Annual Report

2011-2012

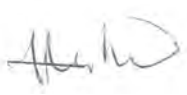
health
Department:
Health
REPUBLIC OF SOUTH AFRICA

A Long and Healthy Life for All South Africans

SUBMISSION OF THE ANNUAL REPORT

1. In terms of Section 40(1) (d) of the Public Finance Management Act No. 1 of 1999 (as amended), and the Public Service Act No. 103 of 1994 of 1994 (as amended), I hereby submit to the Minister the Annual Report of the Department of Health for the financial year 2011/12.

2. I have the honour of submitting the Annual Report of the National Department of Health for the period 1 April 2011 to 31 March 2012.



MS MP MATSOSO
DIRECTOR-GENERAL

DATE OF SUBMISSION: 30 August 2012

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General Information

1. GENERAL INFORMATION

VISION AND MISSION

Vision

An accessible, caring and high-quality health system.

Mission

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

Organisational Structure

The organisational structure was approved by the Department of Public Service and Administration and its implementation commenced during 2011/12.

LEGISLATIVE MANDATES

OVERARCHING MANDATE

- **Constitution of the Republic of South Africa, Act No.108 of 1996**
  Pertinent sections provide for the right of access to health care services, including reproductive health and emergency medical treatment.

LEGISLATION FALLING UNDER THE MINISTER'S PORTFOLIO

The following items of legislation fall under the portfolio of the Minister of Health:

- **National Health Act No. 61 of 2003**
  Provides for a transformed national health system for the entire Republic of South Africa.
- **Medical Schemes Act No. 131 of 1998**
  Provides for the regulation of the medical schemes industry to ensure consonance with national health objectives.
- **Medicines and Related Substances Act No. 101 of 1965**
  Provides for the registration of medicines and other medicinal products to ensure their safety, quality and efficacy. The Act also provides for transparency in the pricing of medicines.
- **Mental Health Care Act No. 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 emphasis on human rights for mentally ill patients.
- **Choice on Termination of Pregnancy Act No. 92 of 1996**
  Provides a legal framework for termination of pregnancies based on choice under certain circumstances.

- **Sterilisation Act No. 44 of 1998**
  Provides a legal framework for sterilisations, also for persons with mental health challenges.
- **SA Medical Research Council Act No. 58 of 1991**
  Provides for the establishment of the SA Medical Research Council (MRC) and its role in relation to health research.
- **Tobacco Products Control Act No. 83 of 1993**
  Provides for the control of tobacco products, prohibition of smoking in public places and advertisements of tobacco products, as well as sponsoring of events by the tobacco industry.
- **National Health Laboratory Service Act No. 37 of 2000**
  Provides for a statutory body that provides laboratory services to the public health sector.
- **Health Professions Act No. 56 of 1974**
  Provides for the regulation of health professions, in particular medical practitioners, dentists, psychologists and other related health professions, including community service by these professionals.
- **Pharmacy Act No. 53 of 1974**
  Provides for the regulation of the pharmacy profession, including community service by pharmacists.
- **Nursing Act No. 33 of 2005**
  Provides for the regulation of the nursing profession.
- **Allied Health Professions Act No. 63 of 1982**
  Provides for the regulation of health practitioners such as chiropractors, homeopaths and others, and for the establishment of a council to regulate these professions.
- **Dental Technicians Act No. 19 of 1979**
  Provides for the regulation of dental technicians and for the establishment of a council to regulate the profession.
- **Hazardous Substances Act No. 15 of 1973**
  Provides for the control of hazardous substances, in particular those emitting radiation.
- **Foodstuffs, Cosmetics and Disinfectants Act No. 54 of 1972**
  Provides for the regulation of foodstuffs, cosmetics and disinfectants, in particular, setting quality and safety standards for the sale, manufacturing and importation thereof.
- **Occupational Diseases in Mines and Works Act No. 78 of 1973**
  Provides for medical examinations of persons suspected of having contracted occupational diseases, especially in mines, and for compensation in respect of those diseases.
- **Human Tissue Act No. 65 of 1983**
  Provides for the administration of matters pertaining to human tissue.

NON-ENTITY-SPECIFIC LEGISLATION

The following Acts of Parliament are pertinent to the functions of the national Department of Health (DoH):

- **Public Service Act No. Proclamation 103 of 1994**
  Provides for the administration of the public in its national and provincial spheres, as well as for the powers of ministers to hire and fire.
- **Promotion of Administrative Justice Act No. 3 of 2000**

Amplifies the constitutional provisions pertaining to administrative law by codifying it.

- **Promotion of Access to Information Act No. 2 of 2000**
  Amplifies the constitutional provision pertaining to accessing information under the control of various bodies.
- **Labour Relations Act No. 66 of 1996**
  Regulates the rights of workers, employers and trade unions.
- **Compensation for Occupational Injuries and Diseases Act No. 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, for death resulting from such injuries or disease.
- **Basic Conditions of Employment Act No. 75 of 1997**
  Provides for the minimum conditions of employment that employers must comply with in their workplaces.
- **Occupational Health and Safety Act No. 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.
- **The Division of Revenue Act No. 7 of 2003**
  Provides for the manner in which revenue generated may be disbursed.
- **Skills Development Act No. 97 of 1998**
  Provides for the measures that employers are required to take to improve the levels of skill of employees in workplaces.
- **Preferential Procurement Policy Framework Act No. 5 of 2000**
  Provides for the implementation of the policy on preferential procurement pertaining to historically disadvantaged entrepreneurs.
- **Employment Equity Act No. 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 No. 88 of 1998**
  Provides for the creation and administration of an institution responsible for the State's information technology system.
- **Child Care Act No. 74 of 1983**
  Provides for the protection of the rights and well-being of children.
- **The Competition Act No. 89 of 1998**
  Provides for the regulation of permissible competitive behaviour, regulation of mergers of companies and matters related thereto.
- **The Copyright Act No. 98 of 1998**
  Provides for the protection of intellectual property of a literary, artistic or musical nature that is reduced to writing.
- **The Patents Act No. 57 of 1978**
  Provides for the protection of inventions including gadgets and chemical processes.
- **The Merchandise Marks Act No. 17 of 1941**
  Provides for the covering and marking of merchandise and incidental matters.

- **Trade Marks Act No. 194 of 1993**
  Provides for the registration of trademarks, certification and collective trademarks and matters incidental thereto.
- **Designs Act No. 195 of 1993**
  Provides for the registration of designs and matters incidental thereto.
- **Promotion of Equality and the Prevention of Unfair Discrimination Act No. 4 of 2000**
  Provides for the further amplification of the constitutional principles of equality and elimination of unfair discrimination.
- **State Liability Act No. 20 of 1957**
  Provides for the circumstances under which the State attracts legal liability.
- **Broad Based Black Economic Empowerment Act No. 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.
- **Unemployment Insurance Contributions Act No. 4 of 2002**
  Provides for the statutory deduction that employers are required to make from the salaries of employees.
- **Public Finance Management Act No. 1 of 1999**
  Provides for the administration of State funds by functionaries, their responsibilities and incidental matters.
- **Protected Disclosures Act No. 26 of 2000**
  Provides for the protection of whistle-blowers in the fight against corruption.
- **Control of Access to Public Premises and Vehicles Act No. 53 of 1985**
  Provides for the regulation of individuals entering government premises and incidental matters.
- **Conventional Penalties Act No. 15 of 1962**
  Provides for the enforceability of penal provisions in contracts.
- **Intergovernmental Fiscal Relations Act No. 97 of 1997**
  Provides for the manner of harmonisation of financial relations between the various spheres of government and incidental matters.
- **Public Service Commission Act No. 46 of 1997**
  Provides for the amplification of the constitutional principles of accountability, governance and incidental matters.
- **List of legislation tabled in parliament during the 2011/12 financial year**
  The National Health Amendment Bill, 2011 was tabled in Parliament during 2011/12.

ENTITIES REPORTING TO THE MINISTER

Three public entities, the South African Medical Research Council (MRC); National Health Laboratory Services and Council for Medical Schemes (CMS), report to the Minister of Health. Four statutory councils, the Health Professions Council of South Africa, the South African Nursing Council, South African Pharmacy Council and the Dental Technicians' Council, also report to the Minister.

Name of Entity	Legislation	Nature of Business
Council for Medical Schemes	Medical Schemes Act No 131 of 1998	Regulates the private medical scheme industry
South African Medical Research Council	South African Medical Research Council Act No 58 (1991)	The objectives of the council are to promote the improvement of health and quality of life through research, development and technology transfer
National Health Laboratory Services	National Health Laboratory Service Act No 37 of 2000	The service supports the NDoH by providing cost-effective laboratory services to all public clinics and hospitals
Health Professions Council of SA	Health Professions Act No 65 of 1974	Regulates the medical, dental and related professions
SA Nursing Council	Nursing Act No. 33 of 2005	Regulates the nursing profession
SA Pharmacy Council	Pharmacy Act No. 53 of 1974	Regulates the pharmacy profession
Dental Technicians Council	Dental Technicians Act No. 19 of 1979	Regulates the dental technicians profession

Section 2 of this report provides an overview of the performance of the public entities and statutory councils during the reporting period.

STATEMENT OF THE MINISTER

Through this Annual Report, the National Department of Health (NDoH) accounts to the Parliament and the people of South Africa for its performance and use of resources allocated from the fiscus during the financial year 2011/12.

Principles of universal coverage and equity are consistent with the Constitution of South Africa, which is hailed universally as the most progressive and liberal supreme law of a country.

All South Africans deserve the highest attainable standard of health, envisaged by the World Health Organisation for all nations of the world. However, with a Gini coefficient of 0.65 in 2011, South Africa is one of the most unequal societies in the world with respect to wealth distribution. These inequities also manifest themselves in differences in access to health care between users of the public and private health sectors.

To redress these inequities and to ensure universal coverage for all South Africans, government adopted the policy on National Health Insurance (NHI) to transform the health system and grant all citizens access to good quality health services irrespective of their socio-economic status. NHI is based on the principles of universal coverage, right of access to basic health care and social solidarity. These principles are intertwined with the concept of equity.

The financial year 2011/12 was a historic period in South Africa in many respects. Major strides were made in 2011/12 towards the creation of the NHI system. In August 2011, the DoH released the Green Paper on NHI (Government Gazette Vol 554. No 34523, 12 August 2011) for public comment. Massive interest was shown by South Africans, such that the original time frame for the submission of comments on the Green Paper was extended to December 2011. The Department also conducted more than 20 direct consultations on NHI with diverse stakeholders across the country, including professional associations, general practitioners, provincial legislatures, portfolio committees, appropriations committee the Finance and Fiscal Commission, organised labour, political parties and other government departments.

In December 2011 the DoH convened an NHI conference with international experts to draw lessons from developed and developing countries in developing an approach for universal coverage for South Africa. In view of its consultative nature, this conference was designated as the National Consultative Health Forum.

Furthermore, in March 2012, I announced 10 districts in which NHI will be piloted. These districts and their provinces are as follows:

- OR Tambo (Eastern Cape)
- Thabo Mofutsanyane (Free State)
- City of Tshwane (Gauteng)
- uMgungundlovu (KwaZulu-Natal)
- Umzinyathi (KwaZulu-Natal)
- Vhembe (Limpopo)

- Gert Sibande (Mpumalanga)
- Dr. K Kaunda (North West)
- Pixley ka Seme (Northern Cape)
- Eden (Western Cape).

NHI is not just a new financing mechanism for the health system. It is a system for ensuring the delivery of good quality services, accessible to all South Africans. An effective and well-functioning health system is therefore essential for the successful implementation of NHI. Key achievements recorded during the reporting period towards enhancing the effectiveness and performance of the health system include:

(i) The completion of the Human Resources Strategy
(ii) An audit of all public health facilities
(iii) Re-engineering of primary health care
(iv) Integration of service delivery in health facilities.

KwaZulu-Natal Province has added Amajuba district as a further pilot site for NHI in the province. National Treasury also approved an NHI conditional grant of R1 billion over the Medium Term Expenditure Framework (MTEF) period 2012/13-2014/15. NHI will be implemented over a period of 14 years. The right to the highest attainable standard of health is subject to progressive realisation, good planning and availability of resources.

In this financial year a total of 104 regulations were produced by the NDoH to provide the legislative framework required to enhance the performance of the health sector. Among these were two important regulations for strengthening hospital management, viz. Regulations relating to Categories of Hospitals (Government Gazette No 34521, Vol. 554, 12 August 2011) and a National Policy on Regulating Management of Hospitals (Government Gazette No 34522, Vol. 554, 12 August 2011).

The regulations relating to categories of hospitals, which seek to provide clear designations for chief executive officers of different categories of hospitals, and the required skills and competencies for managing hospitals, were published on 12 August 2011 in Gazette No. 34521. The regulations provide criteria for the classification of five categories of hospitals, viz. district hospitals, regional hospitals, tertiary hospitals, central hospitals and specialised hospitals.

The National Policy on Regulating Management of Hospitals is aimed at ensuring that the management of hospitals is underpinned by the principles of effectiveness, efficiency and transparency. The specific objectives of this policy are:

- To ensure implementation of applicable legislation and policies to improve the functionality of hospitals
- To ensure the appointment of competent and skilled hospital managers
- To provide for the development of accountability frameworks
- To ensure training of managers in leadership, management and governance.

During 2011/12, further milestones were achieved towards the health sector's Negotiated Service Delivery Agreement (NSDA) 2010-2014, which outlines key strategies for steering the country towards the vision of a "'Long and Healthy Life for all South Africans". The four outputs required from the health sector in terms of the NSDA are:

(i) Increased life expectancy;
(ii) Reduction in maternal and child mortality rates
(iii) Combating HIV and AIDS and decreasing the burden of disease from tuberculosis (TB)
(iv) Strengthening health system' effectiveness.

These outputs are interlinked. Comprehensive strategies of the health sector to increase life expectancy include interventions to combat communicable diseases inclusive of HIV, TB and malaria, as well as non-communicable diseases (NCDs). With respect to combating HIV, the major highlights of the reporting period were the publication of the 2010 National Antenatal Sentinel HIV and Syphilis and Prevalence Survey Report, in November 2011, and the launch of the National Strategic Plan (NSP) on HIV, sexually transmitted diseases (STIs) and TB for 2012-2016. This NSP was launched by the President of the Republic of South Africa on World AIDS Day, 1 December 2011, in the Eastern Cape Province. Also in attendance at this event was the Deputy President of the country.

The 2010 National Antenatal Sentinel HIV and Syphilis and Prevalence Survey reflected that HIV prevalence among antenatal attendees in South Africa increased from 29,4% in 2009 to 30,2% in 2010, though this increase was not statistically significant. The number of districts recording HIV prevalence rates of between 30% and 40% increased from 14/52 in 2009 to 21/52 in 2010. Any interpretation of increasing prevalence rates must take into cognisance the massive expansion of the antiretroviral therapy (ART) programme in the country, which has enhanced the longevity of people living with HIV.

A total of 617 147 new patients were placed on ART during the reporting period. This figure was significantly higher than the 418 677 patients initiated on ART during 2010/11. However, the DoH has always maintained that South Africa cannot treat itself out of the HIV epidemic and that HIV prevention remains the mainstay of efforts to combat this condition.

The HIV Counselling and Testing (HCT) campaign, which is one of the major prevention strategies in South Africa, reached a total of 15 million people between April 2010 and the end of June 2011. A total of 13,7 million South Africans agreed to be tested. Over the next three quarters of 2011/12, a further 6,5 million people agreed to be tested. Thus, in 2011/12 alone, a total of 9 602 553 people accepted HIV counselling and 8 772 423 agreed to be tested. This proportion of 91% tested exceeded the 2011/12 target of 85%. The significance of this achievement is that the uptake rate of HCT continued to increase even after the campaign had been incorporated into the routine services provided in the public sector.

In August 2011 a national summit on NCDs was held to which all major stakeholders in the health sector were invited. This national summit was called in preparation for a high-level meeting of Heads of State and Governments and Ministers of Health in September 2011. This United Nations General Assembly high-level meeting adopted a declaration on the prevention and control of NCDs. Behaviour change and lifestyle change are extremely difficult to implement and full participation of all government departments will be critical to the success of efforts to combat NCDs.

Key interventions implemented in 2011/12 to reduce maternal and child mortality rates, which are outlined in detail in the Director-General's statement, included:

(i) Improving access to antenatal services, to increase the number of pregnant women presenting early to health services
(ii) Enhancing the access of HIV-positive pregnant women to ART treatment

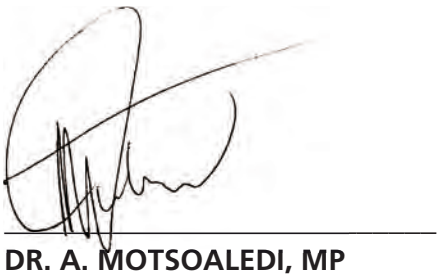
(iii) Immunisation of young children to protect them against vaccine-preventable diseases
(iv) Follow-up of newborn children and their mothers post-natally.

Strides were made in these areas. A new Strategic Plan for Maternal, Neonatal and Child Health for the five-year period 2012-2016 was completed during the reporting period. During the reporting period, the NDoH worked in partnership with eight government departments in the implementation of the Health Sector's NSDA 2010-2014 viz. Basic Education, Correctional Services, Justice and Constitutional Development, Mineral Resources, Public Works, Social Development, Trade and Industry, and Transport.

The NDoH worked in partnership with the Department of Basic Education to develop the School Health Policy aimed at enhancing the delivery of an expanded range of school health services. The DoH and the Department of Correctional Services continued their collaboration aimed at strengthening TB management in correctional facilities.

I wish to thank my colleagues, the nine Provincial MECs for Health, and the Deputy Minister, Honourable Dr. G. Ramokgopa and other stakeholders for all their support and collaboration during the financial year 2011/12. My gratitude also goes to my Cabinet colleagues for their unweavering support, particularly in the implementation of the Health Sector's NSDA 2010-2014.

Finally, I wish to express my gratitude to the Director-General of the NDoH, Ms M.P. Matsoso, officials of the Department, and all health care workers in South Africa, who serve our communities with dedication and commitment.



DR. A. MOTSOALEDI, MP
MINISTER OF HEALTH

DATE:30 Aug 2012

STATEMENT OF THE DEPUTY MINISTER

The National Department of Health made significant progress towards the vision of "A long and Healthy Life for all South Africans", the implementation of the ten strategic priorities and the realization of the four specific outputs for the health sector which are Increasing the Life Expectancy of South Africans; Combating HIV, AIDS and TB; Reduction of Maternal and Child Mortality rates and Strengthening of the Health System.

The interventions made in combating communicable diseases, especially HIV and in improving maternal and child health have yielded phenomenal results. In addition more efforts were made towards reducing the burden of non-communicable diseases (NCD's) and that of trauma and injury. Increasingly there is recognition that the effective management of chronic diseases require the health care system to be responsive to the co-morditidy of communicable and non-communicable diseases, especially in the context of HIV. A joint declaration to combat NCD's was adopted at the national multisectoral stakeholder summit which was led by the Minister. The Department commenced with the implementation of the Integrated Chronic Disease Management (ICDM) model in three districts across three provinces with the aim to enhance the quality, effectiveness and efficiency of services provided to people living with these conditions. Training was done in all provinces on the use of the Chronic Disease Management Register.

The Integrated Strategic Framework for the Prevention of Injury and Violence (i.e. interpersonal violence) in South Africa which incorporates a plan for response to violence was developed in November 2011. This was done through a multisectoral approach that included other National Departments, Provincial Departments of Health, Civil Society Organizations as well as Academic and Research institutions including the Medical Research Council. This strategy enhances our capacity to reduce the high burden of injury and trauma especially from road accidents, interpersonal violence and violence against women and children. The technological and professional staff capacity of the Forensic Laboratories has been increased to support the justice system. Training in the implementation of the Health Drug Master Plan to combat drug and substance abuse was begun.

The NHC approved a Mental Health Policy Framework that serves as a roadmap for the improvement of mental health of the population and strengthen mental health services in the country. Integrated guidelines to train primary care nurses on the assessment and management of adult chronic and mental conditions were developed.

Health Technology continues to play an essential role in enhancing the effectiveness of the overall health care system and is critical in sustaining our efforts to improve clinical services, to retain strategic human resource and in the efficiency of the National Health Insurance System that is being introduced. With the inputs of the Ministerial Advisory Committee on Health Technology an Essential Equipment List (EEL) was finalised. The EEL provides a framework for the planning and provision of health technology across all levels of the health facilities including clinics and hospitals nationally. This intervention will ensure that medical equipment is available, safe, and affordable; and used by appropriately trained and suitably qualified personnel. Clinical engineering norms and standards, including staff and infrastructure, were finalised during the reporting period. In partnership with the Tshwane University of Technology medical

technicians were trained and an audit of clinical engineering infrastructure completed in eight provinces. To ensure that a legal framework to promote safety, efficacy, quality and performance of medical devises is established, the inaugural Medical Devices Regulations were developed and published for comment. The South African Health Products Regulatory Authority which is a new entity being developed for the effective regulation of medicines, food and cosmetic substances is also being prepared to for the required capacity regulate medical devises. A successful summit on Medical Devices and in Vitro Diagnostic Devices held in September 2011 also made significant inputs on the regulations.

We are happy to report that after extensive consultations, the National Health Research Committee finalised the Research Priorities aligned to the Strategic Health Outputs. This is once more an indication our commitment to foster a culture of practising evidence-based medicine and outcome-based planning in the Health System.

Indeed more still needs to be done to build on the progress we have made and to tackle the areas of underperformance, corporate governance as well as effectively co-ordinating, monitoring and providing support to the provinces and districts as we move towards the NHI.

The strategic and visionary leadership of Minister Motsoaledi and the work of senior managers and staff of the Department led by the Director-General have been invaluable.

DR G. RAMOKGOPA
DEPUTY MINISTER OF HEALTH

DATE: 21 September 2012

THE OVERVIEW OF THE ACCOUNTING OFFICER

The public health sector made significant progress during the financial year 2011/12 towards enhancing the delivery of health care services to all South Africans. This Annual Report for 2011/12 outlines the key achievements of the health sector for the reporting period, as well as the constraints experienced.

During the reporting period, the health sector implemented targeted interventions to improve maternal and child health care through improved access to antenatal services for pregnant women and postnatal services for new mothers. The interventions included stimulating health-seeking behaviour by encouraging women to seek health services early, coupled with increasing the proportion of deliveries that happen in formal health establishments and reducing home deliveries.

Other interventions included increased access to antiretroviral treatment (ART) for HIV-positive pregnant women, resulting in improved coverage. All these interventions contribute to the reduction of maternal and child mortality rates.

Important milestones were attained during 2011/12. An antenatal coverage rate (ANC) of 100% was attained. Six provinces registered ANC coverage of over 100%, viz. the Eastern Cape, Gauteng, Limpopo, Mpumalanga, North West and Northern Cape, which suggested that ANC services were accessed by pregnant women beyond the boundaries of these provinces.

A total of 89,3% of deliveries took place in public health facilities during 2011/12, which was consistent with the target of 90% for the reporting period. Follow-up of newborns and their mothers is an essential part of the continuum of care, as it assists in detecting and addressing health problems early. During 2011/12, 57% of mother-and-baby pairs were seen at public health facilities within six days after delivery, against a target of 60%.

Immunisation is an essential intervention to protect children against vaccine-preventable diseases. During 2011/12 the national full immunisation coverage rate for children under the age of one was 95.2%, against the target of 95%. Provincial variations occurred, with six provinces exceeding the national target, viz. the Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo and the Northern Cape.

A national measles immunisation coverage rate (second dose) of 85,3% was achieved, against an annual target of 95%. Only three provinces, viz. Gauteng, KwaZulu-Natal and Limpopo, exceeded the national target. The pneumococcal vaccine drive, which incorporated the newly created World Health Organisation (WHO) National Immunisation Week, was launched.

Diverse milestones were also achieved during the reporting period towards strengthening the effectiveness of the health system. Key among these was the completion of the Human Resources (HR) Strategy for Health for 2012-2016, which was launched by the Minister of Health in October 2011. The launch of the HR strategy coincided with a WHO-AFRO workshop on finding solutions to the HR challenges facing the continent. The HR strategy will be linked to the output of a health workforce from tertiary institutions to ensure that these institutions respond to the burden of disease facing South Africa.

As part of interventions to enhance the quality of care, the NDoH commissioned an independent comprehensive audit of public health facilities to assess their infrastructure, human resources and the quality of the services they provide. By the end of March 2012, a total of 3 780 of the 4 210 health facilities (i.e. 90%) had been audited. The audit revealed major challenges concerning the management of these facilities, as well as the quality of services provided.

To address the challenges that were identified proactively, the NDoH established health facility improvement teams, which focus on improving service delivery in identified facilities, working together with provinces and districts. These teams have already been trained and deployed in four districts, viz. Mangaung in the Free State Province, Sedibeng in Gauteng, Zululand in KwaZulu-Natal and Pixley ka Seme in the Northern Cape.

With respect to strengthening the management of health districts and public sector hospitals, the Development Bank of Southern Africa (DBSA) completed an assessment of the functionality, efficiency and appropriateness of the organisational structure of hospitals and the appropriateness of the delegations given to hospital managers and district managers, and tabled its report before the National Health Council. This work was commissioned by the Department in 2009/10.

Following the completion of the DBSA process, and informed by its findings, the NDoH published the regulations of the National Health Act of 2003 aimed at providing clear designations to managers and chief executive officers (CEOs) of different categories of hospitals and the required skills and competencies for managing hospitals.

Skilled and competent health management will enhance sustained delivery of quality health care for all. These regulations also seek to strengthen the governance of health facilities. They provide the criteria for the selection of hospital board members, and outline the functions of hospital boards. The National Health Amendment Bill was also tabled in Parliament in February 2012. The Amendment Bill provides for the establishment of the Office of Health Standards Compliance, which will enforce norms and standards of quality.

Further progress was made towards the implementation of the three streams of the re-engineered Primary Health Care (PHC) model, viz. creation and deployment of municipal ward-based PHC outreach teams in defined geographic areas (wards); deployment of district clinical specialist teams in all districts across the country and strengthening of school health services. By the end of 2011/12 over 5 000 Community Health Workers (CHWs) had been re-trained to work as part of the PHC teams and 337 PHC teams had been established across provinces.

The scope of work for the district clinical specialist teams was finalised and the recruitment process was completed by the end of 2011/12. These teams will consist of the following specialists: Principal Obstetrician and Gynaecologist, Principal Paediatrician, Anaesthetist, Principal Family Physician, Principal Midwife, Advanced Paediatric Nurse and Principal PHC Nurse. Clinicians in the district specialist teams will function firstly as a team, and secondly as individuals within their respective disciplines, in order to improve both the quality of health care and health outcomes for mothers, newborns and children. The primary role of a district clinical specialist is supportive supervision and clinical governance and not the direct delivery of clinical services.

A school health policy has been developed, in a partnership programme between the NDoH, the Department of Basic Education and the Department of Social Development. The key health workers involved in the programme will be nurses and health promotion practitioners. This policy will in the first phase target Quintile 1 and 2 schools, of which there are an estimated 8 000 countrywide.

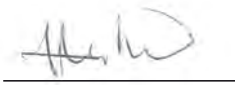
Monitoring of the Negotiated Service Delivery Agreement (NSDA) 2010-2014 was also enhanced during the reporting period. The Health Data Advisory and Coordination Committee (HDACC), which was established by the Department in October 2010 to improve the quality and integrity of data on health outcomes, establish consensus on indicator values and identify reliable data sources to be used by the health sector in future, completed its work and submitted its final report to the Ministry of Health on 3 November 2011. The report of the HDACC was subsequently tabled before the Cabinet Committee on 15 November 2011. The HDACC consists of independent statisticians, biostatisticians, researchers, demographers and public health specialists from academic institutions, research organisations, non-governmental organisations, the private health sector and other government departments. The HDACC produced more accurate baseline figures for the key health outcome indicators maternal mortality, child mortality and infant mortality, as well as realistic targets for 2014.

During the period under review the NDoH completed the first phase of the development of the National Health Information Repository and Data Warehouse (NHIRD). Information from different warehouses will be stored in the NHIRD and updated regularly. The NHIRD is a crucial step towards evidence based health planning and decision-making in order to improve the health outcomes of the country. A web-based pivot reporting system with a GIS platform based on the District Health Information System, which is the common health information system in the country, forms part of the NHIRD. This allows for data to be visually demonstrated in the form of interactive graphs and maps. The system also allows for the comparative analysis of data and information. Access to the NHIRD was rolled out to eight provinces during the past financial year. On average six managers from the planning, monitoring and evaluation and information management units per province were trained on the use of the NHIRD. Further access to the NHIRD will be rolled out to the 11 NHI pilot districts during the 2012/13 financial year.

Three ministerial committees, the National Committee on Confidential Enquiry into Maternal Deaths; the National Perinatal and Neonatal Morbidity and Mortality Committee and the Committee into Morbidity and Mortality in Children, submitted their reports to the Minister of Health in March 2012.

Key challenges encountered during the reporting period included inadequate distribution of male condoms, because of delays in the registration of suppliers of condoms. A total of 347 973 male medical circumcisions were conducted, against an annual target of 500 000.

More progress has been made than can be reflected in this Annual Report. I wish to express my gratitude to the Minister of Health, Dr. A. Motsoaledi, as well as the Deputy Minister, Dr. G. Ramokgopa, for the leadership and guidance they provided to the health sector during the reporting period.



MS M.P. MATSOSO
DIRECTOR-GENERAL: HEALTH

DATE: 30 August 2012

Section 2
Information on Predetermined Objectives

2. INFORMATION ON PREDETERMINED OBJECTIVES

2.1 OVERALL PERFORMANCE

2.1.1 Voted Funds

Responsible Minister	Minister of Health		
Administering Department	National Department of Health		
Accounting Officer	Director General of the National Department of Health		
Main Appropriation R '000	**Adjusted Appropriation R '000**	**Actual Amount Spent R '000**	**Over(Under) Expenditure R '000**
25 731 554	25 967 971	25 712 842	(255 129)

2.1.2 Aim of Vote

The aim of the DoH is to promote the health of all people in South Africa through an accessible, caring and high quality health system based on the primary health care (PHC) approach.

2.1.3 Strategic Outcome Oriented Goals

The major strategic framework for the work of the NDoH during 2011/12 was the Negotiated Service Delivery Agreement (NSDA) 2010-2014, which provides key strategies for accelerating progress towards the vision of a "Long and Healthy Life for all South Africans". The four outputs required from the health sector in terms of the NSDA are:

(a) Increased life expectancy
(b) Reduction in maternal and child mortality rates
(c) Combating HIV and AIDS and decreasing the burden of disease from tuberculosis (TB)
(d) Strengthening health system effectiveness.

These outputs are interlinked. An effective and well-functioning health system is essential for the attainment of the desired improved health outcomes. The NSDA 2010-2014 informed the development, implementation and monitoring of the Annual Performance Plan of the NDoH for 2011/12.

2.1.4 Overview of the Service Delivery Environment 2011/12

During the reporting period, South Africa continued to confront a quadruple burden of disease, consisting of HIV and TB, high maternal and child mortality, non-communicable diseases (NCDs) and violence and injuries. Three ministerial committees, the National Committee on Confidential Enquiry into Maternal Deaths, the National Perinatal and Neonatal Morbidity and Mortality Committee and the Committee into Morbidity and Mortality in Children, submitted their reports to the Minister of Health in March 2012.

The committees found HIV infection to be a common denominator contributing to the mortality of mothers and babies. However, the committees also found a pattern of missed opportunities, avoidable factors and sub-optimal care provided to mothers and babies to have been some of the key contributory

factors. Recommendations were made to improve access to appropriate care, improve the quality of care, ensure that adequate resources are available and improve auditing and monitoring. As part of strategies to address these factors, the Department completed a new Strategic Plan for Maternal, Neonatal and Child Health for the five-year period 2012-2016.

2.1.5 Overview of the Organisational Environment 2011/12

The revised organisational structure of the NDoH was approved during 2011/12, following concurrence by the Department for Public Service and Administration (DPSA). The new structure is aligned to the national health priorities and will enhance the capacity of the Department to fulfil its legal and political mandates. Three new deputy directors-general (DDGs) were appointed during the reporting period to strengthen leadership and management capacity. These were the Chief Financial Officer (CFO); the Head of Corporate Services and the DDG for Health Regulation and Compliance Management.

2.1.6 Key Policy Developments and Legislative Changes

A total of 104 regulations were published by the NDoH to provide the legislative framework required to enhance the performance of the health sector. An additional set of 19 regulations were completed.

With respect to strengthening the management of health districts and public sector hospitals, the Development Bank of Southern Africa (DBSA) completed and assessment of the functionality, efficiency and appropriateness of the organisational structure of hospitals and the appropriateness of the delegations given to hospital managers and district managers, and tabled its report before the National Health Council (NHC). This work was commissioned by the Department in 2009/10.

Following the completion of the DBSA process, and informed by its findings, on 12 August 2012 the NDoH published regulations in terms of the National Health Act of 2003 aimed at providing clear designations to managers and CEOs of different categories of hospitals and the required skills and competencies for managing hospitals. These were published on 12 August 2011 in Gazette No. 34521. The regulations provide criteria for the classification of five categories of hospitals, viz. district hospitals, regional hospitals, tertiary hospitals, central hospitals and specialised hospitals.

The NDoH also produced a National Policy on Regulating Management of Hospitals, which was published as regulations of the National Health Act of 2003 (Government Gazette No 34522, Vol. 554, 12 August 2011). The policy is aimed at ensuring that the management of hospitals is underpinned by the principles of effectiveness, efficiency and transparency. The specific objectives of this policy are:

- To ensure implementation of applicable legislation and policies to improve the functionality of hospitals
- To ensure the appointment of competent and skilled hospital managers
- To provide for the development of accountability frameworks
- To ensure training of managers in leadership, management and governance.

Skilled and competent health management will contribute to sustained delivery of quality health care for all. These regulations also seek to strengthen the governance of health facilities. They provide the criteria for the selection for hospital board members and outline the functions of hospital boards.

The National Health Amendment Bill 2011, which seeks to establish the Office of Health Standards Compliance (OHSC) as an independent and separate entity, with oversight over the quality of health care in both the public and private health sectors, and reporting directly to the Minister of Health, was processed through Parliament during 2011/12. Public hearings on this Bill have commenced.

The Medicines and Related Substances Amendment Bill, which provides for the establishment of the South African Health Products Regulatory Authority, which will improve the efficiency of medicines regulatory processes, was approved by Cabinet. This will pave the way for the establishment of the new South African Health Products Authority.

The National Health Act of 2003 came into force it its entirety on 1 March 2012, except for sections that were amended.

2.1.7 Departmental Revenue, Expenditure and Other Specific Topics

Table 1: Collection of departmental revenue

	2008/09 Actual	2009/10 Actual	2010/11 Actual	2011/12 Target	2011/12 Actual	%Deviation from target
Tax revenue	249	1 012	355	308	425	38%
Non-tax revenue	29 676	38 355	25 907	31 833	32 967	3.5%
Sales of capital assets	71	57	59	36	67	86.1%
Financial transactions (Recovery of loans and advances)	1 192	5 766	927	15 682	21 841	39.3%
TOTAL DEPARTMENTAL RECEIPTS	**31 188**	**45 190**	**27 248**	**47 859**	**55 300**	**15.5%**

The Department collects revenue from the licensing unit of the Affordable Medicines Cluster of the Pharmaceutical Policy and Planning Unit. The categories are dispensing and yellow fever licence applications and pharmacy licence applications. The revenue generated through this process was R1 685 692. The department collected the sum of R30 771 390 from fees charged for the registration of human and animal medicines, licensing of manufacturers, distributors and wholesalers, issuing of permits for narcotics as well as fees charged for review approval and monitoring of clinical trials. The 21% increase compared to the 2010/11 amount is attributable to the increase in finalised applications.

The table above reflects the department's revenue collection for 2011/12, as well as for three previous financial years. For the 2011/12 financial year, the Department raised a total amount of R55 300 million, which exceeded the set target of R47 859 million.

Table 2: Departmental Expenditure

	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation
Current payments							
Compensation of employees	427 302	(2 131)	(3)	425 168	409 702	15 466	96,4
Goods and services	910 415	(277)	(9 724)	900 414	673 733	226 681	74,8

	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation
Transfers and subsidies							
Provinces and municipalities	24 034 782	-	-	24 034 782	24 034 782	-	100,0
Departmental agencies and accounts	361 207	-	5 815	367 022	367 022	-	100,0
Universities and technikons	14 124	-	409	14 533	12 762	1 771	87,8
Public corporations and private enterprises	-						
Non-profit institutions	182 426	-	3 000	185 426	179 264	6 162	96,7
Households	2 200	2 408	503	5 111	4 509	100	98,0
Gifts and donations	-	-	-	-	502	-	-
Payments for capital assets							
Machinery and equipment	25 974	(73)	-	25 901	28 588	(2 686)	110,4
Software and other intangible assets	-	134	-	134	133	1	99,3
Payments for financial assets	-	-	-	-	1 845	(1 846)	
Total	**25 967 971**	**-**	**-**	**25 967 971**	**25 712 842**	**255 129**	**99,25**

Out of a total allocation for the year under review amounting to R25 967 971 billion, the Department spent R25 712 842 billion which is 99,25% of the budget available. An amount of R255 129 million was underspent, resulting in under-expenditure of 0,75%. The under-expenditure is an improvement on the previous financial year. Further details are provided in the Appropriation Statement of the Annual Financial Statements.

2.1.9 Transfer Payments

	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation
Transfers and subsidies							
Provinces and municipalities	24 034 782	-	-	24 034 782	24 034 782	-	100,0
Departmental agencies and accounts	361 207	-	5 815	367 022	367 022	-	100,0
Universities and technikons	14 124	-	409	14 533	12 762	1 771	87,8
Public corporations and private enterprises	-						
Non-profit institutions	182 426	-	3 000	185 426	179 264	6 162	96,7
Households	2 200	2 408	503	5 111	4 509	100	98,0
Gifts and donations	-	-	-	-	502	-	-
Total	**24 594 739**	**2 408**	**9 727**	**24 606 874**	**24 598 841**	**8 033**	**96,5**

The Department makes transfers for conditional grants to the provinces as well as transfers to non-governmental organisations (NGOs). Further details of the conditional grants can be found in the Accounting Officer's report, in Note 31 of the Annual Financial Statements as well as in the following Annexures of the Annual Financial Statements: 1C; 1D; 1G and 1H. There are no transfers to municipalities.

2.1.10 Public Entities

Council for Medical Schemes (CMS): The CMS is the national medical schemes regulatory authority established in terms of the Medical Schemes Act No. 131 of 1998. The council's vision for the medical scheme industry is that it is effectively regulated to protect the interests of members and promote fair and equitable access to private health financing. The CMS continued to advance the cause of protecting the interests of beneficiaries of medical schemes though making proactive interventions, enforcing legislation, ensuring compliance by stakeholders, encouraging proper governance practices and promoting a financially stable medical schemes industry.

The National Health Laboratory Services (NHLS): The NHLS was established in October 2000 in terms of the National Health Laboratory Service Act No. 37 of 2000 to provide quality, affordable and sustainable health laboratory and related public health services. The governance and functioning of the NHLS is further defined in the general rules made in terms of the National Health Laboratory Service Act No. 2000 (Act No. 37 of 2000), published in the Government Gazette 30112, 24 July 2007. The key mandates of the NHLS are as follows:

- Pathology service provision
- Teaching and training
- Research.

The NHLS is the largest diagnostic pathology service in South Africa, serving 80% of the country's population. The NHLS has a national network of pathology laboratories across South Africa that uses a common laboratory management platform, as well as logistics and transport infrastructure, to support the transport of specimens, referral of tests and delivery of results.

Research conducted by the NHLS covers a wide spectrum of activities in the pathology and surveillance disciplines. The research agenda, inter alia, covers the priority diseases in South Africa, such as HIV and AIDS, TB, malaria and pneumococcal infections, as well as occupational health, screening for cervical cancer and malnutrition.

The NHLS teaching programme includes the training of medical technologists and technicians in association with the universities of technology. The training of undergraduate and postgraduate medical, dental and other health professionals is done through the pathology and public health departments based at the medical and dental schools. Teaching is provided in anatomical pathology, haematology, microbiology, infectious diseases, immunology, human genetics, chemical pathology, epidemiology, occupational and environmental health, occupational medicine, tropical diseases, molecular biology, medical entomology and human nutrition.

The South African Medical Research Council: The MRC was established in July 1969 (Act 19 of 1969) as an independent statutory body to co-ordinate health and medical research activities throughout South Africa. Currently, the MRC operates as a statutory science council functioning within the ambit of

the MRC Act (Act 58 of 1991). In terms of the MRC Act of 1991, 'the objects of the MRC are, through research, development and technology transfer, to promote the improvement of the health and quality of life of the population of the Republic, and to perform such functions as may be assigned to the MRC by or under this Act'. Health research, development and innovation are the core businesses of the MRC. During the past five years, the MRC research priorities were defined in a way that recognises the complementarities of three quite different, but synergistic, focal areas of health research, viz. (i) population health, (ii) disease and disease mechanisms and (iii) systems, settings and policy. The MRC's research and innovation activities continue influence all three focal areas.

