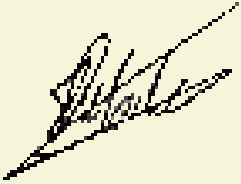


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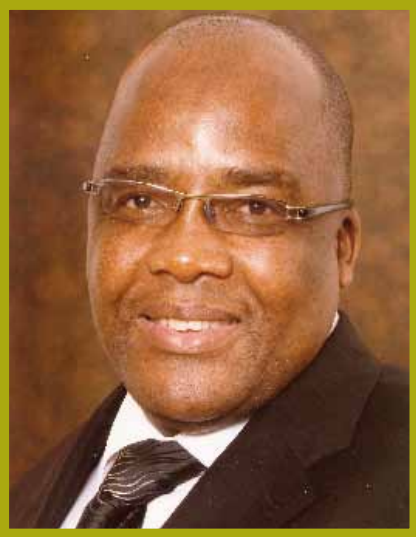


SUBMISSION OF THE ANNUAL REPORT FOR 2008/09

1. In terms of Section 40(1) (d) of the Public Finance Management Act, 1 of 1999 (as amended), and the Public Service Act, of 1994 (as amended), I hereby submit to the Minister the *Annual Report of the Department of Health for the Financial Year 2008/09*.
2. In terms of Section 65(1) of the Public Finance Management Act, 1 of 1999 (as amended) the Minister is required to table the report to the National Assembly by 30 September 2009.



DIRECTOR-GENERAL: HEALTH**DATE: 14 September 2009**



1. FOREWORD BY THE MINISTER

This annual report of the National Department of Health draws a curtain on the financial year 2008/09, which was the final year of the 2004-2009 term of office of Government. It accounts for the performance of the national department against the strategic plan for 2008/09-2010/11, during the first year of implementation.

The report reflects the key milestones achieved by the department in its quest to improve the health status of South Africans, through the delivery of accessible, caring and good quality services. Most importantly, the report also reflects the department's limitations and constraints encountered during the reporting period, which will have to be addressed going forward. It is of critical importance that we learn equally from our achievements, as well as from our oversights and limitations.

Service volumes in the public health sector increased notably during the year under review. Access to primary care services, as measured by headcounts, increased from 106 623 648 in 2007/08 to 117 341 256 in 2008/09. The national primary health care utilisation rate increased from 2,2 visits per person per annum in 2007/08 to 2,4 visits per person in 2008/09. Although this figure was lower than our target of 3,5 visits per capita, it reflects positive and encouraging trends. Higher activity levels were also recorded at district hospitals, with hospital separations increasing from 1 567 590 in 2007/08 to 1 692 969 in 2008/09. Separations at regional and tertiary hospitals also reflect slight increases between 2007/08 and 2008/09.

Our strategic health programmes also reflect steady improvements. Our immunisation coverage has increased from 85,2% in 2007/08 to 88,8% in 2008/09. Our tuberculosis (TB) control programme reflects a steadily improving cure rate, from 57,7% in 2005 to 62,3% in 2006, and to 64% in 2007. A total of 781 465 South Africans living with HIV and AIDS were initiated on antiretroviral treatment (ART) in 2008/09, reflecting a 38% increase from the 483 084 people who were on treatment in 2007/08. A total of 734 409 people living with debilitating conditions were provided with nutritional support.

The trust that South Africans have placed in the public health system cannot be betrayed. We will spare no effort in ensuring that the public health sector continuously enhances the quality of the services it offers.

At a legislative level, key pieces of legislation were processed through Parliament in 2008/09 to promote public health and to strengthen the functioning of the health system. These include the Medicines and Related Substances Bill and the Tobacco Products Control Amendment Bill, which were passed by Parliament. The Medical Schemes Amendment Bill and the National Health Amendment Bill were tabled in Parliament.

Co-operation on health matters was also fostered with several neighbouring countries in the Southern African Development Community (SADC) and the African Union (AU). These include agreements signed with Namibia, Cameroon, Burundi and Malawi. This is quite significant, since diseases do not comply with any geographic or political boundaries.

Diverse challenges and constraints confronted the department in 2008/09, which impacted negatively on its performance in several areas. Due to resource constraints, the *South African Demographic and Health Survey*

(SADHS) 2008, which is the source of official information on health outcomes in South Africa, was not conducted. This work has now been carried into the next financial year.

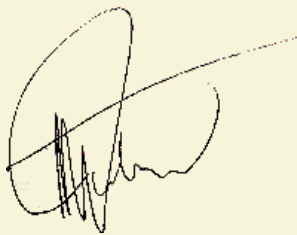
Policy proposals for the implementation of the Occupation Specific Dispensation (OSD) for doctors, dentists, pharmacists and emergency medical services (EMS) personnel were finalised, but funding issues could not be resolved. These matters are now being settled in the new financial year, with additional support from the national fiscus.

I will also be very forthright and indicate that the department has received a qualified audit opinion from the Office of the Auditor-General (South Africa) for 2008/09, for reasons outlined later in the report. All these factors provide us with an important baseline to work from.

As we leap forward into 2009-2014, we do so filled with a deep sense of appreciation of the challenges that lie ahead. These include overhauling a health system that has at best produced mixed outcomes, and converting it to a well oiled machinery that meets the health needs and expectations of South Africans who depend on it. This transformed health system must steer the country towards the attainment of the health related Millennium Development Goals (MDGs) by 2015.

Many health workers and managers throughout the country dedicated themselves to improving service delivery in 2008/09. Their efforts are acknowledged. As we begin to turn around the health system, their commitment to enhancing the health and social well being of all South Africans will be paramount.

My gratitude also goes to the Director-General of the Department of Health, Mr T D Mseleku, as well as to all provincial Members of the Executive Committee (MECs) for Health who steered the ship during 2008/09.



DR A MOTSOLEDI, MP
MINISTER OF HEALTH
DATE : 15 September 2009



2. INTRODUCTION BY THE DIRECTOR-GENERAL

The National Department of Health's annual report for 2008/09 sets out the performance of the department against its strategic plan for 2008/09-2010/11.

For the period under review, the National Health Council (NHC) consisting of the minister and the nine provincial MECs, adopted the following eight priorities for the National Health System (NHS): Strengthening health programmes, improving quality care through the development and implementation of health facility improvement plans, development of an Integrated National Health Information System, strengthening health financing, achieving further reduction in the prices of medicine and pharmaceutical products, strengthening human resources for health, strengthening international health relations and improving management and communication.

