769
Provincial Health: Free State	87	87	-	-	87	87
National Department of Justice and Constitutional Development	11	6	-	-	11	6
National Department of Water Affairs and Forestry	-	223	-	-	-	223
National Department of Transport	-	8	-	-	-	8
South African Police Service	-	5	-	-	-	5
National Department of Agriculture	-	31	-	-	-	31
National Department of Communication	-	61	-	-	-	61
National Department of Home Affairs	-	6	-	-	-	6
National Department of Social Development	-	9	-	-	-	9
Government Employees Pension Fund	-	7	-	-	-	7
Presidency	146	331	-	-	146	331
Office of the Premier: KwaZulu-Natal	-	5	-	-	-	5
Provincial Education, Gauteng	20	37	-	-	20	37
National Department of Foreign Affairs (DIRCO)	20 457	3 312	-	-	20 457	3 312
South African Revenue Services	-	123	-	-	-	123
Provincial Social Development, Gauteng	19	-	-	-	19	-
TOTAL	25 894	16 771	-	-	25 894	16 771

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 5: INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance out-standing		Unconfirmed balance outstanding		TOTAL	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Provincial Health: Eastern Cape	3 192	4 536	-	-	-	4 536
Provincial Health: Gauteng	-	733	-	-	-	733
Provincial Health: KwaZulu-Natal	3 944	3 176	-	-	2 146	3 176
Provincial Health: Mpumalanga	1 712	229	-	-	1 712	229
Provincial Health: Limpopo	14 539	8 988	-	-	7 500	8 988
Provincial Health: Northern Cape	3 410	861	-	-	3 410	861
Provincial Health: North West	4 471	2 771	-	-	2 013	2 771
National Department of Agriculture	-	-	-	14	-	14
National Department of Foreign Affairs (DIRCO)	2 058	-	-	-	2 058	-
Subtotal	33 326	21 294	-	14	18 839	21 308
Total	33 326	21 294	-	14	33 326	21 308
OTHER GOVERNMENT ENTITY						
Current						
Communication Responsive Programme	410	-	-	-	410	-
GE Health Care	37	-	-	-	37	-
Subtotal	447	-	-	-	447	-
Total	447	-	-	-	447	-

NATIONAL DEPARTMENT OF HEALTH

VOTE 14

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

ANNEXURE 6: INVENTORY

Inventory	Note	Quantity	2009/10 R'000
Opening balance		793	1 149
Add: Additions/Purchases – Cash		491 645 580	351 584
(Less): Disposals		(493)	(72)
(Less): Issues		(491 630 184)	(351 303)
Closing balance		15 696	1 358

Damaged Oseltamivir for the outbreak of the H1N1 virus was disposed of.

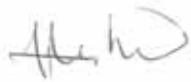
SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)

**FINANCIAL STATEMENTS OF SOUTH AFRICAN NATIONAL AIDS TRUST
for the year ended 31 March 2010**

Contents	Page
Report of the Board of Trustees	231
Report of the Auditor-General	232
Statement of financial position	234
Statement of comprehensive income	235
Statement of changes in equity	236
Cash flow statement	237
Notes to the financial statements	238

Approval of the Financial Statements

The Annual Financial Statements are approved by the Board of Trustees on 29 July 2010 and are signed on its behalf by:



Ms MP Matsoso
Accounting Authority for Board of Trustees
South African National Aids Trust
Date: 29-07-2010

SOUTH AFRICAN NATIONAL AIDS TRUST**REPORT OF THE BOARD OF TRUSTEES
in respect of the year ended 31 March 2010****General Review**

The Trust was established in September 2002. The deed stipulates that the Trust is to be controlled by a Board of Trustees who should administer all moneys obtained by way of donations, grants, loans, or subsidies in such a manner as to further the objective of the Trust subject to the terms of conditions of the Trust deed. The Trust was dormant during the year under review and thus performance information is not available for the reporting period.

Financial result and state of affairs

The financial results for the year under review are reflected in the Income Statement and the financial position of the Fund at 31 March 2010 is set out in the Balance Sheet.

No material fact or circumstances have occurred between the Balance Sheet and date of this report.

Trustees

The members of the Board for 2009/10 were:

Mr KP Motlanthe	Deputy President of Republic of South Africa
Dr PA Motsoaledi	Minister of Health
Ms BEE Molewa	Minister of Social Development
Dr YG Pillay	Acting Director-General of Health
Dr TD Mbengashe	Cluster Manager: HIV, AIDS and STI



Dr YG Pillay
Accounting Authority of Board of Trustees
Date: 30-05-2010

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF THE SOUTH AFRICAN NATIONAL AIDS TRUST FOR THE YEAR ENDED 31 MARCH 2010

Introduction

I have audited the accompanying financial statements of the South African National Aids Trust (SANAT), which comprise the statement of financial position as at 31 March 2010 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, as set out on pages 234 to 240.

Accounting Officer's responsibility for the financial statements

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice (SA Statements of GAAP) and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion the financial statements present fairly, in all material respects, the financial position of the South African National Aids Trust as at 31 March 2010 and its financial performance and its cash flows for the year then ended, in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 2 and in the manner required by the PFMA and the Deed of Trust.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA of South Africa and *General notice 1570 of 2009*, issued in *Government Gazette No. 32758 of 27 November 2009* I include below my findings on the report on predetermined objectives, compliance with the PFMA and financial management (internal control).