The Minister approved the budget of all entities in line with Section 53(1) of the Public Finance Management Act No. No. 1 of 1999 (PFMA), which provides that the budget for entities for any financial year must be approved by the Minister. All entities also submitted their plans as required in terms of Treasury Regulation 30.1.1, which provides that the accounting authority of a public entity listed in schedule 3A of the PFMA must annually submit a proposed strategic plan and annual performance plan for approval by the Minister. The submission of the above enabled the Department to monitor the performance of entities against the strategic objectives identified, as well as their compliance to policies and other legislative prescripts relevant to public entities with particular reference to the establishing acts, the PFMA and Treasury Regulations.

The quarterly performance reports from the public entities were compiled in compliance with the requirements of the abovementioned legislation. The reports contained details of activities of entities per key strategic objective as identified and budget variance reports.

Statutory Health Professional Councils

The Statutory Health Professional Councils' main contribution to health care is that of protecting the public through setting and maintaining health (service training) standards and regulating the conduct of health care professionals, thus contributing to the improvement of the health profile of all South Africans. The statutory councils are committed to promote South Africa's right to quality health care.

The Allied Health Professions Council of South Africa: This Council was established in terms of the Allied Health Professions Act No. 1982 (Act 63 of 1982). The purpose of the Council is to regulate all allied health professions, including ayurveda, Chinese medicine and acupuncture, chiropractic, homeopathy, naturopathy, osteopathy, phytotherapy, therapeutic aromatherapy, therapeutic massage therapy, therapeutic reflexology and unani-tibb. The mandate of the Council includes assisting in the promotion and protection of the health of the population of the Republic and to govern, administer and set policy relating to the professions registered with the Council.

The term of office for the previous Council expired on 31 August 2011. The Minister appointed members for a new five-year term of office with effect from 1 September 2011 to 31 August 2016.

Health Professions Council of South Africa: The Council was established in terms of the Health Professions Act (Act 56 of 1974). The purpose of the Council is to provide for control over the training, registration and practices of practitioners of health and to provide for matters incidental thereto.

South African Dental Technicians Council: This Council was established in terms of the Dental Technicians Act (Act 19 of 1979). The purpose of the Council is to regulate all matters relating to

the education and training of dental technicians or dental technologists and it exercises control over practices in the supply, making, altering or repairing of artificial dentures or other dental appliances.

South African Nursing Council: The Nursing Council was established in terms of the Nursing Act (Act 33 of 2005). The purpose of the Council is to control and exercise authority in respect of the education, training and manner of practice pursued by registered nurses, midwives, enrolled nurses and enrolled nursing auxiliaries.

South African Pharmacy Council: This Council was established in terms of the Pharmacy Act (Act 53 of 1974). The purpose of the Council is to ensure the provision of quality pharmaceutical services in South Africa by developing, enhancing and upholding universally acceptable standards, professional ethics and conduct, ongoing competence and pharmaceutical care.

2.1.11 Conditional Grants and Earmarked Funds

The Department is managing six conditional grants, viz.:

- National Tertiary Services Grant
- Health Professions Training and Development Grant
- Hospital Revitalisation
- Comprehensive HIV and AIDS Plan
- Forensic Pathology Services
- Infrastructure

Further details of the conditional grants can be found in the Accounting Officer's report in paragraph 6, as well as Note 31 of the Annual Financial Statements. These funds flow to provincial health departments, from where spending takes place on items as contained in a business plan pre-approved by both provincial and national accounting officers.

2.1.12 Capital Investment, Maintenance and Asset Management Plan

Capital Investment

No capital investment was made by the national Department. All capital investment is planned and incurred by the Department of Public Works. The Department is assisting provinces through the Infrastructure Support Unit to plan and execute the flagship projects under a public-private partnership (PPP) agreement.

Asset management

The Department has progressed substantially in completing its asset management implementation plan. The Department has automated the asset register as part of ensuring the accuracy and completeness of the register. Much has been done to ensure that monthly reconciliations are in place. In addition, the Department has disposed of a number of obsolete and redundant assets as part of its clean-up process. The Department has engaged a service provider to assist in addressing the completeness of the historical assets. Asset management represents the biggest risk area for the 2011/12 financial year. Challenges that may arise are completeness of barcodes, disposals and donor-funded assets. Each of these challenges has been noted and processes are in place to address these, even in future audits.

Details of the movement of assets for the year under review are in disclosure note number 29 of the Annual Financial Statements.

Maintenance

The Department leases all its buildings from Public Works. This applies to both government-owned and private properties. Maintenance is therefore paid for by the Public Works Department and the DoH is billed for the work. The Department has had significant difficulties in finalising the lease agreement with Public Works and has as an interim measure appointed an in loco transaction advisor to ensure proper day-to-day maintenance is done at Civitas.

2.2 SUMMARY OF PROGRAMME PERFORMANCE

2.2.1. Programmes of the NDoH

The activities of the NDoH are organised in the following programmes:
Programme 1: Administration and Corporate Services
Programme 2: Health Planning and Systems Enablement
Programme 3: HIV and AIDS, TB and Maternal, Child and Women's Health
Programme 4: Primary Health Care Services
Programme 5: Hospitals, Tertiary Services and Workforce Development
Programme 6: Health Regulation and Compliance Management.

2.2.2. Highlights of Programme Performance in 2011/12

Programme 1: Administration and Corporate Services

The purpose of this programme is the overall management of the Department and centralised support services. Its main goal for 2011/12 is to ensure that the NDoH obtains an unqualified audit opinion from the Auditor-General of South Africa. The programme also provides technical support to provincial DoHs to improve their financial management capacity, thereby enhancing their audit outcomes. The NDoH has obtained an unqualified audit opinion from the AGSA for the audit of financial information for the financial year 2011/12. Highlights of performance during 2011/12 include the production of the information communication technology (ICT) policy for the NDoH, which was approved by the Director-General. A departmental ICT steering committee was also established.

Programme 2: Health Planning and Systems Enablement

The purpose of this programme is to improve access and the quality of health services through planning, integration of health systems, reporting, monitoring and evaluation and research. Highlights of programme performance during 2011/12 include the release of the Green Paper on National Health Insurance (Government Gazette Vol 554. No 34523, 12) for public comment in August 2012. This was the first formal government policy proposal on National Health Insurance (NHI). Comments were received from diverse stakeholders on the Green Paper, and the original time frame for the submission of comments was extended to December 2011. The Department also conducted consultations with more than 20 stakeholders across the country.

Through Programme 2, the Department produced the Annual National HIV and Syphilis Prevalence Report 2010, which was launched in November 2011. It was printed and disseminated widely. The Department completed the data collection process for the 2011 Antenatal Sentinel HIV and Syphilis and Prevalence Survey and convened a National Health Research Summit in 2011. A set of research priorities, which was approved by the Minister, emanated from the summit.

Programme 2 also provided support to the Health Data Advisory and Coordination Committee (HDACC), which was established by the Department in October 2010 to improve the quality and integrity of data on health outcomes, establish consensus on indicator values and identify reliable data sources to be used by the health sector in future. The HDACC completed its work and submitted its final report to the Ministry of Health on 3 November 2011. The HDACC report was subsequently tabled before the Cabinet Committee on 15 November 2011. This report provides revised, more accurate baseline figures and more realistic ones for the key health outcome indicators reflected in the NSDA 2010-2014 namely: life expectancy, maternal mortality ratio, infant mortality and child mortality.

Programme 3: HIV and AIDS, TB and Maternal, Child and Women's Health

The purpose of this programme is to coordinate, manage, monitor and fund HIV and AIDS, TB and maternal, child and women's health programmes. The programme also develops and oversees implementation of policies, systems and norms and standards. The key highlight of the performance of this programme in 2011/12 is its successful implementation of the HIV Counselling and Testing (HCT) campaign, which reached over 20,2 million South Africans from April 2010 to June 2012. During 2011/12, a total of 617 147 new patients were initiated on Antiretroviral Therapy (ART).

This performance represents 99% of the set target of 625 000. It also exceeded by far the 2010/11 achievement when 418 677 patients were placed on ART.

With respect to improving maternal health, 89,3% of deliveries took place in the public health sector, which was consistent with the target of 90%. Antenatal coverage (ANC) was provided to 100.4% of pregnant women. Six provinces reported coverage of over 100% for this indicator, which suggested that ANC services were accessed by pregnant women beyond the boundaries of these provinces. With respect to improving child health, 95,2% of South African children were fully immunised to protect them against vaccine-preventable diseases.

Programme 4: Primary Health Care Services

The purpose of this programme is to develop and implement a uniform district health system. The programme also develops policy for district health services (PHC and district hospitals), identifies and promotes centres of excellence and supports planning, delivery and monitoring of these services. Highlights of its performance during 2011/12 include the establishment of 337 PHC teams, as part of the new strategy of re-engineering PHC. The appointment of district clinical specialist teams was also finalised. These teams will consist of the following specialists: Principal Obstetrician and Gynaecologist, Principal Paediatrician, Anaesthetist, Principal Family Physician, Principal Midwife, Advanced Paediatric Nurse and Principal PHC Nurse.

With respect to combating NCDs, whose contribution to the burden of disease worldwide is increasingly being recognised, the highlight of the financial year 2011/12 was a global call to governments,

development agencies and civil society to focus on the growing threat of these diseases. The DoH reacted positively to this call and actively participated in formulating and adopting the Brazzaville Declaration on Non-communicable Disease Prevention and Control in the WHO African region, the Moscow Declaration on Healthy Lifestyles and Non-communicable Disease Control and the Political Declaration of the High-level Meeting of the General Assembly on the Prevention and Control of Non-communicable Diseases. Draft regulations for a reduction of salt, as well as trans-fatty acids, in foodstuffs were produced.

Programme 5: Hospitals, Tertiary Services and Workforce Development

The purpose of this programme is to develop policies, delivery models and clinical protocols for hospital and emergency medical services. The programme also ensures that Academic Medical Centres (AMCs) and health workforce development programmes are aligned.

The highlights of the performance of this programme include the production of the Human Resources for Health (HRH) Strategy, which was completed and launched in October 2011. The HRH Strategy aims to ensure sufficient availability of adequately trained, appropriately skilled, suitably placed, highly motivated and properly remunerated health care providers. It focuses on eight strategic objectives, viz.:

- Leadership and governance
- Intelligence and planning for HRH
- A workforce for new service strategies
- Upscaling and revitalising education, training and resources
- Academic training and service platform interfaces
- Professional Human Resources Development (HRD)
- Quality professional care
- Access in rural and remote areas.

An assessment of the functionality, efficiency and appropriateness of the organisational structure of hospitals and the appropriateness of the delegations given to hospital managers and district managers, which was commissioned by the Department and conducted by the the DBSA, was completed. To provide clear designations to managers and CEOs of different categories of hospitals, and the required skills and competencies for managing hospitals, the Department published regulations on the classification of hospitals on 12 August 2011. The regulations provide criteria for the classification of five categories of hospitals, viz. district hospitals, regional hospitals,tertiary hospitals, central hospitals and specialised hospitals. The Department also produced a National Policy on Regulating Management of Hospitals, which was published as regulations of the National Health Act of 2003 (Government Gazette No 34522, Vol. 554, 12 August 2011). The policy is aimed at ensuring that the management of hospitals is underpinned by the principles of effectiveness, efficiency and transparency.

Programme 6: Health Regulation and Compliance Management

The purpose of this programme is to regulate procurement of medicines and pharmaceutical supplies, including trade in health products and to promote accountability and compliance by regulatory bodies for effective governance and quality of health care. Major achievements were recorded by Programme 6 towards the establishment of the OHSC, which will enforce continuous improvement of the quality of care offered in public health facilities. The National Health Amendment Bill, which provides the legal framework for the establishment of the OHSC, was certified by State Law Advisors on 3 November

2011, and subsequently tabled before Parliament. Twenty inspectors were appointed and some were sent for training in the United Kingdom (UK), where they were trained by the Quality Care Commission, which is a UK equivalent of the OHSC.

The NDoH commissioned an independent comprehensive audit of public health facilities to assess their infrastructure, human resources, services provided and quality of care as reflected in the National Core Standards for Health Establishments. By the end of March 2012, a total of 3 780 of the 4 210 health facilities (i.e. 90%) had been audited. The audit revealed serious challenges in the management of these facilities, as well as the quality of services provided. To address the identified challenges proactively, the NDoH established health facility improvement teams, which will focus on improving service delivery in identified facilities. Teams consist of officials from national, provincial and district levels. These teams have already been trained and deployed in four districts, viz. Mangaung in the Free State Province, Sedibeng in Gauteng, Zululand in KwaZulu-Natal and Pixley ka Seme in the Northern Cape.

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

Section 3
Detailed Programme Performance

3. DETAILED PROGRAMME PERFORMANCE

PROGRAMME 1: ADMINISTRATION AND CORPORATE SERVICES

Purpose of Programme:

The purpose of this programme is overall management of the Department and centralised support services.

There are five sub-programmes:

- Ministry
- Management
- Financial management
- Corporate services
- Office administration.

The sub-programmes ministry and management consist of the offices of the minister, deputy minister and director-general of health and therefore would not report on separate strategic objectives. The financial management function is headed by the office of the CFO. Corporate Services provides support services to the whole of the department including ICT.

PROGRAMME 1: FINANCIAL SERVICES AND DEPUTY CFO

SUB-PROGRAMME: FINANCIAL SERVICES AND DEPUTY CFO						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Performance (2011/12)		
To ensure effective financial management and accountability	Unqualified audit opinion from AGSA	Qualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	None	None
	Audit opinion of the AGSA: Provincial DoHs	Two provinces, North West and Western Cape, obtained an unqualified audit opinion.	Five provincial DoH with unqualified audit outcomes	Only one province obtained an unqualified audit opinion (Western Cape)	Four provinces did not obtain unqualified audit opinions	Provincial AGSA reports highlighted mainly asset registers, irregular expenditure, accruals, revenue management and contingent liabilities
	Number of provinces with over-expenditure	6/9	6/9	For the year under review, four provinces overspent their budgets, i.e. EC; GP, KZN and NC	None	Factors that contributed to the projected over expenditure were: prior year accruals; price increase; inadequate budget control, as well as underfunding of the health sector
	Total number of provinces with financial improvement plans	7	9	9	None	None

Overview of Performance

During the reporting period, the NDoH set itself the objective of ensuring effective financial management and accountability in the health sector. Annual targets for 2011/12 were as follows:

- the NDoH receives an unqualified audit opinion from the Auditor-General of South Africa (AGSA) at the end of 2011/12
- at least five of the nine Provincial DoHs receive an Unqualified Audit Opinion from the AGSA at the end of 2011/12
- no more than five provinces incur over-expenditure on their 2011/12 budgets
- all nine provincial DoHs develop financial management improvement plans

Asset management was the basis for a qualified audit opinion for the financial year 2010/11. A key challenge experienced was the valuation of the asset register. Thus the Department developed and implemented an asset management plan during 2011/12, with a view to improve on the findings of the AGSA for the previous financial year.

The NDoH has obtained an unqualified audit opion from the AGSA for the audit of financial information for the financial year 2011/12. Only two out of nine provincial DoHs (North West and Western Cape) received unqualified audit opinions for the financial year 2010/11. Most of the Provinces (7/9) received qualified audition opinions or disclaimers owing to incomplete asset registers, irregular expenditure, weak control and non-compliance with the PFMA of 1999. The NDoH continued to implement action plans to enhance the audit findings for 2011/12. An asset management project led by the NDoH was implemented in three provinces: Eastern Cape; KwaZulu-Natal and Mpumalanga. The Department also funded the Northern Cape to implement its own asset management project. All provincial DoHs (9/9) developed provincial financial improvement plans, with the aim of obtaining improved audit outcomes for 2011/12. The development and implementation of the provincial financial improvement plans are consistent with the set target for 2011/12.

Challenges

By the end of 2011/12 four provinces had indicated over-expenditure, viz. Eastern Cape, Gauteng, KwaZulu-Natal and Northern Cape. Factors contributing to the projected over-expenditure were accruals from previous years, price increases and underfunding. Provincial DoHs introduced austerity measures aimed at reducing the projected over-expenditure. All nine provinces implemented financial improvement plans during the reported period. This was constrained by inadequate HR capacity and limited resources. Significant audit risks still exist in most provinces and are mainly related to asset and revenue management.

SUB-PROGRAMME: INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES

SUB-PROGRAMME: INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target (2011/12)	Actual Performance (2011/12)	Variance 2011/12	Reason for Variance 2011/12
To ensure that ICT supports the business objectives of the Department	Master information systems plan (MISP) to support the business functions produced	No MISP in place	MISP produced	A draft framework of the MISP was produced	MISP framework was produced, but the MISP was not finalised	The MISP could not be finalised in 2011/12. This will be done once the MISP framework has been finalised
	Produce an ICT business continuity plan that incorporates a disaster recovery plan	ICT business continuity plan inclusive of a disaster recovery plan produced	ICT business continuity plan inclusive of a disaster recovery plan produced	A draft disaster recovery plan was produced, as part of the development of an ICT business continuity plan	Disaster recovery plan not finalised	The disaster recovery plan is dependent on the type of solution used for disaster recovery by the Department. The Department negotiated various proofs of concept (POC) for solutions during the financial year. Novell's PlateSpin was only partially successful In 2012/12, the Department will also conduct a POC of avamar by EMC. The solution has been tested since February 2012. A DRP will be finalised once the solution has been fully tested
	Produce a comprehensive ICT policy that governs the use of ICT facilities	No comprehensive ICT policy in place	Comprehensive ICT policy produced	Comprehensive ICT policy was approved	None	None
	Governance body for all ICT services established	No governance body for ICT services in place	Information Technology Committee (ITC) established	Steering committee was functional and effective	None	None

Overview of Performance

During 2011/12, the NDoH set itself the objective of ensuring that ICT supports the business objectives of the Department.

The following annual targets for 2011/12 were set:

- Produce a MISP to support the business functions
- Produce an ICT business continuity plan inclusive of a disaster recovery plan
- Produce a comprehensive ICT policy
- Establish an ITC.

In keeping with the target for 2011/12, the ICT policy of the Department was finalised and approved during the reporting period. The broad objective of the ICT policy is to serve as a regulatory framework for establishing and sustaining an effective consistent level of security to all IT systems that process NDoH information.

The ICT steering committee was also established, and served as the governance body for all ICT services. This was consistent with the target for 2011/12.

Challenges

A draft ICT disaster recovery plan was produced during 2011/12, and circulated to the IT steering committee for review. However, the 2011/12 target of producing an ICT business continuity plan inclusive of a disaster recovery plan was not fully achieved. The Department tested various Proofs of Concepts (POCs) for disaster recovery solutions during the financial year. Novell's PlateSpin was only partially successful. The Department conducted a new POC of the avamar solution by EMC. Testing of this solution commenced in February 2012. A disaster recovery plan will be finalised in the financial year 2012/13, once the solution has been fully tested.

A draft MISP was produced and circulated to the IT steering committee. This reflected partial achievement of the 2011/12 target of producing a final MISP to support the Department's business functions.

PROGRAMME 2: HEALTH PLANNING AND SYSTEMS ENABLEMENT

Purpose of Programme

The purpose of this programme is to improve access to and the quality of health services through planning, integration of health systems, reporting, monitoring and evaluation and research. There are six sub-programmes:

- **Technical Policy and Planning:** Provides advisory and strategic technical assistance on policy and planning and supports policy implementation.
- **Health Information Management, Monitoring and Evaluation:** Develops and maintains a national health information system and commissions and coordinates research. This entails the development and implementation of disease surveillance programmes, the coordination of health research and monitoring and evaluation of strategic health programmes.
- **Financial Planning and Health Economics:** Undertakes health economics research and develops policy for medical schemes and PPPs and provides technical oversight for the CMS. Functions of this sub-programme is reported on under NHI.
- **National Health Insurance:** Develops and implements policies, legislation and frameworks for the expansion of health insurance to the broader population and oversees the coordination of research into alternative health care financing mechanisms for achieving universal coverage.
- **International Relations:** Develops and implements bilateral and multilateral agreements to strengthen the health system, including agreements on the recruitment of health workers from other countries, as well as the provision of technical capacity to South Africa in fields such as health technology management and surveillance systems, among others.
- **Sector Procurement and Policy:** Provides rules and regulations that are put in place to govern the process of acquiring goods and services required by the sector. A central procurement authority

is being established to improve the efficiency of procurement systems. The functions of this sub-programme is reported on in the operational plan of the department.

SUB-PROGRAMME: TECHNICAL POLICY AND PLANNING

SUB-PROGRAMME: TECHNICAL POLICY AND PLANNING						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target 2011/12	Actual Performance 2011/12	Variance 2011/12	Reason for Variance 2011/12
Facilitate and coordinate evidence-based planning for all levels of the health care system, aligned to the health sector's 10-point plan and negotiated service delivery agreement	Revised guidelines for planning developed and implemented	-	Planning guidelines revised and implemented	Planning guidelines revised and implemented	None	None
	Nine provincial Annual Performance Plans (APPs) analysed and feedback provided	All provinces were supported on the development of APPs	Nine provincial APPs analysed and feedback provided	Seven provincial APPs were analysed and feedback was provided All provinces were supported on the development of APPs	2	APPs for Gauteng and Western Cape Provinces were not analysed
	Annual National Health Plan (ANHP) developed for each year of the planning cycle	ANHP 2010/11 was produced	ANHP for 2011/12 developed	Draft ANHP was produced	ANHP was not printed	ANHP was not tabled before the NHC

Overview of Performance

For the financial year 2011/12, the NDoH set itself the objective of facilitating and coordinating evidence-based planning for all levels of the health care system, aligned to the health sector's 10-point plan for 2009-2014 and the Negotiated Service Delivery Agreement (NSDA) for 2010-2014.

The targets set for 2011/12 were to:

- Revise and implement the guidelines for planning
- Analyse the Annual Performance Plans (APPs) of nine provincial DoHs and provide feedback to Provinces
- Develop the Annual National Health Plan (ANHP) for 2011/12.

During 2011/12, seven (7) Provincial APPs were analysed and feedback was provided to the Provinces. These were the APPs for the Eastern Cape, Free State, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape and North West. Due to capacity constraints two APPs of Gauteng and the Western Cape were not analysed. The target for 2011/12 was to provide feedback to provincial DoHs on their draft APPs in the second and fourth quarters of 2011/12. The APP guidelines for 2012/13 were revised and circulated to provincial DoHs. This was in keeping with the target for 2011/12.

Challenges

The ANHP 2011/12 was tabled before the Technical Committee of the NHC but not reviewed.

SUB-PROGRAMME: HEALTH INFORMATION MANAGEMENT, MONITORING AND EVALUATION

SUB-PROGRAMME: HEALTH INFORMATION MANAGEMENT, MONITORING AND EVALUATION						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target 2011/12	Actual Performance 011/12	Variance 2011/12	Reason for Variance 2011/12
To develop and implement an integrated monitoring and evaluation (M&E) system aligned to outcomes contained in the NSDA	Integrated monitoring and evaluation system developed and implemented	No over-arching health sector M&E plan in place	Integrated M&E system for health developed	• An M&E plan for the NSDA 2010-2014 was produced, with technical support from an external service provider. The M&E plan was accepted by the HDACC of the NDoH as a working document • An M&E framework for the National Strategic Plan for HIV and AIDS and TB 2012-2016 was produced, under the leadership of the Department. Targets for the outcomes and impact indicators of the Global Fund Rounds were revised in alignment with the 2012-16 NSP targets • The Global AIDS Report 2012 was produced • The National Health Information Repository and Data Warehouse (NHIRD) was established in the NDoH and provincial DoHs • Master trainers and users of the tiered ART M&E system were trained	None	None
Monitor HIV and syphilis prevalence by conducting the annual national HIV survey	Annual National HIV and Syphilis Survey reports published	All nine provinces submitted the 2010 national HIV and syphilis data The data for 32 198 records cleaned and validated	2010 Annual National HIV and Syphilis prevalence estimates and trends report published by July 2011	2010 Annual National HIV and Syphilis Prevalence Report was published in Nov 2011	2010 report was published in Nov 2011 instead of July 2011	The report was produced in July 2011, underwent a process of scientific review and revision and was published in Nov 2011
Strengthen research and development	National health research priority identified	New National Health Research Committee appointed. Subcommittee: Health Research Priorities established	National health research priority list finalised	National Health Research Summit Report, which includes research priorities, was finalised and approved by the Minister	None	None

Overview of Performance

With respect to monitoring and evaluation, the key strategic objective of the NDoH for 2011/12 was to develop and implement an integrated monitoring and evaluation system aligned to outcomes contained in the NSDA 2010-2014. The set target was to complete this system by the end of the financial year.

Key strategic objectives and targets were set in the APP for 2011/12-2013/14, viz.:

- Develop and implement an integrated monitoring and evaluation system aligned to outcomes contained in the NSDA. The target for 2011/12 was to develop this system by the end of the financial year.
- Monitor HIV and syphilis prevalence by conducting the annual national HIV survey. The set target was to publish the 2010 National Antenatal Sentinel HIV and Syphilis and Prevalence Survey by July 2011.
- Strengthen research and development. The target for 2011/12 is to finalise the National Health Research Priority List.

An initial monitoring and evaluation plan for the NSDA 2010-2014 was produced in March 2011, with technical support from an external service provider. The report was tabled before the HDACC of the NDoH, and was accepted as a working document. A new sub-committee of HDACC was established, which will focus on the performance and effectiveness of the health system. The sub-committee will also produce an updated version of the monitoring and evaluation plan for the NSDA 2010-2014.

Significant progress was made with the development of other related monitoring and evaluation systems. A monitoring and evaluation framework for the National Strategic Plan on HIV and AIDS for 2012-2016 was produced. Targets for the outcome and impact indicators of the Global Fund Rounds were revised in alignment with the 2012-16 NSP targets. Data gathering for the 2012 Global AIDS Report commenced in January 2012. Data requests and data completion forms were sent or circulated to producers in the private and public sectors. Part A: National Commitment and Policy Instrument (NCPI) was completed by government officials at an inter-departmental committee meeting on HIV and TB held on 29 February 2012. Part B of the NCPI was completed by representatives of the South African National AIDS Council (SANAC) civil society in a workshop held on 9 February 2012. A national validation workshop was held on 9 March 2012 to consult stakeholders on the indicator data and address data gaps. The Global AIDS Report was subsequently finalised.

Further progress was made with the implementation of the three-tiered monitoring and evaluation subsystem for ART. By the end of 2011/12 there were 582 sites implementing Tier 2, which is a free standing computerised electronic register of patients on ART, and six sites using T3 network system. The remaining 2 932 sites were on Tier 1, which is a paper-based system. Seven hundred and fifty health informatics personnel were trained on the implementation of the tiered monitoring and evaluation strategy, with the focus on Tier 1 and Tier 2.

The Department also enhanced the monitoring of the NSDA 2010-2014 during the reporting period. The HDACC, which was established by the Department in October 2010, finalised its work for the first year and submitted a report to the Department. The aim of the HDACC was to improve the quality and integrity of data on health outcomes, establish consensus on indicator values and identify reliable data sources to be used by the health sector in future.
The HDACC concluded that the overall baseline life expectancy of South Africans is 56.6 years. This is

54 years for males and 59 years for females. The Committee further recommended that the target for 2014/15 should be to increase the overall life expectancy from 56,6 years to 58,5 years, which is an increase of two years. With respect to males and females, this implies that the life expectancy of males should increase from 54 years to 56 years, and that of females from 59 years to 61 years.

Based on its review of empirical evidence, the Committee concluded that the baseline maternal mortality rate (MMR) of South Africa (2008 data) is 310 per 100 000. The Committee further recommended that the target in the health sector's NSDA 2010-2014 should be to reduce the MMR to no more than 270 per 100 000 (i.e. a 10% reduction). A joint publication of several agencies of the United Nations, viz. the WHO, UNICEF, UNFPA and The World Bank, released early in 2012, estimated South Africa's MMR at 300 per 100 000 live births. This was consistent with the HDACC estimate of 310 per 100 000 live births, released in November 2011. With regard to child health, the HDACC confirmed in its November 2011 report that the baseline under-five mortality rate (U5MR) of South Africa is 56 per 1 000 live births, and that realistic target for 2014/15 should be to reduce the U5MR from 56 per 1 000 live births to 50 per 1 000 live births (a 10% reduction). The HDACC also arrived at the conclusion that the baseline infant mortality rate (IMR) is 40 per 1 000 live births, and that the target for 2014/15 should be to decrease the IMR to 36 per 1 000 live births (a 10% reduction).

The findings of the HDACC will enable government to keep more reliable track of progress with implementing the NSDA 2010-2014, which seeks to reverse the quadruple burden of diseases that afflicts South Africans. The work of the HDACC has also improved systems for measuring progress towards the health-related Millennium Development Goals (MDGs). With respect to monitoring HIV prevalence among antenatal attendees in the country, the Department finalised the Annual National HIV and Syphilis Prevalence Report 2010 and launched it in November 2011.

The Department also completed the data collection process for the 2011 Antenatal Sentinel HIV and Syphilis and Prevalence Survey. Data for 36 000 specimens were collected in all 51 districts across the nine provinces. Data validation also commenced. This will be followed by data analysis and interpretation.

A highly successful National Health Research Summit was held on 26 and 27 July 2011, attended by over 270 delegates from research and academic institutions, NGOs, community-based organisations (CBOs), the private sector and government departments. The objectives of the summit were to identify priority areas for health research, linked to the four outputs of the NSDA 2010-2014.The summit was convened under the auspices of the National Health Research Committee, appointed by the Minister in terms of the National Health Act of 2003. The Report of the National Health Research Summit 2011, which includes research priorities for each of the four outputs of the NSDA, was finalised and approved by the Minister.

SUB-PROGRAMME: NATIONAL HEALTH INSURANCE

SUB-PROGRAMME: NATIONAL HEALTH INSURANCE						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target 2011/12	Actual Performance 2011/12	Variance 2011/12	Reason for Variance 2011/12
Prepare for the implementation of the NHI	NHI pilot sites established and funding model developed	NHI policy was submitted to Cabinet Development of NHI Bill should be preceded by policy formulation	Ten NHI pilot sites established and funding model developed	• Methodology and selection of 10 pilot sites was finalised in March 2012. • The 10 pilot sites were officially announced by the Minister of Health on 22 March 2012 • NHI conditional grant framework was developed and approved as part of the DORA 2012/13 • NHI conditional grant amounting to R1 billion over the MTEF period was approved	None	None

Overview of Performance

During 2011/12, the NDoH continued with the implementation of NHI. The main goal of NHI is to ensure that all South African citizens and residents, irrespective of their socio-economic status, have access to good quality health services provided by both the public and private sectors. NHI seeks to eradicate financial barriers limiting access to health care.

A historical achievement was the release of the Green Paper on NHI (Government Gazette Vol 554. No 34523, 12 August 2011) for public comment. Multitudes of comments were received from diverse stakeholders on the Green Paper, and the original time frame for the submission of comments was extended to December 2011.

Major milestones on NHI preparatory work were achieved over a six-month period. These form part of what is reflected in the tables below:

Key features	Time-frames	Progress to date
1. NHI White Paper and legislative process • Release of White Paper for public consultation • Launch of final NHI policy document • Commencement of NHI legislative process	10 Aug 2011 Dec 2011 Jan 2012	• Green Paper released for public consultation on 12 Aug 2011 • Public consultations ended 30 Dec 2011 • Currently evaluating and reviewing written inputs
2. Management reforms and designation of hospitals • Publication of regulations on designation of hospitals • Policy on the management of hospitals • Advertisement and appointment of health facility managers	Aug 2011 Aug 2011 Oct 2011	• Regulations on designations of hospitals and policy on management of hospitals released for public comment on 12 Aug 2011 • Posts for hospital CEOs advertised in Feb 2012
3. Hospital reimbursement reform • Regulations published for comment on hospital revenue retention • Development of a coding scheme	April 2011 Jan 2012	• Notice on revenue retention published in April 2011 • MRC assigned to develop coding scheme in Jan 2012

Key features	Time-frames	Progress to date
4. Establishment Office of Health Standards Compliance (OHSC) • Parliamentary process on the OHSC Bill • Appointment of staff (10 inspectors appointed)	Aug 2011 Jan 2012	• OHSC Bill tabled in Parliament in Dec 2011 • Parliamentary hearings began in March 2012 • Trained and appointed 20 Inspectors in Dec 2011
5. Public health facility audit, quality improvement and certification • Audit of all public health facilities - 21 % already audited (876 facilities) - 64% completed (2 927 facilities) - 94% completed (3 962 facilities) • Selection of teams to support the development and support of quality improvement plans and health systems performance • Initiate inspections by OHSC in audited and improved facilities • Initiation of certification of public health facilities	July 2011 Dec 2011 March 2012 Oct 2011 Feb 2012 March 2012	• 3 780 facility audits have been completed • Four facility improvement teams were appointed to four provinces in Jan 2012
6. Appointment of district clinical specialists* support • Identification of posts and advertisements • Appointment of specialists • Contract with academic institutions on a rotational scheme	 Aug 2011 Dec 2011 Feb 2012	• Job description undertaken Aug 2011 • Advertisements placed in Oct and Nov 2011; 3 000 applications received (450 doctors) • Candidates shortlisted and assigned to districts including pilot districts
7. Municipal ward-based Primary Health Care (PHC) agents • Training of first 5 000 PHC agents • Appointment of first 5 000 PHC agents • Appointment of PHC teams	 Dec 2011 March 2012 April 2012	• 5 000 PHC agents trained by Nov 2011 • A hundred and forty-three teams trained for the pilot districts in Jan 2012 • Sixty-one teams established in March 2012
8. School-based PHC services • Establish database of school health nurses including retired nurses • Identification of the first Quintile 1 and or Quintile 2 schools • Appointment of school-based teams led by a nurse	 Aug 2011 Oct 2011 Nov 2011	• Database on school nurses established in Sept 2011 • Q1 and Q2 schools identified in Oct 2011
9. Public Hospital Infrastructure and Equipment • Refurbishment and equipping of 122 nursing colleges • First 72 nursing colleges by end of financial year 2011-2012 • Building of six flagship hospitals and medical faculties through PPPs - King Edward VIII Academic (KZN) - Dr George Mukhari Academic (Gauteng) - Nelson Mandela Academic (Eastern Cape) - Chris Hani Baragwanath Academic (Gauteng) - Polokwane Academic (Limpopo) - Nelspruit Tertiary (Mpumalanga) • Refurbishment of public sector facilities	 March 2012 Commence 2012 Ongoing	• Health infrastructure grant established in Nov 2011 • Nursing infrastructure grant established in Nov 2011 • 1 967 infrastructure projects currently at different stages of implementation • Forty-nine nursing college infrastructure projects currently under way
10. HRH • Launch of HR Strategy • Short-to medium-term increase in supply of medical doctors and specialists • Increase in production of nurses • Increase in production of pharmacists • Increase in production of allied health professionals	 Sept 2011 2012 – 2014 2012 – 2014 2012 – 2014 2012 – 2014	• HRH Strategy was finalised and launched in Oct 2011 • A number of training faculties have already taken up the request to increase medical student intake in 2012 • Nursing task team appointed to develop nursing strategy in April 2011
11.Information management and systems support • Establishment of a National Health Information Repository and Data Warehousing • Provincial and district roll-out of NHIRD • Appointment of information officers and data capturers	 July 2011 Nov 2011 Nov 2011	• NHIRD established • NHIRD rolled out to eight provinces • Data capturers and interns appointed

Key features	Time-frames	Progress to date
12. Build capacity to manage NHI through the strengthening of district health authority • Creation of NHI district management and governance structures • Selection of pilot sites (First ten districts) • Development and test the service package to be offered under NHI in pilot sites • Extension of pilots from 10 districts to 20 districts	April 2012 June 2013	• Business plans currently being developed for creation of NHI district Mx and governance structures in line with DORA • Ten pilot districts selected in February 2012
13. Costing model • Refinement of the costing model • Revised estimates	2012 2013	• Ongoing
14. Population registration • Partnership between Departments of Science and Technology, Health and Home Affairs on: • Population identification • Population registration mechanisms	April 2012	• Research and development commencing
14. ICT • Scoping exercise with Department of Science and Technology and Council for Scientific and Industrial Research (CSIR) • Design of ICT architectural requirements for NHI	April 2012	• Research and development commencing
15. Establishment of NHI fund • Appointment of CEO and staff • Establishment of governance structures • Establishment of administrative systems	2014	
16. Accreditation and contracting of private providers by NHI fund • Establishment of criteria for accreditation • Accreditation of first group of private providers	2013 2014	

The Department also conducted consultations with more than 20 stakeholders across the country. Of note were consultations with professional associations, provincial summits, provincial legislatures and portfolio committees, the Finance and Fiscal Commission, appropriations committee, organised labour, political parties, other government departments and general practitioners in provinces. An NHI conference was held with international experts on 7 and 8 December 2011, to draw lessons from developed and developing countries in developing an approach to universal coverage for South Africa. A detailed conference report was produced. Because of its consultative nature, this conference was designated the National Consultative Health Forum (NCHF), convened by the Minister in terms of the National Health Act of 2003.

During 2011/12, the Department also finalised the methodology for the selection of the NHI pilot sites (districts). The selected 10 NHI pilot sites were announced by the Minister of Health in March 2012. The pilot sites and their respective provinces are as follows:

- OR Tambo (Eastern Cape)
- Thabo Mofutsanyane (Free State)
- City of Tshwane (Gauteng)
- uMgungundlovu (KwaZulu-Natal)
- Umzinyathi (KwaZulu-Natal)
- Vhembe (Limpopo)
- Gert Sibande (Mpumalanga)
- Dr KK Kaunda (North West)

- Pixley Ka Seme (Northern Cape)
- Eden (Western Cape)

The NHI conditional grant to the amount of R1 billion over the MTEF period 2011/12-2013/14 was established. The selection and appointment of the NHI task team members were finalised and several meetings were held.

SUB-PROGRAMME: INTERNATIONAL RELATIONS

SUB-PROGRAMME: INTERNATIONAL RELATIONS						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target 2011/12	Actual Performance 2011/12	Variance 2011/12	Reason for Variance 2011/12
Provide stewardship and leadership for improving health outcomes through working with international development partners, Southern African Development Community (SADC) and African Union (AU)	Number of cross-border initiatives facilitated to manage communicable diseases along South Africa's border	6 • Lubombo Spatial Development Initiative (LSDI) for the control of malaria along the borders of South Africa and Mozambique • Mozambique-Zimbabwe-SA (MOZIZA) cross-border malaria initiative • Global Fund approved the transfer of $455 00 (R3 444 350) towards the SADC HIV and AIDS special fund for 2010/2011 for four cross-border projects	Three cross-border initiatives facilitated	More than three cross-border initiatives were facilitated, including: • SADC HIV&AIDS Cross-Border Initiative in the Zeerust, Ladybrand, Ficksburg and Oshoek border areas • LSDI for a malaria control cross-border project in selected sites in South Africa, Mozambique and Swaziland • MOZIZA cross-border malaria initiative • Mobilisation of US $3 million from the African Renaissance Fund for the implementation of the memorandum of understanding with Sierra Leone for the financing of the Cuban Medical Brigade • Development of financing mechanisms for the mobile populations in the SADC region on 24 January 2012	None	None

Overview of Performance

The key objective of the NDoH for the financial year 2011/12 was to provide stewardship and leadership for improving health outcomes, through working international development partners, the SADC and the AU. The target set was to facilitate three cross-border initiatives. This target was exceeded, as numerous initiatives were implemented, including the SADC HIV and AIDS Cross-border Initiative in the Zeerust, Ladybrand, Ficksburg and Oshoek border areas; the LSDI for a malaria control cross-border project in selected sites in South Africa, Mozambique and Swaziland and the MOZIZA cross-border malaria initiative. The NDoH facilitated technical working group meetings on TB in mines to discuss background information on issues relevant to TB in mines, with specific focus on migrants and the development of a road map on 12 December 2011 and 5 to 8 March 2012. These meetings resulted in the development of the draft SADC Declaration on TB in the Mines and the draft SADC Code on TB in the Mines.

The NDoH also facilitated the recruitment of 80 South African students to study medicine in Cuba. This was successful, as 80 students commenced their medical training in Cuba in October 2011. They were from the following seven provinces: Eastern Cape (12), Gauteng (10), KwaZulu-Natal (12), Limpopo (10); Mpumalanga (12), North West (12), Northern Cape (12).