These NHS priorities were included in the *Strategic Plan of the National Department of Health* for the reporting period, the *Annual National Health Plan for 2008/09*, as well as the *Estimates of National Expenditure (ENE) for 2008/09*.

HIGHLIGHTS OF THE DEPARTMENT'S ACHIEVEMENTS IN 2008/09

Strengthening health programmes

Significant strides were made in 2008/09 to combat both communicable and non-communicable diseases (NCDs) prevalent in the country, through strengthened health programmes.

The department continued to implement the *National Strategic Plan (NSP) for HIV and AIDS 2007-2011*, as well as the *Comprehensive Plan for HIV and AIDS Care, Management and Treatment*. The South African National AIDS Council (SANAC) continued to provide oversight in the implementation of the NSP 2007-2011.

Prevention was the mainstay of the department's efforts to combat HIV and AIDS. A total of 96% of public health facilities offered voluntary counselling and testing (VCT) services, and 95% of public health facilities provided prevention of mother-to-child transmission (PMTCT) services, against a target for 100%. However, the low uptake of VCT remained a key challenge. Access to antiretroviral treatment for people living with HIV and AIDS was also expanded. By the end of April 2009, a cumulative total of 781 465 patients had been initiated on antiretroviral therapy (ART), compared to 483 084 by April 2008. This represents a 38,2% increase.

As indicated by the minister, the management and control of tuberculosis also reflected positive outcomes, with the TB cure rate increasing to 64% in 2007. The department is conscious of the fact that this is still distant from the 85% TB cure rate that the World Health Organisation (WHO) encourages countries to strive towards. However, steady progress is being made. A total of 6 441 health personnel were trained in the clinical management of TB, and all patients with XDR-TB and MDR-TB were initiated on treatment.

The management and control of malaria in South Africa has been recognised internationally as one of the key areas of success of the public health sector. A 29,5 % decrease in malaria cases was achieved between 2007/08 and

2008/09, which exceeded the 2008/09 target of 10%. Malaria cases decreased from 8 743 in 2007/08 to 6 167 in 2008/09. The case fatality rate also decreased from 0,8 in 2007/2008 to 0,6 in 2008/2009. The number of malaria deaths declined from 68 in 2007/2008 to 40 deaths in 2008/2009.

The department also maintained its focus on non-communicable diseases (NCDs). Support was provided to provinces to monitor the implementation of the guidelines on the management of NCDs. An implementation plan for the *Diabetes Declaration* that was adopted at the 19th World Diabetes Congress held in Cape Town in 2007, was produced.

Improving quality care through the development and implementation of health facility improvement plans

During 2008/09, the department published national core standards, and a system for ensuring compliance. Appraisals of 27 priority hospitals against these standards were conducted by national teams between June and August 2008, and the results informed the development of health facility improvement plans for each hospital. Supportive facilitation was provided to these facilities by the national and provincial health departments, as well as health districts. The nature of the support provided aimed at assisting facilities to focus on achieving results to turn around specific problems in the short term, thus building their capacity to improve quality in the long term. Useful lessons were generated during this process, which will be carried forward into the new financial year.

Implementation of an Integrated National Health Information System

During the reporting period, the performance of the health system continued to be monitored through the District Health Information System (DHIS). Quarterly reviews of the performance of the national and provincial health departments against their strategic and annual performance plans were conducted, based on DHIS data. A national process of reviewing and refining the key indicators in the National Indicator Data Set (NIDS) commenced. Data comprehensiveness and reliability have improved steadily and significantly since the establishment of the DHIS. Key challenges faced by the health system included inadequate infrastructure and personnel for strengthening health information systems at all levels of the health system, especially at primary care level. As it will be reflected later, only 186 hospitals appointed dedicated information officers during the reporting period, against a target of 286.

Relevant documentation for the start-up phase of the Electronic Health Record for South Africa (eHR.ZA) was finalised with the State Information Technology Agency (SITA) and the SITA Board. The start-up phase will commence in the new financial year. The development of the Health Professionals Information Management System, also known as Human Resources for Health (HRH) Database, continued during the reporting period. Consultations were conducted with internal and external stakeholders. These included the health professions councils such as the South African Nursing Council (SANC), the Health Professions Council of South Africa (HPCSA), the South African Pharmacy Council and the South African Dental Council, as custodians of information on health professionals located in both the public and private sectors.

Strengthening health financing, including designing the National Health Insurance System and reducing the rate of increase of tariffs in the private health care sector

The broad objective of pursuing a National Health Insurance (NHI) System is to put into place the necessary funding and health service delivery mechanisms that will enable the creation of an efficient, equitable and sustainable health system in South Africa. Technical work for the NHI was completed in 2008/09. The next steps will include the developing of NHI policy and legislation, and the creation of an appropriate unit within the department to steer the implementation of the NHI.

Achieving further reduction in the prices of medicine and pharmaceuticals

During the reporting period, the department concluded a benchmarking exercise comparing prices of medicines and pharmaceutical products in South Africa against countries such as Australia, Canada, New Zealand and Spain, which have a similar regulatory framework for medicines, including a Medicines Control Council (MCC) and respect for intellectual property rights. Based on the benchmarking results, the pricing committee finalised and submitted its recommendations on medicine pricing to the minister in 2008. The recommendations were published in a *Government Gazette* in August 2008, with a time frame of 30 days provided for stakeholders to respond. Implementation of these recommendations would potentially reduce medicine prices by 30% and result in a net saving of about R1 billion. However, this process also encountered legal challenges initiated by the pharmaceutical industry.

The department also contributed to the development of the African Union (AU) Pharmaceutical Manufacturing Plan,

with the view that the South Africa would be one of the locii. A draft policy on African traditional medicine (ATM) was produced. The ATM policy was published in the *Government Gazette No 31271* on 25 July 2008 for comment within three months from the date of publication. The deadline for comment was 24 October 2008. Following this, the department incorporated the feedback received into the revised ATM Policy. A workshop for traditional health practitioners was also conducted to enable them to contribute to the development of the ATM policy.