Predetermined objectives

Due to the entity being dormant during the year the trust did not prepare a strategic plan and therefore did not report any performance information.

Compliance with laws and regulations

No matters to report.

INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

No matters to report.

Auditor-General

Pretoria

31 July 2010



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)**STATEMENT OF FINANCIAL POSITION
as at 31 March 2010**

	Notes	2009/2010 R	2008/2009 R
Assets			
Current assets			
Cash and cash equivalents	3	41,735,500	39,511,148
Lessor deposit receivable	4	32,358	32,358
Accrued Interest		34,692	-
Total assets		41,802,550	39,543,506
Net Assets & Liabilities			
Accumulated funds		41,802,550	39,543,506
Total Net Assets		41,802,550	39,543,506

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)**STATEMENT OF COMPREHENSIVE INCOME**
for the year ended 31 March 2010

	Notes	2009/2010 R	2008/2009 R
Income			
Interest received		2,259,875	3,575,868
Net income		2,259,875	3,575,868
Expenses			
Administrative	1	832	840
Net expenses		832	840
Net surplus		2,259,044	3,575,028

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2010

	2009/2010	2008/2009
	R	R
Accumulated funds at the beginning of the year	39,543,506	35,968,478
Net surplus for the year	2,259,044	3,575,028
	2,259,044	3,575,028
Accumulated funds at the end of the year	41,802,550	39,543,506

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)**CASH FLOW STATEMENT**
for the year ended 31 March 2010

	Notes	2009/2010 R	2008/2009 R
Cash flows from operating activities			
Cash paid to suppliers and employees		832	840
Cash utilised in operations	2	(832)	(840)
Cash flows from investing activities			
Interest Received		2,225,183	3,575,868
Net cash from investing activities		2,224,351	3,575,028
Net increase in cash and cash equivalents		2,224,351	3,575,028
Cash and cash equivalents at beginning of period		39,511,148	35,936,120
Cash and cash equivalents at end of period	3	41,735,500	39,511,148

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010

1. Accounting Policies

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice ("SA GAAP"), including any interpretations of such statements issued by the Accounting Practices Board, and the Public Finance Management Act, No. 1 of 1999 as amended ("PFMA").

The annual financial statements have been prepared on the historical cost basis, except where otherwise stated, and incorporate the principal accounting policies set out below.
These annual financial statements are presented in South African Rands ("R"), which is the trading entity's functional currency. All financial information presented in Rand has been rounded to the nearest Rand.

These accounting policies are consistent with the previous period. Any changes in accounting policies are disclosed in the notes to the annual financial statements.

2. Trade debtors and other receivables

Accounts receivables are carried at fair value less provisions made for impairment in the fair value of these receivables. Where circumstances reveal doubtful recovery of amounts outstanding, a provision for impaired receivables is made and charged to the income statement.

3. Trade creditors and other payables

Trade and other payables are recognised at the fair value of the consideration to be paid in future for the goods and services that have been received or supplied and invoiced or formally agreed with the supplier.

4. Revenue

Comprises of interest received on bank deposits. Interest is recognised using the effective interest rate.

5. Comparatives

Were necessary prior year comparative figures have been reclassified to conform to changes in presentation in the current year.

6. Going concern

The financial position of the Trust is such that the Accounting Authority is of the view that its operations will continue for as long as its mandate remains.

7. Taxation

No provision for taxation is made because the Trust is exempt from income tax in terms of section 10(1) (cA) of the Income Tax Act, 1962 (Act No: 58 of 1962).

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010**

	2009/2010	2008/2009
	R	R
1 Administrative expenses		
Bank charges	832	840
	<u>832</u>	<u>840</u>
2 Net Cash Flow Generated by Operating Activities		
Net Surplus as per Income Statement	2,259,044	3,575,028
Adjustment for:		
Non-Cash Items		
Interest Received	<u>(2,259,875)</u>	<u>(3,575,868)</u>
Operating surplus before working capital changes	(832)	(840)
Working capital changes:		
Increase / (decrease) in accounts payable		
(Increase) / decrease in accounts receivable		
	<u>(832)</u>	<u>(840)</u>
Cash utilised in operations	<u>(832)</u>	<u>(840)</u>
3 Cash and Cash Equivalents		
Corporate Bank Account	41,735,500	39,511,148
	<u>41,735,500</u>	<u>39,511,148</u>
4 Trade and other receivables		
Deposit held by lessor	32,358	32,358
	<u>32,358</u>	<u>32,358</u>

This amount was required by the lessor as a deposit at the inception of the lease contract. The amount will only be deposited back into trust account under financial year 2010-11 when the account is in operation.

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**for the year ended 31 March
2010**

5 Financial instruments

Exposure to credit and interest rate risks arises in the normal course of the Trust's business.

	Weighted average effective interest rate	Floating interest rate	Fixed interest rate	Non interest bearing	Total
Assets					
Trade receivables	-	-	-	32,358	32,358
Cash and Cash Equivalents	-	41,735,500	-	-	41,735,500

ADDENDUM

The financial statements of the King George V Silver Jubilee Fund for Tuberculosis and the Commission for Compensation of Occupational Diseases will be reported on separately. These documents will be available from the Department of Health.