The NDoH also participated in several forums in the region, continent and globally during 2011/12, with a view to enhancing international collaboration to improve South African health outcomes. These included:

- SADC Training Workshop on Good Clinical Practice from 29 August to 2 September 2011.
- SADC Flagship Course on Pharmaceutical Reform from 10 to 16 July 2011 in Cape Town.
- SADC Regional Workshop on the Prevention and Control of NCDs from 22 to 26 September 2011 in Johannesburg
- SADC Validation and Consensus-Building Workshop on Tele-health from 6 to 8 September 2011 in Johannesburg
- SADC Pharmaceutical Advisory Committee meeting held in Pretoria from 6 to 8 September 2011
- SADC Workshop on Pooled Procurement and Regional Production of Essential Medicines and Commodities for HIV and AIDS, TB and malaria in Botswana from 24 to 26 August 2011
- 10th Anniversary Commemoration of the Report of the Commission on Macroeconomics and Health, held in England, in December 2011
- Special Session of the Executive Board on World Health Organisation Reform, held in Geneva in November 2011
- East, Central and Southern Africa Heath Community Conference, held in Kenya, in November 2011
- Consultation on the SADC HIV and AIDS Cross-border Initiative, held in Johannesburg from 10 to14 October 2011
- SADC Training of Trainers on the Toolkit on Simultaneous Mainstreaming of Gender, HIV, AIDS and Human Rights in the Cross-border Initiative, held in Johannesburg from 13 to16 December 2011
- Hosting SADC Health Minister's Meeting and Commemoration of SADC Malaria Day from 9 to 13 November 2011.

PROGRAMME 3: HIV AND AIDS, TB AND MATERNAL, CHILD AND WOMEN'S HEALTH

Purpose of Programme

The purpose of this programme is to coordinate, manage and fund HIV and AIDS, TB and maternal, child and women's health programmes. The programme also develops and oversees the implementation of policies, systems and norms and standards.

There are three sub-programmes:

- **HIV and AIDS and STIs:** Develops national policy and administers the national HIV and AIDS and sexually transmitted infections programmes, including coordination of the implementation of the comprehensive HIV and AIDS plan and related conditional grant. The programme also manages strategic partnerships and participates in the SANAC.
- **Maternal, Child and Women's Health:** Develops and monitors policies, guidelines, norms and standards for maternal, child and youth and women's health.
- **TB Control and Management:** Develop national policy and administers the national TB programme.

SUB-PROGRAMME: HIV AND AIDS AND STI MANAGEMENT

SUB-PROGRAMME : HIV AND AIDS AND STI MANAGEMENT						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target 2011/12	Actual Performance 2011/12	Variance 2011/12	Reason for Variance2011/12
To scale up a combination of prevention interventions to reduce new infections	Number of male condoms distributed	492 198 460	1 billion	392 706 000	607 294 000	- Delays in awarding the national tender for male condoms due to legal action initiated against National Treasury - Delays in the registration of approved service providers by provinces - Many service providers were unable to meet service demands
	Number of female condoms distributed	4 989 100	6 million	6 353 000	+353 000	Target exceeded, owing to intensive distribution of female condoms
	Number of medical male circumcisions conducted	100 000	500 000	347 973	-152 ,027	Doctors were not available in most provinces to perform medical male circumcisions
	HCT uptake rate	80%	85%	91%	+6%	Target exceeded. More community members responded to the call to undergo HIV testing.
To improve the quality of life of people living with HIV and AIDS by providing an appropriate package of care, treatment and support services to at least 80% of people living with HIV and AIDS	Number of new patients put on ART per year	418 677	625 000	617 147	7 853	Two provinces, North West and Western Cape, had fewer sites offering ART

Overview of Performance

HIV Prevention

The health sector continued to implement a combination of interventions to reduce new HIV infections during 2011/12. During the reporting period, the HCT campaign was transformed from the campaign mode and incorporated into the routine services provided in the public sector. Even as part of routine services, the uptake rate of HCT showed a sharp increase. By the end of March 2012 an HCT uptake rate of 91% had been achieved. By the end of March 2012, a total of 9 602 553 people had undergone counselling. Of these, 8 772 423 people accepted HIV testing, resulting in a testing rate of 91%. This exceeded the 2011/12 target of 85%.

By the end of March 2012 over 20,2 million South Africans had undergone HIV testing since the HCT campaign was launched in April 2010. The significance of this achievement is that the uptake rate of HCT continued to increase even after the campaign was incorporated into the routine services provided in the public sector. In total, 6 353 000 female condoms were distributed during 2011/12, which exceeded the annual target of 6 million. This performance also exceeded the figure of 4 989 100 female condoms distributed in 2010/11.

Access to Antiretroviral Treatment

The Department continued to contribute to improving the quality of life of people living with HIV by providing an appropriate package of care, treatment and support services. In total, 617 147 people were initiated on ART during 2011/12, which translated to 99% of the annual target of 625 000. This figure was 32% higher than the 418 677 patients initiated on ART in the previous financial year, 2010/11.

Challenges

In total, 392 706 000 male condoms were distributed during 2011/12, which was lower than the quarterly target of 1 billion. Key challenges included service providers being unable to deliver the numbers specified in the tender as a result of a global latex shortage, delays in the registration of approved service providers in provinces and legal action initiated against the National Treasury. .

In total, 347 973 male medical circumcisions were conducted in 2011/12. While this was lower than the target of 500 000, it reflected high levels of performance for a newly introduced HIV prevention service. This was the result of visible political advocacy and leadership, at both national and provincial levels. Provincial variations occurred, with some provinces being well above target and others below.

SUB-PROGRAMME: MATERNAL, CHILD AND WOMEN'S HEALTH

SUB-PROGRAMME : MATERNAL, CHILD AND WOMEN'S HEALTH						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target 2011/12	Actual Performance 2011/12		
To reduce infant, child and youth morbidity and mortality	National immunisation coverage rate (children under the age of 1 year)	89.4%	95% (1 066 401)	95.2%	+0.2%	None
	Measles immunisation coverage rate (second dose)	95%	95% (1 066 401)	85.3%	-9.7%	Second dose is given at 18 months and a need exists to create ongoing community demand
	Number of sub-districts implementing school health services	158/232 sub-districts	150 out of 232 sub-districts	251 sub-districts	+101 sub-districts	In partnership with LoveLife, the health sector reached many more sub-districts than was originally anticipated
	Number of primary schools per province implementing primary preventative health programme	None	60 out of 232 sub-districts	3 690 primary schools across 251 health sub-districts implemented primary preventative health programmes	An audit report on services provided by LoveLife reflects that the target was exceeded	In partnership with LoveLife, the health sector reached many more primary schools than was originally anticipated
	Number of sub-districts implementing school health services at secondary schools with the focus on life skills based HIV and AIDS education	None	Sixty out of 232 sub-districts	2 234 secondary schools across 251 sub-districts implemented school health services with the focus on life skills based HIV and AIDS education	An audit report on services provided by LoveLife reflects that the target was exceeded	In partnership with LoveLife, the health sector reached many more primary schools than was originally anticipated
	ANC before 20 weeks	37%	40%	40.2%	+0.2%	None
	Proportion of deliveries taking place in health facilities under the supervision of trained personnel	88%	90%	89.3%	-0.7%	None
	Facilities providing safe choice on termination of pregnancy (CTOP) services	46%	45%	57.0%	+12%	Additional facilities were designated to provide CTOP services during the reporting period
	Percentage of mothers and babies who received post-natal care within six days after delivery	29.9% of babies were reviewed within six days post-natally 27% of mothers were reviewed within six days post-natalyl.	60%	56.9% mothers and 57.8% babies	-3.1% -2.2%	Compared to 2010/11 performance on this indicator reflects significant improvement due to increasing levels of awareness amongst health workers and community members.

SUB-PROGRAMME : MATERNAL, CHILD AND WOMEN'S HEALTH						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Performance (2011/12)		
To improve access to reproductive health	Cervical cancer screening coverage	50%	52%	55%	3%	Greater emphasis placed on this by clinicians as a result of training
	Couple year protection rate	32%	33%	32.5%	-0.5%	None
Expand prevention of mother-to-child transmission (PMTCT) coverage to pregnant women	Percentage of pregnant women tested for HIV	96.92%	100%	98.8%	-1.2%	None
	Antenatal client initiated on highly active antiretroviral therapy (HAART) rate	79.4%	100%	80.4%	-19,6%	The 2010 guidelines prescribed that HIV+ women who did not meet the HAART eligibility criteria (<350 CD4) be given AZT to prevent mother-to-child transmission.
Expand the PMTCT coverage to pregnant women	Percentage of babies testing PCR positive six weeks after birth out of all babies tested	83.1%	7.5%	4.0%	-3.5%	Great achievement as a result of focusing on outcomes and targeting based on data analysis
	HIV positive antenatal clients on AZT for any period before labour uptake rate	86%	100%	47.8%	52.2%	The actual performance is lower than the target owing to the change in clinical guidelines. The 2010 guidelines prescribe that more HIV+ women be put on HAART if they comply with the eligibility criteria. (>350 CD4 + clinical staging)

Overview of Performance

The NDoH implemented strategic interventions to improve maternal, child and women's health and to enhance progress towards the health-related MDGs 4 and 5. Targeted interventions to improve maternal and child health care during 2011/12 included:

- increasing nutritional support to children under the age of five years
- increasing health-seeking behaviour by encouraging women to make use of the health services early
- increasing the proportion of deliveries in formal health establishments
- increasing access to ART for HIV-positive pregnant women.

Improving Maternal Health

Adequate and appropriate ANC is essential for monitoring the health of both the mother and the baby during pregnancy. An average ANC coverage rate of 100.4% was recorded nationally during 2011/12, which was consistent with the annual target for 2011/12.

It is imperative that prospective mothers seek ANC timeously, before 20 weeks of pregnancy. In fAct

No. given the prevalence of HIV in South Africa, the health sector now encourages women to seek ANC within 14 weeks of pregnancy. During 2011/12, an average of 40.2% of pregnant women nationally sought ANC before 20 weeks. This was consistent with the annual target for 2011/12.

One of the key interventions for improving maternal and child health is to ensure that deliveries occur in health facilities under the supervision of trained health personnel. During the reporting period, a total of 89.3% of deliveries took place in health facilities, which was consistent with the national target of 90% for 2011/12.

Follow-up of newborns (post-natal care) and their mothers is an essential part of the continuum of care. This assists in detecting and addressing health problems early. During the reporting period 56.9% of mothers received post-natal care within six days after delivery. This reflected significant progress towards the annual target of 60%. Similarly, an average 57.8% of babies nationally received post-natal care within six days after delivery. This performance exceeded the baseline of 50% and was close to the annual target of 60%.

HIV and AIDS are key factors contributing to maternal deaths in South Africa. To detect HIV infection early, the public health sector provides HIV counselling and testing to pregnant women. During 2011/12, 98.8% of pregnant women were tested for HIV. This was consistent with the annual target of 100%. However, five provinces reflected coverage of over 100% for this indicator, viz. KwaZulu-Natal 114.2%, Mpumalanga 110.9%; North West 106.2% Limpopo: 101.6% and Western Cape: 100.4%. The following provinces reported figures below the set target: Northern Cape 74.7%, Eastern Cape 94.3%; Free State 97.5% and Gauteng 85.1%. These variations may reflect the movement of pregnant women across provinces.

Improving Child Health

One of the key interventions to improve the nutritional status of South African children is to reduce Vitamin A deficiency in children under five years of age, through supplementation. In 2011/12, the coverage rate for Vitamin A supplementation among children aged 12-59 months was 43%. This exceeded the annual target of 40% for 2011/12. To improve initiation and support for exclusive breastfeeding, 24 facilities were accredited as providing baby-friendly health services. The target for 2011/12 was 25 facilities.

Immunisation is an essential intervention to protect children against vaccine-preventable diseases. During 2011/12 the national full immunisation coverage rate for children under the age of one was 95.2%, which exceeded the annual target of 95%. Provincial variations occurred, with six provinces exceeding the national target, viz. Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo and the Northern Cape. The Western Cape, North West and Mpumalanga reported figures below the national target. The denominator for this indicator, viz. the total population under the age of one, plays a significant role in determining the indicator, and is a subject of discussion with Statistics South Africa.

Integrated School Health Programme (ISHP)

The Departments of Health, Basic Education and Social Development have jointly revised the School Health Policy. The national ISHP will be implemented over five years beginning in the 2012/13 financial year. The ISHP package of services targets all educational phases (including early childhood development, primary and secondary schools), and includes provision of a range of services including identification

of barriers to learning, nutritional assessment, identification of chronic diseases and counselling and referral for sexual and reproductive health services for learners in the later education phases.

Development of a monitoring and evaluation framework, which includes a system for recording and reporting information, will be implemented and should lead to improved reporting of ISHP activities and coverage. Monitoring will focus on the extent to which all targeted learners are reached by the ISHP.

In line with the new policy, a training course for school health nurses, together with a resource manual and job aids, has been piloted at national level, and will be rolled out to all provinces during 2012/13.

Each province has developed and submitted a district-specific ISHP plan, which outlines how the province will ensure that all targeted learners are reached during 2012/13. (This includes Grade 1 learners in Quintile 1 and 2 schools, and Grade 8 and 10 learners in Quintile 1 schools). These plans include the deployment of retired nurses to augment current human resources.

Efforts to ensure improved access for learners to PHC, eye care and dental services are also under way. The NDoH is procuring specialised ISHP mobiles, which will initially be deployed in the NHI districts.

Improving Women's Health

The provision of reproductive health services, including family planning, is a key priority of the public health sector. During the reporting period, a couple year protection rate of 32.5% was recorded, which was in keeping with the annual target of 33%.

Cervical cancer screening is an important intervention to protect women of against this condition. A cervical screening coverage rate of 55.0% was achieved during 2011/12, which exceeded the annual target of 52%.

The CTOP Act was passed in 1996, as an enabling legal framework for the public sector to provide safe CTOP services to South African women, and protect them against unsafe termination of pregnancy. Since then, CTOP services have been provided in designated facilities. In 2011/12, 57% of designated facilities provided safe CTOP services, which exceeded the annual target of 45%.

Challenges in improving Maternal Health

Following HIV testing, the public health sector provides HAART to eligible pregnant women. During 2011/12, 80.4% of ANC clients who were eligible were initiated on HAART. This was inconsistent with the annual target of 100%.

With respect to the provision of AZT, 47.8% of eligible antenatal clients were initiated on AZT at any period before going into labour. This was significantly inconsistent with the 2011/12 target of 100%, and was due to data recording after a new system of indicators for this programme had been introduced.

Improving Child Health

During 2011/12, a national measles immunisation coverage rate (second dose) of 85.3% was achieved, against an annual target of 95%. Only three provinces, viz. Gauteng, KwaZulu-Natal and Limpopo,

exceeded the national target. Six provinces, viz. Eastern Cape, Free State, Mpumalanga, North West, Northern Cape and Western Cape, achieved a measles immunisation coverage rate below the national target of 95%. The pneumococcal vaccine (PCV) 13 Catch-up Drive, which incorporated the newly created WHO National Immunisation Week, was launched during this financial year. During the PCV 13 Catch-up Drive efforts were made to integrate the social mobilisation activities for the PCV drive to encourage the public, parents and caregivers to vaccinate children.

SUB-PROGRAMME: TB CONTROL AND MANAGEMENT

SUB-PROGRAMME : TB CONTROL AND MANAGEMENT						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target (2011/12)	Actual Performance (2011/12)	Variance 2011/12	Reason for Variance 2011/12
To reduce the burden of TB	TB cure rate	71.1%	75%	73.1%	-1.9%	Overall progress made, but in some provinces improvement is slower than expected
	TB treatment defaulter rate	7.9%	6%	6.8%	-0.8%	Insufficient attention paid to poorly functioning sub-districts
Combating TB and HIV by reducing co-infection burden	Percentage of HIV-positive patients screened for TB	70%	85%	94.1%	9.1%	Rate exceeds target owing to the inclusion of HIV patients diagnosed in previous reporting periods
	Percentage of TB patients tested for HIV	67%	85%	82.9%	-2.1%	Greater emphasis needs to be placed on importance of HIV testing
	Percentage of TB/HIV co-infected patients receiving Cotrimoxazole prophylaxis therapy (CPT)	99%	98%	76.2%	21.8%	The numbers reported are lower than the actual situation in provinces owing to inconsistencies in reporting
	Number of HIV-positive patients receiving Isoniazid preventive therapy (IPT)	45 000	60 000	360 168	300 168	The over-achievement on this programme is due to training given to health care workers in provinces

Overview of Performance

The TB defaulter rate in South Africa has continued to decrease, and now stands at 6.8%, compared to a target of 6%. The rate of screening HIV patients for TB exceeds 94.1%, mainly owing to additional patients diagnosed with HIV in previous quarters being screened in the reporting period. The number of HIV patients who were provided with IPT reached 360 168 against a target of 60 000.The target was very low, hence the high achievement. The number of TB patients reported is for all patients who started taking TB treatment during the financial year 2011/12. For treatment outcomes it is necessary to report for the previous financial year, in this case 2010/11, since the reporting system focuses on a cohort outcome analysis. Because of the long duration of treatment for TB, which ranges from 6 to 10 months, one has to wait until the last person enrolled for treatment has completed treatment before accounting for the whole cohort. This approach is recommended by the WHO.

During the national World TB Day event in 2011 the Minister of Health announced three major initiatives aimed at reversing the tide of TB, viz.:

- Household-based intensified TB case finding

- The use of the new Genexpert to improve the quality and time taken to diagnose both drug-sensitive TB and drug-resistant TB
- The in-patient treatment of people with drug-resistant TB.

Household-intensified Case Finding

Since World TB Day 2011, over 105 880 households with known TB patients have been visited, using teams comprising community health workers (CHWs) and health professionals. The objective was to screen the contacts of these known TB patients and to provide HIV counselling and testing. In these households, about 155 325 people were screened; a total of 3 068 contacts were diagnosed with TB and 3 200 with HIV infection. Most of these patients would not have been identified through routine processes. The ward-based PHC outreach teams that the DoH is in the process of establishing and strengthening in all provinces will institutionalise this process of intensified case finding of TB and other diseases such as HIV and to monitor the extent to which women attend antenatal clinics and children are immunised. There was also an increase in suspected cases tested for TB from 1 876 865 in 2010/11 to 2 319 544, primarily as a result of intensified case finding.

Rapid TB Diagnosis using the Genexpert

With regard to the GeneXpert, South Africa leads the way globally. South Africa has procured more than 50% of the global supply of Genexpert tests. From March 2011 to February 2012, South Africa conducted almost 300 000 (of the global total of 592 000) Genexpert tests. Of these, 17% of people suspected of having TB infection were found to have TB. This is a significantly higher yield than the usual yield of between 4% and 9% using old technology. In addition, 7% of those who tested positive were found to have drug-resistant TB. These results show that one can find significantly more people with TB using this new technology. Early diagnosis ensures the timeous start of treatment with a higher chance of minimising transmission of TB to others and improved health outcomes among those who complete their treatment within the prescribed time frame.

In-patient Treatment of People with Drug-resistant TB

All of the nine planned units that were built with funding from the Global Fund are fully operational. This means that patients will receive care in well-equipped facilities for long-term care.

Focusing on Populations at High Risk

The new National Strategic Plan (NSP) identifies high-risk groups that have an elevated risk of contracting TB and HIV. Miners are one such group, with TB incidence levels around 3 000 per 100 000 of the population (compared to 950 per 100 000 of thegeneral population). The Minister of Health has been engaging all role players responsible for managing health in the mines, viz. government (including both the Departments of Health and Mineral Resources), organised labour and organised employers, for a collaborative effort in tackling TB and HIV in the mining industry. Efforts will be strengthened to ensure that the mining industry ceases being a hotspot for TB and HIV.
The Deputy President outlined, on World TB Day, the following priority interventions that need to be made in the mining sector:

- Ensuring that all mine workers, particularly in the gold-mining sector, are screened and tested for TB

and HIV over the next 12 months as elaborated in the NSP
- Equipping mine health facilities with Genexpert technology to ensure rapid testing for TB
- Upgrading some of the existing health facilities in the mines to provide treatment and care for multidrug-resistant and extremely multidrug-resistant TB
- Opening mine health facilities to provide care and treatment to members of communities and workers at neighbouring mines where access to health care is limited.

Challenges

The number of people diagnosed with TB was 389 974 including 325 321 new cases diagnosed during the reporting period. These figures are lower than what was reported in the previous period. The cure rate of 73,1% was slightly below the target of 75% in 2011/12.

PROGRAMME 4: PRIMARY HEALTH CARE SERVICES

Purpose of Programme:

The purpose of this programme is to develop and implement a uniform district health system. The programme also develops a policy for district health services (PHC and district hospitals), identifies and promotes centres of excellence and supports planning, delivery and monitoring of these services.

There are four sub-programmes:

- **Communicable Disease Control:** Develops policies and supports provinces to ensure the control of infectious diseases and supports the National Institute of Communicable Diseases.
- **Non-communicable Diseases:** Establishes policy, legislation and guidelines and assists provinces in the implementation and monitoring of care related to chronic diseases, disability, older people, eye care, oral health, mental health and substance abuse, injury prevention, organ transplantation and forensic pathology services.
- **Health Promotion and Nutrition:** Formulates and monitors policies, guidelines, and norms and standards for health promotion and nutrition.
- **District Health Services and Environmental Health:** Promotes, co-ordinates and institutionalises the district health system (DHS), integrates the implementation of programmes, including environmental health at all levels of the health care system including community-based service, and ensures that there are norms and standards for all aspects of PHC.

SUB-PROGRAMME: COMMUNICABLE DISEASE CONTROL

SUB-PROGRAMME : COMMUNICABLE DISEASE CONTROL						
Strategic Objective	Perform-ance Indi-cator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Perform-ance (2011/12)		
To eliminate malaria by 2018 by reducing the local transmission of malaria cases to 0 per 1000 of the population at risk, through the implementation of the malaria elimination strategy	Malaria incidence per 10 00 of the population at risk	0.60	0.43 confirmed local cases 0.62 - aggregate of local cases and cases of unknown origin.	Cumulative incidence for confirmed local incidence is 0.48 (2 443) and 0.73 (3 715) for aggregate of local cases and cases of unknown origin	0.05 confirmed local cases 0.11 - aggregate of local cases and cases of unknown origin	Lack of validation of data due to shortage of information officers in the provinces, hence the updates were delayed for almost six months. Local transmission was significantly higher in April 2011 and January 2012. This increase in cases could be due to higher importation (between 70% and 90% of imported cases are from Mozambique) of malaria cases and population movement. Cessation of the LSDI could be a contributory factor. Information officers have been hired and deployed to the provinces to ensure data validation continues Dialogue to sustain gains on LSDI and interventions continue with Mozambique, Entomological and parasitological surveillance is being strengthened to identify source of infection

Overview of Performance

South Africa has produced a malaria elimination strategy, which entails the long-term objective of eliminating malaria by 2018 through the reduction of the local transmission of malaria cases to 0 per 1000 of the population at risk. In keeping with this, the NDoH has implemented measures to track confirmed malaria cases of local origin, malaria cases of unknown origin, as well as the total burden of disease from all malaria cases from both sources of origin. Malaria is endemic in three Provinces, KwaZulu-Natal, Limpopo and Mpumalanga, and is more prevalent in specific districts than others.

Malaria is a seasonal disease and quarterly monitoring of the incidence rate may not reflect disease trends accurately.

Cumulative data on malaria transmission for all four quarters of 2011/12 reflect the following breakdown of malaria cases (raw data):

(i) Total confirmed cases of local origin: 2 443
(ii) Aggregate of cases (local and unknown): 3 715.

The cumulative malaria transmission rates for 2011/12 were as follows:

(i) 0,48 per 1 000 of the population at risk for confirmed cases of local origin, which was inconsistent with the 2011/12 target of 0,43 per 1 000 of the population at risk.
(ii) 0,73 per 1 000 of the population at risk for confirmed cases of local origin, which was slightly higher than the 2011/12 target of 0,62 per 1 000 of the population at risk.

Local transmission was significantly higher in April 2011 and January 2012. This increase in cases could be due to higher importation of malaria cases and population movement. Evidence reflects that between 70% and 90% of imported cases came from Mozambique. Cessation of the LSDI could also be a contributory factor.

Challenges

Malaria is a seasonal disease and quarterly monitoring of the incidence rate may not reflect disease trends accurately.

There were delays in the validation of data due to a shortage of information officers in the provinces, hence the updates were delayed for almost six months. Information officers were subsequently appointed and deployed to the provinces to ensure data validation.

Dialogue to sustain the gains of the LSDI and interventions continues with Mozambique, despite proving challenging. Entomological and parasitological surveillance is being strengthened to identify sources of infection.

SUB-PROGRAMME: NON-COMMUNICABLE DISEASES

SUB-PROGRAMME : NON-COMMUNICABLE DISEASES						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Performance (2011/12)		
To prevent and manage NCDs by implementing the chronic care model and strengthening the implementation of the long-term care model for diabetes over the MTEF period	No. of districts implementing the chronic care model	Plans agreed with identified provinces to implement model	Three districts implementing the chronic care Model	Three districts implementing the chronic care model	No variance as the three identified districts implemented the chronic care model.	None
	No. of districts implementing the long-term model for diabetes and hypertension	42 districts	48 districts	46 districts	Two districts	Northern Cape has been unable to implement the model because of resource constraints
Reducing morbidity and mortality from injuries and violence	Develop a plan targeting injuries		Plan developed	Plan for injury and violence developed involving relevant government departments	None	None
	Develop a plan for response to violence		Plan developed	Intersectoral Strategic Framework for Prevention of Injuries has been completed. A health sector plan based on the intersectoral strategy has also been developed	None	None

Overview of Performance

Non-communicable Diseases

The highlight of the financial year 2011/12 was a global call to governments, development agencies and civil society to focus on the growing threat of NCDs. The DoH reacted positively to this call and actively participated in formulating and adopting the Brazzaville Declaration on Non-communicable Disease Prevention and Control in the WHO African region, the Moscow Declaration on Healthy Lifestyles and Non-communicable Disease Control and the Political Declaration of the High-level Meeting of the General Assembly on the Prevention and Control of Non-communicable Diseases. These declarations all emphasise the need to scale up efforts to prevent and control non-communicable diseases.The Ministry of Health hosted the South African Summit on the Prevention and Control of NCDs in September 2011. During this gathering of political leaders and a wide spectrum of relevant stakeholders including researchers, academics, health workers and service users, South Africa became one of the first countries to commit itself to targets on the prevention and control of NCDs. These targets are to:-

- Reduce by at least 25% the relatively premature mortality (under 60 years of age) from NCDs by 2020
- Reduce by 20% tobacco use by 2020
- Reduce by 20% the relative per capita consumption of alcohol by 2020
- Reduce the mean population intake of salt to <5 grams per day by 2020
- Reduce by 10% the percentage of people who are obese and/or overweight by 2020
- Reduce the prevalence of people with raised blood pressure by 20% by 2020 (through lifestyle and medication)
- Screen every woman with sexually transmitted diseases for cervical cancer every five years, otherwise screen every woman three times in a lifetime
- Increase the percentage of people controlled for hypertension, diabetes and asthma by 30% by 2020 in sentinel sites
- Increase the number of people screened and treated for mental disorder by 30% by 2030

Reducing the prevalence of NCDs is both a development and a health concern and these targets will not be reached through the efforts of the DoH alone. Engagement with other departments and sectors has begun the intersectoral and collaborative work to reach these targets.

The shift from HIV and AIDS being an acute condition leading to quick mortality to becoming a chronic condition which can be managed in much the same way as other non-communicable chronic diseases prompted the introduction of an integrated chronic disease management model in three districts i.e. Dr Kenneth Kaunda (North West), Bushbuckridge (Mpumalanga) and West Rand (Gauteng), during 2011/12. This model, which is being closely monitored for potential expansion, is aimed at decreasing waiting times and clinic visits, more holistic care, reducing stigma and more efficient health systems functioning for all people with chronic conditions.

In November 2011 the Department also produced a Strategic Framework for the Prevention of Injury in South Africa, which incorporates a plan for response to violence. The framework was developed in collaboration with other key stakeholders including the Departments of Basic Education, Correctional Services, Justice and Constitutional Development, Social Development, Trade and Industry, and Transport as well as academic and research institutions such as the MRC, University of KwaZulu-Natal and civil

society.

The Strategic Framework for the Prevention of Injury in South Africa is an integrated and intersectoral strategy with 11 key objectives. It seeks to:

- Promote selected poverty alleviation measures targeting groups at risk of injuries
- Promote selected health, road and residential infrastructure and services to reduce the risk of injuries and contain the severity of injury
- Facilitate equitable gender relationships and norms
- Reduce alcohol and drug abuse
- Facilitate comprehensive measures to prevent violence-related injuries and contain their severity
- Facilitate comprehensive measures to reduce road-related injuries and their associated severity
- Facilitate comprehensive measures to reduce suicide-related injuries and their associated severity
- Prevent unintentional injuries due to poisoning
- Promote effective leadership across lead agencies.Promote intersectoral collaboration in government and civil society
- Facilitate integrated information collection for injury prevention planning and decision-making
- Promote effective and equitable resource allocation and utilisation for the implementation of evidence-led interventions.

The Promulgation of the Regulations on the Compulsory Registration of Cancer by the Minister of Health in April 2011 created a legal and unique platform for the establishment of the National Cancer Registry and the gradual phasing in of population-based cancer registries. These regulations allow the country to update significantly the backlog of data, which has an impact on the capacity to implement an efficient and responsive national cancer prevention and control programme.

Mental Health

A mental health policy framework was developed and adopted by the NHC. This policy forms the roadmap for further development and improvement of mental health services in all provinces. The task of integrating mental health into general health care at lower levels of health services was taken further through the development of integrated guidelines to train PHC nurses on the assessment and management of adult chronic and mental conditions and of training using this approach.

The pilot project on "screening and interventions" for alcohol use disorders among TB patients was initiated in three districts with a high burden of TB. The outcomes of this survey, with recommendations, will be available in 2012/13.

A turnaround strategy to reduce the backlog on cases referred by courts for forensic psychiatric evaluations was developed. Once adopted by the NHC, this strategy will be implemented by all health establishments designated for this purpose. All newly appointed mental health review boards were trained/orientated on their roles and responsibilities arising from the Mental Health Care Act. Policy guidelines on 72-hour assessment of involuntary mental health care users as prescribed by the Mental Health Care Act were approved by the NHC. These guidelines are being implemented by all provinces to designate health facilities that conduct such assessments. Policy guidelines on seclusion and restraint were developed and approved by the NHC. These guidelines are being implemented by all provinces to improve and reduce adverse events related to seclusion and restraint of mental health users who may be

a danger to themselves and others.

Oral Health

Primary preventive oral health service programmes at primary schools were expanded. In future, this will form part of the national school health programme, which includes oral health education, tooth brushing with fluoridated toothpaste and tooth fissure sealant applications on erupted first and second permanent molar teeth. An average of 260 schools per province participated in the programme during 20110/12.

SUB-PROGRAMME: HEALTH PROMOTION

SUB-PROGRAMME : HEALTH PROMOTION						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Performance (2011/12)		
To strengthen the implementation of health promotion initiatives	Integrated Health Promotion Strategy developed and implemented	-	Integrated Health Promotion Strategy developed	Final draft strategy developed in March 2012	None	None

Overview of Performance

Several iterations of the Integrated Health Promotion Strategy were developed in 2011. The latest version was produced in March 2012. This was in keeping with the target for 2011/12. The strategy identifies the strategic aims and objectives of health promotion, which contribute to efforts to improve the health of South Africans. Many of these objectives require intersectoral and multidisciplinary approaches to support the efforts of the health sector. A National Health Promotion Policy was produced. The policy aims to clarify the role of health promotion in the health sector and other sectors, and to provide a broad framework for health promoters and other stakeholders at national, provincial and district levels to implement strategic programmes. This will be key in strengthening PHC.

SUB-PROGRAMME: ENVIRONMENTAL HEALTH

SUB-PROGRAMME: ENVIRONMENTAL HEALTH						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Performance (2011/12)		
To strengthen the quality of environ-mental health services	Norms and standards for environmental health services developed	-	Draft norms and standards for environmental health services developed	Draft norms and standards were developed covering the following areas: • Health-related water quality monitoring • Health surveillance of premises • Environmental health and port health • Control of hazardous substances • Waste management • Chemical safety	None	None

Overview of Performance

The NDoH has set itself the objective of strengthening the quality of Environmental Health Services. The target for 2011/12 was to produce draft norms and standards for environmental health services. In keeping with the set target, draft norms and standards were developed covering areas of health-related water quality monitoring, health surveillance of premises, environmental health and port health, control of hazardous substances, waste management and chemical safety.

Furthermore, all provinces implemented the International Health Regulations, 2005, in the ports of entry. In addition, four provinces were visited for the Core Capacity Assessment verification processes with the WHO for designation under the IHR 2005.

The NDoH's Environmental Management Plan Annual Compliance 2010/11 report was presented before the subcommittee for Environmental Implementation Plan/Environmental Management Plan and was adopted by the subcommittee on 5 October 2011. The report reflected that all provinces complied with prescriptions.

SUB-PROGRAMME: DISTRICT HEALTH SERVICES

SUB-PROGRAMME: DISTRICT HEALTH SERVICES						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Performance (2011/12)		
Improve community participation, in supporting the delivery of PHC services by establishing governance structures in line with the National Health Act (2003) by 2011/2012	No. of districts with functional district health councils (DHCs)	DHCs established = 32 GP: All six districts NC: All five districts FS: All five districts WC: No DHCs LP: All five districts NW: All four districts EC: All seve. districts MP: No DHCss KZN: No DHCs	43 DHCs	Six DHCs	-37 DHCs	Inadequate monitoring of PHC facility committees coupled with a lack of incentives for members of PHC facilities
	% of functional facility committees established for PHC facilities (clinics and community health centres)	None	50% 1964 out of 3 927	628.32	-34%	Insufficient reporting on the functioning of DHCsI
	No. of district hospitals with functional hospital boards	53	75	200	+125	Guidelines and support were provided to district hospitals to establish hospital boards
Conduct a comprehensive PHC audit including district hospitals by March 2012	Audit conducted	Service provider appointed and started with the audit	Audit report submitted	3 780 facilities were audited during the reporting period and monthly progress reports were produced The final audit report will be produced once the audit has been completed	90% of facilities audited. Final audit report to be produced once 100% of facilities have been audited.	Specifications for the audit were changed several times to a point where the start date was delayed
Improved access to PHC services	PHC utilisation rate	2.4 visits	2.6 visits	2.5	0.1 visits	None
Improve the management of district hospitals	Average length of stay for district hospitals	4.4 days	4 days	4.3 days	0.3 days	None
	Bed utilisation rate for districts hospitals	54.4%	70%	67.1%	-2,9%	Significant improvement from baseline. Many small hospitals with low utilisation rates will no longer be designated as district hospitals

SUB-PROGRAMME: DISTRICT HEALTH SERVICES						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target (2011/12)	Actual Performance (2011/12)	Variance 2011/12	Reason for Variance 2011/12
Improve health outcomes by ensuring that 52 district health plans (DHPs) are used for planning, monitoring and reporting and programme implementation by providing direct and indirect support to the district management teams during the process of developing DHPs	No of DHPs analysed and feedback provided	Total=46 GP= all six districts submitted WC = no DHP NC= all five districts submitted LP= all five districts submitted FS= all five districts submitted NW= all four districts submitted EC: all seven districts submitted MP: all three districts submitted KZN: all 11 districts submitted	52	45/52	Seven DHPs	Non-compliance with submitting DHPs by Western Cape. Feedback provided to all the districts that submitted the first drafts of the DHP's 2012/13 A new metro has been established in Eastern Cape (Buffalo City Metro = part of Amathole district). At time of DHPs feedback sessions it still had to develop its DHP
Improved supervision and management of PHC facilities	Fixed PHC facilities with monthly supervisory visits rate	68.4%	75%	66.6%	-8.4%	Inadequate prioritisation of supervision and accountability by provinces; lack of resources made available to do this
Reduction of vitamin A deficiency in under-five-year-olds	Vitamin A supplementation coverage among children 12-59 months	32.9%	40%	43.0%	+3%	Greater emphasis placed on getting Vitamin A to children of one to five years
Improve nutritional status of people living with HIV and AIDS and TB	Proportion of PHC facilities implementing nutritional intervention for PLHIV and AIDS and TB	79%	80%	84%	4%	Nutritional Landscape Survey Report was used to determine the baseline. Data collection process relied on secondary data on number of PHC facilities that are initiating patients on ART (provision or accessibility to nutritional services is one of the key fundamentals in the comprehensive treatment, care and support for people living with HIV, AIDS and TB)

Overview of performance

Strengthening the delivery of PHC services through the DHS is a key priority of the NDoH, which is reflected in the health sector's NSDA for 2010-2014.
The NDoH seeks to overhaul the health system from being focused on curative and hospital care to a

PHC-oriented focus, with more emphasis on the promotion of health and prevention of disease. Three initiatives are leading the way to give effect to this refocusing, viz. the municipal ward-based PHC outreach teams focusing on wards as geographical areas, establishment of clinical specialists teams at district level to strengthen maternal and child health services and strengthening of school health services.

During 2011/12, a PHC utilisation rate of 2.5 visits per person was achieved, which was slightly below the set target of 2.6 visits per person per annum. The Northern Cape and Western Cape Provinces recorded the highest PHC utilisation rates of 3.0 visits and 2.9 visits per person per annum respectively. Gauteng Province recorded the lowest PHC utilisation rate of 2.1 visits per person.

In total, 337 PHC outreach teams were established across provinces, which exceeded the set target of establishing 54 teams. Around 5 000 CHWs had been retrained by December 2011. There are many challenges in retraining the large number of existing CHWs, estimated at 40 000. The ward-based PHC outreach teams consist of one professional nurse and six CHWs.

The scope of work for the clinical specialist teams was finalised and the recruitment process commenced. These teams will consist of the following specialists: Principal Obstetrician and Gynaecologist, Principal Paediatrician, Anaesthetist,Principal Family Physician, Advanced Midwife, Advanced Paediatric Nurse and PHC Nurse.

Challenges

Consistent and systematic supervision of health facilities is a critical component of interventions to improve the quality of care. In 2011/12, 66.6% of fixed PHC facilities received a monthly supervisory visit from a PHC supervisor.

PROGRAMME 5: HOSPITALS, TERTIARY SERVICES AND WORKFORCE DEVELOPMENT

Purpose of Programme

The purpose of this programme is to develop policies, delivery models and clinical protocols for hospital and emergency medical services. The programme also ensures that AMCs and health workforce development programmes are aligned.

There are six sub-programmes:

- **Hospital Management:** Deals with national policy on hospital and emergency medical services by focusing on developing an effective referral system to ensure clear delineation of responsibility by level of care, clear guidelines for referral and improved communication, and development of detailed hospital plans.
- **Human Resource Policy Research and Planning** is responsible for medium-term to long-range HR planning in the national health system. This entails implementing the national HRH plan, facilitating capacity development for sustainable health workforce planning and development and implementing HR information systems for planning and monitoring purposes.
- **Health Facilities Infrastructure Management:** Focuses on enabling provinces to plan, manage, modernise, rationalise and transform infrastructure, as well as on health technology, hospital

management and improvement of the quality of care in line with national policy objectives. This sub-programme is responsible for funding the conditional grant for the revitalisation of hospitals and new health infrastructure grant.

- **National Tertiary Services Management:** Will focus on developing credible, long-term provision of tertiary and high-quality specialised services in a modernised and reconfigured manner and identifiying tertiary and regional hospitals that should serve as centres of excellence for the dissemination of quality improvements. The sub-programme is responsible for the management of the national tertiary services grant.
- **Sector Labour Relations and Planning:** Supports negotiations and collective bargaining and the prevention, management and resolution of disputes and labour unrest in the Public Health and Social Development Sectoral Bargaining Council.Functions of this sub-programme is reported on in the operational plan of the department.
- **Health HR and Workforce Management and Development:** Is responsible for developing sector-specific strategic workforce management and development policies, including the development and introduction of new health professional categories, clinical in-service training programmes and coordinating and harmonising sector-specific employment policies and practices.

SUB-PROGRAMME : HOSPITAL MANAGEMENT						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target 2011/12	Actual Performance 2011/12		
Accelerate the delivery of health infrastructure	National Infrastructure plan developed in collaboration with provincial Infra-structure units	No national infrastructure plan	National infrastructure plan developed in collaboration with provincial infra structure units	All provinces submitted user-brief management plans in 2011/12. The provincial user-brief asset management plans include infrastructure plans. The user-brief asset management plans constituted the basis for the development of a three-year national infrastructure plan	None	None
	Sustainable set of universally adopted national norms and standards, guidelines and benchmarks for all levels of health care facilities	Norms, standards and guidelines not in place	Health infrastructure norms and standards for all levels developed	Scheduled workshops were held to discuss and evaluate the report put together by the team led by the CSIR, based on the information gathered from various stakeholders. One more workshop will take place in the next financial year. The costing model for strategic decisions on health infrastructure has been completed	Health in-frastructure norms and standards for all levels not devel-oped	Technical support for the development of health infrastructure norms and standards for all health facilities was provided to the CSIR. A need was identified to start involving all stakeholders in the development of these norms and standards as a preliminary step before the production of these norms and standards

SUB-PROGRAMME : HOSPITAL MANAGEMENT						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target 2011/12	Actual Performance 2011/12		
To ensure appropriate health technology is available and efficiently managed	Health technology strategy developed and approved	Draft health technology strategy produced	Health technology strategy finalised	The current health technology strategy draft is undergoing review by the HT Team	Health technology strategy not finalised	A need was identified to conduct an extensive review of the strategy, in consultation with all stakeholders, prior to its finalisation. The consultative processes were necessarily extensive and consumed a considerable amount of time
	Essential Equipment list (EELs) for the different levels of care developed	EELs not in place	EEL finalised for PHC	The EELs were completed for different hospital levels (clinic to tertiary).	None	None
	Optimisation of health technology maintenance	Health technology strategy in place, but health technology standards not developed	Standards for the use and maintenance of health technology drafted	Not achieved	The variance is that the standards for the use and maintenance of health technology were not produced	There were changes in the leadership of this project during 2011/12, which caused delays Key focus was placed on the training of technicians in partnership with Tshwane University of Technology. The technicians were trained to conduct audits, especially on safety performance inspection. The technicians completed a health technology audit in hospitals across five provinces

Overview of Performance

One of the key priorities of the NDoH is to ensure provision of integrated health facility infrastructure, including essential equipment, which is crucial for the delivery of good quality services, at all levels of care.