Strengthening human resources for health

As indicated by the minister, policy proposals for the implementation of the Occupation Specific Dispensation (OSD) for doctors, dentists, pharmacists and EMS personnel were finalised, but funding issues remained unresolved. The department continued its discussions with National Treasury about the provision of additional resources for OSD, including funding for the deficit that occurred during the implementation of OSD for nurses. What is of greater importance however, is the sustainable availability of resources to sustain the implementation of OSD for key categories of health professionals into the future.

Progress was also made toward the development of mid-level workers. A total of 100 clinical associate students were enrolled at three institutions namely, Walter Sisulu University, University of Pretoria and University of Witwatersrand, as the first cohort for this programme. This exceeded the 2008/09 target of enrolling 36 students.

Strengthening international health relations

The department continued to provide support to the African Union (AU) in the implementation of its bureau priorities during the reporting period. The department provided support to the African Union (AU) to ensure a wider dissemination of the *Africa Health Strategy*, which was adopted at the 3rd Conference of African Health Ministers (CAHM 3) held in Johannesburg in April 2007. The department printed copies and produced compact discs of the *Africa Health Strategy* in English, French and Portuguese, which were distributed to 53 African Union member states.

The department also facilitated the development of the *Framework for the Implementation of the African Health Strategy*, as well as the *Implementation Plan of the Africa Health Strategy*. This implementation plan was approved by AU ministers of health at the World Health Assembly in Geneva on 17 May 2008, and also endorsed by the AU Summit in June 2008.

The department facilitated the development and signing of agreements on health matters between South Africa and various countries in the South African Development Community (SADC) region and in the continent broadly. Agreements were signed with: Namibia (August 2008), the Cameroon (3 September 2008), Burundi (16 September 2008) and Malawi (12 February 2009). In collaboration with the WHO, UNICEF and UNFPA, South Africa hosted the AU Continental Workshop on Maternal, Neonatal and Child Mortality Reviews in April 2008. At this workshop, Africa's Movement to Improve Maternal Health and Promote Child Survival and Development in Africa beyond 2015 was launched.

In November 2008, the department also hosted the 3rd Session of the Conference of the Parties to the WHO Framework on Tobacco Control Convention (COP3).

As discussed in detail later in this annual report, support was also provided to countries involved in post-conflict reconstruction. Following the signing of the agreement on health matters between South Africa and Burundi, a draft programme of action with Burundi was finalised and sent to Burundi for their final comments. South Africa assisted the Democratic Republic of Congo to address the following health issues: maternal, women, and child's health and nutrition; management of MDR-TB and XDR-TB; research colloquium on African traditional medicines; hospital services and core standards and malaria control. The agreement between South Africa and Sudan was finalised and is anticipated to be signed in 2009/10.

Strengthening management and communication

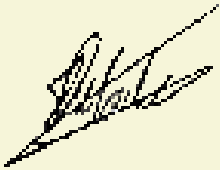
During the reporting period, the department produced a documented communication strategy that outlines its modalities for interaction with its key stakeholders. The key objectives of the strategy are to provide an avenue for interacting with and receiving feedback from stakeholders, and to inform the public about key health issues. A National Consultative Health Forum (NCHF) was held in April 2008, which drew multitudes of participants from diverse sectors including non-governmental organisations (NGOs), community-based organisations (CBOs), academic institutions, the religious sector and other formations.

However, fewer ministerial Izimbizo were held in 2008/09. These are platforms where communities interact directly with the minister, raise health related issues directly, including concerns and compliments.

As the foregoing account suggests, the department made progress towards the key priorities for the 2008/09 financial year. There are also diverse areas where limited progress was made. In addition to the under-funding of the health sector, other key challenges experienced by the health sector included: the triple burden of disease (communicable diseases, non-communicable diseases, injuries and trauma); impact of social determinants of health and insufficient human resources for health (clinical and management levels).

Despite these challenges the department will continue to ensure the provision of accessible, and high quality health services to the people of South Africa. The support of the two former ministers of health during 2008/09, Dr ME Tshabalala-Msimang, and Ms B Hogan, is acknowledged with gratitude.

The leadership and guidance of the Minister of Health, Honourable Dr A Motsoaledi, is deeply appreciated.



MR TD MSELEKU
DIRECTOR-GENERAL: HEALTH
DATE: 14 September 2009

SECTION 1: PERFORMANCE REVIEW

3. INFORMATION ON THE MINISTRY

3.1. INSTITUTIONS REPORTING TO THE EXECUTIVE AUTHORITY

The following institutions report to the Minister of Health:

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

3.2. BILLS SUBMITTED TO THE LEGISLATURE DURING THE FINANCIAL YEAR

Four pieces of legislation were processed through Parliament in 2008/09. The Medicines and Related Substances Bill and the Tobacco Products Control Amendment Bill were passed by Parliament. The Medical Schemes Amendment Bill and the National Health Amendment Bill were tabled in Parliament.

3.3. MINISTERIAL VISITS ABROAD

The table below reflects the official visits by the two ministers of health during the 2008/09 financial year.

INTERNATIONAL TRIPS UNDERTAKEN BY THE MINISTERS DURING 2008-2009 FINANCIAL YEAR

DATE	ACTIVITY	COUNTRY
3-6 March 2008	First Global Forum on Human Resources for Health (Minister representing the AU at the Opening Ceremony)	Kampala, Uganda
23-24 April 2008	SADC Health Ministers' Meeting	Lusaka, Zambia
28-30 April 2008	Primary Health Care Conference	Ouagadougou, Burkina Faso
7 May 2008	High Level International Conference on Universal Health Coverage	Paris, France
19-24 May 2008	World Health Assembly	Geneva, Switzerland
9-11 June 2008	United Nations General Assembly	New York, United States of America
19 June 2008	SADC Intergrated Committee of Ministers Meeting	Manzini, Swaziland
24 June 2008	Visit to Windhoek Central Hospital to observe the first heart surgery	Windhoek, Namibia
28-30 July 2008	IBSA Trilateral meeting on co-operation in the field of health and medicine	New Delhi, India
4-5 August 2008	Official inauguration of the Namibian Cardiac Unit at Windhoek Central Hospital	Windhoek, Namibia
6 August 2008	SA-DRC Ministerial Review Meeting	Kinshasa, Democratic Republic of Congo
27-29 Aug 2008	Ministerial Conference on Environmental Health	Gabon
1-5 September 09	WHO Regional Committee for Africa	Yaounde, Cameroon
15-16 September 09	Signing of MOU with Burundi	Bujumbura, Burundi
2 - 3 March 2009	Malaria Elimination meeting	Windhoek, Namibia
14 - 16 March 2009	Zimbabwe Joint Permanent Cooperation Commission (JPCC)	Zimbabwe

4. VISION AND MISSION OF THE DEPARTMENT OF HEALTH

Vision

An accessible, caring and high quality health system.