For the financial year 2011/12, the key objective was to work with provincial DoHs to accelerate the delivery of good quality health infrastructure, improve staffing and create a favourable environment for the delivery of quality services in all public sector hospitals.

By the end of 2011/12, all nine provincial DoHs had submitted the revised drafts of their User Asset Management Plans, for the 2012/13 MTEF period. These provincial plans also contain provincial infrastructure plans. The target for 2011/12 was to produce a national infrastructure plan developed in collaboration with provincial infrastructure units.

The Department also achieved key milestones towards the construction of five tertiary hospitals through PPP. Progress with each tertiary hospital, by the end of 2011/12, is reflected below:

- The need analysis phase for Limpopo Academic Hospital was 80% complete. Because of the re-classification of the hospital to a central hospital, a review of its scope was conducted.
- With respect to Chris Hani Baragwanath Academic Hospital, transaction advisors worked on a first draft of the HR requirements, the risk matrix and the costs. The request for quotations could not be finalised because of the strategic decision on the proposed new model for PPP implementation. The Department also took a strategic decision that a detailed preliminary design of Chris Hani Baragwanath Academic Hospital should be developed, instead of relying solely on the private partner to design and build.
- The Department also assessed the impact of the reclassification of Dr George Mukhari Hospital to a central hospital and the implications of this for the needs analysis, especially the scope of services to be provided during the feasibility study.
- The transaction advisor for the Nelson Mandela Academic and King Edward VIII Hospitals started with the data collection for the needs analysis and interaction with provincial stakeholders.

By the end of the reporting period, 95% of the scheduled workshops for developing a sustainable set of universally adopted guidelines and benchmarks for all levels of health care facilities had been completed. Workshops were also conducted to evaluate the report produced by the CSIR team, based on the information gathered from various stakeholders. The costing model for strategic decision on health infrastructure was also completed. The target for 2011/12 was to develop health infrastructure norms and standards for all levels.

The tender for the development of the integrated PMIS was awarded in November 2011, to Post Vision Technology (PTY) Ltd. In 2011/12; the development of the PMIS continued. Operational roll-out of the system and training of the users are scheduled to take place from mid-April to mid-October 2012. The target for 2011/12 was to design, develop and pilot the PMIS.

The EEL was completed for different levels of health facilities (clinics and tertiary hospitals). This exceeded the target for 2011/12, which was to finalise the EELs for PHC. A road show to enhance awareness of the relevance of the EELs to hospitals is to be planned in conjunction with other stakeholders.

Challenges

During the reporting period, the review of the health technology strategy by the health technology team of the Department continued. However, the target for 2011/12, which was not achieved, was to finalise this strategy. The development of the standards for the use and maintenance of health technology was not completed. This was inconsistent with the target for 2011/12.

SUB-PROGRAMME: HR PLANNING, POLICY AND RESEARCH

SUB-PROGRAMME : HR PLANNING POLICY AND RESEARCH						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Performance (2011/12)		
Improve health workforce planning, management and development	HR plan responsive to service delivery finalised	First draft health workforce plan developed	Health workforce plan responsive to service delivery platform finalised and resources mobilised	An HRH plan was launched on 11 October 2011	None	None
	HR strategy responsive to rural health needs	Situational analysis of the rural health workforce challenges incorporated into draft health workforce plan	Strategy for rural health workforce developed and incorporated into the national health workforce plan	An HRH plan was launched on 11 October 2011. The rural health interventions for the workforce with the focus on retention were incorporated	None	None
	Develop norms and standards for health workforce	-	Develop norms and standards for health workforce for PHC and secondary health care	Development of norms and standards for health workforce for PHC and secondary health care commenced during the reporting period	None	None
Improve health workforce planning, management and development	CHW policy finalised	The task team developed new objectives for CHWs to be part of the re-engineering of PHC. A work plan was developed and sent to the task team on PHC for Phase 1 to: • Review objectives • Do an audit of the CHW rogramme • Finalise roles in the PHC team • Deal with employment • Complete policy	Phase II: Integration of CHWs into the health system. Review remuneration package and develop new remuneration package and job descriptions for CHWs. Start process of monitoring and evaluation	Development of the policy on CHW remuneration packages, job descriptions, and their training and placement was explored with the Quality Council for Trades and Occupation. This was part of the implementation of the re-engineered PHC model Models for the placement of CHWs were assessed with the DPSA	Revised policy not produced	Revised policy will be produced as part of PHC re-engineering

Overview of Performance

The delivery of comprehensive, good quality and safe health care services requires the availability of adequately trained, appropriately skilled, appropriately remunerated and highly motivated health care providers from diverse professional disciplines. For the 2011/12 planning cycle, the NDoH set itself the following targets:

- Finalise the health workforce plan responsive to the service delivery platform and mobilise resources.
- Develop a strategy for a rural health workforce and incorporate it into the national health workforce plan.
- Develop norms and standards for the health workforce for PHC and secondary health care

An important achievement of the NDoH during the reporting period was the successful completion and

launch of the five-year HRH Strategy for 2012-2016. The production of the HRH Strategic Plan 2012-2016 assists the health sector to improve health workforce planning, development and management. It also seeks to be responsive to the service delivery platform, based on the re-engineered PHC platform. The HRH Strategic Plan 2012-2016 encompasses measures to enhance the availability of human resources in rural areas of the country.

PROGRAMME 6: HEALTH REGULATION AND COMPLIANCE MANAGEMENT

Purpose of Programme

The purpose of this programme is to regulate procurement of medicines and pharmaceutical supplies, including trade in health products and to promote accountability and compliance by regulatory bodies for effective governance and quality of health care.

There are six sub-programmes:

- **Pharmaceutical Trade and Product Regulation:** Regulates the procurement of medicines and pharmaceutical supplies and regulates and provides oversight of trade in health products to ensure access to safe and affordable medicine.
- **Office of Standards Compliance:** Deals with quality assurance, compliance with national standards, patient complaints and radiation control.
- **Compensation Commissioner for Occupation Diseases:** Is responsible for the payment of benefits to active and former miners who have been diagnosed with lung-related diseases as a result of the hazardous work they performed in the mines or classified works.
- **Occupational Health Management:** Regulates and increases access to benefit medical examinations (BME) for former mine workers at the Medical Bureau for Occupational Diseases and improves the quality of occupational health services for mines and the health sector.
- **Food Control and Regulation:** Regulates foodstuffs and non-medical health products to ensure food safety by developing and implementing food control policies, norms and standards, and regulations.
- **Public Entities Management:** Provides policy framework for health public entities with regard to planning, budgeting procedures, financial reporting and oversight, ownership, governance, remuneration and accountability.

SUB-PROGRAMME: PHARMACEUTICAL TRADE AND PRODUCT REGULATION

SUB-PROGRAMME: PHARMACEUTICAL TRADE AND PRODUCT REGULATION						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target (2011/12)	Actual Performance (2011/12)	Variance 2011/12	Reason for Variance 2011/12
Improve the registration of medicines and reduce the time to market by reducing the backlog on medicine registrations by building in-house capacity, training and aggressive recruitment of evaluators, clinical trial management and performing inspections on an ongoing basis	Registration timelines of 12 months for NCE and six months for generics	Average time for registration of NCE was 32 months and 30 months for generics. These timelines include up to 9/12 months of the applicant's time to respond to committee resolution. Hence actual average evaluation time by the authority is 23 months for NCEs and 21 months for generics. 1 473 (49%) of 2 981 in the safety update backlog were reviewed	Registration time lines of 30 months for NCEs and 18 months for generics	• 386 generics were registered in an average of 34 months • 34 human NCEs were registered in 37 months. • 47 outliers (part of the backlog) were registered, ranging from 50 months to 14 years • 112 medicine applications were rejected after initial evaluation • In total 422 medicines were registered in 2011/12 and 112 were rejected, resulting in the finalisation of 534 applications	• Variance for generic registrations = 16 months • Variance for NCE registrations= seven months	• Lack of evaluators – in-house and external • Difficulty in recruiting evaluators at the remuneration rates paid • Backlog project that appointed additional evaluators ended in 2010 and resulted in more evaluations in 2010 • Applicants delay responding to Medicines Control Council (MCC) resolutions up to 9-12 months • Registration occurs at MCC meetings, which takes place six times a year, based on peer-reviewed evaluators' reports received from five expert committees
To improve oversight over the registration of pharmaceu-tical and related products	Establish a pharmaceutical and related product regulation and management authority	Draft legislation to support the establishment of the new authority has been developed and is at the consolidation stage. The new fee structure has been approved. A high-level organisational structure has been developed. Regulations for the regulation of CAMs are at a legal drafting stage in order to be gazetted for comments. Medical device regulations are at the consultation stage	Legislation finalised for the establishment of a new regulatory authority	Publication of Medicines and Related Substances Amendment Bill, 2012 on 15 March 2012	Comment period closed on 15 June 2012	Comments and representation on the proposed draft awaited

It should be noted that the timelines do not reflect the time spent at MCC only, but include the time with the applicant, as there is no stop-clock system yet.

Overview of Performance

One of the key strategic objectives of the Department for 2011/12 was to improve oversight over the registration of pharmaceutical and related products, through the establishment of the new pharmaceutical and related product regulation and management authority. The target for 2011/12 was

to finalise legislation for the establishment of a new regulatory authority.

To prepare for the establishment of the South African Health Products Regulatory Authority (SAHPRA), Cabinet approval was obtained for the amendment of Act 72. The purpose of the amendment Bill is to strengthen transitional arrangements, include the regulation of foodstuffs, cosmetics, medical devices and in vitro diagnostics under SAHPRA and to improve the definition of medicines. The draft Bill was published for comment for three months, ending in June 2012.

The newer triple fixed dose combination generic ART medicines were finalised within 18 to 19 months, discounting the time taken by applicants to respond to questions. This has contributed to timely access to newer technologies for managing HIV and AIDS, which improves life expectancy.

Challenges

During 2011/12, another important objective of the Department was to improve the registration of medicines, reduce the current backlog of registration and reduce the time to market. This is implemented through building in-house capacity, training and aggressive recruitment of evaluators, clinical trial management and performing inspections on an ongoing basis.

In total, 386 generics were registered in an average period of 34 months. The target for 2011/12 was 18 months. Thirty-four human NCEs were registered within an average period of 37 months. The target for 2011/12 was 30 months. The medicine registration timelines include the time allocated to the pharmaceutical industry to respond to queries from the MCC, and not only the period spent by the MCC on evaluation. Furthermore, the time frames also include more than one review by the MCC, as the applicants do not comply with all requirements in their first response.

A key challenge faced by the Department includes a lack of evaluators, both in-house and external. The Department employed seven technical experts for two weeks from 16 to 27 January 2012. A process of recruiting 12 technical experts for six months also commenced.

SUB-PROGRAMME: OFFICE OF STANDARD COMPLIANCE

SUB-PROGRAMME: OFFICE OF STANDARDS COMPLIANCE						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target 2011/12	Actual Performance 2011/12		
Improve the quality of health services	Establishment of an independent OHSC as a national quality certification body	Not applicable	National Health Amendment Bill promulgated OHSC established.	Bill gazetted on 18 November 2011 and tabled in Parliament in February; public hearings were held in March 2012	Bill gazetted on 18 November 2011 but not promulgated; listing of public entity therefore not possible	Tabling of Bill dependent on certification by state law advisor, which was only completed in November 2011. Processing through Parliament and NCOP dependent on legislature timetable
	% of complaints and resolved within 25 days	60%	60%	40%	-20%	NDoH is dependent on provincial health departments and other authorities to investigate and report on the complaints. Not all provinces have provided feedback
	% of hospitals conducting a patient satisfaction survey at least once per year	Not applicable	60% of 400 public sector hospitals	384 of 400 hospitals, i.e. 96%	More than 36%. The database for this is far more reliable than the database normally used to calculate this indicator	Target was exceeded. The Health Systems Trust baseline audit was comprehensive
	No. of health facilities accessed for compliance with the six priorities of the core standards	Not applicable	20% (800) facilities assessed	3 780 (90%)	More than 70%	The target was exceeded because the service providers managed to achieve very high coverage

Overview of Performance

Although it was impossible to meet the deadline originally proposed for the promulgation of the Bill and the establishment of an independent office within this financial year, significant progress was made during the financial year 2011/12. The most important achievement of the NDoH was the gazetting of the National Health Amendment Bill on 18 November 2011 and its tabling in Parliament by the Minister, followed by public hearings. Preparatory work necessary for the establishment of an independent OHSC following promulgation of the Bill is far advanced, including establishing and training an inspectorate within the NDoH for future transfer. Once in place, the independent office will play a major role in strengthening accountability across the system.

A comprehensive baseline audit of quality (together with other key aspects, including infrastructure and human resources), covering 90% (3 780) of public health facilities by the end of March 2012, using tools developed by the cluster to assess compliance with six priority core standards, has been an enormous step forward. The work conducted by the Health Systems Trust, a non-governmental organisation, has resulted in improved knowledge and commitment to the process of strengthening the health system's effectiveness. The Department established health facility improvement teams to improve health service

delivery on ground level, starting with four districts, Motheo in the Free State, Sedibeng in Gauteng, Zululand in KwaZulu-Natal and Pixley ka Seme in the Northern Cape. Information on patient satisfaction from this audit, as well as analysis and investigation of complaints, has contributed to addressing patient concerns and the acceptability of care better.

One of the main goals of the NDoH is to institutionalise quality of care in all its facilities across the different levels of care. During 2011/12 the Department developed the legislative framework required for the establishment of an OHSC as a national quality certification body, which will enforce compliance with norms and standards for quality and investigate complaints relating to a breach of norms and standards. Following the tabling of the National Health Amendment Bill in Parliament in 2011/12, public hearings were conducted. The target for 2011/12 was to promulgate the National Health Amendment Bill, thus facilitating the establishment of the OHSC.

SUB-PROGRAMME: MEDICAL BUREAU FOR OCCUPATIONAL DISEASES

SUB-PROGRAMME: MEDICAL BUREAU FOR OCCUPATIONAL DISEASES						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Performance (2011/12)		
To improve access to occupational health services by expanding comprehensive occupational health units in districts hospitals	No. of district hospitals with comprehensive occupational health units	72/264	100/264	• No additional Occupational Health Units (OHUs) established in district hospitals in 2011/12 • Seventy-two OHUs were established in 2010/11	-28 OHUs	Dedicated occupational health unit not yet established.
	No. of miners who undergo BME	12 710	26 000	10 284	-15 716	• Limited access to BMEs by former miners, as some provincial health care facilities have ceased to offer these services • Under-resourced medical unit

SUB-PROGRAMME: FOOD CONTROL AND REGULATION

SUB-PROGRAMME: FOOD CONTROL AND REGULATION						
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Actual Performance against Target		Variance 2011/12	Reason for Variance 2011/12
			Target (2011/12)	Actual Performance (2011/12)		
Strengthening food control risk management measures related to development/ publication/ implementation of relevant national legislation, based on international standards adopted by the Food and Agriculture Organisation (FAO)/WHO Codex Alimentarius, where applicable	Nutrient profiling model available and implemented to evaluate health claims and identify foodstuffs with an unhealthy nutrient profile for inclusion in the second phase of labelling regulations	• Report related to a situation analysis on nutrient profiling models (NPMs) made available by the North West University (NWU) and shared with the WHO • Several meetings held with NWU and WHO to discuss way forward on the identified model	NPM available and tested in respect of the evaluation of health claims and to identify foodstuffs with an unhealthy nutrient profile	• Finalised ToR for appointment of a consultant • Finalised appointment of NWU as consultants to develop NPM (September 2011) • Service level agreement (SLA) signed (October 2011), project commenced on 1 November 2011 and scheduled to be completed by end of May 2012 • Received two progress reports from NWU on Deliverables 1 (validity of the model); 7 (software programme); 2 (convergent validity); and 3 (construct validity)	Target partially achieved; the availability of the NPM re-scheduled for end of May 2012	Challenges/ delays experienced related to finalising the open bid process, SLA and issuance of an order to NWU for the development and testing of the NPM
	Participation in 12 Codex activities and inclusion of FAO/ WHO Codex Alimentarius standards in food legislation where applicable	Participated in 11 Codex-related activities and developed three sets of legislation based on Codex standards	Twelve Codex-related activities participated in and inclusion of standards in four sets of legislation	Twelve Codex activities were participated in and Codex standards were included in four sets of regulations	None	None
	Five sets of regulations drafted for comments and/or final regulations published	No progress made because of the delay with the implementation of the nutrient profiling model and finalisation of CAM regulations of the Medicines Control Authority	Five sets of regulations drafted, published for comments and/or final regulations published	Nine sets of regulations drafted, published for comments and/ or final regulations published	Target exceeded by publication of four more sets of regulations	Streamlining of procedures followed by Legal Services Cluster to obtain Minister's approval for publication of the relevant regulations in the Government Gazette assisted significantly

Overview of Performance

With respect to the regulation and management of food and non-medical health products, the strategic objective of the NDoH for 2011/12 is to strengthen food control risk management measures related to the development, publication and implementation of relevant national legislation. This work is based on international standards adopted by the FAO/WHO Codex Alimentarius, where applicable.

The Department also set itself the objective of developing a nutrient profiling model and testing it in respect of the evaluation of health claims, and to identify foodstuffs with an unhealthy nutrient profile.

During this reporting period, the Department participated in twelve Codex activities, and included Codex standards in four sets of regulations. Nine sets of regulations were also drafted, published for comment and/or final were regulations published. The target for 2011/12 was exceeded by the publication of four more sets of regulations.

This was consistent with the set target. The NWU was awarded the contract to develop the nutrient profiling model and commenced with this work. During 2011/12 the Department received two progress reports from NWU on the following deliverables of the project: Deliverable 1 (validity of the model); 2 (convergent validity) (construct validity); and 7 (software programme).

Challenges

Delays were experienced in finalising the SLA and issuing an order to NWU for developing and testing the nutrient profiling model. The completion of the model is now scheduled for the end of May 2012.

SUB-PROGRAMME: PUBLIC ENTITIES MANAGEMENT

SUB-PROGRAMME: PUBLIC ENTITIES MANAGEMENT						
			Actual Performance against Target			
Strategic Objective	Performance Indicator	Baseline (Actual Output) 2010/11	Target 2011/12	Actual Performance 2011/12	Variance 2011/12	Reason for Variance 2011/12
To strengthen and facilitate good corporate and management governance of public entities and statutory health professional councils	Public health entities governance and management framework	Public health entities governance and management framework developed	Public health entities governance and management framework developed	Governance framework document and implementation plan were produced	None	None
Establish a forum of statutory health professional councils in terms of Section 50 of the National Health Act No. 2003	Functional forum of statutory health professional councils	Proclamation of section 50 of the National Health Act No. No. 63 of 2003	Forum of Statutory Health Professional Councils (FSHPC) established	Section 50 of the National Health Act No. No.63 of 2003 was proclaimed to enable establishment of the FSHPC	FSHPC not established during the reporting period	Section 50 of the National Health Act proclaimed in March 2012

Overview of Performance

Public Entities and Statutory Councils

Section 50 of the National Health Act No. No. 63 of 2003 was proclaimed in March 2012. It established the FSHPC, a forum on which all the statutory health professional councils must be represented. The Minister approved the budget of all entities in line with Section 53(1) the PFMA, No. 1 of 1999, which

stipulates that the budget for entities for any financial year must be approved by the Minister. All entities also submitted their plans as required in terms of Treasury Regulation 30.1.1, which states that the accounting authority of a public entity listed in schedule 3A of the PFMA must annually submit a proposed strategic plan and annual performance plan for approval by the Minister. The submission of the above enabled the Department to monitor the performance of entities against the strategic objectives identified, as well as their compliance to policies and other legislative prescripts relevant to public entities with particular reference to the establishing acts, the PFMA and Treasury regulations.

The quarterly performance reports from the entities were compiled in compliance with the requirements of the abovementioned legislation. The reports contained details of activities of entities per key strategic objective as identified and budget variance reports.

Challenges

During 2011/12 the NDoH aimed to strengthen and facilitate good corporate governance and management of public entities and statutory health professional councils. The target for 2011/12 was to develop a public and health entities governance and management framework. The draft governance framework document and implementation plan were produced, but were not approved. This was inconsistent with the target for 2011/12.

Section 3
Annual Financial Statements

4. ANNUAL FINANCIAL STATEMENTS

REPORT OF THE AUDIT COMMITTEE FOR THE FINANCIAL YEAR ENDED 31 MARCH 2012 NATIONAL DEPARTMENT OF HEALTH

The Audit Committee is pleased to present our report on the national Department of Health (DoH) in terms of the National Treasury Regulations and Guidelines, for the financial year ended 31 March 2012.

Composition of the Committee

The Committee is made up of the following members, the majority of whom are independent and financially literate. The members are:

Member	Designation	Date of appointment
Mr Humphrey Buthelezi	Chairman, independent professional and member of the IoD	16 Mar 2011
Ms Thandi Sihlaba	Risk Management Consultant, member of the IoD, and independent member	16 Mar 2011
Mr Clement Mannya	Management Consultant and independent member (resigned Mar 2012)	16 Mar 2011
Adv. William Huma	Performance Management Expert, Fellow of the IoD, Advocate of the High Court of South Africa and independent member	16 Mar 2011
Adv. Obi Mabaso	Advocate of the High Court of South Africa and independent member (contract ended 30 Sept 2011)	2 Oct 2006
Mr Molemo Maliehe	Risk Management Consultant and independent member (contract ended 30 Sept 2011)	2 Oct 2006

Attendance at Meetings

The terms of reference require the Committee to meet at least four times a year. For the year under review, the Committee held four formal and four special meetings as indicated below:

Member	Types and No. of meetings attended		
	Normal	Special	Total Meetings
Mr H Buthelezi (Chairperson)	4	3	7
Adv. W Huma	4	3	7
Ms T Sihlaba	4	4	8
Mr Clement Mannya	4	1	5
Adv. OC Mabaso	1	2	3
Mr M Maliehe	1	2	3

Responsibility of the Audit Committee

The Audit Committee operated in terms of the formal charter (terms of reference) which was approved by the Executive Authority. These terms of reference are in line with Section 38(1) (a) of the Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999) and the National Treasury Regulation 3.1. We further confirm that we carried out our duties in compliance with this charter.

Effectiveness of the Internal Control Systems

The system of internal control applied by the NDoH over the financial affairs and risk management is considered effective and reliable though there is room for improvement, as indicated in the management

reports of both the external and internal auditors.

In line with the Public Finance Management Act No. the Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management processes, as well as the identification of corrective actions and suggested enhancements to the controls and business processes. The Committee reviewed the internal audit reports for the year under review and provided advice on issues raised. From both the interim and final management reports of the Auditor-General South Africa (AGSA), it was noted that there were material deficiencies in the system of internal control regarding performance management on provincial indicators. Accordingly, we report that the system of internal control over the financial reporting for the year under review was effective but required some improvements.

Risk Committee

In order to strengthen the internal control environment of the NDoH, the Audit Committee has established a Risk Committee to focus on issues of risk management and risk governance. This Committee has had meetings for the year under review to develop and adopt a risk management strategy, framework and policy to govern its work going forward. These documents have been adopted by the NDoH.

Performance Committee

A Performance Committee has also been established to enhance standards related to the reporting of performance information for the NDoH. This Committee also had meetings for the period under review to enhance the policy for performance information and align the systems used by the NDoH in compiling the annual performance information.

Evaluation of the Annual Financial Statements

The Audit Commitee has:

- discussed and reviewed the audited annual financial statements, together with the relevant accounting policies to be included in the annual report, with the Accounting Officer and the Auditor-General South Africa (AGSA)
- reviewed the AGSA's management report and the related management responses thereto
- reviewed the Department's compliance with legal and regulatory provisions
- reviewed significant adjustments arising from the audit.

The Audit Commitee concur with and accept the AGSA's unqualified audit opinion on the annual financial statements for the year under review.

Internal Audit Function

The Audit Commitee has assessed that the internal audit function is operating its risk-based audit plan and have appropriately identified significant audit risks and related controls pertinent to the Department for the following financial year.

Auditor General South Africa

The Audit Commitee has met with the representatives of the AGSA and confirm that they are independent of the Department, have not provided any other non-audit services and there are no unresolved matters.

Humphrey Buthelezi
Chairman: Audit Committee
31 July 2012

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

FOR THE YEAR ENDED 31 MARCH 2012

1. General Review of State of Financial Affairs

1.1 Strategic Issues Facing the Department

(a) During 2011/12 South Africa continued to be faced with a quadruple burden of disease consisting of HIV, AIDS and TB, high maternal and child mortality; non-communicable diseases; and violence and injuries.

(b) The Health Sector's Negotiated Service Delivery Agreement (NSDA) for 2010-2014 served as the strategic framework for addressing the burden of disease. The NSDA is a charter outlining consensus between different stakeholders on key interventions to ensure achievement of the set goals, as well as their respective roles in this process. The NSDA presents four key outputs that the health sector must achieve, viz.:

- Increasing life expectancy
- Decreasing maternal and child mortality rates
- Combating HIV, AIDS and TB
- Strengthening health systems' effectiveness.

(c) These outputs are consistent with government's outcome-based approach to improving service delivery, enhancing accountability to the public and enhancing performance management.

(d) Health systems challenges included sub-optimal quality of care; inadequate supply of Human Resources for Health (HRH), inappropriate configuration of the organisational structures of health departments, lack of sound financial management, inadequate health infrastructure and inadequate health information systems. As reflected below, decisive interventions were implemented during 2011/12 to address these challenges, in keeping with the fourth output of the NSDA 2010-2014, which is Strengthening Health Systems' Effectiveness.

(e) Significant milestones were achieved through the strategic interventions implemented by the health sector, in partnerships with communities across the country. These are outlined in sections 1.2 and 1.3 below.

1.2 Significant events that have taken place during the year

(a) The first ever formal government policy document on National Health Insurance (NHI), the Green Paper on NHI, was published for public comment on 12 August 2012. South Africans demonstrated massive interest in this policy document, and the original time frame for the submission of comments on the Green Paper was extended to December 2011. More than 20 direct consultations on NHI were conducted with diverse stakeholders across the country, including professional associations, general practitioners, provincial legislatures, portfolio committees, the Finance and Fiscal Commission, appropriations committee, organised labour, political parties and other government departments.

(b) Ten pilot districts for NHI were announced by the Minister of Health in March 2012, viz.:
- OR Tambo (Eastern Cape)
- Thabo Mofutsanyane (Free State)
- City of Tshwane (Gauteng)
- uMgungundlovu (KwaZulu-Natal)
- Umzinyathi (KwaZulu-Natal)
- Vhembe (Limpopo)
- Gert Sibande (Mpumalanga)
- Dr KK Kaunda (North West)
- Pixley ka Seme (Northern Cape)
- Eden (Western Cape).

(c) KwaZulu-Natal Province added and funded its own NHI pilot district, viz. Amajuba.

(d) An HRH Strategy was completed and launched in October 2011. To ensure sufficient availability of adequately trained, appropriately skilled, suitably placed, highly motivated and properly remunerated health care providers, the HRH strategy focuses on eight strategic objectives, viz.:
- Leadership and governance
- Intelligence and planning for HRH
- A workforce for new service strategies
- Upscaling and revitalising education training and resources
- Academic training and service platform interfaces
- Professional human resource development
- Quality professional care
- Access in rural and remote areas.

(e) Through the HIV Counselling and Testing campaign launched by the President of South Africa in April 2010, a cumulative total of over 20,2 million had accepted counselling and undergone testing by the end of March 2012. This campaign also provided an opportunity to community members to be tested for tuberculosis (TB), and for chronic conditions such as diabetes and hypertension. Communities in South Africa responded in large numbers to the President's call.

(f) To protect South African children against vaccine-preventable diseases, a national full immunisation coverage rate of 95,2% was achieved.

(g) The National Consultative Health Forum (NCHF) was convened in December 2011. The NCHF was combined with an international conference on NHI. Participants from the NCHF included international and South African experts on NHI, non-governmental organisations (NGOs), community-based organisations, academic institutions, the private health sector, traditional leaders, traditional healers, research organisations, statutory bodies and other government departments.

(h) Implementation of the primary health care (PHC) model for South Africa gained momentum in 2011/12. Three hundred and twenty PHC teams were established. More than 5 000 community health workers were re-oriented on the PHC approach by PALAMA. Processes were finalised for the appointment of district clinical specialist teams, which consist of the following specialists: Principal Obstetrician and Gynaecologist, Principal Paediatrician, Anaesthetist; Principal Family

Physician, Principal Midwife, Advanced Paediatric Nurse and Principal PHC Nurse.

(i) During the year under review, the Department dealt with challenges related to provincial administration in two provinces: Limpopo and Gauteng. The Limpopo Department of Health was placed under administration in terms of section 100 (1)(b) of the Constitution of the Republic of South Africa (Act no. 108 of 1996), while the Gauteng Department of Health has a memorandum of agreement with the NDoH on specified support areas.

The Limpopo administration involved a diagnostic phase from December 2011 to February 2012, to understand the underlying causes that may have led to poor financial management and to stabilise cash flow. Rigorous verification and payment processes, strict cash flow management led by the provincial Treasury Administrator's office, as well as procurement management measures, were conducted. As a result, the cash flow position of the Department and province has improved significantly, as indicated in various reports. However, conditional grant allocations were not fully spent and will have to be rolled over. The administration will then move into the recovery phase, which will ensure the delivery of the turnaround projects' outputs and the realisation of sustainable outcomes. The identified areas of support and intervention are financial management, pharmaceutical services, procurement and supply chain management, infrastructure and HR management, as well as information management.

The intervention in Gauteng was less intense and the national department's involvement was limited to an agreement reached with the provincial department to participate in the provincially established work streams. The identified areas of support are the supply chain, finances, HR and infrastructure. The national department, along with National Treasury, participates in and supports the turnaround efforts of the Gauteng provincial DOH through the technical task team established under the leadership of the Office of the Premier.

1.3 Major Projects Undertaken or Completed during the Year

(a) As part of interventions to enhance quality of care, the NDoH commissioned an independent comprehensive audit of public health facilities to assess their infrastructure, HR, and the quality of the services they provide. The audit was conducted by an independent NGO, viz. the Health Systems Trust, at a cost of R25 million. By the end of March 2012, a total of 3 780 of the 4 210 health facilities (i.e. 90%) had been audited. The audit revealed major challenges with the management of these facilities, as well as the quality of services provided.

(b) To address the identified challenges proactively, the NDoH also established health facility improvement teams, which will focus on improving service delivery in identified facilities, working together with provinces and districts. These teams have already been trained and deployed in four districts, viz. Mangaung in the Free State Province, Sedibeng in Gauteng, Zululand in KwaZulu-Natal and Pixley ka Seme in the Northern Cape.

(c) The National Health Amendment Bill was tabled in Parliament in January 2012. The Amendment Bill provides for the establishment of the Office of Health Standards Compliance, which will enforce norms and standards for quality.

(d) During the reporting period, 1 967 infrastructure projects were being implemented in the health

sector, funded from three sources, viz. the Hospital Revitalisation Grant, Health Infrastructure Grants and the Provincial Equitable Share. The last-named is managed by provinces.

(e) To help accelerate the delivery of health infrastructure, the NDoH has introduced a more systematic and professional approach to infrastructure service delivery. The NDoH established a Project Management Support Unit, with eight key works streams for accelerated delivery. The work streams focus on planning and design, procurement, construction, maintenance, nursing colleges, public-private partnerships (PPP), capacity building and strategic project management.

(f) The NDoH continued with the construction and rehabilitation of health facilities, to enhance patient experiences of health care delivery and to improve health worker morale by providing a favourable working environment. During the reporting period, an additional four hospitals (Mamelodi, Chris Hani Baragwanath phase 1, Vryburg and Moses Kotane) were completed, which increased the number of hospitals completed through the Hospital Revitalisation Grant to 17. A new state-of-the-art facility, Khayelitsha Hospital, was also opened in the Western Cape Province in April 2012.

(g) Key milestones were achieved towards the improvement of five tertiary hospitals through PPP. These hospitals, which were registered with the National Treasury PPP unit, were:

- Nelson Mandela Academic in the Eastern Cape
- Chris Hani Baragwanath in Gauteng
- Dr George Mukhari in Gauteng
- King Edward VIII in KwaZulu-Natal
- Limpopo Academic Hospital in Limpopo.

(h) A business plan for the revitalisation of nursing colleges was implemented.
(i) A revised organisational structure of the NDoH was approved by the Public Service and Administration (DPSA), and the Department commenced with its implementation.

1.4. Spending Trends

Out of a total allocation for the year under review amounting to R25 967 971 billion, the Department spent R25 712 842 billion, which is 99.25% of the available budget. An amount of R255 129 million was underspent, resulting in under-expenditure of 0.75%. The under-expenditure is a significant decrease compared to the previous financial year.

The economic classifications which under-spent are mainly compensation of employees and goods and services. The under-expenditure related to the compensation of employees is being addressed, as critical vacant posts are being filled. Goods and services under-spent. mainly as a result of late commitments and deliveries, related to condoms and the procurement challenges experienced by National Treasury. In addition, commitments were made on the Infrastructure Support Unit budget, but could not be spent in the year under review. Capital expenditure was also below budget, including delayed deliveries of medical and IT equipment.

Programme 1: Administration

The administration programme conducts the overall management of a 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 HR services to the department.

The programme shows expenditure of 95.3%, with under-expenditure of R15 958 million (4.7%) against a budget of R326 983 million.

The under-expenditure on goods and services is related to the allocated funds for health statistics publications, the provincial support unit and the hospital tariffs system review, which could not be fully used.

The 4.7% underspending on capital can be ascribed to the suppliers not being able to deliver the ordered IT equipment before year end.

Programme 2: Heath Planning and Systems Enablement

The purpose of this programme is to improve access to and the quality of health services through planning, integration of health systems, reporting, monitoring and evaluation and research.

The following six sub-programmes have been allocated to this programme:

- Technical Policy and Planning
- Health Information Management, Monitoring and Evaluation
- Sector Procurement and Policy
- Financial Planning and Health Economics
- National Health Insurance
- International Relations.

The programme shows expenditure amounting to 91.3% with under-expenditure of R15 359 million (2%) against a budget of R177 313 million. The under-expenditure is attributed to slow spending on the NHI funding received, as the legislative processes delayed the consultation processes. The Technical Policy and Planning Unit was inactive, as the panel of technical experts was only finalised towards the end of the financial year.

Programme 3: HIV and AIDS, TB and Maternal, Child and Women's Health

The purpose of this programme is to coordinate, manage and fund HIV and AIDS, TB and maternal, child and women's health programmes. The programme also develops and oversees implementation of policies, systems and norms and standards.

The following two sub-programmes have been allocated to the programme:

- HIV and AIDS and TB
- Maternal, Child and Women's Health.

From a total allocation of R8 014 742 billion, the programme has spent 98.9% of its allocated funds, amounting to R7 927 131 billion, with under-expenditure of R87 611 million.

The under-expenditure can be ascribed to the late finalisation of the national condom tender awarded by National Treasury and failure to appoint a communication consultant for HIV and AIDS.

Programme 4: Primary Health Care Services

The purpose of this programme is to develop and implement a uniform District Health System. The programme also develops policy for district health services (PHC and district hospitals), identifies and promotes centres of excellence and supports planning, delivery and monitoring of these services.

The following four sub-programmes have been allocated to the programme:

- District Health Services
- Communicable Diseases
- Non–communicable Diseases
- Health Promotion and Nutrition.

The total allocation for the programme amounted to R761 703 million. The programme shows an expenditure outcome of R741 483 million, which is 97.3%, with under-expenditure of R20 220 million. The under-expenditure is related to the late delivery of influenza vaccines.

Programme 5: Hospitals, Tertiary Services and Workforce Development

The purpose of this programme is to develop policies, delivery models and clinical protocols for hospital and emergency medical services. The programme also ensures that Academic Medical Centres and health workforce development programmes are aligned. Six sub-programmes allocated to the programme are as follows:

- Health Facilities Infrastructure Management
- National Tertiary Services
- Hospital Management
- Human Resources Policy Research and Planning
- Sector Labour Relations and Planning
- Health Human Research and Workforce Management and Development.

The programme has spent 99.4% of its R16 149 471 billion allocated funds, amounting to R16 057 420 billion, resulted in under-expenditure of R92 051 million. The under-expenditure is mainly attributed to the Infrastructure Unit Support System not being invoiced by the supplier before year end and the slow start of the nursing colleges project.

Programme 6: Health Regulation and Compliance Management

The purpose of this programme is to regulate procurement of medicines and pharmaceutical supplies, including trade in health products, and to promote accountability and compliance by regulatory bodies for effective governance and quality of health care. The six sub-programmes are as follows:

- Food Control and Regulation
- Public Entity Management
- Office of Standards Compliance
- Compensation Commissioner for Occupational Disease Occupational Health Management
- Pharmaceutical Trade and Product Regulation.

The programme has spent 95.4% of its R521 801 million allocated funds, amounting to R497 871 million, with under-expenditure of R23 930 million. The underspending can be attributed to delays in the implementation of planned activities in the Office of Standards Compliance.

1.4. Virement

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

1.4.1 Compensation of Employees – Nil

1.4.2 Goods and Services – R9 724 000

National Treasury approved the following new or increased transfers:

- 5 December 2011: A new transfer of R5,4 million to the Human Sciences Research Council
- 7 October 2011: Increase of R415 000 in the transfer to NHLS (Cancer Register)
- 6 October 2011: New transfer of R408 985 for the Medicines Information Centre for Health Care Workers Hotline
- 31 January 2012: New transfer of R3 million to the Health Information Systems Programme
- 22 December 2012: A sponsorship of R500 000 to the Paedriatric Society of South Africa.

2. Services rendered by the Department

2.2 Activities

The NDoH 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.

2.3 Tariff policy

Most of the revenue collected by the NDoH is derived from applications for registration of medicines, which falls under the Medicines Control Council.

2.3 Free Services

The Department does not provide any free services.

2.4 Inventories

The value of inventories at year end was R14,1 million. Further reference must be made to Annexure 6 in the Annual Financial Statements for the detail of inventory at hand at year end.

3. Capacity Constraints

After the approval of the Department's new structure by the DPSA during the year under review, the Department embarked on fast-tracking the filling of vacant posts as reported in the previous financial year. The under-expenditure of R15 466 million is related to identified posts that were in the process of being filled.

Through the internship programme, capacity is being increased in the following areas: internal audit, due to a high staff turn-over; HR development related to skills development facilitators; health financing, addressing health economics financing and the pharmaceuticals services, by recruiting pharmacists. The Department has further also put interns in the areas of forensic laboratories related to the analytical chemistry skills, as well as IT and finance. Twenty-six interns had been put in place by 30 March 2012.

The Department has developed an electronic performance management and development tool, referred to as the e-appraisal system, which deals with the assessment of performance for staff at all levels. The tool will ensure that individual performance is linked to the Department's Annual Performance Plan and the achievement of the targets set in the NSDA.

In addition to the e-appraisal system, the Department has commenced with the development of organisational performance. Five teams have been established for the restructuring and change management process as follows:

- Team A focusing on: Fit for Purpose Structure
- Team B focusing on: Good Management Basics
- Team C focusing on: Aligned Planning and Priorities
- Team D focusing on: Service Delivery Secured
- Team E focusing on: Culture and Capabilities for Performance.

The expenditure incurred for the year related to skills development amounts to R4,5 million.

4. Utilisation of Donor Funds

The development partners and organisations continue to support the country and in particular the health sector in achieving its set goals and objectives, through the Official Development Assistance programme; the funds are deposited in the Government Fund and are drawn by the Department to implement agreed projects and programmes. Estimated donor funds for the year amounted to R488 924 million. Cash made available during the year amounted to R527.2 million for various projects. Expenditure amounted to R110 million. Funds are being received from the European Union for the PHC Sector Support Programme, from Belgium for TB, HIV and STI prevention and capacity building in HR, from the Global Fund for TB, AIDS and malaria prevention; from the CDC (USA) for HIV and AIDS activities, from Canada for CIDA NGO coordination and HR, from Denmark for urban

environmental management and from USAID for HIV and AIDS projects.

5. Trading Entities and Public Entities

Medical Research Council

The South African Medical Research Council (MRC) was established in 1969 in terms of the South African Medical Research Council Act (1991). Its objectives are to promote the improvement of health and quality of life through research, development and technology transfer.

Research is primarily conducted through Council funded research units. Funding from the Department's vote amounted to R271 205 million in 2011/12. The Council's researchers have made significant contributions to the key priorities of the NDoH's 10-point plan, via operational and applied research projects, by supporting programmes, or on advisory level by serving on policy and technical teams. Examples include work on the NHI, quality and standards, the prevention of mother-to child-transmission, tuberculosis, HIV prevention and surveillance systems. The MRC researches the burden of disease and undertakes a national youth behaviour survey and a global youth tobacco survey and supports a national demographic and health survey.

The MRC's chief financial officer (CFO) resigned at the end of September 2011; a new CFO has been appointed and will start working in August 2012. The MRC's five-year Strategic Plan 2012/13 – 2016/17 was finalised and approved by the DoH. An interim MRC president was appointed in March 2012. He will lead the implementation of the new strategy during 2012. The council's biggest challenge is to be able to play a pivotal role in supporting the country's national and provincial DoHs in achieving their performance targets. The focus over the medium term will be on the four outcome areas of the NDoH and alignment with the 10-point plan priorities.

National Health Laboratory Services

The National Health Laboratory Service was established in 2001 in terms of the National Health Laboratory Service Act (2000). The service supports the DoH by providing cost-effective diagnostic laboratory services to all state clinics and hospitals. It also undertakes health science training and education and research. It is recognised as the largest diagnostic pathology service in South Africa and services over 80% of the population through a national network of approximately 265 laboratories. Its specialised divisions include the National Institute for Communicable Diseases, the National Institute for Occupational Health, the National Cancer Registry and the Anti-venom Unit. The service maintains strong partnerships with the NDoH, the Departments of Science and Technology, and Education, as well as the MRC, the CSIR, health science faculties at universities and universities of technology across the country, provincial hospitals, clinics, local authorities and medical practitioners.

The National Health Laboratory Service's major source of funding will be the sale of analytical laboratory services to users, such as provincial DoHs, but it continues to receive a transfer from the NDoH, which amounted to R82 167 million in 2011/12, including an amount of R1.4 million for the GeneXpert TB medical equipment for the improvement of the turnaround time for the TB tests.

The NDoH is reviewing the mandate and therefore the Act related to the National Health Laboratory

Services, with the main purpose of identifying options related to the funding of research.

Council for Medical Schemes

The Council for Medical Schemes is the national medical schemes' regulatory authority, established in terms of the Medical Schemes Act (1998). The council's vision for the medical scheme industry is that it is must be regulated effectively to protect the interests of members and promote fair and equitable access to private health financing. The Council for Medical Schemes has made significant progress in fulfilling its responsibility for protecting the interests of beneficiaries of medical schemes and of the public as a whole.

Funding from the Department's vote amounted to R4 194 million in 2011/12. The Council identified four strategic goals and in pursuit of the goals, continued to advance the cause of protecting the interest of beneficiaries of medical schemes by making proactive interventions, enforcing legislation, ensuring compliance by stakeholders, encouraging proper governance practices and promoting a financially stable medical schemes industry. The CMS continued to interact with the DoH and the Ministry on the NHI Green Paper and amendments to Medical Schemes Act regulations in order to improve on current legislation where gaps have been identified. A comprehensive legislative review process aimed at addressing shortcomings in the Medical Schemes Act was initiated in the period under review and it is work in progress.

South African National Aids Council Trust (SANACT)

During the period under review the SANACT was dormant. SANACT's activities are funded by the HIV and AIDS Cluster within the Department.

Mines and Works Compensation Fund

The Compensation Commissioner for Occupational Diseases (CCOD) is responsible for the payment of benefits to miners and former miners certified to be suffering from lung-related diseases due 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, works and appropriations from Parliament. Payments to beneficiaries are made in terms of the Occupational Diseases in Mines and Works Act (78 of 1973).

The CCOD prepares and produces a separate Annual Financial Statement and an Annual Report by virtue of its status as a trading entity. The expenditure incurred by the Department for the CCOD for the administrative functions amount to R1 891 million.

6. Organisations to which Transfer Payments have been Made

Ninety-five percent (95%) of the budget of the NDoH consists of transfer payments to third parties. These can be classified as follows –
Conditional grants: These grants transfer the major conditional grants to provinces to fund specific functions as follows:

- National Tertiary Services Grant – R8 049 billion
- Health Professions Training and Development Grant – R1 977 billion

- Hospital Revitalisation Grant – R4 221 billion
- Health Infrastructure Grant – R1 704 billion
- Comprehensive HIV and AIDS Grant – R7 493 billion
- Forensic Pathology Services Grant – R590 million.

These funds flow to provincial DoHs from where spending takes place on items as contained in a business plan pre-approved by both provincial and national accounting officers. More details of the transfers per province are contained in the disclosure notes and annexure of the financial statements. The Forensic Pathology Services grant will be discontinued from 2012/13 but will be included in the provincial equitable share allocations effective from the 2012/13 financial year.

No conditional grants are transferred by the NDoH to municipalities and the Department can certify that all conditional grant funding that was transferred was in fact transferred into the primary bank account of the province concerned.

In terms of the Division of Revenue Act and the relevant framework, the performance of provinces was monitored by the Department through periodic prescribed reports submitted by provinces and provincial visits for verification, support and intervention purposes, as well as by ensuring that transferred funds are used for the intended purposes.

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

Public entities – transfers are made to public entities under the auspices of the NDoH and have been listed earlier in the report.

NGOs – they range from national NGOs that 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 1 G of the Annual Financial Statements.

7. Public-Private Partnerships

In 2009 a review of PPP was initiated by the NDoH and Treasury. The review process was concluded in 2010 and the PPP was granted an extension of the supply agreement for a further period to December 2016 to enable it to meet its obligations/undertakings.

The Department continued with the implementation of five PPP hospital flagship projects. Transactional advisors were appointed for the remaining two projects, King Edward VIII Academic Hospital in KwaZulu-Natal and Nelson Mandela Academic Hospital in the Eastern Cape. Both projects are in the early stages of feasibility studies. The first drafts of the needs analysis for the new Limpopo Academic Hospital and the Dr George Mukhari Hospital projects were completed. Chris Hani Baragwanath Academic Hospital underwent a value-for-money assessment linked to the risk matrix analyses. During the year the draft RFQ for the project was presented and this is under review.

In terms of the agreements entered into in 2003, the South African government, through the

NDoH, holds 40% shares in The Biovac Institute Pty Ltd (Biovac), while the Biovac Consortium holds 60%. In exchange for the 40% equity, the NDoH transferred the staff and assets of the directorate that 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 DoHs.

Both The Biovac Consortium and the NDoH 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 more than R35 million in The Biovac Institute. This dilution was approved by Treasury and implemented in 2010.

The NDoH, through its infrastructure support unit, is actively involved, together with provinces, in the implementation of the five PPP flagship projects. This is a joint project by the NDoH, provincial DoHs, the National Treasury, provincial Treasuries of Health and the Development Bank of South Africa. Progress is monitored by a dedicated Joint Implementing Committee under the chairpersonship of the NDoH.

8. Corporate Governance Arrangements

The Department has a risk management unit that currently forms part of the Internal Audit Directorate for assistance with the establishment and sustainability. A subcommittee of the Audit Committee has been established to look exclusively at risk management processes. A risk assessment is conducted annually and the risk register is updated accordingly. The Department has also made progress with establishing proper capacity. Positions for a Chief Directorate Internal Audit and Risk Management have been advertised and appointments at operational level have been made. In addition to this, the Department has engaged National Treasury and a secondee from the Treasury has been supporting the Department actively in this.

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

The Department has a functional internal audit unit, which coordinates 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 Audit Committee appointed new committee members during 2011. It established two sub-committees for risk management and performance management. These committees meet quarterly or as the need arises.

9. Discontinued Activities/Activities to be Discontinued

No activities were discontinued during the year under review.

10. New/Proposed Activities

The Department is implementing the approved restructuring process, based on the approved structure, which is aligned to the priorities and the service delivery agreement.

11. Asset Management

The Department has progressed substantially in completing its asset management implementation plan. The Department has automated the asset register as part of ensuring the accuracy and completeness of the register. Much been done to ensure that monthly reconciliations are in place. In addition, the Department has disposed of a number of obsolete and redundant assets as part of its clean-up process. The Department has engaged a service provider to assist in addressing the completeness of the historical assets. Asset management represents the biggest risk area for the 2011/12 financial year. Challenges that may arise are completeness of barcodes, disposals and donor-funded assets. Each of these challenges has been noted and processes are in place to address these, even in future audits. Details of the movement of assets for the year under review are given in Disclosure Note number 29 of the Annual Financial Statements.

12. Events after the Reporting Date

None to report.

13. Performance information

For the financial year 2010/11, the Auditor-General of South Africa (AGSA) expressed concern about the validity, accuracy and completeness of the information reported by the NDoH in the Annual Report (2010/11).

During 2011/12 the NDoH implemented various measures to address the challenges identified by the AGSA, and to strengthen health information systems broadly. The Department approved a policy for the District Health Management Information System (DHMIS), to improve the availability, quality and use of health information for efficient and effective planning and management of health programmes.

The DHMIS policy makes far-reaching provisions aimed at improving the validity and accuracy of data, as well as data completeness. At the national level, the Department produced an internal policy document in May 2011, entitled: F*ramework for the Development and Quarterly Monitoring of the Annual Performance Plans (APPs)* and the Operational Plans of the National Department of Health, which accentuates the importance of evidence for reported performance information.

To enhance the appropriate management and consistent availability of source documentation at subnational levels of the health system, particularly health facilities, the Department has worked with provincial DoHs to increase the numbers of data capturers appointed. The role of these health informatics personnel is to enhance the data collection, collation, analysis and transmission to higher levels of the health system. Of the 2 790 data capturers trained by the University of Pretoria, 1 720 were employed. A further 540 data capturers will be appointed in 2012.

14. Select Committee on Public Accounts Resolutions

The Department appeared before the Select Committee on Public Accounts (SCOPA) but has not received any SCOPA resolutions yet for the 2010/11 financial year. The previous year's resolutions have been dealt with.

15. Prior modifications to audit reports

Nature of qualification: Qualified	Financial year in which it first arose	Progress made in clearing the matter
Asset Management	2008/09	Audit findings and recommendations addressed

16. Exemptions and Deviations Received from the National Treasury

None received.

17. Other

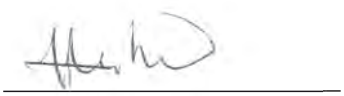
The investigation into the fraudulent transfer of an amount of R5,2 million in August 2009 is still under way. The matter is being investigated by both the South African Police Service and the National Treasury.

18. Acknowledgements

I wish to express my appreciation to the Minister of Health, the Deputy Minister and all members of staff for their hard work, loyalty and commitment in pursuing the objectives of the NDoH and the provincial HODs.

19. Approval

The Annual Financial Statements have been approved by the Accounting Officer.



MS MP MATSOSO
DIRECTOR-GENERAL

31 MAY 2012

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 16: NATIONAL DEPARTMENT OF HEALTH
REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the NDoH set out on pages 104 to 153 , which comprise the appropriation statement, the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting Officer's Responsibility for the Financial Statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with The Departmental Financial Reporting Framework prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa (PFMA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's Responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

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

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the NDoH at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with the Departmental Financial Reporting Framework prescribed by the National

Treasury and the requirements of the PFMA.

Additional Matters

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

Unaudited Supplementary Schedules

8. The supplementary information set out in annexures 1A to 5 on pages 154 to 169 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Financial Reporting Framework

9. The financial reporting framework prescribed by the National Treasury and applied by the Department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework. Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. In accordance with the PAA and the General Notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined Objectives

11. I performed procedures to obtain evidence about the usefulness and reliability of the information in the national NDoH's annual performance report as set out on pages 37 to 79 of the annual report.

12. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time-bound) and relevant as required by the National Treasury Framework for managing programme performance information.

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

Usefulness of Information

13. There were no material findings on the annual performance report concerning the usefulness of the information.

Reliability of Information

14. The material findings on the reliability of information are as follows:

Reported indicators not supported by sufficient appropriate evidence

15. The National Treasury Framework for managing programme performance information requires that documentation addressing the systems and processes for identifying, collecting, collating, verifying and storing information be properly maintained. In respect of nine indicators selected for programme 3, tested at 20 facilities at provincial level, the manual registers supporting the totals recorded in the information systems of the Department did not agree to amounts reported. Consequently we were unable to perform appropriate audit procedures to test the indicators. This is primarily due to inadequate control processes implemented at provincial facilities to ensure that data are properly recorded. In addition, because of the inadequate design of internal controls, there were no procedures that I could perform to satisfy myself that all information was completely recorded. As a result, I was unable to satisfy myself that actual reported performance is valid, accurate and complete. The provincial facilities' records did not permit the application of alternative audit procedures regarding the validity, accuracy and completeness of reported performance information.

16. For two indicators selected relating to programme 3, I was unable to obtain sufficient, appropriate audit evidence to satisfy myself that actual reported performance is valid, accurate and complete. This was primarily due to the lack of a properly documented management system.

Compliance with Laws and Regulations

17. I performed procedures to obtain evidence that the entity had complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations, as set out in the General Notice issued in terms of the PAA, are as follows:

Strategic Planning and Performance Management

18. The Department did not have and maintain an effective and efficient system of internal control regarding performance management, which described and represented how the Department's processes of performance monitoring, measurement, review and reporting were conducted, organised and managed, as required by section 38(1)(a)(i) and (b) of the PFMA. Policies have been developed and approved for performance information. The standard operating procedures have been drafted but have not yet been approved.

Human Resource Management and Compensation

19. Employees were appointed without following a proper process to verify the claims made in their applications, in contravention of Public Service Regulation 1/VII/D.8.

20. Not all senior managers signed performance agreements as required by Public Service Regulation 4/III/B.1.
21. A human resource plan was not in place as required by Public Service Regulation 1/III/B.2(d).

Transfer of Funds to Non-Profit Institutions and Conditional Grants

22. The Accounting Officer did not maintain appropriate monitoring and review measures to ensure that transfers to non-profit institutions were applied for their intended purposes, as required by Treasury Regulation 8.4.1.

23. The expenditure and non-financial information was not adequately monitored for the programmes funded by the Health Infrastructure Grant, the Health Professions Training and Development Grant and the National Tertiary Services Grant in accordance with the framework for the allocation, as required by section 9(1)(b) of the Division of Revenue Act.

24. The requirements and responsibilities for the Health Infrastructure Grant were not adhered to, in contravention of section 9(1)(c) of the Division of Revenue Act.

25. Transfer payments for the Comprehensive HIV and Aids Grant were not made in accordance with the payment schedule approved by the National Treasury, as required by sections 10(1)(c) of the Division of Revenue Act.

26. The arrangements and requirements for the Hospital Revitalisation Grant, Forensic Pathology Grant and the Comprehensive HIV and Aids Grant, as defined in the framework for the allocation, were not adequately adhered to, in contravention of section 10(1)(e) of the Division of Revenue Act.

27. Business plans for the utilisation of the Forensic Pathology Grant and the Comprehensive HIV and Aids Grant allocations made to all provinces were not approved prior to the start of the financial year, as required by section 10(1)(a)(iii) of the Division of Revenue Act.

Internal Control

28. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

Leadership

29. The accounting officer has developed and approved policies for reporting performance information. Standard operating procedures have been drafted but have not yet been approved and formally implemented.

Financial and Performance Management

30. Management did not adequately implement internal controls designed to monitor compliance with laws and regulations relating to human resource management, transfer payments and conditional grants.

INVESTIGATIONS/OTHER REPORTS

Donor Funding

31. An audit was performed on the donor funds received by the Department in respect of the Global Funds Grant: Strengthening National and Provincial Capacity for Prevention, Treatment, Care and Support Related to HIV and Tuberculosis for the year ended 31 March 2011. The audit is in the process of being finalised.

32. An audit was performed on the donor funds received by the Department in respect of the Global Funds Grant: Expanding Services and Strengthening Systems for the Implementation of the Comprehensive Plan for HIV and Aids in South Africa for the year ended 31 March 2011. The audit is in the process of being finalised.

Investigations

33. The Department and National Treasury are currently investigating the awarding of tenders for HIV testing kits which did not comply with the standards set by the World Health Organisation. The investigation commenced in July 2012.

34. The National Treasury is the process of investigating fraudulent payments that were made on the Basic Accounting System during the 2009-10 financial year.

Auditor - General

Pretoria
30 July 2012

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

NATIONAL DEPARTMENT OF HEALTH
VOTE 16

APPROPRIATION STATEMENT
for year ended 31 March 2012

Appropriation per programme									
	2011/12							2010/11	
APPROPRIATION STATEMENT	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expenditure R'000
1. ADMINISTRATION									
Current payment	349 476	(2 083)	(18 700)	328 693	315 500	13 193	96,0%	263 790	254 536
Transfers and subsidies	2 624	2 083	-	4 707	4 609	98	97,9%	557	551
Payment for capital assets	9 541	-	-	9 541	6 566	2 975	68,8%	17 878	5 179
Payment for financial assets	-	-	-	-	308	(308)		-	7
	361 641	**-**	**(18 700)**	**342 941**	**326 983**	**15 958**		**282 134**	**260 273**
2. HEALTH PLANNING AND SYSTEMS ENABLEMENT									
Current payment	160 291	(32)	5 872	166 131	152 592	13 539	91,9%	123 310	92 969
Transfers and subsidies	440	32	8 815	9 287	8 686	601	93,5%	4 009	15
Payment for capital assets	1 895	-	-	1 895	673	1 222	35,5%	5 992	4 152
Payment for financial assets	-	-	-	-	3	(3)		-	79
	162 626	**-**	**14 687**	**177 313**	**161 954**	**15 359**		**133 311**	**97 215**
3. HIV AND AIDS, TB AND MATERNAL, CHILD AND WOMENS HEALTH									
Current payment	355 819	(3)	(15 509)	340 307	257 031	83 276	75,5%	375 209	284 113
Transfers and subsidies	7 672 773	3	409	7 673 185	7 667 790	5 395	99,9%	6 244 218	6 197 780
Payment for capital assets	1 250	-	-	1 250	791	459	63,3%	4 012	916
Payment for financial assets	-	-	-	-	1 519	(1 519)		-	187
	8 029 842	**-**	**(15 100)**	**8 014 742**	**7 927 131**	**87 611**		**6 623 439**	**6 482 996**
4. PRIMARY HEALTH CARE SERVICES									
Current payment	124 947	-	23 613	148 560	129 818	18 742	87,4%	139 579	100 282
Transfers and subsidies	593 022	-	500	593 522	592 383	1 139	99,8%	564 102	563 317
Payment for capital assets	19 621	-	-	19 621	19 268	353	98,2%	12 800	5 027
Payment for financial assets	-	-	-	-	14	(14)		-	74
	737 590	**-**	**24 113**	**761 703**	**741 483**	**20 220**		**716 481**	**668 700**

APPROPRIATION STATEMENT

for year ended 31 March 2012

Appropriation per programme									
	2011/12							2010/11	
APPROPRIATION STATEMENT	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
5. HOSPITAL, TERTIARY SERVICES AND WORKFORCE DEVELOPMENT									
Current payment	190 929	(23)	(2 200)	188 706	98 610	90 096	52,3%	73 422	56 792
Transfers and subsidies	15 959 440	23	-	15 959 463	15 958 663	800	100,0%	13 284 054	12 831 490
Payment for capital assets	1 302	-	-	1 302	147	1 155	11,3%	1 228	392
Payment for financial assets	-	-	-	-	-	-		-	76
	16 151 671	**-**	**(2 200)**	**16 149 471**	**16 057 420**	**92 051**		**13 358 704**	**12 888 750**
6. HEALTH REGULATION AND COMPLIANCE MANAGEMENT									
Current payment	156 255	(270)	(2 800)	153 185	129 884	23 301	84,8%	134 867	109 317
Transfers and subsidies	366 440	270	-	366 710	366 710	-	100, 0%	409 477	409 069
Payment for capital assets	1 906	-	-	1 906	1 275	631	66,9%	3 099	2 116
Payment for financial assets	-	-	-	-	2	(2)		-	143
	524 601	**-**	**(2 800)**	**521 801**	**497 871**	**23 930**		**547 443**	**520 645**
TOTAL	**25 967 971**	**-**	**-**	**25 967 971**	**25 712 842**	**255 129**	**99,0%**	**21 661 512**	**20 918 579**

	2011/12		2010/11	
	FinalAppropriation	Actual Expenditure	FinalAppropriation	Actual Expenditure
TOTAL (brought forward)	25 967 971	25 712 842	21 661 512	2 0918 579
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	55 300		27 248	
Aid assistance	529 638		234 002	
Actual amounts per statement of financial performance (total revenue)	**26 552 909**		21 922 762	
ADD				
Aid assistance		111 861		163 217
Actual amounts per statement of financial performance (total expenditure)		**25 824 703**		**21 081 796**

VOTE 16

APPROPRIATION STATEMENT

for year ended 31 March 2012

Appropriation per economic classification									
	2011/12							2010/11	
APPROPRIATION STATEMENT	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	427 302	(2 134)	-	425 168	409 702	15 466	96,4%	384 404	353 654
Goods and services	910 415	(277)	(9 724)	900 414	673 733	226 681	74,8%	725 773	544 355
Transfers and subsidies									
Provinces and municipalities	24 034 782	-	-	24 034 782	24 034 782	-	100,0%	19 892 773	19 440 209
Departmental agencies and accounts	361 207	-	5 815	367 022	367 022	-	100,0%	413 416	409 008
Universities and technikons	14 124	-	409	14 533	12 762	1 771	87,8%	4 000	2 000
Public corporations and private enterprises	-								
Non-profit institutions	182 426	-	3 000	185 426	179 264	6 162	96,7%	195 822	150 385
Households	2 200	2 411	500	5 111	5 011	100	98,0%	406	620
Gifts and donations	-	-	-	-	-	-	-	-	-
Payments for capital assets									
Machinery & equipment	35 515	(134)	-	35 381	28 587	6 794	110,4%	27 131	12 501
Software and other intangible assets	-	134	-	134	133	1	99,3%	-	206
Payments for financial assets	-	-	-	-	1 846	(1 846)		-	566
Total	**25 967 971**	**-**	**-**	**25 967 971**	**25 712 842**	**255 129**	**99,0%**	**21 661 512**	**20 918 579**

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 1 - Administration

	2011/12							2010/11	
Detail per sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expenditure R'000
1.1 MINISTRY									
Current payment	31 404	-	(5 000)	26 404	27 099	(695)	102,6%	28 412	24 031
Transfers and subsidies	-	-	-	-	-	-	-	150	150
Payment for capital assets	334	-	-	334	179	155	53,6%	1 668	1 739
Payment for financial assets	-	-	-	-	2	(2)	-	-	-
1.2 MANAGEMENT									
Current payment	35 730	(1 800)	(2 800)	31 130	26 029	5 101	83,6%	27 413	26 818
Transfers and subsidies	2 200	1 800	-	4 000	3 903	97	97,6%	-	-
Payment for capital assets	516	-	-	516	208	308	40,3%	402	199
Payment for financial assets	-	-	-	-	-	-	-	-	1
1.3 CORPORATE SERVICES									
Current payment	154 890	(3 677)	(10 400)	140 813	138 319	2 494	98,2%	121 922	122 610
Transfers and subsidies	424	280	-	704	704	-	100,0%	407	401
Payment for capital assets	8 277	-	-	8 277	6 006	2 271	72,6%	13 450	3 167
Payment for financial assets	-	-	-	-	286	(286)	-	-	6
1.4 OFFICE ACCOMMODATION									
Current payment	85 265	3 397	-	88 662	92 082	(3 420)	103,9%	55 245	55 245
1.5 FINANCIAL MANAGEMENT									
Current payment	42 187	(3)	(500)	41 684	31 971	9 713	76,7%	30 798	25 382
Transfers and subsidies	-	3	-	3	2	1	66,7%	-	-
Payment for capital assets	414	-	-	414	173	241	41,8%	2 267	74
Payment for financial assets	-	-	-	-	20	(20)	-	-	-
Total	**361 641**	**-**	**(18 700)**	**342 941**	**326 983**	**15 958**	**95,3%**	**282 134**	**260 273**

VOTE 16

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 1 - Administration

	2011/12							2010/11	
Programme 1 per Economic Classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expen-diture R'000
Current payments									
Compensation of employees	122 507	(2 083)	-	120 424	119 670	754	99,4%	114 409	105 882
Goods and services	226 969	-	(18 700)	208 269	195 830	12 439	94,0%	149 381	148 655
Transfers and subsidies to:									
Departmental agencies and accounts	424	-	-	424	424	-	100,0%	370	370
Households	2 200	2 083	-	4 283	4 185	98	97,7%	187	181
Payment for capital assets									
Machinery and equipment	9 541	(61)	-	9 480	6 505	2 975	-	17 787	5 075
Software and other intangible assets	-	61	-	61	61	-	-	-	103
Payment for financial assets	-	-	-	-	308	(308)	-	-	7
Total	**361 641**	**-**	**(18 700)**	**342 941**	**326 983**	**15 958**	**95,3%**	**282 134**	**260 273**

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 2– Health Planning and Systems Enablement

	2011/12							2010/11	
Detail per Sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	ActualExpenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expenditure R'000
2.1 TECHNICAL POLICY AND PLANNING									
Current payment	7 825	-	(1 800)	6 025	2 552	3 473	42,4%	-	-
2.2 HEALTH INFORMATION MANAGEMENT, MONITORING AND EVALUATION									
Current payment	36 226	-	8 185	44 411	43 974	437	99,0%	23 961	21 193
Transfers and subsidies	440	-	8 815	9 255	8 655	600	93,5%	16	15
Payment for capital assets	518	-	-	518	146	372	28,2%	1 511	423
2.3 SECTOR PROCUREMENT AND POLICY									
Current payment	19 170	(32)	(4 000)	15 138	15 426	(288)	101,9%	15 508	12 861
Transfers and subsidies	-	32	-	32	31	1	96,9%	-	-
Payment for capital assets	496	-	-	496	110	386	22,2%	318	118
Payment for financial assets	-	-	-	-	3	(3)	-	-	79
2.4 FINANCIAL PLANNING AND HEALTH ECONOMICS									
Current payment	21 583	-	21 500	43 083	36 938	6 145	85,7%	30 973	20 843
Payment for capital assets	317	-	-	317	174	143	54,9%	3 612	3 595
2.5 NATIONAL HEALTH INSURANCE									
Current payment	20 912	-	(15 000)	5 912	2 638	3 274	44,6%	2 718	2 155
Transfers and subsidies	-	-	-	-	-	-	-	3 993	-
Payment for capital assets	43	-	-	43	55	(12)	127,9%	40	-
2.6 INTERNATIONAL RELATIONS									
Current payment	54 575	-	(3 013)	51 562	51 064	498	99,0%	50 150	35 917
Payment for capital assets	521	-	-	521	188	333	36,1%	511	16
Total	**162 626**	**-**	**14 687**	**177 313**	**161 954**	**15 359**	**91,3%**	**133 311**	**97 215**

VOTE 16

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 2– Health Planning and Systems Enablement

	2011/12							2010/11	
Programme 2 per Economic Classification	**Adjusted Appropriation R'000**	**Shifting of Funds R'000**	**Virement R'000**	**Final Appropriation R'000**	**Actual Expenditure R'000**	**Variance R'000**	**Expenditure as % of Final Appropriation**	**Final Appropriation R'000**	**Actual Expenditure R'000**
Current payments									
Compensation of employees	61 495	-	-	61 495	55 415	6 080	90,1%	57 073	50 795
Goods and services	98 796	(32)	5 872	104 636	97 177	7 459	92,9%	66 237	42 177
Transfers and subsidies to:									
Departmental agencies and accounts	440	-	5 815	6 255	6 255	-	100,0%	3 993	-
Non-profit institutions	-	-	3 000	3 000	2 400	600	80,0%	-	-
Households	-	32	-	32	31	1	96,9%	16	14
Payment for capital assets									
Machinery and equipment	1 895	(58)	-	1 837	616	1 221	33,5%	5 992	4 111
Software and other intangible assets	-	58	-	58	57	1	98,3%	-	41
Payment for financial assets		-	-	-	3	(3)	-	-	77
Total	**162 626**	**-**	**14 687**	**177 313**	**161 954**	**15 359**	**91,3%**	**133 311**	**97 215**

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 3 – HIV AND AIDS, TB AND Maternal, Child and Women's Health

	2011/12							2010/11	
Detail per Sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expenditure R'000
3.1 HIV AND AIDS AND TB									
Current payment	305 364	(3)	(10 009)	295 352	212 291	83 061	71,9%	318 915	232 965
Transfers and subsidies	7 671 961	3	409	7 672 373	7 667 384	4 989	99,9%	6 243 048	6 197 759
Payment for capital assets	780	-	-	780	524	256	67,2%	3 569	849
Payment for financial assets	-	-	-	-	1 519	(1 519)	-	-	187
3.2 MATERNAL, CHILD AND WOMENS HEALTH									
Current payment	50 455	-	(5 500)	44 955	44 740	215	99,5%	56,294	51,148
Transfers and subsidies	812	-	-	812	406	406	50,0%	1 170	21
Payment for capital assets	470	-	-	470	267	203	56,8%	443	67
Total	**8 029 842**	**-**	**(15 100)**	**8 014 742**	**7 927 131**	**87 611**	**98,9%**	**6 623 439**	**6 482 996**

VOTE 16

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 3 – HIV AND AIDS, TB AND Maternal, Child and Women's Health

	2011/12							2010/11	
Programme 3 per Economic Classification	**Adjusted Appropriation R'000**	**Shifting of Funds R'000**	**Virement R'000**	**Final Appropriation R'000**	**Actual Expenditure R'000**	**Variance R'000**	**Expenditure as % of Final Appropriation**	**Final Appropriation R'000**	**Actual Expenditure R'000**
Current payments									
Compensation of employees	57 693	(3)	-	57 690	52 135	5 555	90,4%	49 623	48 821
Goods and services	298 126	-	(15 509)	282 617	204 896	77 721	72,5%	325 586	235 290
Transfers and subsidies to:									
Provinces and municipalities	7 492 962	-	-	7 492 962	7 492 962	-	100,0%	6 051 757	6 051 757
Universities and technikons	6 124	-	409	6 533	5 562	971	85,1%	4 000	2 000
Non-profit institutions	173 687	-	-	173 687	169 264	4 423	97,5%	188 408	143 756
Households	-	3	-	3	2	1	66,7%	53	267
Payment for capital assets									
Machinery and equipment	1 250	(15)	-	1 235	776	459	62,8%	4 012	917
Software and other intangible assets	-	15	-	15	15	-	100,0%	-	-
Payment for financial assets	-	-	-	-	1 519	(1 519)	-	-	188
Total	**8 029 842**	**-**	**(15 100)**	**8 014 742**	**7 927 131**	**87 611**	**98,9%**	**6 623 439**	**6 482 996**

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 4 – Primary Health Care Services

	2011/12							2010/11	
Detail per Sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expenditure R'000
4.1 DISTRICT HEALTH SERVICES									
Current payment	23 161	-	28 113	51 274	44 950	6 324	87,7%	46 012	28 810
Transfers and subsidies	101	-	-	101	-	101	-	126	30
Payment for capital assets	296	-	-	296	46	250	15,5%	280	28
Payment for financial assets	-	-	-	-	14	(14)	-	-	-
4.2 COMMUNICABLE DISEASES									
Current payment	14 069	-	-	14 069	9 279	4 790	66,0%	16 571	13 780
Payment for capital assets	437	-	-	437	427	10	97,7%	401	205
4.3 NON-COMMUNICABLE DISEASES									
Current payment	72 542	-	(4 500)	68 042	63 636	4 406	93,5%	58 057	47 831
Transfers and subsidies	591 822	-	500	592 322	592 090	232	100,0%	562 939	562 937
Payment for capital assets	18 666	-	-	18 666	18 753	(87)	100,5%	11 910	4 773
Payment for financial assets	-	-	-	-	-	-	-	-	74
4.4 HEALTH PROMOTION AND NUTRITION									
Current payment	15 175	-	-	15 175	11 953	3 222	78,8%	18 939	9 861
Transfers and subsidies	1 099	-	-	1 099	293	806	26,7%	1 037	350
Payment for capital assets	222	-	-	222	42	180	18,9%	209	21
Total	**737 590**	**-**	**24 113**	**761 703**	**741 483**	**20 220**	**97,3%**	**716 481**	**668 700**

VOTE 16

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 4 – Primary Health Care Services

	2011/12							2010/11	
Programme 4 per Economic Classification	**Adjusted Appropriation R'000**	**Shifting of Funds R'000**	**Virement R'000**	**Final Appropriation R'000**	**Actual Expenditure R'000**	**Variance R'000**	**Expenditureas % of Final Appropriation**	**Final Appropriation R'000**	**Actual Expenditure R'000**
Current payments									
Compensation of employees	65 993	-	-	65 993	64 128	1 865	97,2%	55 471	51 170
Goods and services	58 954	-	23 613	82 567	65 690	16 877	79,6%	84 108	49 110
Transfers and subsidies to:									
Provinces and municipalities	590 380	-	-	590 380	590 380	-	100,0%	556 962	556 962
Departmental agencies & accounts	-	-	-	-	-	-	-	4 600	4 600
Non-profit institutions	2 642	-	-	2 642	1 503	1 139	56,9%	2 492	1 707
Households	-	-	500	500	500	-	100,0%	48	49
Payment for capital assets									
Machinery and equipment	19 621	-	-	19 621	19 268	353	98,2%	12 800	5 028
Payment for financial assets	-	-	-	-	14	(14)	-	-	74
Total	**737 590**	**-**	**24 113**	**761 703**	**741 483**	**20 220**	**97,3%**	**716 481**	**668 700**

VOTE 16

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 5 – Hospital, Tertiary Services and Workforce Development

	2011/12							2010/11	
Detail per Sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expenditure R'000
5.1 HEALTH FACILITIES INFRASTRUCTURE MANAGEMENT									
Current payment	138 500	(8)	-	138 492	64 879	73 613	46,8%	31 043	29 931
Transfers and subsidies	5 925 252	8	-	5 925 260	5 925 260	-	100,0%	11 418 667	10 966 103
Payment for capital assets	450	-	-	450	54	396	12,0%	424	138
Payment for financial assets	-	-	-	-	-	-	-	-	38
5.2 NATIONAL TERTIARY SERVICE MANAGEMENT									
Current payment	3 293	-	-	3 293	2 872	421	87,2%	2 550	2 685
Transfers and subsidies	8 048 878	-	-	8 048 878	8 048 878	-	100,0%	-	-
Payment for capital assets	-	-	-	-	30	(30)	-	-	56
5.3 HOSPITAL MANAGEMENT									
Current payment	11 964	-	-	11 964	13 121	(1 157)	109,7%	8 192	6 436
Payment for capital assets	293	-	-	293	11	282	3,8%	277	80
Payment for financial assets	-	-	-	-	-	-	-	-	1
5.4 HUMAN RESOURCE POLICY RESEARCH AND PLANNING									
Current payment	9 424	-	(1 200)	8 224	6 026	2 198	73,3%	8 787	6 982
Transfers and subsidies	8 000	-	-	8 000	7 200	800	90,0%	-	-
Payment for capital assets	72	-	-	72	-	72	-	69	23
5.5 SECTOR LABOUR RELATIONS AND PLANNING									
Current payment	3 949	-	-	3 949	1 325	2 624	33,6%	3 682	2 715
Payment for capital assets	372	-	-	372	-	372	-	351	38
5.6 HEALTH HUMAN RESEARCH AND WORKFORCE MANAGEMENT AND DEVELOPMENT									
Current payment	23 799	(15)	(1 000)	22 784	10 387	12 397	45,6%	19 168	8 043
Transfers and subsidies	1 977 310	15	-	1 977 325	1 977 325	-	100,0%	1 865 387	1 865 387
Payment for capital assets	115	-	-	115	52	63	45,2%	107	57
Payment for financial assets	-	-	-	-	-	-	-	-	37
Total	**16 151 671**	**-**	**(2 200)**	**16 149 471**	**16 057 420**	**92 051**	**99,4%**	**13 358 704**	**12 888 750**

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APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 5 – Hospital, Tertiary Services and Workforce Development

	2011/12							2010/11	
Programme 5 per Economic Classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	36 449	(23)	-	36 426	29 356	7 070	80,6%	32 737	27 724
Goods and services	154 480	-	(2 200)	152 280	69 254	83 026	45,5%	40 685	29 068
Transfers and subsidies to:									
Provinces and municipalities	15 951 440	-	-	15 951 440	15 951 440	-	100,0%	13 284 054	12 831 490
Universities and technikons	8 000	-	-	8 000	7 200	800	90,0%	-	-
Households	-	23	-	23	23	-	100,0%	-	-
Payment for capital assets									
Machinery and equipment	1 302	-	-	1 302	147	1 155	11,3%	1 228	330
Software and other intangible assets	-	-	-	-	-	-	-	-	62
Payment for financial assets	-	-	-	-	-	-	-	-	76
Total	**16 151 671**	**-**	**(2 200)**	**16 149 471**	**16 057 420**	**92 051**	**99,4%**	**13 358 704**	**12 888 750**

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 6 – Health Regulation and Compliance Management

	2011/12							2010/11	
Detail per Sub-programme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expenditure R'000
6.1 FOOD CONTROL AND REGULATION									
Current payment	6 794	-	(800)	5 994	5 825	169	97,2%	6 132	5 681
Transfers and subsidies	-	-	-	-	2	(2)	-	-	8
Payment for capital assets	45	-	-	45	20	25	44,4%	42	62
6.2 PUBLIC ENTITIES MANAGEMENT									
Current payment	1 250	-	-	1 250	1 259	(9)	100,7%	-	-
Transfers and subsidies	363 663	-	-	363 663	363 663	-	100,0%	406 755	406 340
6.3 OFFICE OF STANDARD COMPLIANCE									
Current payment	40 537	-	-	40 537	25 494	15 043	62,9%	28 938	18 379
Transfers and subsidies	-	-	-	-	-	-	-	10	10
Payment for capital assets	686	-	-	686	665	21	96,9%	789	334
6.4 COMPENSATION COMMISSIONER FOR OCCUPATIONAL DISEASES									
Current payment	14 673	(56)	-	14 617	13 259	1 358	90,7%	8 816	9 245
Transfers and subsidies	2 777	56	-	2 833	2 832	1	100,0%	2 620	2 620
Payment for capital assets	646	-	-	646	133	513	20,6%	609	22
6.5 OCCUPATIONAL HEALTH									
Current payment	20 547	(25)	(2 000)	18 522	17 491	1 031	94,4%	18 370	17 225
Transfers and subsidies	-	25	-	25	25	-	100,0%	-	-
Payment for capital assets	222	-	-	222	144	78	64,9%	1 436	1 454
6.6 PHARMACEUTICAL TRADE & PRODUCT REGULATION									
Current payment	72 454	(189)	-	72 265	66 556	5 709	91,9%	72 611	58 787
Transfers and subsidies	-	189	-	189	188	1	99,5%	92	91
Payment for capital assets	307	-		307	313	(6)	63,1%	223	244
Payment for financial assets	-	-	-	-	2	(2)		-	143
Total	**524 601**	**-**	**(2 800)**	**521 801**	**497 871**	**23 930**	**95,4%**	**547 443**	**520 645**

VOTE 16

APPROPRIATION STATEMENT

for year ended 31 March 2012

Detail per Programme 6 – Health Regulation and Compliance Management

	2011/12							2010/11	
Programme 6 per Economic Classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of Final Appropriation	Final Appropriation R'000	Actual Expenditure R'000
Current payments									
Compensation of employees	83 165	(25)	-	83 140	88 998	(5 858)	107,0%	75 091	69 262
Goods and services	73 090	(245)	(2 800)	70 045	40 886	29 159	58,4%	59 776	40 055
Transfers and subsidies to:									
Departmental agencies and accounts	360 343	-	-	360 343	360 343	-	100,0%	404 453	404 038
Non-profit institutions	6 097	-	-	6 097	6 097	-	100,0%	4 922	4 922
Households	-	270	-	270	270	-	100,0%	102	109
Payment for capital assets									
Machinery and equipment	1 906	-	-	1 906	1 275	631	66,9%	3 099	2 115
Payment for financial assets	-	-	-	-	2	(2)	-	-	144
Total	**524 601**	**-**	**(2 800)**	**521 801**	**497 871**	**23 930**	**95,4%**	**547 443**	**520 645**

VOTE 16

NOTES OF THE APPROPRIATION STATEMENT

for year ended 31 March 2012

1. Detail of Transfers and Subsidies as per Appropriation Act (after virement):

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

2. Detail of Specifically and Exclusively Appropriated Amounts Voted (after Virement):

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

3. Detail on Payments for Financial Assets

Detail of these transactions per programme can be viewed in the note to payments for financial assets to the Annual Financial Statements.