Mission

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

5. LEGISLATIVE MANDATES

The legislative mandate of the department is derived from the Constitution and several pieces of legislation passed by Parliament.

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

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

5.1. LEGISLATION FALLING UNDER THE MINISTER’S PORTFOLIO

- **National Health Act, 61 of 2003**
The objective of this act is to provide a framework for a structured uniform health system within the Republic, taking into account the obligations imposed by the Constitution and other laws on the national, provincial and local governments with regard to health service and to provide for matters connected therewith.
- **Medical Schemes Act, 131 of 1998**
Provides for the regulation of the medical schemes industry to ensure consonance with national health objectives.
- **Medicines and Related Substances Act, 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, 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, 92 of 1996 (as amended)**
Provides a legal framework for termination of pregnancies based on choice under certain circumstances.
- **Sterilisation Act, 44 of 1998 (as amended)**
Provides a legal framework for sterilisations, also for persons with mental health challenges.
- **South Africa Medical Research Council Act, 58 of 1991**
Provides for the establishment of the South Africa Medical Research Council and its role in relation to health research.
- **Tobacco Products Control Amendment Act, 12 of 1999 (as amended)**
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, 37 of 2000**
Provides for a statutory body that provides laboratory services to the public health sector.
- **Health Professions Act, 56 of 1974 (as amended)**
Provides for the regulation of health professions, in particular, medical practitioners, dentists, psychologists and other related health professions, including community service by these professionals.
- **Pharmacy Act, 53 of 1974 (as amended)**
Provides for the regulation of the pharmacy profession, including community service by pharmacists.
- **Nursing Act, 33 of 2005**
Provides for the regulation of the nursing profession.
- **Allied Health Professions Act, 63 of 1982 (as amended)**
Provides for the regulation of health practitioners like chiropractors, homeopaths, etc and for the establishment of a council to regulate these professions.
- **Dental Technicians Act, 19 of 1979 (as amended)**
Provides for the regulation of dental technicians and for the establishment of a council to regulate the profession.
- **Hazardous Substances Act, 15 of 1973**
Provides for the control of hazardous substances, in particular those emitting radiation.
- **Foodstuffs, Cosmetics and Disinfectants Act, 54 of 1972 (as amended)**
Provides for the regulation of foodstuffs, cosmetics and disinfectants, in particular, quality standards that must be complied with by manufacturers as well as their importation and exportation.
- **Occupational Diseases in Mines and Works Act, 78 of 1973 (as amended)**
Provides for medical examinations on persons suspected of having contracted occupational diseases especially in mines and for compensation in respect of those diseases.
- **Council for Medical Schemes Levy Act, 58 of 2000**
Provides for a legal framework for the council to charge medical schemes certain fees.
- **National Policy for Health Act, 116 of 1990**
Provides for the determination of national health policy to guide the legislative and operational programmes of the health portfolio.
- **Academic Health Centres Act, 86 of 1993**
Provides for the establishment, management and operation of academic health centres.
- **Human Tissue Act, 65 of 1983**
Provides for the administration of matters pertaining to human tissue.
- **The South African Red Cross Society and Legal Protection of Certain Emblems Act, 10 of 2007**
The object of the Act is to provide for legislative framework to establish a formal relationship between South African Red Cross and Government in order to ensure that health efforts around rescue and disaster management are properly co-ordinated so as to avoid duplication of efforts of the two institutions.
- **Traditional Health Practitioners Act, 22 of 2007**
The object of this Act is to create a legal framework for the regulation of the profession of traditional healers and also to create a statutory body that would see to the regulation of the profession.

5.2. OTHER LEGISLATION IN TERMS OF WHICH THE DEPARTMENT OPERATES

- **Constitution of the Republic of South Africa Act, 108 of 1996**
Pertinent sections provide for the rights of access to health care services, including reproductive health and emergency medical treatment.

- **Public Service Act, Proclamation 103 of 1994**
Provides for the administration of the public service in its national and provincial spheres, as well as provides for the powers of ministers to hire and fire.
- **Promotion of Administrative Justice Act, 3 of 2000**
Amplifies the constitutional provisions pertaining to administrative law by codifying it.
- **Promotion of Access to Information Act, 2 of 2000**
Amplifies the constitutional provision pertaining to accessing information under the control of various bodies.
- **Labour Relations Act, 66 of 1996**
Regulates the rights of workers, employers and trade unions.
- **Compensation for Occupational Injuries and Diseases Act, 130 of 1993**
Provides for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, for death resulting from such injuries or disease.
- **Basic Conditions of Employment Act, 75 of 1997**
Provides for the minimum conditions of employment that employers must comply with in their workplaces.
- **Occupational Health and Safety Act, 85 of 1993**
Provides for the requirements that employers must comply with in order to create a safe working environment for employees in the workplace.
- **The Division of Revenue Act, 7 of 2003**
Provides for the manner in which revenue generated may be disbursed.
- **Skills Development Act, 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, 5 of 2000**
Provides for the implementation of the policy on preferential procurement pertaining to historically disadvantaged entrepreneurs.
- **Employment Equity Act, 55 of 1998**
Provides for the measures that must be put into operation in the workplace in order to eliminate discrimination and promote affirmative action.
- **State Information Technology Act, 88 of 1998**
Provides for the creation and administration of an institution responsible for the State's information technology system.
- **Child Care Act, 74 of 1983**
Provides for the protection of the rights and well being of children.
- **The Competition Act, 89 of 1998**
Provides for the regulation of permissible competitive behaviour, regulation of mergers of companies and matters related thereto.
- **The Copyright Act, 98 of 1998**
Provides for the protection of intellectual property of a literary, artistic musical nature that is reduced to writing.
- **The Patents Act, 57 of 1978**
Provides for the protection of inventions including the gadgets and chemical processes.
- **The Merchandise Marks Act, 17 of 1941**
Provides for the covering and marking of merchandise, and incidental matters.