4. Explanations of Material Variances from Amounts Voted (after Virement):

4.1 Per Programme	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as % of Final Appropriation
Administration	**342 941**	**326 983**	**15 958**	**95%**
The under-spending on capital can be ascribed to the fact that the supplier was unable to deliver the ordered IT equipment before year end. On goods and services the allocated funds for health statisticss publications, the provincial support unit and hospital tariffs system review could not be fully used.				
Health Planning and System Enablement	**177 313**	**161 954**	**15 359**	**91%**
The under-expenditure is attributed to slow spending on the NHI funding received, as the legislative processes delayed the consultation processes. The Technical Policy and Planning Unit was inactive and the panel of technical experts was only finalised close to year end.				
HIV and AIDS, TB, MCWH	**8 014 742**	**7 927 131**	**87 611**	**99%**
Slight under-spending was due to the late finalisation of the national condom contract awarded by National Treasury and failure to appoint a communication consultant for HIV and AIDS.				
Primary Health Care Services	**761 703**	**741 483**	**20 220**	**97%**
Under-spending was due to the late delivery of influenza vaccines.				
Hospitals, Tertiary Services and Workforce Development	**16 149 471**	**16 057 420**	**92 051**	**99%**
Slight under-spending was due to the slow start of the nursing colleges project and the fact that the supplier for the Infrastructure Unit Support System did not invoice the Department before financial year end.				
Health Regulation and Compliance Management	**521 801**	**497 871**	**23 930**	**95%**
Under-spending was due to the fact that the establishment of the Office of Standards of Compliance was not finalised before year end.				

VOTE 16

NOTES OF THE APPROPRIATION STATEMENT

for year ended 31 March 2012

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	425 168	409 702	15 466	96,36%
Goods and services	900 414	673 734	226 680	74,82%
Transfers and subsidies:				
Provinces and municipalities	24 034 782	24 034 782	-	100%
Departmental agencies and accounts	367 022	367 022	-	100%
Universities and technikons	14 532	12 762	1 770	87,82%
Non-profit institutions	185 426	179 264	6 162	96,68%
Households	5 111	5 011	100	98,04%
Payments for capital assets:				
Machinery and equipment	35 381	28 588	6 793	80,80%
Software and other intangible assets	134	133	1	99,25%
Payment for financial assets	-	1 846	(1 846)	-

Under-spending on compensation of employees due to a number of vacant senior management positions. Under-spending on goods and services due to the late procurement of services by fairly new units and the delay in awarding a new government condom tender. Amount for Infrastructure Unit Support and PPP investigations only made available during AENE process, therefore project could not be completed in 2011/12. The under-spending on payments to universities and technikons is due to an over-budgeted amount for the Witwatersrand University, as fewer students were enrolled than anticipated and the hotline administered by the University of Cape Town was not paid in time. Underspending on NGO payments is due to a number of outstanding NGO business plans. Under-spending on capital assets is due to the testing of specialised IT equipment only being completed in March 2012.

VOTE 16

NOTES OF THE FINANCIAL PERFORMANCE
for year ended 31 March 2012

PERFORMANCE	Note	2011/12 R'000	2010/11 R'000
REVENUE			
Annual appropriation	1	25 967 971	21 661 512
Departmental revenue	2	55 300	27 248
Aid assistance	3	529 638	234 002
TOTAL REVENUE		**26 552 909**	**21 922 762**
EXPENDITURE			
Current expenditure			
Compensation of employees	4	409 702	353 654
Goods and services	5	673 733	544 355
Aid assistance	3	111 348	163 079
Total current expenditure		**1 194 783**	**1 061 088**
Transfers and subsidies			
Transfers and subsidies	7	24 598 841	20 002 222
Total transfers and subsidies		**24 598 841**	**20 002 222**
Expenditure for capital assets			
Tangible capital assets	8	29 101	17 714
Software and other intangible assets	8	133	206
Total expenditure for capital assets		**29 234**	**17 920**
Payment for financial assets	6	1 845	566
TOTAL EXPENDITURE		**25 824 703**	**21 081 796**
SURPLUS/(DEFICIT) FOR THE YEAR		**728 206**	**840 966**
Reconciliation of net surplus/(deficit) for the year			
Voted funds		255 129	742 933
Annual appropriation		255 129	290 369
Conditional grants		-	452 564
Departmental revenue	13	55 300	27 248
Aid assistance	3	417 777	70 785
SURPLUS/(DEFICIT) FOR THE YEAR		**728 206**	**840 966**

VOTE 16

NOTES OF THE FINANCIAL POSITION
for year ended 31 March 2012

POSITION	Note	2011/12 R'000	2010/11 R'000
ASSETS			
Current assets		**807 026**	**159 501**
Cash and cash equivalents	*9*	754 609	130 711
Prepayments and advances	*10*	15 283	11 481
Receivables	*11*	37 134	17 309
TOTAL ASSETS		**807 026**	**159 501**
LIABILITIES			
Current liabilities		**805 789**	**158 304**
Voted funds to be surrendered to the Revenue Fund	*12*	255 129	67 933
Departmental revenue to be surrendered to the Revenue Fund	*13*	5 967	156
Payables	*14*	123 819	17 767
Aid assistance repayable	*3*	418 514	69 351
Aid assistance unused	*3*	2 360	3 097
TOTAL LIABILITIES		**805 789**	**158 304**
NET ASSETS		**1 237**	**1 197**
Represented by:			
Recoverable revenue		1 237	1 197
TOTAL		**1 237**	**1 197**

VOTE 16

NOTES OF CHANGES IN NET ASSETS
for year ended 31 March 2012

NET ASSETS	2011/12 R'000	2010/11 R'000
Recoverable revenue		
Opening balance	1 197	922
Transfers:	**40**	**275**
Debts recovered (included in departmental receipts)	(726)	(757)
Debts raised	766	1 032
Closing balance	**1 237**	**1 197**
TOTAL	**1 237**	**1 197**

VOTE 16

CASH FLOW STATEMENTS

for year ended 31 March 2012

CASH FLOW	Note	2011/12 R'000	2010/11 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**26 552 842**	**21 247 762**
Annual appropriated funds received	1.1	25 967 971	20 986 512
Departmental revenue received	2	55 233	27 248
Aid assistance received	3	529 638	234 002
Net (increase)/decrease in working capital		82 425	(7 865)
Surrendered to Revenue Fund		(117 422)	(218 728)
Surrendered to RDP fund/donor		(69 351)	(70 335)
Current payments		(1 194 783)	(1 061 088)
Payment for financial assets		(1 845)	(566)
Transfers and subsidies paid		(24 598 841)	(20 002 222)
Net cash flow available from operating activities	15	**653 025**	**(113 042)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(29 234)	(17 920)
Proceeds from sale of capital assets	2.3	67	-
Net cash flows from investing activities		**(29 167)**	**(17 920)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		40	275
Net cash flows from financing activities		**40**	**275**
Net increase/(decrease) in cash and cash equivalents		623 898	(130 687)
Cash and cash equivalents at beginning of period		130 711	261 398
Cash and cash equivalents at end of period	16	**754 609**	**130 711**

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ACCOUNTING POLICIES
for year ended 31 March 2012

The financial statements have been prepared in accordance with the policies mentioned below, 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 No. 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 No. Act 1 of 2010.

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 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 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.

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.

Any amount due from the National Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

2.2 Departmental Revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National 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 amounts 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

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and is

subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.
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 Direct Exchequer Payments

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).

2.5 Aid Assistance

Aids 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 unused amounts are recognised as payables in the statement of financial position.

3. Expenditure

3.1 Compensation of Employees

3.1.1 Salaries and Wages

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements at face value and are not 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/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Social Contributions

Employer contributions to post-employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

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

Employer contributions made by the Department for certain of its former employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

3.2 Goods and Services

Payments made during the year 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.

Rental paid for the use of buildings or other fixed structures is classified as goods and services and not as rent on land.

3.3 Interest and Rent on Land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Payments for Financial Assets

Debts are written off when identified as irrecoverable. Debts written off are limited to the amount of savings and/or under-spending of appropriated funds. The write-off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts, but an estimate is included in the disclosure notes to the financial 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.

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 are derecognised as and when the goods/services are received or the funds are used.

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 (including departmental employees) and are derecognised upon recovery or write-off.

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 Inventory

Inventories that qualify for recognition must initially be reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

4.6 Capital Assets

4.6.1 Movable Assets

Initial Recognition

A capital asset is recorded in the asset register 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 assets" and is capitalised in the asset register of the Department on completion of the project.

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

4.6.2 Immovable Assets

Initial Recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent Recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital assets". On completion, the total cost of the project is included in the asset register of the department that is accountable for the asset.

Repairs and maintenance are 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.

5.3 Contingent Assets

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

5.4 Commitents

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. Operating lease commitments are disclosed in the disclosure notes to the financial statement.

5.8 Impairment and other Provisions

The department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows/service potential flowing from the instrument.

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

6. Receivables for Departmental Revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the Annual Financial Statements.

7. Net Assets

7.1 Capitalisation Reserve

The capitalisation reserve comprises 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 are transferred to the National 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 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.

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

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	Actual Funds Received	Funds not Requested/ not Received	Appropriation Received 2010/11
	R'000	R'000	R'000	R'000
Administration	342 941	342 941	-	282 134
Health Planning and Systems Enablement	177 313	177 313	-	7 171 190
HIV and AIDS, TB and Maternal, Child and Women's Health	8 014 742	8 014 742	-	422 636
Primary Health Care Services	761 703	761 703	-	1 897 551
Hospital, Tertiary Services and Workforce Development	16 149 471	16 149 471	-	11 104 493
Health Regulation and Compliance Management	521 801	521 801	-	108 508
Total	**25 967 971**	**25 967 971**	**-**	**20 986 512**

2. Departmental revenue

	Note	2011/12	2010/11
		R'000	R'000
Sales of goods and services other than capital assets	*2.1*	32 967	25 966
Interest, dividends and rent on land	*2.2*	425	355
Sales of capital assets	*2.3*	67	-
Transactions in financial assets and liabilities	*2.4*	21 841	927
Total revenue collected		55 300	27 248
Departmental revenue collected		**55 300**	**27 248**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

2.1 Sales of Goods and Services other than Capital Assets

	Note	2011/12	2010/11
	2.1	R'000	R'000
Sales of goods and services produced by the department		32 922	25 907
Sales by market establishment		113	89
Administrative fees		32 557	25 649
Other sales		252	169
Sales of scrap, waste and other used current goods		45	59
Total		**32 967**	**25 966**

2.2 Interest, Dividends and Rent on Land

	Note	2011/12	2010/11
	2.2	R'000	R'000
Interest		425	355
Total		**425**	**355**

2.3 Sales of capital assets

	Note	2011/12	2010/11
	2.3	R'000	R'000
Tangible assets		67	-
Machinery and equipment		67	-
Total		**67**	**-**

2.4 Transactions in financial assets and liabilities

	Note	2011/12	2010/11
	2.4	R'000	R'000
Receivables		585	398
Stale cheques written back		8	14
Other receipts including recoverable revenue		21 248	515
Total		**21 841**	**927**

Comparative figure for receivables (2.4 Transactions in financial assets and liabilities) has been reclassified in accordance with the classification of the trial balance.

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

3. Aid Assistance

3.1 Aid Assistance Received in Cash from RD

	2011/12 R'000	2010/11 R'000
Foreign		
Opening Balance	72 448	71 606
Revenue	527 225	232 466
Expenditure	(110 258)	(161 289)
Current	(109 745)	(161 151)
Capital	(513)	(138)
Surrendered to the RDP	(69 351)	(70 335)
Closing Balance	**420 064**	**72 448**

3.2 Aid Assistance Received in Cash from other Sources

	2011/12 R'000	2010/11 R'000
Local		
Opening Balance	-	392
Revenue	2 413	1 536
Expenditure	(1 603)	(1 928)
Current	(1 603)	(1 928)
Closing Balance	**810**	**-**

3.3 Total Assistance

	2011/12 R'000	2010/11 R'000
Opening Balance	72 448	71 998
Revenue	529 638	234 002
Expenditure	(111 861)	(163 217)
Current	(111 348)	(163 079)
Capital	(513)	(138)
Surrendered/Transferred to retained funds	(69 351)	(70 335)
Closing Balance	**420 874**	**72 448**

3.4 Analysis of Balance

Aid assistance unused	2 360	3 097
RDP	1 550	3 097
Other sources	810	-
Aid assistance repayable	418 514	69 351
RDP	418 514	69 351
Closing balance	**420 874**	**72 448**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

4. Compensation of Employees

4.1 Salaries and wages

	2011/12 R'000	2010/11 R'000
Basic salary	275 645	236 719
Performance award	5 668	4 734
Service-based	551	365
Compensative/circumstantial	4 135	3 381
Periodic payments	53	13
Other non-pensionable allowances	74 316	65 126
Total	**360 368**	**310 338**

4.2 Social Contributions

	2011/12 R'000	2010/11 R'000
Employer contributions		
Pension	33 881	29 355
Medical	15 415	13 924
Bargaining Council	38	37
Total	**49 334**	**43 316**
Total compensation of employees	**409 702**	**353 654**
Average number of employees	1 455	1 277

5. Goods and Services

	Note	2011/12 R'000	2010/11 R'000
Administrative fees		198	156
Advertising		35 714	49 181
Assets less than R5 000	5.1	2 679	1 662
Bursaries (employees)		1 474	956
Catering		2 998	3 743
Communication		17 475	17 344
Computer services	5.2	31 595	12 691
Consultants, contractors and agency/outsourced services	5.3	159 231	99 861
Entertainment		122	245
Audit cost – external	5.4	21 757	16 100
Inventory	5.5	175 078	174 418
Owned and leasehold property expenditure	5.6	96 377	51 751
Transport provided as part of the departmental activities		-	-
Travel and subsistence	5.7	82 405	74 029
Venues and facilities		15 047	10 387
Training and staff development		5 745	4 757
Other operating expenditure	5.8	25 838	27 074
Total		**673 733**	**544 355**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

5.1 Assets less than R5 000

	Note 5	2011/12 R'000	2010/11 R'000
Tangible assets		2 679	1 662
Machinery and equipment		2 679	1 662
Intangible assets		-	-
Total		**2 679**	**1 662**

5.2 Computer Services

	Note 5	2011/12 R'000	2010/11 R'000
SITA computer services		24 554	3 162
External computer service providers		7 041	9 529
Total		**31 595**	**12 691**

5.3 Consultants, Contractors and Agency/Outsourced Services

	Note 5	2011/12 R'000	2010/11 R'000
Business and advisory services		108 598	69 188
Legal costs		34 964	650
Contractors		6 637	18 812
Agency and support/outsourced services		9 032	11 211
Total		**159 231**	**99 861**

5.4 Audit Cost – External

	Note 5	2011/12 R'000	2010/11 R'000
Regularity audits		21 757	15 299
Performance audits		-	801
Total		**21 757**	**16 100**

5.5 Inventory

	Note 5	2011/12 R'000	2010/11 R'000
Fuel, oil and gas		134	255
Other consumable materials		6 397	6 069
Stationery and printing		24 312	18 616
Medical supplies		124 208	119 476
Medicine		20 027	30 002
Total		**175 078**	**174 418**

5.6 Property Payments

	Note 5	2011/12 R'000	2010/11 R'000
Municipal services		3 632	6 527
Property management fees		178	326
Property maintenance and repairs		-	6 629
Other		92 567	38 269
Total		**96 377**	**51 751**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

5.7 Travel and Subsistence

	Note 5	2011/12 R'000	2010/11 R'000
Local		65 691	58 068
Foreign		16 714	16 961
Total		**82 405**	**74 029**

5.8 Other Operating Expenditure

	Note 5	2011/12 R'000	2010/11 R'000
Professional bodies, membership and subscription fees		18 955	17 575
Resettlement costs		2 436	1 471
Other		4 447	8 028
Total		**25 838**	**27 074**

6. Payments for Financial Assets

	Note	2011/12 R'000	2010/11 R'000
Other material losses written off	*6.1*	1 500	-
Debts written off	*6.2*	345	566
Total		**1 845**	**566**

6.1 Other Material Losses Written Off

	Note 6	2011/11 R'000	2010/11 R'000
Nature of losses			
Global Fund		1 500	-
Total		**1 500**	**-**

6.2 Debts Written Off

	Note 6	2011/12 R'000	2010/11 R'000
Nature of debts written off			
Irregular expenditure written off			
Salary debt		15	46
Tax debt		20	2
Other		2	327
Debts written off to fruitless and wasteful expenditure		19	191
Debts written off to irregular expenditure		289	-
Total		**345**	**566**
Other debt written off			
Salary debt		-	46
Tax debt		-	2
Dishonoured cheques		-	206
Forensic chemistry analysis		-	73
Annexure 9 medication		-	10
Travel and subsistence		-	2
State guarantee		-	36
Debts written off relating to fruitless and wasteful expenditure		-	191
Total			**566**
Total debt written off		**345**	**566**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

7. Transfers and Subsidies

	Note	2011/12 R'000	2010/11 R'000
Provinces and municipalities	*31*	24 034 782	19 440 209
Departmental agencies and accounts	*Annex 1A*	367 022	409 008
Universities and technikons	*Annex 1B*	12 762	2 000
Non-profit institutions	*Annex 1C*	179 264	150 385
Households	*Annex 1D*	4 509	396
Gifts, donations and sponsorships	*Annex 1E*	502	224
Total		**24 598 841**	**20 002 222**

8. Expenditure for Capital Assets

	Note	2011/12 R'000	2010/11 R'000
Tangible assets		29 101	17 714
Machinery and equipment	*29*	29 101	17 714
Software and other intangible assets		133	206
Computer software	*30*	133	206
Total		**29 234**	**17 920**

8.1 Analysis of Funds Used to Acquire Capital assets – 2011/12

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**28 588**	**513**	**29 101**
Machinery and equipment	28 588	513	29 101
Software and other intangible assets	**133**	**-**	**133**
Computer software	133	-	133
Total	**28 721**	**513**	**29 234**

Analysis of funds used to acquire capital assets – 2010/11

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	**17 576**	**138**	**17 714**
Machinery and equipment	17 576	138	17 714
Software and other intangible assets	**206**	**-**	**206**
Computer software	206	-	206
Total	17 782	138	17 920

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

9. Cash and Cash Equivalents

	Note	2011/12 R'000	2010/11 R'000
Consolidated Paymaster General Account		754 584	130 686
Cash on hand		25	25
Total		**754 609**	**130 711**

10. Prepayments and Advances

	Note	2011/12 R'000	2010/11 R'000
Travel and subsistence		451	659
Advances paid to other entities		14 832	10 822
Total		**15 283**	**11 481**

11. Receivables

		2011/12				2010/11
		R'000	R'000	R'000	R'000	R'000
	Note	Less than one year	One to three years	Older than three years	Total	Total
Claims recoverable	11.1 Annex 3	28 007	992	-	28 999	9 372
Recoverable expenditure	11.2	40	5 613	-	5 653	5 577
Staff debt	11.3	294	153	86	533	809
Other debtors	11.4	541	968	440	1 949	1 551
Total		**28 882**	**7 726**	**526**	**37 134**	**17 309**

11.1 Claims Recoverable

	Note 11	2011/12 R'000	2010/11 R'000
National departments		23 470	1 176
Provincial departments		5 529	8 196
Total		**28 999**	**9 372**

11.2 Recoverable Expenditure (Disallowance Accounts)

	Note 11	2011/12 R'000	2010/11 R'000
Salary debt		40	4
Damages and losses		5 613	5 573
Total		**5 653**	**5 577**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

11.3 Staff Debt

	Note 11	2011/12 R'000	2010/11 R'000
Bursary debt		226	515
Salary overpayments		186	157
Tax debt		-	1
Loss/Damage to state property		52	73
Other		69	63
Total		**533**	**809**

11.4 Other Debtors

	Note 11	2011/12 R'000	2010/11 R'000
Schedule 9 medication		76	58
Laboratory tests		1	1
Other debtors		72	70
Ex-employees		1 800	1 422
Total		**1 949**	**1 551**

12. Voted Funds to be Surrendered to the Revenue Fund

	Note	2011/12 R'000	2010/11 R'000
Opening Balance		67 933	157 249
Transfer from statement of financial performance		255 129	742 933
Voted funds not requested/not received	*1.1*	-	(675 000)
Paid during the year		(67 933)	(157 249)
Closing Balance		**255 129**	**67 933**

13. Departmental revenue and NRF receipts to be Surrendered to the Revenue Fund

	Note	2011/12 R'000	2010/11 R'000
Opening Balance		156	34 387
Transfer from Statement of Financial Performance		55 300	27 248
Paid during the year		(49 489)	(61 479)
Closing Balance		5 967	156

14. Payables – current

	Note	2011/12 Total R'000	2010/11 Total R'000
Advances received	*14.1*	11 744	17 538
Clearing accounts	*14.2*	7	229
Other payables	*14.3*	112 068	-
Total		**123 819**	**17 767**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

14.1 Advances Received

	Note	2011/12	2010/11
	14.1	R'000	R'000
Advances to Havana students: Mpumalanga Province		3 182	1 018
Advances to Havana students: KwaZulu-Natal Province		3 509	2 319
Advances to Havana students: Limpopo Province		-	6 737
Advances to Cuba for Havana students: Eastern Cape Province		2 856	1 558
Advances to Cuba for Havana students: Northern Cape Province		1 843	2 636
Advances to Cuba for Havana students: North West Province		354	3 270
			-
Total		**11 744**	**17 538**

14.2 Clearing Accounts

	Note	2011/12	2010/11
	14.2	R'000	R'000
Income tax		-	224
Pension fund		6	3
Bargaining Council		1	1
Garnishee orders		-	1
Total		**7**	**229**

14.3 Other Payables

	Note	2011/12	2010/11
	14.3	R'000	R'000
National Treasury		106 905	-
ANCRA		1 303	-
Compensation fund for mines		2 777	-
TB care		1 083	-
Total		**112 068**	**-**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

15. Net Cash Flow Available from Operating Activities

	2011/12 R'000	2010/11 R'000
Net surplus/(deficit) as per Statement of Financial Performance	728 206	840 966
Add back non-cash/cash movements not deemed operating activities	(75 181)	(954 008)
(Increase)/decrease in receivables – current	(19 825)	16 010
(Increase)/decrease in prepayments and advances	(3 802)	(7 645)
Increase/(decrease) in payables – current	106 052	(16 230)
Proceeds from sale of capital assets	(67)	-
Expenditure on capital assets	29 234	17 920
Surrenders to Revenue Fund	(117 422)	(218 728)
Surrenders to RDP fund/donor	(69 351)	(70 335)
Voted funds not requested/not received	-	(675 000)
Net cash flow generated by operating activities	**653 025**	**(113 042)**

16. Reconciliation of Cash and Cash Equivalents for Cash Flow Purposes

	2011/12 R'000	2010/11 R'000
Consolidated Paymaster General account	754 584	130 686
Cash on hand	25	25
Total	**754 609**	**130 711**

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

17. Contingent Liabilities

		2011/12 R'000	2010/11 R'000
Liable to Nature			
Motor vehicle guarantees Employees	*Annex 2A*	273	283
Housing loan guarantees Employees	*Annex 2A*	761	635
Claims against the department	*Annex 2B*	-	199
Other departments	*Annex 4*	86	37 524
Total		**1 120**	**38 641**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

18. Commitments

	2011/12 R'000	2010/11 R'000
Current expenditure	**189 366**	**190 558**
Approved and contracted	174 265	187 874
Approved but not yet contracted	15 101	2 684
Capital expenditure (including transfers)	5 726	1 167
Approved and contracted	3 632	1 038
Approved but not yet contracted	2 094	129
Total commitments	**195 092**	**191 725**

Cellular phones: Contracts are for periods of 24 months.
Tenders: Depending on the period agreed upon in the service level agreement of each tender.

19. Accruals

			2011/12 R'000	2010/11 R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	16 591	5 185	21 776	60 354
Capital assets	1 869	1 326	3 195	527
Total	**18 460**	**6 511**	**24 971**	**60 881**

	2011/12 R'000	2010/11 R'000
Listed by programme level		
Administration	6 490	12 128
Health Planning and System Enablement	769	41 420
HIV and AIDS, TB, Maternal Child and Women's Health	4 708	3 337
Primary Health Care Services	2 599	3 142
Hospital and Tertiary Services, Workforce Development	7 611	48
Health Regulation and Compliance	2 794	806
Total	**24 971**	**60 881**

		2011/12 R'000	2010/11 R'000
Confirmed balances with other departments	*Annex 4*	118 649	17 538
Confirmed balances with other government entities	*Annex 4*	5 163	-
Total		**123 812**	**17 538**

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NOTES OF THE ANNUAL FINANCIAL STATEMENTS
for year ended 31 March 2012

20. Employee Benefits

	2011/12	2010/11
	R'000	R'000
Leave entitlement	15 650	12 836
Service bonus (thirteenth cheque)	11 217	9 430
Performance bonus	-	59
Capped leave commitments	15 982	16 043
Total	**42 849**	**38 368**

Included in the leave entitlement is an amount of R793 669,56 for negative leave credits and included in the capped leave commitments are negative leave credits amounting to R111 606,59.

21. Lease Commitments

21.1 Operating Leases Expenditure

2011/12	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	82 068	2 583	84 651
Later than 1 year and not later than 5 years	352 868	2 797	355 665
Later than 5 years	352 484	-	352 484
Total lease commitments	**787 420**	**5 380**	**792 800**

2010/11	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	26 166	926	27 092
Later than 1 year and not later than 5 years	133 341	278	133 619
Later than 5 years	-	-	-
Total lease commitments	**159 507**	**1 204**	**160 711**

22. Receivables for Departmental Revenue

	2011/12	2010/11
	R'000	R'000
Sales of goods and services other than capital assets	3	4
Total	**3**	**4**

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DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2012

23. Irregular Expenditure

23.1 Reconciliation of Irregular Expenditure

	2011/12 R'000	2010/11 R'000
Opening Balance	44 533	13 639
Add: Irregular expenditure – relating to prior year	4 116	1 460
Add: Irregular expenditure – relating to current year	24 614	33 227
Less: Amounts condoned	(39 215)	(3 744)
Less: Amounts not recoverable (not condoned)	-	(49)
Less: Amounts not recoverable (not condoned)	-	-
Irregular expenditure awaiting condonation	**34 048**	**44 533**
Analysis of awaiting condonation per age classification		
Current year	10 973	31 520
Prior years	23 075	13 013
Total	**34 048**	**44 533**

An amount of R1 258 512,98 was added under irregular expenditure – prior year – as well as under the analysis of awaiting condonement – prior year. The reason for this was that this amount was deducted in prior years under amounts not condoned by the State Tender Board for the 2000/01 to 2002/03 financial years. These amounts were reconsidered for condonation by the appointed Irregular Expenditure Advisory Committee. This is an ongoing process.

23.2 Details of Irregular Expenditure – Current Year

Incident	Disciplinary steps taken/ criminal proceedings	2011/12 R'000
Appointment of preferred consultant	Under investigation	1 029
Payment of preferred supplier	Under investigation	970
Appointment of travel agent	Condoned by National Treasury	13 642
Payment not made according to time sheet	Under investigation	78
Transport utilised	Under investigation	128
Off-site storage	Under investigation	32
Catering	Under investigation	3
Procedures not followed with advertising	Under investigation	845
Launch of the HIC Counselling and Testing Campaign	Under investigation	78
Lesbian, gay, bi-sexual, transgendered and inter-sexed meeting	Under investigation	96
Business conducted with an employee within national Department of Health (DoH)	Under investigation	400
Expenditure incurred without following tender procedures	Under investigation	662
Assets purchased without obtaining three quotations	Under investigation	67
Purchasing of condoms	Under investigation	6 584
Total		**24 614**

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23.3 Details of Irregular Expenditure Condoned

Incident	Condoned by (condoning authority)	2011/12 R'000
AIDS Conference	Director-General	274
Anti-tobacco campaign	Director-General	44
Conference bags and stickers	Director-General	40
Conference (4 to 7 July 2001)	Director-General	36
Conference (12 to 13 August 2000)	Director-General	59
Air tickets	Director-General	184
Appointment of consultant	Director-General	68
Drug illiteracy workshop	Director-General	38
Design of article	Director-General	40
Transportation of furniture	Director-General	35
Payment for a national conference	Director-General	76
Transportation of furniture to Geneva	Director-General	136
Development of training	Director-General	31
Transfer of funds to SAIMR	Director-General	147
Gender Focal Point launch	Director-General	34
Training McCord Hospital	Director-General	296
Security expenditure at Forensic Chemistry Laboratory Cape Town	Director-General	38
Accommodation	Director-General	35
Venue hire: SARB	Director-General	3
Appointment of a travel agent in respect of travel, accommodation and venue facilities arrangements	National Treasury	23 358
Appointment of a travel agent in respect of travel, accommodation and venue facilities arrangements	National Treasury	13 642
Payments for computer and consulting	Regularised – Not irregular expenditure	601
Total		**39 215**

23.4 Details of Irregular Expenditure under Investigation

Incident	2011/12 R'000
Lab Services FMC 12/2000 and FMC 465/2001 (Nov '00, March '01, May '01 and Aug-Nov '01)	1 501
Racing against malaria	73
Utilisation of a helicopter during MINMEC	55
Fraud hotline	59
Supply of anti-virus software	211
Oracle SA (Pty) Ltd	405
IT integration	400
Purchase of furniture	113
Replacement of detector assembly	39
SADC Health Minister's meeting: 2 to 3 August 2004	23
Department's celebration of women's month	23
Women's day celebration function	55
Procurement of service	602
Procurement of video material	53
Printing of a report	8

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Incident	2011/12 R'000
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 translation: Downs syndrome booklet	147
Orb Diagnostics: Mission consumables	87
Catering services	3
Cabinet unit	11
Placement of advertisements	48
Removal of office furniture	12
Communication: Venue hire	430
Venue hire	12
Purchase of a scanner	25
Workshop held	9
National Traditional Medicine Day celebrations: 6 September 2007 – Limpopo Province	300
Hiring of temporary workers	485
Use of a helicopter	74
Hiring of a venue	279
Purchasing of file drawer cabinet	11
Use of a helicopter	97
Purchase of blue lights	5
Removal of furniture	63
Malaria Day event in KZN: 14 November 2008	684
Malaria Day event in KZN: 14 November 2008	116
Decor and labour	60
Hiring of temporary workers	94
Appointment of auditor – 2010 Reference Price List	3 397
Appointment of a preferred consultant	691
Appointment of a preferred consultant	921
Appointment of a preferred consultant	1 030
Failure to obtain three written quotations	5
Additional costs: Deviation from normal procurement procedures to appoint a preferred supplier to manage the World AIDS Day event scheduled for 1 December 2010	1 706
Additional costs: Deviation from normal procurement procedures to appoint a preferred supplier to manage the World AIDS Day event scheduled for 1 December 2010	970
Presidential launch of the HIC Counselling and Testing (HCT) campaign, as well as the provincial launch – Gauteng and KZN – 25 and 30 April 2010 - marquee	753
Procurement of non-profit volunteers for the 2010 FIFA World Cup	1 963
SA Clinical Trial Register	855
2010 World TB Day commemoration – Ethkwini KZN - 24 March 2011	1 990
Payments not made according to timesheets – Quality assurance – Professional nurse	155

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Incident	2011/12 R'000
Payments made not according to timesheets – Quality assurance – Professional nurse	311
Payments not made according to timesheets – Quality assurance – Professional nurse	78
Payments for computer training and consulting	613
Additional transport used during the National Nursing Summit: 4 to 7 April 2011: Mobile meetings	128
Off-site storage	32
Workshop to consolidate interventions in 18 priority districts: 14 to 15 July 2009	46
Groupwise and ZenWork support and maintenance, client migration of Groupwise and ZenWorks and End User support	296
Catering during a workshop on National Health Insurance: 29 to 30 August 2011: Caterers	3
Competitive bidding procedures not followed for advertising expenditure incurred – National Nursing Summit	845
Launch of the HCT campaign	78
Lesbian, gay, bi-sexual, transgendered and inter-sexed meeting	96
Business conducted with an employee within national Department of Health	400
Expenditure incurred without following tender procedures	662
Assets purchased without obtaining three quotations	67
Purchasing of condoms	6 584
Purchasing of condoms	2 067
Total	**34 047**

24. Fruitless and Wasteful Expenditure

24.1 Reconciliation of Fruitless and Wasteful Expenditure

	Note	2011/12 R'000	2010/11 R'000
Opening balance		2 684	128
Fruitless and wasteful expenditure – relating to prior year		-	196
Fruitless and wasteful expenditure – relating to current year		4 550	2 556
Less: Amounts condoned		(19)	(191)
Less: Amounts transferred to receivables for recovery		-	(5)
Fruitless and wasteful expenditure awaiting condonation		**7 215**	**2 684**
Analysis of awaiting condonement per economic classification			
Current		**4 550**	**2 684**
		4 550	**2 684**

24.2 Analysis of Current Year's Fruitless and Wasteful Expenditure

Incident	Disciplinary steps taken/criminal proceedings	2011/12 R'000
Telephone and data lines not in use	Under investigation	3 441
Road to Health Chart's printing	Under investigation	1 109
Total		**4 550**

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25. 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, as no other transactions were concluded between the Department and the relevant entities during the

2011/12 financial year. Transactions made on behalf of SANAC are included in the expenditure of the NDoH.

During the year under review, the Department dealt with challenges related to provincial administration in two provinces: Limpopo and Gauteng. The Limpopo provincial DOH was placed under administration in terms of section 100 (1)(b) of the Constitution of the Republic of South Africa (Act no. 108 of 1996) while the Gauteng province has a memorandum of agreement with the NDoH on specified support areas.

The Limpopo administration involved a diagnostic phase from December 2011 to February 2012, to understand the underlying causes that may have led to poor financial management and to stabilise cash flow. Rigorous verification and payment processes, strict cash flow management led by the provincial Treasury Administrator's office, as well as procurement management measures were conducted. As a result, the cash flow position of the Department and the province has improved significantly, as indicated in various reports. However, conditional grant allocations were not fully spent and will have to be rolled over. The administration will then move into the recovery phase, which will ensure the delivery of the turnaround projects' outputs and the realisation of sustainable outcomes.

The intervention in Gauteng was less intense and the national Department's involvement was limited to an agreement reached with the provincial department to participate in the provincially established work streams. The national Department made resources available on the supply chain, finances, human resources and infrastructure. The national Department along with National Treasury participates in and supports the turnaround efforts of the Gauteng provincial DOH through the technical task team established under the leadership of the Office of the Premier.

The Department is occupying office space at Total House, 209 Smith Street, Braamfontein, which is currently leased to the Department of Minerals and Energy. At present the Department is not paying any rentals/using the premises free of charge. However, the Department of Public Works is in the process of splitting the contract between the Departments of Minerals and Energy and the NDoH.

26. Key Management Personnel

	No. of Individuals	2011/12 R'000	2010/11 R'000
Political office bearers (provide detail below)	2	3 468	4 900
Officials:			
Level 15 to 16	12	17 159	15 733
Level 14 (incl. CFO if at a lower level)	35	31 858	21 517
Family members of key management personnel	1	454	390
Total		**52 939**	**42 540**

The Minister's salary was R1 901 698,86 and that of the Deputy Minister was R1 566 088,68 for the financial year 2011/12.

27. Public-private partnership

The Biological and Vaccines Institute of Southern Africa (Pty) Ltd (BIOVAC)

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

In terms of the agreements entered into in 2003, the South African government, through the NDoH, holds 40% shares in The Biovac Institute Pty Ltd (Biovac) while the Biovac Consortium holds 60%. In exchange for the 40% equity the NDoHtransferred the staff and assets of the

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directorate that 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 DoHs.

In 2009 a review of the PPP was initiated by the DoH and the Treasury. The review process was concluded in 2010 and an extension of the supply agreement was granted to and the PPP for a further period to December 2016 in order to allow the PPP to meet its obligations/undertakings.

Both The Biovac Consortium and the DoH 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 more than R35 million into The Biovac Institute. This dilution was approved by Treasury and implemented in 2010.

After the dilution the Department is now a 35% shareholder in the company as of 31 December 2011. A formal valuation of the company as of 31 December 2011 has not been performed.

However, based on the audited annual financial statements of the company as of 31 December 2011, the share of group equity attributable to the DoH as a 35% shareholder in the company therefore amounts to R39 226 041.

Flagship projects

The Department continued with the implementation of five PPP hospital flagship projects. Transactional advisors were appointed for the remaining two projects, King Edward VIII Academic Hospital in KwaZulu-Natal and Nelson Mandela Academic Hospital in the Eastern Cape. Both projects are in the early stages of feasibility studies. The first draft of needs analyses were completed for the new Limpopo Academic Hospital and the Dr George Mukhari Hospital projects. Chris Hani Baragwanath Academic Hospital

underwent a value-for-money assessment linked to the risk matrix analyses. During the year the draft RFQ for the project was presented and this is under review.

The NDoH, through its infrastructure support unit, is actively involved, together with provinces, in the implementation of the five PPP flagship projects. This is a joint project by the NDoH, provincial DoHs, the National Treasury, provincial Treasuries of Health and the Development Bank of South Africa. Progress is monitored by a dedicated Joint Implementing Committee under the chairpersonship of the NDoH.