- **Trade Marks Act, 194 of 1993**
Provides for the registration of, certification and collective trademarks and matters incidental thereto.
- **Designs Act, 195 of 1993**
Provides for the registration of designs and matters incidental thereto.
- **Promotion of Equality and the Prevention of Unfair Discrimination Act, 4 of 2000**
Provides for the further amplification of the constitutional principles of equality and elimination of unfair discrimination.
- **State Liability Act, 20 of 1957**
Provides for the circumstances under which the State attracts legal liability.
- **Broad Based Black Economic Empowerment Act, 53 of 2003**
Provides for the promotion of black economic empowerment in the manner that the State awards contracts for services to be rendered, and incidental matters.
- **Unemployment Insurance Contributions Act, 4 of 2002**
Provides for the statutory deduction that employers are required to make from the salaries of employees.
- **Public Finance Management Act, 1 of 1999**
Provides for the administration of State funds by functionaries, their responsibilities and the incidental matters.
- **Protected Disclosures Act, 26 of 2000**
Provides for the protection of whistle-blowers in the fight against corruption.
- **Control of Access to Public Premises and Vehicles Act, 53 of 1985**
Provides for the regulation of individuals entering government premises, and incidental matters.
- **Conventional Penalties Act, 15 of 1962**
Provides for the enforceability of penal provisions in contracts.
- **Intergovernmental Fiscal Relations Act, 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, 46 of 1997**
Provides for the amplification of the constitutional principle of accountable governance, and incidental matters.

6. PROGRAMME PERFORMANCE BY BUDGET PROGRAMME

APPROPRIATION	MAIN APPROPRIATION	ADJUSTED APPROPRIATION	ACTUAL AMOUNT SPENT	UNDER EXPENDITURE
	R'000	R'000	R'000	R'000
National Department of Health Vote 14	15 851 169	15 851 169	15 464 470	386 699 (2,4%)
Responsible Minister: Minister of Health				
Administering Department: Department of Health				
Accounting Officer: Director-General of Health				

6.1. AIM OF THE VOTE

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

6.2. PROGRAMMES

For the financial year 2008/09, the budget structure of the National Department of Health consisted of six budget programmes *viz.*, Administration and Corporate Services; Strategic Health Programmes; Health Planning and Monitoring; Human Resources and Management Development; Health Services (Special Programmes and Health Entities Management); and International Relations, Health Trade and Health Product Regulation. The purpose of each programme and its measurable objectives are listed below. An overview of the major achievements of the department is noted in the director-general's report above. In addition, more detailed achievements and key challenges are described in the sections that follow.

PROGRAMME 1: ADMINISTRATION AND CORPORATE SERVICES

Purpose:

Administration and Corporate Services conducts the overall management of the department. Activities include policy-making by the offices of the minister, and director-general, and the provision of centralised support services. The *Corporate Services* Programme includes transversal functions such as corporate finance, human resources, logistical services, office support, information technology, internal audit, and legal services.

PROGRAMME 2: STRATEGIC HEALTH PROGRAMMES

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

In 2008/09, *Strategic Health Programmes* consisted of five sub-programmes to deal with its key policy areas:

- *Maternal, Child and Women's Health and Nutrition* formulates and monitors policies, guidelines, norms and standards for maternal, child and youth and women's health and nutrition.
- *HIV and AIDS* develops policy and administers the national HIV and AIDS and STI programmes, including co-ordinating the integrated plan for HIV and AIDS and the conditional grant.
- *Non-Communicable Diseases* establishes guidelines on the prevention, management and treatment of a range of chronic diseases, disability, older people, mental health care and oral health. The sub-programme is also responsible for: Revitalisation of forensic mortuaries that were transferred from the South African Police Service to provincial health departments; developing a national forensic pathology service; rationalising blood transfusion services; and liaising with the National Health Laboratory Service, including the National Institute of Communicable Diseases and the National Centre for Occupational Diseases.
- *Communicable Diseases* is responsible for the control of infectious diseases, and several occupational health functions, including the Medical Bureau for Occupational Diseases and the Compensation Commission for Occupational Diseases.
- *TB Control and Management* develops interventions to curb the spread of tuberculosis, provides support and oversight to the implementation of the *TB Crisis Management Plan*, and monitors and improves national TB performance indicators.

PROGRAMME 3: HEALTH PLANNING AND MONITORING

Health Planning and Monitoring supports the delivery of health services, primarily in the provincial and local spheres of government. There are four sub-programmes in this programme:

- *Health Economics* is a new sub-programme dealing with health economics research, medical schemes, social health insurance and public-private partnerships (PPPs).
- *Health Information, Research and Evaluation* deals with the development and maintenance of National Health Information System, and commissions and co-ordinates research. The sub-programme does disease surveillance

and epidemiological analyses, and monitors and evaluates health programmes. It develops norms, standards and other mechanisms for improving the quality of healthcare services, and provides oversight of the activities of the Medical Research Council.

- *Pharmaceutical Policy and Planning (PPP)* regulates and co-ordinates the procurement of pharmaceutical supplies to ensure that essential drugs are affordable and available, promotes rational drug use by consumers and healthcare workers, and administers legislation on food safety and related matters. PPP also deals with policy on the provision and management of health technology.
- *Office of Standards Compliance* deals with quality assurance, licensing and the certificates of need required in terms of the new National Health Act, 61 of 2003. The cluster also deals with radiation control.

PROGRAMME 4: HUMAN RESOURCES AND MANAGEMENT DEVELOPMENT

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

In 2008/09, there were three sub-programmes:

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

PROGRAMME 5: HEALTH SERVICES (SPECIAL PROGRAMMES AND HEALTH ENTITIES MANAGEMENT)

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

In 2008/09 there were six sub-programmes:

- *Hospital Services* deals with policy on the provision and management of hospital services and emergency medical services. It is also responsible for the large conditional grants for the revitalisation of hospitals.
- *Primary Health Care, District Health and Development* promotes and co-ordinates the development of the district health system, monitors the implementation of primary healthcare and activities related to the integrated sustainable rural development programme and the urban renewal programme. It also deals with policy making and monitoring of health promotion and environmental health.
- *Occupational Health* co-ordinates the delivery of Occupational Health Services, including the provision of benefit medical examinations.
- *Environmental Health Promotion and Nutrition* is responsible for the provision of environmental health services, health promotion and nutritional interventions.
- *Legal Services and Litigation* provides legal services to the department and the public sector.
- *Communication* provides linkages between the department and external stakeholders, including the media.

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

International Relations, Health Trade and Health Products Regulations co-ordinates bilateral and multilateral international health relations, including donor support. It also regulates the procurement of medicines and pharmaceutical supplies. Regulate and provide oversight for trade in health products.

In 2008/09 there were four sub-programmes.

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

6.3. OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT

During the reporting period, the public health sector continued to confront the triple burden of diseases, consisting of communicable diseases, non-communicable diseases and trauma and injuries. The imperative of accelerating progress towards the health-related Millennium Development Goals (MDGs) also guided the activities of the health sector.

While the country was still faced with the challenge of inadequate supply of human resources, emerging evidence began to suggest that the implementation of the Occupation Specific Dispensation (OSD) for professional nurses as from July 2007 had begun to attract more of them back to the public sector, especially to areas of direct service delivery and clinical settings. This was indeed the policy intent of OSD. However, its impact will have to be studied systematically and empirically in the next financial year.

The country also experienced an outbreak of cholera, which had huge impact on our northern neighbours, Zimbabwe, and also affected all provinces in the country, especially Limpopo, Mpumalanga and Gauteng. The provision of health care to people affected by cholera is a secondary intervention. The primary and fundamental intervention required is provision of good quality water and sanitation to communities. Thus, the department continued its established collaboration with other government departments such as water affairs and forestry, agriculture, education, public works and treasury, as well partnerships with civil society, will be sustained over the next MTEF period. An intersectoral approach to accelerating progress towards the health-related Millennium Development Goals is required.

The Commission on Social Determinants of Health established by the World Health Organisation (WHO) completed its work and submitted its report in 2008. The commission's findings accentuated the pivotal role that factors outside the health system play in influencing health outcomes.

6.4. OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT DURING 2008/09

During 2008/09, the department implemented for the first time its new budget programme structure with six programmes. This enabled the department to dedicate increased focus on areas such as providing oversight over public entities, monitoring clinical trials and regulating health trade and trade in health related products.

The department also experienced a change of leadership midway through the financial year, in September 2008, following a Cabinet reshuffle. During this period, Minister B Hogan assumed leadership of the health portfolio, while former Minister Dr ME Tshabalala-Msimang became the Minister in the Presidency. The department provided all the necessary support to ensure a smooth process of transition.

6.5. STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS

During 2008/09, the emphasis of the department was on evaluating and strengthening policy implementation, rather on developing new policies. During the reporting period, the department commissioned an external review of the performance of the health sector during the 15-year period 1994-2008. This was conducted by a team of independent researchers who submitted their final report in December 2008. At the same time, the Development Bank of South Africa (DBSA) also conducted a systematic review of the performance of the health sector.

The 15-year review commissioned by the department identified diverse achievements of the health system, including amongst others, protecting public health through the tobacco control legislation, protecting South African children against vaccine preventable diseases, measles eradication, and the expansion of physical access to health services through expanded infrastructure development.

The review also highlighted a diversity of persistent challenges facing the health sector, and advanced a set of recommendations to address these. In the area of human resources, the recommendations included expanding the production of professional nurses and doctors, re-orientating the training curricula towards primary health care, finalisation of the community care givers framework, development of norms and standards for PHC and supportive supervision and clinical mentoring. In the area of health information, the key recommendations included the development of a macrostrategic framework for information.

In terms of management and leadership, the reviewers emphasised implementation of decentralised management and holding decentralised management structures accountable. They also called for a re-orientation of approach, and placing greater emphasis on monitoring.

With regard to the district health systems and primary health care, the external reviewers accentuated the need to revitalise PHC in South Africa, to improve the functioning of the DHS, to ensure support from the national and provincial health departments to district management teams (DMTs) and to hold DMTs accountable for performance.

These views were consistent with the resolutions of the National Primary Health Care Conference convened by the department at the Birchwood Conference Centre in Gauteng in April 2008, to commemorate 30 years since the PHC philosophy was adopted in Alma Ata, Russia. In the *Birchwood Declaration*, the health sector committed itself to the ideals of the PHC approach, and to ensuring that the implementation of PHC is vigilantly monitored and consistently reported on, with speedy interventions made to unblock areas of slow progress.

The findings and recommendations of the 15-year review commissioned by the department were largely consistent with the review conducted by the DBSA.

Few new policies that were introduced during the reporting period include the *Strategic Plan for Maternal, Neonatal, Child and Women's Health (MNCWH) and Nutrition in South Africa, 2009-2014*, which was finalised in February 2009. Two new vaccines were also introduced to help prevent deaths from pneumonia and diarrhoea namely Prevenar and Rotatrix respectively. Due to resource constraints, these vaccines were implemented incrementally in the provinces.

7. DEPARTMENTAL REVENUE AND EXPENDITURE

7.1 COLLECTION OF DEPARTMENTAL REVENUE

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

7.2. DEPARTMENTAL EXPENDITURE FOR 2008/09

7.2.1. Programme 1: Administration and Corporate Services

The programme shows an under expenditure of R3,9 million (1,6%) against a budget of R244,9 million. The under spending can mainly be ascribed to the delays experienced in the relocation to the newly upgraded Civitas Building due to incomplete processes between the contractors and the public works department. Although the funds are committed, the payments could not be made during the year.

7.2.2. Programme 2: Strategic Health Programmes

The programme shows an under expenditure of R38 million (1%). The under spending can mainly be attributed to the slow progress on the building of mortuaries as well as payment of invoices with the forensic pathology services conditional grant at provincial level. Funds earmarked to NGOs could not be released in full before year-end.

7.2.3 Programme 3: Health Planning and Monitoring

The programme has spent 100% of its allocated funds amounting to R342 million, with only R110 000 unspent.

7.2.4. Programme 4: Human Resources and Management Development

The programme shows an under spending of R10 million (0,6%) against a budget of R1 716 billion. The under spending can mainly be ascribed to the delay in finalising a tender for an audit of nursing colleges project. A roll over of the funds has been requested.

7.2.5. Programme 5: Health Services (Special Projects and Health Entities Management)

The programme has spent 96,4% of its allocated funds amounting to R8,945 billion, which resulted in an under expenditure of 3,6%, amounting to R334 million. The under expenditure can be attributed to withheld hospital revitalisation and the forensic pathology services conditional grants for some provinces due to delays with construction processes of approved projects as well as invoices which could not be paid before year end due to cash flow limitations. A roll over has been requested for the funds since the funds have been committed.