As all projects are at a pre-tendering stage, it will not be possible to determine any future cash flows accurately at this stage. Effective starting dates will also only be determined after the evaluation and consideration of prospective bids. Cost incurred to date only relates to planning and feasibility. In summary, the projects are:

No.	Project	Province
1	Chris Hani Baragwanath Academic Hospital	Gauteng
2	Dr George Mukhari Academic Hospital	Gauteng
3	Limpopo Academic Hospital	Limpopo
4	King Edward VIII Hospital	KwaZulu- Natal
5	Nelson Mandela Academic Hospital	Eastern Cape

28. Impairment

	2011/12 R'000	2010/11 R'000
Debtors	525	516
Total	**525**	**516**

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29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening Balance	Current Year Adjustments to Prior Year Balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Machinery and equipment	**130 111**	**2 464**	**30 954**	**5 607**	**157 922**
Transport assets	3 644	-	-	370	3 274
Computer equipment	46 509	3 254	9 729	4 271	55 221
Furniture and office equipment	9 239	1 963	1 693	352	12 543
Other machinery and equipment	70 719	(2 753)	19 532	614	86 884
Total movable tangible capital assets	**130 111**	**2 464**	**30 954**	**5 607**	**157 922**

29.1 Additions

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	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	28 587	-	-	2 367	30 954
Transport assets	-	-	-	-	-
Computer equipment	8 727	-	-	1 002	9 729
Furniture and office equipment	1 556	-	-	137	1 693
Other machinery and equipment	18 304	-	-	1 228	19 532
Total additions to movable tangible capital assets	**28 587**	**-**	**-**	**2 367**	**30 954**

29.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Sold for Cash	Transfer out or Destroyed or Scrapped	Total Disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
Machinery and equipment				
Transport assets	67	303	370	67
Computer equipment	-	4 271	4 271	-
Furniture and office equipment	-	352	352	-
Other machinery and equipment	49	565	614	49
Total disposal of movable tangible capital assets	**116**	**5 491**	**5 607**	**116**

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29.3 Movement for 2010/11

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery and equipment	**115 443**	**18 003**	**3 335**	**130 111**
Transport assets	2 280	1 364	-	3 644
Computer equipment	41 470	5 046	7	46 509
Furniture and office equipment	8 156	1 083	-	9 239
Other machinery and equipment	63 537	10 510	3 328	70 719
Total movable tangible assets	**115 443**	**18 003**	**3 335**	**130 111**

29.4 Minor Assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Intangible Assets R'000	Machinery and Equipment R'000	Total R'000
Opening balance	119	34 283	34 402
Current year adjustments to prior year balances	-	(4 139)	(4 139)
Additions	-	11 714	11 714
Disposals	-	1 796	1 796
Total	**119**	**40 062**	**40 181**

	Intangible Assets	Machinery and Equipment	Total
Number of R1 minor assets	-	515	515
Number of minor assets at cost	-	42 094	42 094
Total number of minor assets	**-**	**42 609**	**42 609**

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Intangible Assets R'000	Machinery and Equipment R'000	Total R'000
Opening balance	106	30 063	30 169
Current year adjustments	-	2 600	2 600
Additions	13	1 620	1 633
Total	**119**	**34 283**	**34 402**

	Intangible Assets	Machinery and Equipment	Total
Number of R1 minor assets	-	950	950
Number of minor assets at cost	56	33 171	33 227
Total Number Of Minor Assets	**56**	**34 121**	**34 177**

29.5 Moveable Assets Written Off

MOVEABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2012

	Machinery and Equipment R'000	Total R'000
Assets written off	98	98
Total moveable assets written off	**98**	**98**

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MOVEABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2011

	Machinery and Equipment	Total
	R'000	R'000
Assets written off	23	23
Total moveable assets written off	**23**	**23**

30. Intangible capital assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening Balance	Current Year Adjustments to Prior Year Balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
Computer software	63 253	259	133	-	63 645
Total intangible capital assets	**63 253**	**259**	**133**	**-**	**63 645**

30.1 Additions

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	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	133	-	-	-	133
Total additions to intangible capital assets	**133**	**-**	**-**	**-**	**133**

30.2 Disposals

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Sold for Cash	Transfer 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	-	-	-	-

30.3 Movement for 2010/11

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2011

	Opening Balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
Computer software	62 994	259	-	63 253
Total intangible capital assets	**62 994**	**259**	**-**	**63 253**

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31. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

	GRANT ALLOCATION				TRANSFER			SPENT			2010/11
NAME OF PROVINCE /GRANT	Division of Revenue Act R'000	Roll-overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %	Amount Received by Department R'000	Amount Spent by Department R'000	% of Available Funds Spent by Department %	Division of Revenue Act R'000
National Tertiary Services											
Eastern Cape	609 327	-	-	609 327	609 327	-	-	609 327	627 130	103%	557 137
Free State	715 204	-	-	715 204	715 204	-	-	715 204	714 496	100%	659 469
Gauteng	2 759 968	-	-	2 759 968	2 759 968	-	-	2 759 968	2 691 882	98%	2 561 154
KwaZulu-Natal	1 201 831	-	-	1 201 831	1 201 831	-	-	1 201 831	1 183 935	99%	1 102 585
Limpopo	267 314	-	-	267 314	267 314	-	-	267 314	253 450	95%	257 314
Mpumalanga	91 879	-	-	91 879	91 879	-	-	91 879	91 247	99%	91 879
Northern Cape	235 948	-	-	235 948	235 948	-	-	235 948	210 135	89%	225 948
North West	194 280	-	-	194 280	194 280	-	-	194 280	194 280	100%	179 280
Western Cape	1 973 127	-	-	1 973 127	1 973 127	-	-	1 973 127	1 970 931	100%	1 763 234
Comprehensive HIV and AIDS											
Eastern Cape	864 173	-	-	864 173	864 173	-	-	864 173	871 327	101%	691 940
Free State	530 440	-	-	530 440	530 440	-	-	530 440	456 734	86%	437 583
Gauteng	1 620 673	-	-	1 620 673	1 620 673	-	-	1 620 673	1 722 028	106%	1 281 683
KwaZulu-Natal	1 889 427	-	-	1 889 427	1 889 427	-	-	1 889 427	1 926 504	102%	1 518 811
Limpopo	624 909	-	-	624 909	624 909	-	-	624 909	499 814	80%	515 896
Mpumalanga	490 366	-	-	490 366	490 366	-	-	490 366	417 730	85%	387 646
Northern Cape	212 923	-	-	212 923	212 923	-	-	212 923	181 356	85%	186 306
North West	599 437	-	-	599 437	599 437	-	-	599 437	556 458	93%	476 838
Western Cape	660 614	-	-	660 614	660 614	-	-	660 614	619 616	94%	555 054
Forensic Pathology Services											
Eastern Cape	73 506	-	-	73 506	73 506	-	-	73 506	92 449	126%	69 345
Free State	39 451	-	-	39 451	39 451	-	-	39 451	38 475	98%	37 218
Gauteng	97 966	-	-	97 966	97 966	-	-	97 966	73 979	76%	92 421
KwaZulu-Natal	161 550	-	-	161 550	161 550	-	-	161 550	161 550	100%	152 406
Limpopo	42 308	-	-	42 308	42 308	-	-	42 308	37 819	89%	39 913
Mpumalanga	53 114	-	-	53 114	53 114	-	-	53 114	53 589	101%	50 107
Northern Cape	24 240	-	-	24 240	24 240	-	-	24 240	25 585	106%	22 868
North West	28 019	-	-	28 019	28 019	-	-	28 019	28 019	100%	26 433
Western Cape	70 226	-	-	70 226	70 226	-	-	70 226	75 204	107%	66 251

	GRANT ALLOCATION				TRANSFER			SPENT			2010/11
NAME OF PROVINCE /GRANT	Division of Revenue Act R'000	Roll-overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department %	Amount Received by Department R'000	Amount Spent by Department R'000	% of Available Funds Spent by Department %	Division of Revenue Act R'000
Hospital Revitalisation											
Eastern Cape	382 048	29 000	-	411 048	411 048	-	-	411 048	556 585	135%	360 660
Free State	417 883	-	-	417 883	417 883	-	-	417 883	405 515	97%	378 426
Gauteng	801 965	55 500	-	857 465	857 465	-	-	857 465	793 312	93%	798 609
KwaZulu-Natal	547 698	-	-	547 698	547 698	-	-	547 698	613 406	112%	500 815
Limpopo	371 672	-	-	371 672	371 672	-	-	371 672	285 679	77%	323 425
Mpumalanga	356 557	-	-	356 557	356 557	-	-	356 557	295 843	83%	331 657
Northern Cape	406 892	-	-	406 892	406 892	-	-	406 892	398 000	98%	420 218
North West	370 074	-	-	370 074	370 074	-	-	370 074	364 423	98%	326 303
Western Cape	481 501	-	-	481 501	481 501	-	-	481 501	481 511	100%	580 554
Professional Training and Development											
Eastern Cape	170 071	-	-	170 071	170 071	-	-	170 071	186 598	110%	160 444
Free State	124 444	-	-	124 444	124 444	-	-	124 444	138 825	112%	117 400
Gauteng	690 803	-	-	690 803	690 803	-	-	690 803	686 774	99%	651 701
KwaZulu-Natal	249 917	-	-	249 917	249 917	-	-	249 917	258 017	103%	235 771
Limpopo	99 730	-	-	99 730	99 730	-	-	99 730	106 186	106%	94 085
Mpumalanga	80 718	-	-	80 718	80 718	-	-	80 718	76 270	94%	76 149
Northern Cape	65 510	-	-	65 510	65 510	-	-	65 510	57 181	87%	61 802
North West	88 323	-	-	88 323	88 323	-	-	88 323	88 323	100%	83 324
Western Cape	407 794	-	-	407 794	407 794	-	-	407 794	407 794	100%	384 711
Health Infrastructure							-				
Eastern Cape	299 754	-	510	300 264	300 264	-	-	300 264	328 912	110%	-
Free State	129 621	-	2 096	131 717	131 717	-	-	131 717	75 052	57%	-
Gauteng	142 694	-	-	142 694	142 694	-	-	142 694	136 957	96%	-
KwaZulu-Natal	358 471	-	-	358 471	358 471	-	-	358 471	364 758	102%	-
Limpopo	270 802	-	-	270 802	270 802	-	-	270 802	253 093	93%	-
Mpumalanga	146 368	-	-	146 368	146 368	-	-	146 368	129 152	88%	-
Northern Cape	89 501	-	-	89 501	89 501	-	-	89 501	104 891	117%	-
North West	145 466	-	-	145 466	145 466	-	-	145 466	136 695	94%	-
Western Cape	119 179	-	-	119 179	119 179	-	-	119 179	124 836	105%	-
	23 947 676	**84 500**	**2 606**	**24 034 782**	**24 034 782**	**-**	**-**	**24 034 782**	**23 630 310**	**53%**	**19 892 773**

National Health certifies that all transfers were deposited into the primary bank account of the province or where applicable, into the CPD account of the province.

VOTE 16
ANNEXURES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	TRANSFER ALLOCATION				TRANSFER		2010/11
DEPARTMENT/AGENCY/ACCOUNT	Adjusted Appropriation	Roll-overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Compensation Fund	2 777	-	-	2 777	2 777	100%	2 620
Medical Research Council	271 205	-	-	271 205	271 205	100%	276 509
Medical Schemes Council	4 194	-	-	4 194	4 194	100%	3 993
National Health Laboratory Services	82 167	-	-	82 167	82 167	100%	124 909
National Health Laboratory Services (Cancer Register)	440	-	415	855	855	100%	415
Service Sector Education and Training Authority	424	-	-	424	424	100%	370
Human Science Research Council	-	-	5 400	5 400	5 400	100%	4 600
	361 207	**-**	**5 815**	**367 022**	**367 022**	**100%**	**413 416**

ANNEXURE 1B

STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

	TRANSFER ALLOCATION				TRANSFER			2010/11
UNIVERSITY/TECHNIKON	Adjusted Appropriation	Roll-overs	Adjustments	Total Available	Actual Transfer	Amount not Transferred	% of Available Funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
University of Limpopo (MEDUNSA)	562	-	-	562	562	-	100%	2 000
University of Cape Town	562	-	409	971	-	971	-	-
University of Witwatersrand	5 000	-	-	5 000	5 000	-	100%	2 000
University of Witwatersrand	8 000	-	-	8 000	7 200	800	90%	-
	14 124	**-**	**409**	**14 533**	**12 762**	**1 771**	**88%**	**4 000**

VOTE 16
ANNEXURES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

ANNEXURE 1C
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2010/11
NON-PROFIT INSTITUTIONS	Adjusted Appropriation Act	Roll-overs	Adjustments	Total Available	Actual Transfer	% of Available Funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Health Systems Trust	6 097	-	-	6 097	6 097	100%	4 922
Life Line	16 478	-	-	16 478	16 478	100%	16 243
LoveLife	62 023	-	-	62 023	62 023	100%	77 380
SA Council for the Blind	620	-	-	620	620	100%	585
Soul City	12 977	-	-	12 977	12 977	100%	16 960
South African Aids Vaccine Institute	12 359	-	-	12 359	12 359	100%	11 660
South African Community Epidemiology Network on Drug Abuse	388	-	-	388	303	78%	366
South African Federation for Mental Health	277	-	-	277	277	100%	261
Health Promotion: NGO: National Council against Smoking	1 099	-	-	1 099	293	27%	1 037
Maternal, Child and Woman's Health: NGO: SA Inherited Disorders Association	812	-	-	812	406	50%	1 149
Tuberculosis: NGOs	-	-	-	-	-	-	3 885
Environmental Health: NGOs	101	-	-	101	-	-	95
Mental Health and Substance Abuse: NGO: Downs Syndrome SA	157	-	-	157	10	6%	148
HIER: NGO: Health Information Systems Programme	-	-	3 000	3 000	2 400	80%	-
HIV and AIDS: NGOs	69 038	-	-	69 038	-	-	61 131
Zivikele Training	-	-	-	-	600		
AIDS Sexually and Health Youth	-	-	-	-	1 600	-	-
Education Support Services	-	-	-	-	4 409	-	-
NICDAM	-	-	-	-	2 100	-	-
Community Responsiveness Programme	-	-	-	-	1 900	-	-
Ukhamba Projects	-	-	-	-	1 700	-	-
Community Media Trust	-	-	-	-	3 144	-	-
Friends for Life	-	-	-	-	2 173	-	-
SACBC	-	-	-	-	1 081	-	-
Zakheni Training and Development	-	-	-	-	2 500	-	-

ANNEXURE 1C
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION				EXPENDITURE		2010/11
NON-PROFIT INSTITUTIONS	Adjusted Appropriation Act	Roll-overs	Adjustments	Total Available	Actual Transfer	% of Available Funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Leseding Care Givers	-	-	-	-	2 702	-	-
Leandra Community Centre	-	-	-	-	843	-	-
Ikusasa Le Sizwe Community	-	-	-	-	1 717	-	-
Get Down Productions	-	-	-	-	1 800	-	-
HEAPS	-	-	-	-	3 416	-	-
NAPWA	-	-	-	-	4 500	-	-
ECAP	-	-	-	-	1 500	-	-
COTLANDS	-	-	-	-	2 380	-	-
Thusanang Youth Activity	-	-	-	-	1 070	-	-
Seboka Training and Support Network	-	-	-	-	1 521	-	-
The AIDS Response Trust	-	-	-	-	1 597	-	-
The South African Red Cross	-	-	-	-	3 374	-	-
CATCHA Winterveldt Office	-	-	-	-	1 458	-	-
Muslim Aids Programme	-	-	-	-	700	-	-
Johannesburg Society for the Blind	-	-	-	-	600	-	-
Tshwaraganang	-	-	-	-	1 492	-	-
Khulisa Social Solutions	-	-	-	-	2 452	-	-
Nacosa NDoH	-	-	-	-	2 850	-	-
National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health	-	-	-	-	734	-	-
TBHIV Care Association	-	-	-	-	1 083	-	-
DoH Global Fund (ANCRA)	-	-	-	-	1 304	-	-
South African Anti-tuberculosis	-	-	-	-	469	-	-
Centre for Positive Care	-	-	-	-	1 030	-	-
SAMAG	-	-	-	-	917		-
South African Organisation	-	-	-	-	1 068	-	-
Highveld East Aids Project Support	-	-	-	-	1 237	-	-
TOTAL	**182 426**	**-**	**3 000**	**185 426**	**179 264**	**97%**	**195 822**

VOTE 16
ANNEXURES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

ANNEXURE 1D
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION				EXPENDITURE		2010/11
HOUSEHOLDS	Adjusted Appropriation Act	Roll-overs	Adjustments	Total Available	Actual Transfer	% of Available Funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Leave gratuities	88	-	611	699	606	87%	406
Severance package	2 112	-	1 800	3 912	3 903	100%	-
	2 200	**-**	**2 911**	**4 611**	**4 509**	**98%**	**406**

ANNEXURE 1E

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2011/12 R'000	2010/11 R'000
Received in kind			
Abu Dhabi Food Control Authority	Travel and subsistence related	-	21
Au/IBAR	Travel and subsistence related	-	22
Bill and Melinda Gates Foundation	Travel and subsistence related	125	384
Centre for Disease Control, Atlanta	Registration fees	80	2 597
Commonwealth Secretariat	Travel and subsistence related	20	21
Department of International Development; National Health Insurance	Travel and subsistence related, conference	13 905	2 105
Department of International Development: Other	Travel and subsistence related	925	-
Global Business Coalition	Travel and subsistence related	-	23
Global Health Group	Travel and subsistence related	-	22
GMP Inspections Applications	Inspection of good manufacturing practice	45	254
International Atomic Energy Agency	Travel and subsistence related	105	60
International Centre for AIDS Care and Treatment	Travel and subsistence related	-	400
International Council for Nurses	Travel and subsistence related	-	100
International Training and Education Centre for Health, SA	Conference	-	368
IPAS	Travel and subsistence related	-	41
Other	Conference, meetings, training, workshops, etc	-	157
People's Republic of China	Training	-	4
PEPFAR and PATH	Conference, travel, accommodation and recording	-	1 418
PHSDSBC	Travel and subsistence related	95	44
Roll Back Malaria Secretariat	Travel and subsistence related	136	93
Sanofi Pasteur	Vaccines	-	11 203
South African Developing Countries	Travel and subsistence related	51	158
Swedish International Development Agency	Training	-	24
UNFPA and FIGO	Travel and subsistence related	-	26
UNICEF	Travel and subsistence related	555	128
University of Cape Town	Travel and subsistence related	-	35
US Department of Agriculture	Workshops, meeting	-	101
African Union Commission	Travel and subsistence related	21	-
American Association of Pharmaceutical Scientists	Travel and subsistence related	67	-
Atlantic Philantropies	Workshops	590	-
Cooperative Biological Engagement Program	Travel and subsistence related	37	-
Deutshe Gesellschaft für international Zusamme	Workshops	80	-
GEPF	Travel and subsistence related	40	-

VOTE 16
ANNEXURES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

ANNEXURE 1E
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2011/12 R'000	2010/11 R'000
Global Fund	Travel and subsistence related	49	-
Harvard Kennedy School	Travel and subsistence related	148	-
International Academy for Design and Health	Travel and subsistence related	26	-
International Union against TB and Lung Disease	Travel and subsistence related	72	-
JHHESA	Travel and subsistence related	13	-
JHPIEGO	Registration fees, travel and subsistence	28	-
Joint learning network	Travel and subsistence related	57	-
Management Sciences for Health	Data capturers for health	163	-
Medsafe	Travel and subsistence related	13	-
Ministry of Health and Social Services: Namibia	Travel and subsistence related	11	-
MSH	Planning session	69	-
Multilateral Initiative on Malaria and Partners	Travel and subsistence related	73	-
NEPAD Agency	Travel and subsistence related	55	-
O'neill Institute for National and Global Health Law	Travel and subsistence related	54	-
Open Medical Institute and Open Society Foundation	Travel and subsistence related	33	-
Organisation for Economic Cooperation and Development	Travel and subsistence related	68	-
Organisers Prince Mahidol Award Conference	Travel and subsistence related	113	-
PATH and USAIDS	Equipment and meetings, catering	18	-
PEPFAR	Travel, accommodation, recordings and registration fees	13	-
Pfizer	Vaccine	405 000	-
Pharmaceutical applicants	GCP inspections	48	-
Reckitt Benckiser, Zydus Health care, Gulf Drug	Travel and subsistence related	45	-
Red Cross and British Medical Association	Travel and subsistence related	12	-
SARN	Travel and subsistence related	14	-
SARPAM	Travel and subsistence related	4	-
Stop TB Partnership	Travel and subsistence related	63	-
UN Foundation	Travel and subsistence related	49	-
UNAIDS	Travel and subsistence related	60	-
UNFPA	Travel and subsistence related	75	-
UNITAID	Travel and subsistence related	36	-
University Research Council/Company	Travel and subsistence related	365	-
US Codex Office	Travel and subsistence related	70	-
US Codex Office and University of Maryland	Travel and subsistence related	75	-

ANNEXURE 1E
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2011/12 R'000	2010/11 R'000
USDA	Travel and subsistence related	56	-
USAID	Training and evaluation	1 050	55
VACFA	Travel and subsistence related	10	-
WHO and UNICEF	Travel and subsistence related	1 084	-
WHO/AFRO	Travel and subsistence related	43	-
World Bank Institute	Flagship course	18	-
Yale University	Travel and subsistence related	57	-
Biovac	Venues and facilities	31	-
Clinton Foundation	Travel and subsistence related	20	-
ETCDA	Travel and subsistence related	1 020	-
World Health Organisation	Travel and subsistence related	1 033	1 705
TOTAL		**428 291**	**21 569**

VOTE 16
ANNEXURES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

ANNEXURE 1F
STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDITURE R'000	CLOSING BALANCE R'000
Received in kind					
Local					
Biovac	Venues and facilities	-	31	31	-
ETCDA	Travel and subsistence related	-	1 020	1 020	-
GEPF	Travel and subsistence related	-	40	40	-
Management Sciences for Health	Data capturers for health	-	163	163	-
University Research Council/Company	Travel and subsistence related	-	365	365	-
VACFA	Travel and subsistence related	-	10	10	-
Foreign					-
American Association of Pharmaceutical Scientist	Travel and subsistence related	-	67	67	-
JHPIEGO	Registration fees, travel and subsistence	-	28	28	-
PATH and USAIDS	Equipment and meetings, catering	-	18	18	-
Bill and Melinda Gates Foundation	Travel and subsistence related	-	125	125	-
Centre for Disease Control, Atlanta	Registration fees	-	80	80	-
Commonwealth Secretariat	Travel and subsistence related	-	20	20	-
Department of International Development: National Health Insurance	Travel and subsistence related, conference	-	13 905	13 905	-
Department of International Development: other	Travel and subsistence related	-	925	925	-
GMP Inspections Applicants	Inspection of good manufacturing practice	-	45	45	-
International Atomic Energy Agency	Travel and subsistence related	-	105	105	-
PHSDSBC	Travel and subsistence related	-	95	95	-
Roll Back Malaria Secretariat	Travel and subsistence related	-	136	136	-
South African Developing Countries	Travel and subsistence related	-	51	51	-
UNICEF	Travel and subsistence related	-	555	555	-
USAIDS	Travel and subsistence related	-	1 050	1 050	-
African Union Commission	Travel and subsistence related	-	21	21	-
Atlantic Philantrophies	Workshops	-	590	590	-
Cooperative Biological Engagement	Travel and subsistence related	-	37	37	-
Deutshe Gesellschaft für International Zusamme	Workshops	-	80	80	-
Global Fund	Travel and subsistence related	-	49	49	-
Harvard Kennedy School	Travel and subsistence related	-	148	148	-
International Academy for Design and Health	Travel and subsistence related	-	26	26	-
International Union against TB and Lung Disease	Travel and subsistence related	-	72	72	-
JHHESA	Travel and subsistence related	-	13	13	-

ANNEXURE 1F
STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDITURE R'000	CLOSING BALANCE R'000
Joint learning network	Travel and subsistence related	-	57	57	-
Medsafe	Travel and subsistence related	-	13	13	-
Ministry of Health and Social Services	Travel and subsistence related	-	11	11	-
MSH	Planning session	-	69	69	-
Multilateral Initiative on Malaria and Partners	Travel and subsistence related	-	73	73	-
NEPAD Agency	Travel and subsistence related	-	55	55	-
O'Neill Institute for National and Global Health Law	Travel and subsistence related	-	54	54	-
Open Medical Institute and Open Society	Travel and subsistence related	-	33	33	-
Organisation for Economic Cooperation	Travel and subsistence related	-	68	68	-
Organisers Prince Mahidol Award Conference	Travel and subsistence related	-	113	113	-
PEPFAR	Travel, accommodation, recordings and registration fees	-	13	13	-
Pfizer	Vaccines	-	405 000	405 000	-
Pharmaceutical Applicants	GCP inspections	-	48	48	-
Reckitt Benckiser, Zydus Health Care	Travel and subsistence related	-	45	45	-
Red Cross and British Medical Association	Travel and subsistence related	-	12	12	-
SARN	Travel and subsistence related	-	14	14	-
SARPAM	Travel and subsistence related	-	4	4	-
Stop TB Partnership	Travel and subsistence related	-	63	63	-
UN Foundation	Travel and subsistence related	-	49	49	-
UNAIDS	Travel and subsistence related	-	60	60	-
UNPFA	Travel and subsistence related	-	75	75	-
UNITAID	Travel and subsistence related	-	36	36	-
US Codex office	Travel and subsistence related	-	70	70	-
US Codes office and University of Maryland	Travel and subsistence related	-	75	75	-
USDA	Travel and subsistence related	-	56	56	-
WHO and UNICEF	Travel and subsistence related	-	1 084	1 084	-
WHO/AFRO	Travel and subsistence related	-	43	43	-
World Bank Institute	Flagship course	-	18	18	-
Yale University	Travel and subsistence related	-	57	57	-
Clinton Foundation	Travel and subsistence related	-	20	20	-
World Health Organisation	Travel and subsistence related	-	1 033	1 033	-
TOTAL			**428 291**	**428 291**	**-**

VOTE 16
ANNEXURES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

ANNEXURE 1G
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	2011/12 R'000	2010/11 R'000
Made in kind		
Donation to TB Conference, June 2010	-	214
Donation for Conference on Paediatric Cardiology and Cardiac Surgery	500	-
Subtotal	500	214
Remissions, refunds, and payments made as an act of grace		
Act of grace – damage to private vehicle	-	2
Act of grace – loss of official passport while on official trip	-	8
Act of grace – costs relating to change of date of travel for a sponsored air ticket	2	-
Subtotal	2	10
TOTAL	**502**	**224**

ANNEXURE 2A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2012 – LOCAL

Guarantor institution	Guarantee inRespect of	Original Guaran-teed Capital Amount	Opening Balance 1/04/2011	Guarantees Draw-downs during theYear	Guarantees Repayments/Cancelled/ Reduced/Released during the year	Revaluations	Closing Balance 31/03/2012	Guaranteed Interest for year ended 31/03/2012	Realised Losses not Recovera-ble i.e. Claims Paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
Stannic		283	283	299	309	-	273	-	-
	Subtotal	283	283	299	309	-	273	-	-
	Housing							-	-
ABSA		56	56	27	-	-	83	-	-
First Rand Bank		250	250	45	-	-	295	-	-
Nedbank		154	142	-	-	-	142	-	-
Nedbank (NBS)		87	87	21	36	-	72	-	-
Old Mutual (Nedbank/Permanent Bank)		31	18	87	18	-	87	-	-
People's Bank		17	17	-	-	-	17	-	-
Standard Bank		151	65	-	-	-	65	-	-
	Subtotal	746	635	180	54	-	761	-	-
	TOTAL	**1 029**	**918**	**479**	**363**	**-**	**1 034**	**-**	**-**

VOTE 16
ANNEXURES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

ANNEXURE 2B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2012

Nature of Liability	Opening Balance 01/04/2011 R'000	Liabilities Incurred during the Year R'000	Liabilities Paid/ Cancelled/Reduced during the Year R'000	Liabilities recoverable (Provide Details hereunder) R'000	Closing Balance 31/03/2012 R'000
Claims against the Department					
CCMA case against the Department: OSD: Dr Mcuba	199	-	199	-	-
Total	**199**	**-**	**199**	**-**	**-**

ANNEXURE 3
CLAIMS RECOVERABLE

Government Entity	Confirmed Balance Outstanding		Unconfirmed Balance Outstanding		Total	
	31/03/2012 R'000	31/03/2011 R'000	31/03/2012 R'000	31/03/2011 R'000	31/03/2012 R'000	31/03/2011 R'000
DEPARTMENT						
Provincial Health: Eastern Cape	3 958	4 542	-	-	3 958	4 542
Provincial Health: Gauteng	41	416	-	-	41	416
Provincial Health: KwaZulu-Natal	558	1 546	-	-	558	1 546
Provincial Health: Mpumalanga	680	1 030	-	-	680	1 030
Provincial Health: Northern Cape	-	496	-	-	-	496
Provincial Health: Limpopo	292	98	-	-	292	98
Provincial Health: North West	-	17	-	-	-	17
Presidency	-	102	-	-	-	102
National Department of Foreign Affairs (DIRCO)	2 688	1 007	-	-	2 688	1 007
National Department of Agriculture and Forestry	-	10	-	-	-	10
National Department of Environmental Affairs	-	9	-	-	-	9
Government Employees' Pension Fund	-	15	-	-	-	15
Home Affairs	-	16	-	-	-	16
National Department of Tourism	-	17	-	-	-	17
National Department of Water Affairs and Forestry	-	20	-	-	-	20
Provincial Department of Public Works, KwaZulu-Natal	-	18	-	-	-	18
Auditor-General	1	-	-	-	1	-
South African Revenue Services	15 104	-	-	-	15 104	-
Provincial Health, Western Cape	-	13	-	-	-	13
SUBTOTAL	23 322	9 372	-	-	23 322	9 372
OTHER GOVERNMENT ENTITIES						
Centre for Diseases and Control (CDC)	358	-	-	-	358	-
Global Fund	5 319	-	-	-	5 319	-
SUBTOTAL	5 677	-	-	-	5 677	-
TOTAL	**28 999**	**9 372**	**-**	**-**	**28 999**	**9 372**

VOTE 16
ANNEXURES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

	Confirmed Balance Outstanding		Unconfirmed Balance Outstanding		TOTAL	
GOVERNMENT ENTITY	31/03/2012 R'000	31/03/2011 R'000	31/03/2012 R'000	31/03/2011 R'000	31/03/2012 R'000	31/03/2011 R'000
DEPARTMENTS						
Current						
Provincial Health: Eastern Cape	2 856	1 558	-	-	2 856	1 558
Provincial Health: KwaZulu-Natal	3 509	2 319	-	-	3 509	2 319
Provincial Health: Mpumalanga	3 182	1 018	-	-	3 182	1 018
Provincial Health: Limpopo	-	6 737	-	-	-	6 737
Provincial Health: Northern Cape	1 843	2 636	-	-	1 843	2 636
Provincial Health: North West	354	3 270	-	-	354	3 270
Public Works	-	-	-	37 524	-	37 524
National Treasury	106 905	-	-	-	106 905	-
Agriculture, Forestry and Fisheries	-	-	12	-	12	-
Agriculture and Rural Development (North West)	-	-	67	-	67	-
Arts and Culture	-	-	7	-	7	-
Subtotal	118 649	17 538	86	37 524	118 735	55 062
Total	118 649	17 538	86	37 524	118 735	55 062
OTHER GOVERNMENT ENTITY						
Current						
ANCRA	1 303	-	-	-	1 303	-
TB Care	1 083	-	-	-	1 083	-
Compensation Fund for mines	2 777	-	-	-	2 777	-
Subtotal	5 163	-	-	-	5 163	-
Total	**5 163**	**-**	**-**	**-**	**5 163**	**-**

ANNEXURE 5
INVENTORY

	Quantity	2011/12 R'000	Quantity	2010/11 R'000
Inventory				
Opening Balance	44 241	1 360	15 696	1 358
Add/(Less): Adjustments to prior year balances	769 891	5 041	(270)	(6)
Add/(Less): Additions/Purchases – Cash	2 677 254	195 690	5 184 983	166 284
Add: Additions – Non-cash	1 108	117	-	-
(Less): Disposals	(207)	(114)	-	-
(Less): Issues	(2 723 710)	(194 982)	(5 156 168)	(166 276)
Add/(Less): Adjustments	1 631 778	6 990	-	-
Closing Balance	**2 400 355**	**14 102**	**44 241**	**1 360**

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)
FINANCIAL STATEMENTS OF SOUTH AFRICAN NATIONAL AIDS TRUST
for the year ended 31 March 2012

Approval of the financial statements

The Annual Financial Statements were approved by the Board of Trustees on 31 May 2012 and signed on its behalf by:

Ms MP Matsoso
Accounting Authority for Board of Trustees
South African National Aids Trust

Date:31 May 2012

SOUTH AFRICAN NATIONAL AIDS TRUST
REPORT OF THE BOARD OF TRUSTEES
for the year ended 31 March 2012

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 objectives 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.

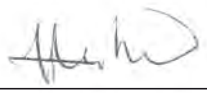
Financial Result and State of Affairs

The financial results for the year under review are reflected in the income statement and the financial position of the fund at 31 March 2012 is set out in the balance sheet.

No material fact or circumstances have occurred between the compilation of the balance sheet and the date of this report.

Trustees

The members of the Board for 2011/2012 were:
Dr T Mbengashe
Dr N Simelela
Mr V Madonsela
Mr B Ncqwaneni
Mr M Heywood
Prof. H Rees
Rev. D Lambrechts



Ms MP Matsoso
Accounting Authority for Board of Trustees

Date: 31 May 2012

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON SOUTH AFRICAN NATIONAL AIDS TRUST REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the South African National Aids Trust set out on pages 174 to 179, which comprise the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting Officer's Responsibility for the Financial Statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA), and for such internal control as the accounting officer determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's Responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

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

Opinion

6. 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 2012, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised

Accounting Practice (SA Standards of GRAP) and the requirements of the PFMA of South Africa, 1999 (Act No. 1 of 1999).

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. In accordance with the PAA and the General Notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined Objectives

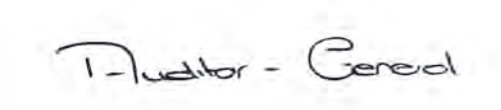
8. Due to the entity being dormant during the year the trust did not prepare a strategic plan and therefore did not report any performance information.

Compliance with Laws and Regulations

9. I did not identify any instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the General Notice issued in terms of the PAA.

Internal Control

10. I did not identify any deficiencies in internal control which we considered sufficiently significant for inclusion in this report.



Pretoria
30 July 2012

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)
STATEMENT OF FINANCIAL POSITION
as at 31 March 2012

	Notes	**2011/2012**	**2010/2011**
		R'000	**R'000**
Assets			
Current assets			
Cash and cash equivalents	*4*	45 572 642	43 462 708
Trade and other receivables	*5*	67 318	61 532
Deposit held by lessor		32 358	32 358
Accrued interest		34 960	29 174
Total assets		**45 639 960**	**43 524 240**
Net assets and liabilities			
Accumulated funds		45 639 960	43 524 239
Total net assets		**45 639 960**	**43 524 239**

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2012

	Notes	**2011/2012**	**2010/2011**
		R'000	**R'000**
Income			
Interest received		1 676 412	1 722 671
Aid assistance	*1*	440 847	-
Net income		**2 117 259**	**1 722 671**
Expenses			
Administrative	*2*	1 538	982
Net expenses		**1 538**	**982**
Net surplus		**2 115 721**	**1 721 689**

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2012

	2011/2012 R'000	2010/2011 R'000
Accumulated funds at the beginning of the year	43 524 239	41 802 550
Net surplus for the year	2 115 721	1 721 689
	2 115 721	1 721 689
Accumulated funds at the end of the year	**45 639 960**	**43 524 239**

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)
CASH FLOW STATEMENT
for the year ended 31 March 2012

	Notes	2011/2012 R'000	2010/2011 R'000
Cash flows from operating activities			
Receipts		440 847	-
Aid assistance received		440 847	-
Cash paid to suppliers and employees		(1 538)	982
Casg utilised in operations	*3*	(1 538)	(982)
		439 309	(982)
Cash flows from investing activities			
Interest received		1 670 625	1 728 190
Net cash from investing activities		**2 109 934**	**1 727 208**
Net increase in cash and cash equivalents		**2 109 934**	**1 727 208**
Cash and cash equivalents at beginning of period		43 462 708	41 735 500
Cash and cash equivalents at end of period	*4*	**45 572 642**	**43 462 708**

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)
ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2012

1. **Accounting policies**

The financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board. During the prior year the Trust changed its accounting policy from SA GAAP to GRAP in order to comply with the requirements of the 2011 Audit Directive. The change in the basis of preparation did not result in any changes in accounting policies and did not result in any restatement of comparative figures.

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**

This comprises interest received on bank deposits. Interest is recognised using the effective interest rate.

Aid assistantance
Foreign aid assistance is recognised as revenue of the date that the assistance is received by South African National Aids Trust.

5. **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 valid.

6. **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 No. 1962 (Act No 58 of 1962).

SOUTH AFRICAN NATIONAL AIDS TRUST (IT64881/02)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

		2011/2012 R'000	2010/2011 R'000
1	**Aid Assistance**		
	Centre for Diseases and Control (CDC)	440 847	-
		440 847	-
2	**Administrative Expenses**		
	Bank charges	1 538	982
		1 538	982
3	**Net Cash Flow Generated by Operating Activities**		
	Net surplus as per income statement	2 115 721	1 721 689
	Adjustment for:		
	Donation received	(440 847)	-
	Interest received	(1 670 625)	(1 728 190)
	Operating surplus before working capital changes	4 249	(6 501)
	Working capital changes:		
	Increase/(decrease) in accounts payables		
	(increase)/decrease in accounts receivable	(5 787)	5 519
	Cash utilised in operations	(1 538)	(982)
4	**Cash and Cash Equivalents**		
	Cash and bank	45 572 642	43 462 708
		45 572 642	**43 462 708**
5	**Trade and other Receivables**		
	Deposit held by lessor	32 358	32 358
	Accrued Interest	34 960	29 174
		67 318	**61 532**

This amount was required by the lessor as a deposit at the inception of the lease contract. It was repayable on 28 February 2006 at the end of the lease contract. The amount will only be deposited back into the trust account under financial year 2012/13 when the bank account is in operation.

Section 4
Human Resource Oversight


health
Department:
Health
REPUBLIC OF SOUTH AFRICA

4. HUMAN RESOURCES OVERSIGHT REPORT

TABLE 1.1 - Main Service for Service Delivery Improvement and Standards

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
Contributing to and assisting in in the improvement of the administration of the performance management and development system to an e-appraisal system	Employees of the NDoH	DPSA, Cabinet	An e-appraisal system that responds to the need for a more effective and efficient performance appraisal tool	An e-appraisal system has been developed
Ensuring that all newly appointed employees are subjected to the National Vetting Strategy	Employees of the NDoH	DPSA, Cabinet	All newly appointed employees subjected to the National Vetting Strategy	A vetting unit has been created in the department and is becoming operational with the filling of vetting officer posts
Ensuring implementation of the recruitment and selection policy to fast-track the filling of critical posts	Management of the NDoH	DPSA, public	Effective recruitment and retention of human resources	The developed recruitment and selection policy is being complied with
Ensuring that posts are correctly graded to ensure adequate remuneration	Employees of the NDoH	DPSA, organised labour organisations	A job evaluation system that is applied to ensure equal pay for work of equal value	The developed job evaluation policy is being complied with.
Ensuring that the organisational structure is linked to the strategic objectives of the department	Management and employees of the NDoH, public	DPSA, Cabinet	An organisational structure that supports the strategic objectives of health in the country	The three tiers of the organisational structure have been approved by the Minister of the Department of Public Service and Administration for implementation
Providing HR advice and directives	Employees of the NDoH	DPSA, Other government departments	Sound HR advice and directives	HR advice and directives are continuously provided in line with the regulatory framework

TABLE 1.2

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 in 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 of 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
Grievance and complaints procedure	HR-related grievances are addressed in collaboration with Employment Relations and the relevant line managers

TABLE 2.1 - Personnel Costs by Programme

Programme	Total Voted Expenditure	Compensation of Employees Expenditure	Training Expenditure	Professional and Special Services	Compensation of Employees as Percentage of Total Expenditure[1]	Average Compensation of Employees Cost per Employee[2]
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
Administration	326 983	119 669	786	0	37	93
Health planning and system enablement	161 954	55 415	114	0	34	43
Health planning and monitoring	0	0	545	0		0
Health regulation and compliance management	497 871	88 998	386	0	18	69
Health services	0	0	84	0		0
HIV and AIDS,TB andmaternal, child and women's health	7 927 131	52 135	693	0	1	40
Hospital , tertiary services and work development	16 057 420	29 356	549	0	0	23
Human resource management and development	0	0	165	0		0
International relations,health trade and product regulation	0	0	411	0		0
PHC services	741 483	64128	496	0	9	50
Strategic health programmes	0	0	256	0		0
Z=Total as on Financial Systems (BAS)	25 712 842	409 702	4 486	0	2	317

[1]Compensation of employees expenditure divided by total voted expenditure multiplied by 100
[2] Compensation of employees expenditure divided by number of employees
Note: Employment numbers are exclusive of periodic appointments; The periodic appointments cannot be considered employees of the Department, as they are paid only for services rendered, for example the Medicine Control Council.

TABLE 2.2 - Personnel Costs by Salary Band

Salary Bands	Compensation of Employees Cost	Percentage of Total Personnel Cost for Department[1]	Average Compensation Cost per Employee [2]	Total Personnel Cost for Department Including Goods and Transfers	Number of Employees
	(R'000)	(R'000)	(R'000)	(R'000)	
Lower skilled (Levels 1-2)	4 552	1	94 833	409 701	48
Skilled (Levels 3-5)	34 239	8	129 204	409 701	265
Highly skilled production (Levels 6-8)	87 199	21	186 722	409 701	467
Highly skilled supervision (Levels 9-12)	159 603	39	396 037	409 701	403
Senior management (Levels 13-16)	60 923	15	823 284	409 701	74
Contract (Levels 1-2)	11 495	3	0	409 701	0
Contract (Levels 3-5)	1 128	0	225 600	409 701	5
Contract (Levels 6-8)	3 198	1	639 600	409 701	5
Contract (Levels 9-12)	11 454	3	1 909 000	409 701	6
Contract (Levels 13-16)	24 838	6	1 241 900	409 701	20
Periodical remuneration	11 072	3	62 202	409 701	178
TOTAL	**409 701**	**100**	**316 861**	**409 701**	**1293[3]**

* 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)
[3]Employment numbers are exclusive of periodic appointments; The periodic appointments cannot be considered employees of the Department, as they are paid only for services rendered, for example the Medicine Control Council.

TABLE 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries	Salaries as % of Personnel Cost[1]	Overtime	Overtime as % of Personnel Cost[2]	HOA	HOA as % of Personnel Cost [3]	Medical Ass.	Medical Ass. as % of Person-nel Cost[4]	Total Personnel Cost per Programme
	(R'000)		(R'000)				(R'000)		(R'000)
Administration	78 786	66	1 436	1	3 607	3	4 639	4	119 669
Health planning and system enablement	35 503	64	308	1	1 427	3	1 895	3	5 5415
Health regulation and compliance management	60 343	68	1 141	1	2 456	3	3 772	4	88 998
HIV and AIDS, TB and maternal, child and women's health	35 712	68	27	0	1 081	2	1 583	3	52 135
Hospital, tertiary services and work development	20 042	68	47	0	760	3	859	3	29 356
PHC services	45 260	71	532	1	1 876	3	2 666	4	64 128
TOTAL	**275 646**	**67**	**3 491**	**1**	**11 207**	**3**	**15 414**	**4**	**409 701**

[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)	3 051	67	0	0	416	9	417	9	4 552
Skilled (Levels 3-5)	24 179	71	1 739	5	2 252	7	2 935	9	34 239
Highly skilled production (Levels 6-8)	62 476	72	1 007	1	3 089	4	5 473	6	87 199
Highly skilled supervision (Levels 9-12)	92 635	58	359	0	2 886	2	4 088	3	159 603
Senior management (Levels 13-16)	50 418	83	0	0	1 229	2	826	1	60 923
Contract (Levels 1-2)	7 474	65	0	0	0	0	0	0	11 495
Contract (Levels 3-5)	982	87	103	9	236	21	432	38	1 128
Contract (Levels 6-8)	2 981	93	109	3	308	10	499	16	3 198
Contract (Levels 9-12)	9 802	86	174	2	294	3	548	5	11 454
Contract (Levels 13-16)	21 648	87	0	0	497	2	196	1	24 838
Periodical Remuneration	0	0	0	0	0	0	0	0	11 072
TOTAL	**275 646**	**67**	**3 491**	**1**	**11 207**	**3**	**15 414**	**4**	**409 701**

[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

TABLE 3.1 - Employment and Vacancies by Programme at End of Period

Programme	No. of Posts	No. of Posts Filled	Vacancy Rate[1]	No. of Posts Filled Additional to the Establishment
Administration	561	410	26.9	8
Health planning and system enablement	241	158	34.4	49
Health regululation and compliance management	418	316	24.4	36
HIV and AIDS, TB and maternal, child and women's health	195	121	37.9	6
Hospital, tertiary service and work development	130	71	45.4	48
PHC services	274	217	20.8	13
TOTAL	**1 819**	**1 293**	**28.9**	**160**

[1]Number of posts minus number of posts filled divided by number of posts multiplied by 100
Note: Although the vacancy is 28.9% the Department is in the process of abolishing all the unfunded posts on the establishment as part of the Persal clean-up. Therefore, it is envisaged that the vacancy rate will reduce

TABLE 3.2 - Employment and Vacancies by Salary Band at End of Period

Salary Band	No. of Posts	No. of Posts Filled	Vacancy Rate[1]	No. of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	67	48	28.4	0
Skilled (Levels 3-5), Permanent	361	265	26.6	0
Highly skilled production (Levels 6-8), Permanent	614	467	23.9	0
Highly skilled production (Levels 6-8), Temporary	0	0	0	0
Highly skilled supervision (Levels 9-12), Permanent	623	403	35.3	0
Senior management (Levels 13-16), Permanent	118	74	37.3	0
Contract (Levels 1-2), Permanent	0	0	0	66
Contract (Levels 3-5), Permanent	5	5	0	47
Contract (Levels 6-8), Permanent	5	5	0	11
Contract (Levels 9-12), Permanent	6	6	0	24
Contract (Levels 13-16), Permanent	20	20	0	12
TOTAL	**1 819**	**1 293**	**28.9**	**160**

[1]Number of posts minus number of posts filled divided by number of posts multiplied by 100
Note: As a result of the restructuring and the PERSAL clean-up the total number of post has been reduced from 1912 to 1819.