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

The programme has spent 99,6% of its allocated funds amounting to R97 million with only R382 000 (0,4%) unspent. The Medicines Control Council surrendered an amount of R25, 416 million to the National Revenue Fund (NRF) on 27 March 2009, but at year end, an amount of R 279 313,80 reflected in the MCC's bank account that will be paid to the NRF during the 2009/10 financial year.

7.3. TRANSFER PAYMENTS TO TRADING ENTITIES AND PUBLIC ENTITIES

Medical Research Council

The Medical Research Council (MRC) undertakes scientific research on clinical and health systems issues. Core funding is provided through the health department with the allocations from government being determined as part of the overall science vote under control of the Minister of Arts, Culture, Science and Technology, advised by the National Council for Innovation. Funding from the department's vote amounted to R 236 million in 2008/09. The council is successful in attracting research funding from other sources. There was close co-operation with the health department in setting research priorities. A critical task is research into a vaccine against the strain of HIV that affects sub-Saharan Africa.

National Health Laboratory Services

The National Health Laboratory Service Act, 37 of 2000 came into operation in May 2001. The entity is now fully operational as the legislated preferred provider of laboratory services to public health facilities. The National Health Laboratory Services took over the laboratory services in KwaZulu-Natal during the year under review. The National Health Laboratory Service's major source of funding is the sale of analytical laboratory services to users such as provincial departments of health, but it continues to receive a transfer from the national department, which amounted to R 70, 2 million in 2008/09.

Medical Schemes Council

The Medical Schemes Council regulates the private medical scheme industry in terms of the Medical Schemes Act, 131 of 1998, and is funded mainly through levies on the industry in terms of the Council for Medical Schemes Levies Act, 58 of 2000. During 2008/09 the department transferred R 6,1 million to the council.

South African National AIDS Trust (SANAT)

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

Trading Entity: Mines and Works Compensation Fund

The Compensation Commissioner for Occupational Diseases (CCOD) is responsible for the payment of benefits to miners and ex-miners who have been certified to be suffering from lung-related diseases because of working conditions. The Mines and Works Compensation Fund derives funding from levies (mine account, works account, research account, state account) collected from controlled mines and works, as well as appropriations from Parliament. Payments to beneficiaries are made in terms of the Occupational Diseases in Mines and Works Act, 78 of 1973. The value of the fund for the CCOD amounts to R1,1 billion while the department's transfer payment amounted to R2,355 million for the year under review. The entire financial system of the Compensation Commissioner for Occupational Diseases is being re-engineered.

7.4. CONDITIONAL GRANTS AND EARMARKED FUNDS

Ninety-eight percent (98%) of the budget of the National Department of Health consists of transfer payments to third parties. These can be classified as conditional grants and funding for non-governmental organisations (NGOs).

Conditional grants transfer the major conditional grants to provinces to fund specific functions. These are as follows:

CONDITIONAL GRANT	AMOUNT
National Tertiary Services Grant	R6, 134 billion
Health Professions Training and Development Grant	R1, 679 billion
Hospital Revitalisation	R2, 664 billion
Comprehensive HIV and AIDS Plan	R2, 885 billion
Forensic Pathology Services	R 594 million

These funds flow to provincial health departments from where spending takes place on items as contained in a pre-approved business plan. More details of the transfers per province are contained in **Annexure 1 C** of the financial statements.

The National Department of Health has no conditional grants to municipalities and can certify that all conditional grant funding, which was transferred, was in fact transferred into the primary bank account of the province concerned.

The performance of provinces was monitored by the National Department of Health in terms of the reports submitted by provinces and in terms of the frameworks which had been published in the DORA Bill for 2008/09. In support of the monitoring process officials from the National Department of Health also paid site visits to recipient provinces to verify progress. Based on the reports received from provinces, the allocations achieved the purpose and outputs outlined in the Act.

In the National Department of Health none of the amounts allocated in terms of the DORA was utilised for administrative purposes. Provincial reports indicated that the transferred funds were applied in terms of the framework and business plan for each of the grants. Where non-compliance occurred in terms of the Act it was rectified by means of discussion and in some cases delaying transfers. Funds were withheld for two grants viz; hospital revitalisation and forensic pathology services in consultation with the affected provinces.

Non-governmental organisations (NGOs) – NGOs range from national NGO's who are delivering services in the field of health and cover diverse institutions from LoveLife to Soul City to a range of smaller NGOs who are active in the field of HIV and AIDS. More details of the institutions funded can be found in **Annexure 1 K** of the annual financial statements.

Public Private Partnership (PPP)

A PPP agreement with the BioVac Institute was concluded on 30 May 2003 and the partnership is valid from 1 April 2003. In terms of the contracts the National Department of Health holds 40% of the shares in the BioVac Institute Pty Ltd (BioVac). In exchange for the 40% share the National Department of Health transferred the staff and assets of the directorate, which housed the State Vaccine to the BioVac. The department foresees no significant future cash flows to the PPP entity. The National Department of Health has no business relations with BioVac, however as part of the PPP contracts, BioVac has the right to supply provincial health departments with EPI vaccines from 2004 to 2007 (four years) at competitive prices. There were changes in the structure of the PPP through the dilution of the 40% share holding to 30%. This has also been approved by National Treasury. Implementation of the change will only be done in the next financial year.

The transfers into the PPP were estimated to have a value of R13,5 million and a third party valuation done in July 2008 on the net assets value method of valuation placed a value of R18,8 million on the National Department of Health's stake in the PPP.

No valuation was done on BioVac for disclosure in the current financial year because the department is currently valuing the relationship with BioVac and once this process has been completed, the department will be in a position to disclose and to decide on a way forward beyond December 2009.

8. PROGRAMME PERFORMANCE AND SERVICE DELIVERY ACHIEVEMENTS

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

PROGRAMME PERFORMANCE

As already indicated, during the financial year 2008/09, the activities of the National Department of Health were organised around six budget programmes, namely:

Programme 1: Administration and Corporate Services

Programme 2: Strategic Health Programmes

Programme 3: Health Planning and Monitoring

Programme 4: Human Resources and Management Development

Programme 5: Health Services (Special Programmes and Health Entities Management)

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

PROGRAMME 1: ADMINISTRATION AND CORPORATE SERVICES

PURPOSE

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

PERFORMANCE AND SERVICE DELIVERY ACHIEVEMENTS

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

1. STRATEGIC PLANNING

Health sector planning, monitoring and reporting on the implementation of plans were fortified during 2008/09. The department provided technical assistance to provincial health departments to update their long-term service transformation plans (STPs) in 2008. The STPs outlined the envisioned shape and size of health services in the respective provinces, the efficiency gains, as well as the resource envelope required for the transformation of services.