TABLE 3.3 - Employment and Vacancies by Critical Occupation at End of Period

Critical Occupations	No. of Posts	No. of Posts Filled	Vacancy Rate[1]	No. of Posts Filled Additional to the Establishment
Administrative related, Permanent	14	11	21.4	0
Auxiliary and related workers, Permanent	8	6	25	0
Biochemistry pharmacological, zoology and life sciences, technical, Permanent	57	43	24.6	0
Chemists, Permanent	5	4	20	0
Financial and related professionals, Permanent	10	7	30	0
Financial clerks and credit controllers, Permanent	23	12	47.8	0
Information technology related, Permanent	17	14	17.6	0
Messengers porters and deliverers, Permanent	29	22	24.1	0
Other administrative and related clerks and organisers, Permanent	8	5	37.5	0
Other information technology personnel, Permanent	9	6	33.3	0
Physicists, Permanent	29	25	13.8	0
Secretaries and other keyboard operating clerks, Permanent	9	5	44.4	0
Security officers, Permanent	69	54	21.7	0
Senior managers, Permanent	10	7	30	0
TOTAL	**297**	**221**	**25.6**	**0**

[1]Number of posts minus number of posts filled divided by number of posts multiplied by 100 Office note: Vacant positions were identified as critical. These posts have been listed per occupational classification.

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)	67	0	0	13	19	0	0
Contract (Levels 1-2)	0	0	0	0	0	0	0
Contract (Levels 3-5)	5	0	0	1	20	0	0
Contract (Levels 6-8)	5	0	0	0	0	0	0
Contract (Levels 9-12)	6	1	17	2	33	0	0
Contract (Band A)	11	0	0	4	36	0	0
Contract (Band B)	4	0	0	0	0	0	0
Contract (Band C)	4	0	0	0	0	0	0
Contract (Band D)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	361	4	1	181	50	1	0
Highly skilled production (Levels 6-8)	614	2	0	86	14	2	0
Highly skilled supervision (Levels 9-12)	623	28	4	115	18	7	1
Senior Management Service Band A	86	1	1	17	20	0	0
Senior Management Service Band B	27	0	0	5	19	0	0
Senior Management Service Band C	4	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
TOTAL	**1 819**	**36**	**2**	**424**	**23**	**10**	**1**

[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 posts were upgraded

Employees profile	African	Asian	Coloured	White	Total
Female	7	0	2	0	9
Male	23	1	1	0	25
Total	30	1	3	0	34
Employees with a disability	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
Senior Administration Clerk Grade III	1	6	7	Resolution 2 of 2009
Senior Human Resource Officer	1	7	8	Resolution 2 of 2009
Senior Human Resource Officer	1	7	8	Resolution 2 of 2009
Chief Logistics Clerk	1	7	8	Resolution 2 of 2009
Chief Logistics Clerk	1	7	8	Resolution 2 of 2009
Chief Transport Clerk	1	7	8	Resolution 2 of 2009
Personal Assistant I	1	6	8	Resolution 2 of 2009
Chief Administration Clerk	1	7	8	Resolution 2 of 2009
Chief Administration Clerk	1	7	8	Resolution 2 of 2009
Senior Human Resource Officer	1	7	8	Resolution 2 of 2009
Assistant Director: Administration	1	9	10	Transferred with manager to NDoH
Deputy Director: Administration	1	11	12	Retention of services
Deputy Director: Administration	1	11	12	Retention of services
Deputy Director: SANAC Sectoral Support	1	11	12	Retention of services
Deputy Director: Administration	1	11	12	Retention of services
Parliamentary Officer	1	12	13	Ministerial appointment
Private Secretary	1	11	13	Ministerial appointment
Total	**17**			
Percentage of Total Employment	**1.16**			
No of Employees in Dept	**1 293**			

TABLE 4.4 - Profile of Employees whose Salary Level Exceeded the Grade Determined by Job Evaluation [i.t.o. PSR 1.V.C.3]

Employee profile	African	Asian	Coloured	White	Total
Female	3	-	-	9	12
Male	4	-	-	1	5
Total	7	-	-	10	17
Employees with a disability	-	-	-	1	1

TABLE 5.1 - Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period (April 2011)	Appointments	Terminations	Turnover Rate[1]
Lower skilled (Levels 1-2), Permanent	57	-	-	-
Skilled (Levels 3-5), Permanent	297	17	12	4
Highly skilled production (Levels 6-8), Permanent	377	46	4	1.1
Highly skilled production (Levels 6-8), Temporary	1	-	-	-
Highly skilled supervision (Levels 9-12), Permanent	352	44	12	3.4
Senior Management Service Band A, Permanent	74	2	2	2.7
Senior Management Service Band B, Permanent	13	-	1	7.7
Senior Management Service Band C, Permanent	6	-	1	16.7

Salary Band	Employment at Beginning of Period (April 2011)	Appointments	Terminations	Turnover Rate [1]
Senior Management Service Band D, Permanent	5	-	-	-
Contract (Levels 1-2)	4	67	56	1400
Contract (Levels 3-5)	47	60	7	14.9
Contract (Levels 6-8)	14	11	8	57.1
Contract (Levels 9-12)	22	8	13	59.1
Contract (Band A)	-	4	3	-
Contract (Band B)	-	2	1	-
Contract (Band C)	8	1	3	37.5
Contract (Band D)	-	1	1	-
TOTAL	**1 277**	**263**	**124**	**9.7**

[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 2011)	Appointments	Terminations	Turnover Rate[1]
Administrative related, Permanent	2	2	-	-
Auxiliary and related workers, Permanent	7	7	-	-
Chemists, Permanent	11	11	-	-
Computer programmers, Permanent	1	1	-	-
Financial and related professionals, Permanent	4	4	-	-
Financial clerks and credit controllers, Permanent	21	21	-	-
Information technology related, Permanent	4	4	-	-
Messengers porters and deliverers, Permanent	1	1	-	-
Other administrative and related clerks and organisers, Permanent	1	1	-	-
Other information technology personnel, Permanent	1	1	-	-
Physicists, Permanent	7	7	-	-
Secretaries and other keyboard operating clerks, Permanent	1	1	-	-
Security officers, Permanent	5	5	-	-
Senior managers, Permanent	4	4	-	-
TOTAL	**70**	**70**	-	-

[1]Terminations divided by employment at beginning of period multiplied by 100
Note: Vacant positions were identified as critical. These posts have been listed per occupational classification.

TABLE 5.3 - Reasons why Staff are Leaving the Department

Termination Type	Number	% of Total Resignations[1]	% of Total Employment[2]	Total	Total Employment[3]
Death, Permanent	4	3.2	0.3	124	1 293
Resignation, Permanent	51	41.1	3.9	124	1 293
Expiry of contrAct No. Permanent	56	45.2	4.3	124	1 293
Dismissal - misconduct, Permanent	3	2.4	0.2	124	1 293
Retirement, Permanent	10	8.1	0.8	124	1 293
TOTAL	**124**	**100**	**9.6**	**124**	**1 293**

[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] Total employment figures are used for caculation purposes

Resignations as % of Employment
9.6

TABLE 5.4 - Granting of Employee-initiated Severance Packages

Category	No. of applications received	No of applications referred to the MPSA	No of applications supported by MPSA	No of Packages approved by department
Lower skilled (Salary Level 1-2)	-	-	-	-
Skilled (Salary Level 3-5)	-	-	-	-
Highly skilled production (Salary Level 6-8)	-	-	-	-
Highly skilled production (Salary Level 9-12)	-	-	-	-
Senior management (Salary Level 13 and higher)	-	-	-	-
Total	**-**	**-**	**-**	**-**

TABLE 5.5 - Promotions by Critical Occupation

Occupation	Employment at Beginning of Period (April 2011)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment[1]	Progressions to another Notch within Salary Level	Notch Progressions as % of Employment[2]
Administrative related, Permanent	2	-	-	-	-
Auxiliary and related workers, Permanent	7	-	-	-	-
Chemists, Permanent	11	-	-	-	-
Computer programmers, Permanent	1	-	-	-	-
Financial and related professionals, Permanent	4	-	-	-	-
Financial clerks and credit controllers, Permanent	21	-	-	-	-
Information technology related, Permanent	4	-	-	-	-
Messengers porters and deliverers, Permanent	1	-	-	-	-
Other administrative and related clerks and organisers, Permanent	1	-	-	-	-
Other information technology personnel, Permanent	1	-	-	-	-
Physicists, Permanent	7	-	-	-	-
Secretaries and other keyboard operating clerks, Permanent	1	-	-	-	-
Security officers, Permanent	5	-	-	-	-
Senior managers, Permanent	4	-	-	-	-
TOTAL	**70**	**-**	**-**	**-**	**-**

[1]Promotions to another salary level divided by employment at the beginning of the period multiplied by 100
[2]Progressions to another notch within salary level divided by employment at beginning of the period multiplied by 100
Office note: Vacant positions were identified as critical. These posts have been listed per occupational classification.

TABLE 5.6 - Promotions by salary band

Salary Band	Employment at Beginning of Period (April 2011)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment[1]	Progressions to another Notch within Salary Level	Notch progress-ions as % of Employ-ment[2]
Lower skilled (Levels 1-2), Permanent	57	-	-	23	40.4
Skilled (Levels 3-5), Permanent	297	10	3.4	175	58.9
Highly skilled production (Levels 6-8), Permanent	377	59	15.6	252	66.8
Highly skilled production (Levels 6-8), Temporary	1	-	-	-	-
Highly skilled supervision (Levels 9-12), Permanent	351	26	7.4	214	61
Highly skilled supervision (Levels 9-12), Temporary	1	0	0	1	100
Senior management (Levels 13-16), Permanent	98	4	4.1	41	41.8
Contract (Levels 1-2)	4	-	0	-	-
Contract (Levels 3-5)	47	1	2.1	1	2.1
Contract (Levels 6-8)	14	-	-	4	28.6
Contract (Levels 9-12)	22	3	13.6	11	50
Contract (Levels 13-16)	8	1	12.5	7	87.5
TOTAL	**1 277**	**104**	**8.1**	**729**	**57.1**

[1]Promotions to another salary level divided by employment at the beginning of the period multiplied by 100
[2]Progressions to another notch within salary level divided by employment at beginning of the period multiplied by 100

TABLE 6.1 - Total Number of Employees (Including Employees with Disabilities) per Occupational Category (SASCO)

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, Permanent	18	1	3	22	10	23	1	3	27	4	63
Professionals, Permanent	105	5	5	115	23	137	9	10	156	29	323
Technicians and associate professionals, Permanent	119	7	3	129	11	168	5	3	176	33	349
Clerks, Permanent	118	1	1	120	6	186	14	5	205	65	396
Clerks, Temporary	-	-	-	-	-	-	-	-	-	-	-
Service and sales workers, Permanent	42	-	-	42	1	15	-	1	16	-	59
Craft and related trades workers, Permanent	1	-	-	1	-	-	-	-	-	-	1
Plant and machine operators and assemblers, Permanent	0	-	-	-	1	1	-	0	1	-	2
Elementary occupations, Permanent	40	2	-	42	-	51	7	-	58	-	100
Elementary occupations, Temporary	-	-	-	-	-	-	-	-	-	-	-
Other, Permanent	-	-	-	-	-	-	-	-	-	-	-
Employees with disabilities	2	-	-	2	2	3	-	-	3	4	11
TOTAL	**443**	**16**	**12**	**471**	**52**	**581**	**36**	**22**	**639**	**131**	**1 293**

TABLE 6.2 - Total Number of Employees (Including Employees with Disabilities) per Occupational Band

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male White	Female, African	Female, Coloured	Female, Indian	Female Total Blacks	Female, White	Total
Top Management, Permanent	-	-	-	-	-	2	-	1	3	-	3
Senior Management, Permanent	24	2	1	27	11	24	2	1	27	6	71
Professionally qualified and experienced specialists and mid-management, Permanent	92	3	7	102	21	113	11	13	137	28	288
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	172	8	1	181	15	280	14	6	300	85	581
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	-	-	-	-	-	-	-	-	-	1	1
Semi-skilled and discretionary decision-making, Permanent	125	3	1	129	3	116	9	-	125	8	265
Unskilled and defined decision-making, Permanent	15	-	-	15	-	33	-	-	33	-	48
Contract (Top Management)	1	-	2	3	1	2	-	-	2	1	7
Contract (Senior Management)	5	-	-	5	2	5	-	1	6	2	15
Contract (Professionally qualified)	3	-	-	3	1	1	-	-	1	-	5
Contract (Skilled technical)	2	-	-	2	-	2	-	-	2	-	4
Contract (Semi-skilled)	3	-	-	3	-	2	-	-	2	-	5
Contract (Unskilled)	-	-	-	-	-	-	3	-	-	-	-
TOTAL	**442**	**16**	**12**	**470**	**54**	**580**	**39**	**22**	**638**	**131**	**1 293**

TABLE 6.3 - Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male White	Female, African	Female, Coloured	Female, Indian	Female Total Blacks	Female, White	Total
Senior Management, Permanent	2	-	-	2	-	-	-	-	-	-	2
Professionally qualified and experienced specialists and mid-management, Permanent	15	1	-	16	1	21	1	1	23	4	44
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	8	2	-	10	1	35	-	-	35	-	46
Semi-skilled and discretionary decision making, Permanent	11	-	-	11	-	6	-	-	6	-	17
Contract (Top Management)	-	-	1	1	1	-	-	-	-	-	2
Contract (Senior Management)	3	-	-	3	1	2	-	-	2	-	6
Contract (Professionally qualified)	1	-	-	1	-	5	-	-	5	2	8
Contract (Skilled technical)	5	-	-	5	-	5	-	1	6	-	11
Contract (Semi-skilled)	25	5	-	30	-	25	4	1	30	-	60
Contract (Unskilled)	23	1	-	24	-	39	3	-	42	1	67
TOTAL	**93**	**9**	**1**	**103**	**4**	**138**	**8**	**3**	**149**	**7**	**263**

TABLE 6.4 - Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male White	Female, African	Female, Coloured	Female, Indian	Female Total Blacks	Female, White	Total
Top Management, Permanent	-	-	-	-	-	1	-	-	1	-	1
Senior Management, Permanent	15	2	1	18	7	14	-	0	14	5	44
Professionally qualified and experienced specialists and mid-management, Permanent	83	1	4	88	13	103	7	5	115	24	240
Professionally qualified and experienced specialists and mid-management, Temporary	-	-	-	-	-	-	-	-	-	1	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	93	4	-	97	7	137	12	2	151	56	311
Semi-skilled and discretionary decision making, Permanent	75	2	1	78	2	90	8	0	98	7	185
Unskilled and defined decision making, Permanent	7	-	-	7	-	16	-	-	16	-	23
Contract (Top Management)	-	-	2	2	-	2	-	-	2	-	4
Contract (Senior Management)	1	-	1	2	-	-	-	1	1	1	4
Contract (Professionally qualified)	3	2	-	5	-	5	1	-	6	3	14
Contract (Skilled technical)	1	-	-	1	1	1	-	-	1	1	4
Contract (Semi-skilled)	-	-	-	-	-	2	-	-	2	-	2
Employees with disabilities	2	-	-	2	2	1	-	-	1	3	8
TOTAL	**278**	**11**	**9**	**298**	**30**	**371**	**28**	**8**	**407**	**98**	**833**

TABLE 6.5 - Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male White	Female, African	Female, Coloured	Female, Indian	Female Total Blacks	Female, White	Total
Top Management, Permanent	-	-	-	0	-	1	-	-	1	-	1
Senior Management, Permanent	3	-	-	3	-	-	-	-	-	-	3
Professionally qualified and experienced specialists and mid-management, Permanent	4	-	-	4	-	5	-	1	6	2	12
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1	-	-	1	-	2	-	-	2	1	4
Semi-skilled and discretionary decision-making, Permanent	7	-	1	8	-	4	-	-	4	-	12
Contract (Top Management)	2	-	1	3	-	1	-	-	1	-	4
Contract (Senior Management)	1	-	1	2	-	2	-	-	2	-	4
Contract (Professionally qualified)	2	-	-	2	-	3	1	-	4	7	13
Contract (Skilled technical)	3	-	-	3	1	4	-	-	4	-	8
Contract (Semi-skilled)	2	2	-	4	-	2	1	-	3	-	7
Contract (Unskilled)	26	1	-	27	-	27	2	-	29	-	56
TOTAL	**51**	**3**	**3**	**57**	**1**	**51**	**4**	**1**	**56**	**10**	**124**

TABLE 6.6 - Disciplinary Action

Disciplinary Action	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
TOTAL	**3**	**-**	**1**	**4**	**-**	**-**	**-**	**-**	**-**	**-**	**4**

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	77	5	7	89	19	140	8	14	162	18	288
Professionals	40	2	1	43	4	38	-	2	40	3	90
Technicians and associate professionals	18	2	-	20	4	28	-	2	30	2	56
Clerks	50	2	-	52	-	94	5	-	99	9	160
Service and sales workers	-	-	-	-	-	-	-	-	-	-	-
Skilled agriculture and fishery workers	-	-	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-	-	-
Elementary occupations	10	-	-	10	-	13	-	-	13	-	23
Employees with Disabilities	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**195**	**11**	**8**	**214**	**27**	**313**	**13**	**18**	**344**	**32**	**617**

TABLE 7.1 - Performance Rewards by Race, Gender and Disability

Demographics	No. of Employees	Total Employment	% of Total Employment[1]	Cost (R'000)	Average Cost per Employees (R)[2]
African, Female	248	578	36.4	2 500	10 080
African, Male	187	441	36.7	1 641	8 778
Asian, Female	10	22	41.7	153	15 323
Asian, Male	6	12	46.2	108	17 932
Coloured, Female	17	36	38.6	152	8 932
Coloured, Male	7	16	29.2	75	10 669
Total blacks, Female	275	636	36.7	2 805	10 200
Total blacks, Male	200	469	36.6	1 824	9 118
White, Female	80	127	60.6	882	11 025
White, Male	14	50	26.4	205	14 650
Employees with a Disability	5	11	45.5	31	6 169
TOTAL	**574**	**1 293**	**38.4**	**5 747**	**10 012**

[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	No. of Employees	Total Employment	% of Total Employment[1]	Cost (R'000)	Average Cost per Employees (R)[2]
Lower skilled (Levels 1-2)	14	48	29.2	39	2 786
Skilled (Levels 3-5)	108	265	40.8	394	3 648
Highly skilled production (Levels 6-8)	243	467	52	1 725	7 099
Highly skilled supervision (Levels 9-12)	177	403	43.9	3 020	17 062
Contract (Levels 1-2)	-	-	-	-	-
Contract (Levels 3-5)	-	5	-	-	-
Contract (Levels 6-8)	3	5	60	27	9 000
Contract (Levels 9-12)	5	6	83.3	69	13 800
Periodical remuneration (Does not qualify)	-	178	-	-	-
TOTAL	**550**	**1 377**	**39.9**	**5 274**	**9 589**

[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	No. of Employees	Total Employment	% of Total Employment[1]	Cost (R'000)	Average Cost per Employees (R)[2]
Administrative related, Permanent	-	11	-	-	-
Auxiliary and related workers, Permanent	-	6	-	-	-
Biochemistry pharmacological, zoology and life sciences, technical, Permanent	-	43	-	-	-
Chemists, Permanent	-	4	-	-	-
Financial and related professionals, Permanent	-	7	-	-	-
Financial clerks and credit controllers, Permanent	-	12	-	-	-
Information technology related, Permanent	-	14	-	-	-
Messengers, porters and deliverers, Permanent	-	22	-	-	-
Other administrative and related clerks and organisers, Permanent	-	5	-	-	-
Other information technology personnel, Permanent	-	6	-	-	-
Physicists, Permanent	-	25	-	-	-
Secretaries and other keyboard operating clerks, Permanent	-	5	-	-	-
Security officers, Permanent	-	54	-	-	-
Senior managers, Permanent	-	7	-	-	-
TOTAL	**-**	**221**	**-**	**-**	**-**

[1]Number of beneficiaries divided by total employment multiplied by 100
[2] Cost divided by number of beneficiaries (in hundreds)
Note: Vacant positions were identified as critical. These posts have been listed per occupational classification.

TABLE 7.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

SMS Band	No. of Employees	Total Employment	% of Total Employment[1]	Cost (R'000)	Average Cost per Employees (R)[2]	% of SMS Wage Bill[3]	Personnel Cost SMS (R'000)
Band A	15	68	22.1	266	17 733	0.5	51 817
Band B	8	17	47.1	186	23 250	1	18 211
Band C	1	7	14.3	21	21 000	0.2	13 054
Band D	-	2	-	-	-	-	2 679
TOTAL	**24**	**94**	**25.5**	**473**	**19 708.3**	**0.6**	**85 761**

[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

TABLE 8.1 - Foreign Workers by Salary Band

Salary Band	Employment at Beginning Period	% of Total[1]	Employment at End of Period	% of Total[2]	Change in Employment	% of Total[3]	Total Employment at Beginning of Period[4]	Total Employment at End of Period[5]	Total Change in Employment[6]
Highly skilled supervision (Levels 9-12)	1	16.7	1	25	-	-	6	4	-2
Contract (Levels 9-12)	-	-	2	50	2	-100	6	4	-2
Contract (Levels 13-16)	2	33.3	1	25	-1	50	6	4	-2
Periodical Remuneration	3	50	0	0	-3	150	6	4	-2
TOTAL	**6**	**100**	**4**	**100**	**-2**	**100**	**6**	**4**	**-2**

[1] Employment at beginning of period per salary band divided by total employment at beginning of period multiplied by 100
[2] Employment at end of period per salary band divided by total employment at end of period multiplied by 100
[3] Change in employment per salary band divided by total change in employment multiplied by 100
[4,5 & 6] For calculation purposes

TABLE 8.2 - Foreign Workers by Major Occupation

Major Occupation	Employment at Beginning Period	% of Total[1]	Employment at End of Period	% of Total[2]	Change in Employ-ment	% of Total[3]	Total Employment at Beginning of Period[4]	Total Employment at End of Period[5]	Total Change in Employment[6]
Professionals and managers	6	100	4	100	-2	100	6	4	-2
TOTAL	**6**	**100**	**4**	**100**	**-2**	**100**	**6**	**4**	**-2**

[1] Employment at beginning of period per salary band divided by total employment at beginning of period multiplied by 100
[2] Employment at end of period per salary band divided by total employment at end of period multiplied by 100
[3] Change in employment per salary band divided by total change in employment multiplied by 100
[4,5 & 6] For calculation purposes

TABLE 9.1 - Sick Leave for Jan 2011 to Dec 2011

Salary Band	Total Days	% Days with Medical Certification[1]	No. of Employees Using Sick Leave	% of Total Employees Using Sick Leave[2]	Average Days per Employee[3]	Estimated Cost (R'000)[4]	Total No. of Employees Using Sick Leave	Total No. of Days with Medical Certification
Lower skilled (Levels 1-2)	353	69.1	45	4.3	8	86	1 037	244
Skilled (Levels 3-5)	1 723	76.7	219	21.1	8	545	1 037	1 321
Highly skilled production (Levels 6-8)	2 912	76.5	370	35.7	8	1 640	1 037	2 229
Highly skilled supervision (Levels 9-12)	1 992	75.5	283	27.3	7	2 486	1 037	1 504
Senior management (Levels 13-16)	315	87	50	4.8	6	866	1 037	274
Contract (Levels 1-2)	37.5	85.3	16	1.5	2	8	1 037	32
Contract (Levels 3-5)	60	70	10	1	6	18	1 037	42
Contract (Levels 6-8)	32	68.8	10	1	3	18	1 037	22
Contract (Levels 9-12)	184	81.5	21	2	9	269	1 037	150
Contract (Levels 13-16)	61	59	13	1.3	5	203	1 037	36
TOTAL	**7 669.5**	**76.3**	**1 037**	**100**	**7**	**6 139**	**1 037**	**5 854**

[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 OR package divided by 261 multiplied by number of days

TABLE 9.2 - Disability Leave (Temporary and Permanent) for January 2011 to December 2011

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 No. of Days with Medical Certification	Total No. of Employees Using Disability Leave
Skilled (Levels 3-5)	192	100	8	20.5	24	64	192	39
Highly skilled production (Levels 6-8)	432	100	21	53.8	21	246	432	39
Highly skilled supervision (Levels 9-12)	153	100	7	17.9	22	197	153	39
Senior management (Levels 13-16)	2	100	1	2.6	2	3	2	39
Contract (Levels 9-12)	51	100	2	5.1	26	66	51	39
TOTAL	830	100	39	100.0	21	577	830	39

[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 sick leave
[4]Notch OR package divided by 261 multiplied by number of days

TABLE 9.3 - Annual Leave for January 2011 to December 2011

Salary Band	Total Days Taken	Average Days per Employee[1]	No. of Employees who Took Leave
Lower skilled (Levels 1-2)	1 125	23	50
Skilled (Levels 3-5)	5 658	20	283
Highly skilled production (Levels 6-8)	9 344	21	455
Highly skilled supervision (Levels 9-12)	8 000	20	402
Senior management (Levels 13-16)	1 564	20	80
Contract (Levels 1-2)	314	6	50
Contract (Levels 3-5)	120	10	12
Contract (Levels 6-8)	127	7	19
Contract (Levels 9-12)	384	13	29
Contract (Levels 13-16)	490	18	28
TOTAL	**2 7126**	**19**	**1 408**

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

TABLE 9.4 - Capped leave for January 2011 to December 2011

Salary Band	Total Days of Capped Leave Taken	Average No. of Days Taken per Employee [1]	Average Capped Leave per Employee as at 31 Dec 2011[2]	No. of Employees who Took Capped leave	Total No. of Capped Leave Days Available at 31 Dec 2011	No. of Employees as at 31 Dec 2011
Lower skilled (Levels 1-2)	2	1	41	2	932	23
Skilled (Levels 3-5)	43	3	34	14	3 204	95
Highly skilled production (Levels 6-8)	63	3	31	21	5 249	171
Highly skilled supervision (Levels 9-12)	80	6	32	13	5 113	162
Senior management (Levels 13-16)	9	5	56	2	2 571	46
Contract (Levels 13-16)	2	2	21	1	84	4
TOTAL	**199**	**4**	**34**	**53**	**17 153**	**501**

[1]Total days of capped leave taken divided by number of employees as at 31 December 2011
[2]Total number of capped leave available as at 31 December 2010 divided by number of employees as at 31 December 2011

TABLE 9.5 - Leave Payouts

Reason	Total amount	No. of employees	Average Payment per employee (R)[1]
	(R'000)		
Capped leave payouts on termination of service for 2011/12	793	61	13000
Current leave payout on termination of service for 2011/12	220	39	5641
TOTAL	**1 013**	**100**	**10130**

[1]Total amount divided by number of employees

TABLE 10.1 - Steps Taken to Reduce the Risk of Occupational Exposure

Units/Categories of Employees Determined to be at High Risk of Contracting HIV and Related Diseases	Key Steps Taken to Reduce the Risk
None	None

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Adv MT Ngake; Director: Employment Relations, Equity and Employee Wellness, is the chairperson of the integrated employee health and wellness committee
2. Does the Department have a dedicated unit or have you 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		Two (2) employees are available and a budget is 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, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		All clusters are represented, together with NEHAWU representative, 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 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 awaiting 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/her HIV and AIDS status.
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that have been achieved.	X		In 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 Worker's 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 at present applying 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 that will look at issues that cut across wellness issues, such as EAP, HIV, STI, TB and other health issues that affect employees.

TABLE 11.1 - Collective Agreements

Subject Matter	Date
PHSDSBC Resolution 1 of 2011: Agreement on the Repeal of Scarce Skills Allowance to Employees Covered by the OSDs	23/02/2011
PHSDSBC Resolution 2 of 2011: Agreement on the Amendment of the Requirements for the Threshold of Admittance into the PHSDSBC	22/09/2011
PHSDSBC Resolution 3 of 2011: Agreement on the Appointment of the Full Time Shop Stewards and Office Bearers	08/12/2011

TABLE 11.2 - Misconduct and Discipline Hearings Finalised

Outcomes of Disciplinary Hearings	No.	% of Total	Total
TOTAL	**4**	**100**	**4**

TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

Type of Misconduct	No.	% of Total	Total
Absenteeism	2	50	2
Dishonesty	1	25	1
Misrepresentation	1	25	1
TOTAL	**4**	**100**	**4**

TABLE 11.4 - Grievances Lodged

Number of Grievances Addressed	No.	% of Total	Total
TOTAL	**26**	**100**	**26**

TABLE 11.5 - Disputes Lodged

No. of disputes addressed	No.	% of total	Total
Upheld	-	-	-
Dismissed	-	-	-

Note: All disputes lodged are still in progress.

TABLE 11.6 - Strike Action

Strike Action	Total
Total number of person working days lost	6
Total cost (R'000) of working days lost	2
Amount (R'000) recovered as a result of no work no pay	2

TABLE 11.7 - Precautionary Suspensions

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

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	31	-	159	21	180
	Male	32	-	95	12	107
Professionals	Female	185	-	45	6	51
	Male	138	-	34	9	43
Technicians and associate professionals	Female	209	-	25	7	32
	Male	140	-	16	8	24
Clerks	Female	270	-	78	29	107
	Male	126	-	33	18	51
Service and sales workers	Female	16	-	-	-	-
	Male	43	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	1	-	-	-	-
Plant and machine operators and assemblers	Female	1	-	-	-	-
	Male	1	-	-	-	-
Elementary occupations	Female	58	-	15	11	26
	Male	42	-	8	6	14
Gender sub-totals	Female	770	-	5	74	79
	Male	523	-	5	53	58
Total		**1 293**	**-**	**508**	**127**	**635**

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	31	-	159	21	180
	Male	32	-	96	12	108
Professionals	Female	185	-	37	6	43
	Male	138	-	38	9	47
Technicians and associate professionals	Female	209	-	25	7	32
	Male	140	-	16	8	24
Clerks	Female	270	-	79	29	108
	Male	126	-	34	18	52
Service and sales workers	Female	16	-	-	-	-
	Male	43	-	-	-	-
Skilled agriculture and fishery workers	Female	0	-	-	-	-
	Male	0	-	-	-	-
Craft and related trades workers	Female	0	-	-	-	-
	Male	1	-	-	-	-
Plant and machine operators and assemblers	Female	1	-	-	-	-
	Male	1	-	-	-	-
Elementary occupations	Female	58	-	1	12	13
	Male	42	-	2	8	10
Gender sub-totals	Female	770	-	301	75	376
	Male	523	-	186	55	241
Total		**1 293**	**-**	**487**	**130**	**617**

TABLE 13.1 - Injury on Duty

Nature of Injury on Duty	No.	% of total
Required basic medical attention only	3	100
Temporary total disablement	-	-
Permanent disablement	-	-
Fatal	-	-
Total	**3**	**-**

TABLE 14.1 - Report on consultant appointments using appropriated funds

Project Title	Total No. of Consultants that Worked on the Project	Duration: of Work days[1]	Contract Value in Rand
1. Appointment of Dr Thulare as a preferred consultant	1	365	R921 054.00
2. National Control Laboratory Service	10	365	R11 124 910.00
3. Appointment of a preferred supplier: Dr Shaker to manage the revitalisation project at all government health facilities for a period of three years.	1	365	R1 5 00.00 per hour
4. Appointment of a service provider to conduct a mid-term review of South Africa Global Fund round six	1	195	R2 009 572.39
5. Appointment of a service provider to offer internal audit services to CCOD for the period 2011-2012	1	365	R427 712.00
6. Appointment of a preferred bidder to conduct PMTCT research study	1	365	R3 323 761.00
7. Appointment of a bidder to conduct an external audit for the NDoH and CDC.	1	365	R472 686.40
8. Appointment of a service provider for the testing and software development of a nutrient profiling model for South Africa	1	365	R494 864.88
9. Technical assistance to the office of the Director-General via TAU at National Treasury for a period of three years	1	365	R1 000 000.00
10. Appointment of a bidder to audit Health Research ethics committees: Ms K. Nevhutalu	1	365	R486 896.20
11. Appointment of a bidder to conduct external audit of NDoH's CDC cooperate agreement	1	365	R124 744.00
12. Approval for implementation of CEDA project tTraining	1	365	R265 270.00
13. Infrastructure systems support proposal	1	365	R70 000.00
14. Advisory Consultant: Dr B Strachan	1	365	R1 782 000.00
15. Appointment of a service provider to conduct a national PHC facilities audit	1	365	R42 903 789
Total	**24**	**5 305[2]**	**R65 407 260.22**

[1]Reporting has the maximum of 365 days. The report is for the period 1 April 2011 to 31 March 2012 contract value is equal to calender days

[2]The total of 5 305 is the sum total of all work days allocated

TABLE 14.2 - Analysis of Consultant Appointments using Appropriated Funds, i.t.o. HDIs

Project Title	% Ownership by HDI Groups	% Management by HDI Groups	No. of Consultants from HDI Groups that Work on the Project
Appointment of Dr Thulare as a preferred consultant	100	100	1
Appointment of a service provider to conduct a national primary health care facilities audit	40	60	1
Appointment of a service provider to offer internal audit services to CCOD for the period 2011-2012	25	25	1
Appointment of a bidder to conduct an external audit for the national Department of Health and CDC.	72	72	1
Appointment of a bidder to audit health research ethics committees: Ms K. Nevhutalu	95	95	1
Appointment of a bidder to conduct external audit of NDoH's CDC corporation agreement	70	70	1

TABLE 15.1 - Signing of Performance Agreement by SMS Members

SMS Level	Total No. of Funded SMS Posts per Level	Total No. of SMS Members er Level	Total No. of Signed Performance Agreements per Level	Signed Performance Agreements as % of Total No. of SMS Members per Level
Director-General/Head of Department	1	1	1	100%
Salary Level 16, but not HOD	1	1	1	100%
Salary Level 15	8	7	1	14%
Salary Level 14	31	17	14	82%
Salary Level 13	97	68	36	53%
Total	**138**	**94**	**53**	**56%**

TABLE 15.4 - SMS Post Information as on 31 March 2012

SMS LEVEL	Total No. 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	% of SMS Posts Vacant per Level[2]
Director–General	1	1	100	-	-
Salary Level 16 but not DG	1	1	100	-	-
Salary Level 15	8	7	88	1	13
Salary Level 14	31	17	55	14	45
Salary Level 13	97	68	70	29	30
Total	**138**	**94**	**68**	**44**	**32**

[1]Total 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 posts vacant per level divided by total number of funded SMS posts per level multiplied by 100

TABLE 15.5 - Advertising and Filling OF SMS Posts

SMS LEVEL	Advertising	Filling of Posts	
	No. of Vacancies per Level Advertised within Six Months of becoming Vacant	No. of Vacancies per Level Filled in Six Months after Becoming Vacant	No. of Vacancies per Level not Filled in SixMonths but Filled in 12 Months
Director –General	-	-	-
Salary Level 16 but DG	-	-	-
Salary Level 15	2	2	-
Salary Level 14	4	4	-
Salary Level 13	3	0	-
Total	**9**	**6**	**-**

TABLE 15.6 - Reasons for not having complied with the filling of funded vacant SMS - Advertised within six months and filled within 12 months afrer becoming vacant

Reason for vacancies not advertised within 6 months	Reason for vacancies not filled within 12 months
The restructuring and post redefining process	The restructuring and post redefining process

TABLE 15.7 Disciplinary steps taken for not complying with the prescribed time frame for filling SMS posts with 12 months

Disciplinary steps taken for not complying with the prescribed time frame for filling SMS posts with 12 months
None

5. OTHER INFORMATION

ACRONYMS

A

AGSA	Auditor-General of South Africa
AHPCSA	Allied Health Professions Council of South Africa
AIDS	Acquired Immune Deficiency Syndrome
AMC	Academic Medical Center
ANC	Antenatal Coverage
ANHP	Annual National Health Plan
APP	Annual Performance Plan
ART	Anti-retroviral Treatment

B

BME	Benefit Medical Examinations

C

CBO	Community-based Organisation
CCOD	Compensation Commissioner for Occupational Diseases
CDC	Centre for Disease Control
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHW	Community Health Worker
CMS	Council for Medical Schemes
CPT	Cotrimoxazole Prophylaxis Therapy
CTOP	Choice of Termination of Pregnancy
CSIR	Council for Scientific and Industrial Research

D

DBSA	Development Bank of Southern Africa
DDG	Deputy Director-General
DG	Director-General
DPSA	Department of Public Service Administration
DHIS	District Health Information System
DHMIS	District Health Management Information System
DHP	District Health Plans
DHS	District Health System
DoH	Department of Health
DoRA	Division of Revenue Act

E

EEL	Essential Equipment List
EMS	Emergency Medical Services
EPI	Expanded Programme for Immunisation

F

FAO	Food and Agriculture Organisation
FSHPC	Forum of Statutory Health Professional Councils

G

GAAP	Generally Accepted Accounting Practice
GIS	Government Information Systems
GRAP	Generally Recognised Accounting Practice

H

HAART	Highly Active Anti-retroviral Therapy
HCT	HIV Counselling and Testing
HDACC	Health Data Advisory and Co-ordination Committee
HIV	Human Immunodeficiency Virus
HPCSA	Health Professional Council of South Africa
HR	Human Resources
HRH	Human Resources for Health
HT	Health Technology

I

ICDM	Integrated Chronic Disease Management
ICT	Information Communication Technology
IMR	Infant Mortality Rate
IPT	Isoniazid Preventive Therapy
ISHP	Integrated School Health Programme
ITC	Information Technology Committee

M

MCC	Medical Control Council
MCWH	Maternal Child and Women's Health
MDG	Millennium Development Goal
M&E	Monitoring and Evaluation
MISP	Master Information Systems Plan
MMR	Maternal Mortality Rate
MRC	Medical Research Council
MTEF	Medium Term Expenditure Framework

N

NCD	Non-Communicable Disease
NCHF	National Consultative Health Forum
NCPI	National Commitment and Policy Instrument
NGO	Non-Governmental Organisation
NHC	National Health Council
NHI	National Health Insurance
NHIRD	National Health Information Repository and Datawarehouse
NHLS	National Health Laboratory Services
NPM	Nutrient Profiling Models
NSDA	Negotiated Service Delivery Agreement
NSP	National Strategic Plan
NWU	North West University

O

OHSC	Office of Health Standards Compliance
OHUs	Occupational Health Units

P

PAA	Public Audit Act of South Africa
PCV	Pneumococcal Vaccine
PFMA	Public Finance Management Act
PHC	Primary Health Care
PHSDSBC	Public Health and Social Development Sectoral Bargaining Council
PMIS	Project Management Information System
PMTCT	Prevention of Mother to Child Transmission
POC	Proof of Concept
PPP	Public Private Partnership

S

SADC	Southern African Development Corporation
SAHPRA	South African Health Products Regulatory Authority
SANC	South African Nursing Council
SANAC	South African National AIDS Council
SANACT	South African National AIDS Council Trust
SAPC	South African Pharmacy Council
SCOPA	Select Committee on Public Accounts
SITA	State Information Technology Agency
SLA	Service Level Agreement
STI	Sexually Transmitted Infection

T

TB	Tuberculosis
TOP	Termination of Pregnancy
ToR	Terms of Reference

U

UK	United Kingdom
UN	United Nations
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
U5MR	Under-Five Mortality Rate

W

WHO	World Health Organisation

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