The *Annual National Health Plan (ANHP) for 2008*, which is a single integrated annual plan for the entire public health sector, was produced in terms of the National Health Act, 61 of 2003. The basis for the ANHP was the eight national

health systems (NHS) priorities adopted by the National Health Council (NHC) for the planning cycle. A bi-annual progress report on the implementation of the ANHP was also produced in October 2008.

The department also produced four analytical quarterly progress reports on the implementation of its *Strategic Plan for 2008/09-2010/11*, and four reports on the progress made by provincial health departments with their annual performance plans (APPs).

To strengthen policy development and analysis, the department produced three policy briefs, which focused on the following issues: *Illness-induced Poverty*, *Integrated Management of Childhood Illnesses: Lessons for Strengthening Future Implementation*, and *WHO's Health Systems Responsiveness Framework*.

The department also continued to entrench the project management approach in the implementation of its plans and programmes. A total of 22 projects were implemented in accordance with the project management approach during the reporting period. A total of 84 managers at national level were trained, 59 in project management principles and 25 managers in project management software in Q4.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)	
STRATEGIC PLANNING	Implement an integrated strategic planning framework	Provincial service transformation plans (STPs) updated	Provincial STPs updated in May 2008, ahead of the budget bid process for 2009/10, commencing in June 2008	<ul style="list-style-type: none"> Service transformation plans (STPs) were completed in 2008/09 Most provinces updated their STPs ahead of the budget bid process for 2009/10, which commenced in June 2008 	
		Annual national health plan (ANHP) of the health system produced	Annual National Health Plan 2008 produced by May 2008	<ul style="list-style-type: none"> Annual National Health Plan 2008 was produced and widely disseminated, and also placed on the department's website 	
		Annual national health plan (ANHP) of the health system produced	Annual national health plan informs bid to Treasury in June 2008	<ul style="list-style-type: none"> Budget bid for 2009/10 was aligned to the NHS priorities identified by the NHC and reflected in the ANHP 2008 	
			Comments on all APPs provided in April and December 2008	<ul style="list-style-type: none"> Partially achieved, due to delays in the finalisation of provincial APP's, resulting from the withdrawal of and re-issuing of allocation letters for 2009/10-2011/12 	
	Monitor implementation of national and provincial strategic plans	Provincial annual reports analysed and trends compiled	Report on all provincial annual reports compiled in May 2008	<ul style="list-style-type: none"> Database with quantitative data was developed based on the provincial annual reports 2007/08 	
		Quarterly reports	Quarterly progress reports produced in September and December 2008 and in January and June 2009	<ul style="list-style-type: none"> Four summary reports on the performance of national health department clusters and provincial health departments during all four quarters of 2008/09 were compiled 	
		Strengthen the use of information for planning	Monthly DHIS reports	Monthly reports based on the data from district health information system (DHIS)	<ul style="list-style-type: none"> With the assistance of the health information systems project (HISP), DHIS data were received, analysed and used for triangulation
		Strengthen and support health policy development	Number of analytical reports on proposed health policies and their possible impact	Three analytical reports (policy briefs) produced	<ul style="list-style-type: none"> Three policy briefs were produced

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
STRATEGIC PLANNING	Strengthen awareness of strategic planning issues within the national health system by producing a quarterly newsletter	Number of strategic planning newsletters produced	Four editions of the quarterly strategic planning newsletter produced	<ul style="list-style-type: none"> Newsletters were produced for the first three quarters of 2008/09
	Strengthen the use of a project management approach	Number of projects implemented in accordance with a project management approach	Four projects implemented	<ul style="list-style-type: none"> 22 projects were implemented namely: EDMS, CCMT programme (nine provincial projects), forensic pathology services conditional grant (nine provincial projects), hospital revitalisation, 3535 data capturer project; and relocation to Civitas Building
		Number of consolidated reports on the implementation of projects by the national and provincial departments of health	Four quarterly reports produced	<ul style="list-style-type: none"> Four quarterly reports were produced
		Number of donor programmes and projects utilising the project management approach in collaboration with official development assistance (ODA) rules and procedures	Quarterly feedback reports on donor programmes and projects	<ul style="list-style-type: none"> Quarterly reports were produced on the implementation of two programmes namely: partnerships for the delivery of primary health care including HIV and AIDS (EU) and the support to the Comprehensive Plan for HIV and AIDS Care, Management and Treatment (SuCoP) (EU)
		Number of departmental managers trained in project management principles	40 department managers trained by March 2009	<ul style="list-style-type: none"> 59 managers
		Number of departmental managers trained in project management software	20 department managers trained by March 2009	<ul style="list-style-type: none"> 25 managers

2. FINANCIAL SERVICES AND DEPUTY CFO

During the reporting period, the department developed and implemented measures to improve its audit outcomes and to also reduce the concerns expressed by the Office of the Auditor-General (AG). One of the key pillars of the planned measures was to reduce the average time taken to respond to queries from the Auditor-General (AG). In keeping with the target set for 2008/09, the average turn-around time for queries from the AG was within 10 working days. The response times also varied on the basis of the urgency of the query, the complexity of the information required, and the levels of the health system involved in generating a comprehensive and appropriate response to the AG.

The department also set itself the objective of acquiring an unqualified audit opinion for the AG for 2008/09, and ensuring that the Compensation Commissioner for Occupational Diseases (CCOD) and the South African National AIDS Trust (SANACT) achieved the same feat. However, for reasons outlined in the financial section of this annual report, this was not achieved. This remains a key priority of the department going forward.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
FINANCIAL SERVICES AND DEPUTY CFO	Implement a turn-around strategy for improving audit outcomes and reducing the concerns expressed by the Auditor-General	Reply to Auditor-General (SA) queries	10 working days	• Within 10 working days
		Audit opinion of the Auditor-General (SA): National Department of Health	Unqualified	• Qualified
		Audit opinion of the Auditor General (SA): CCOD	Unqualified	• Disclaimer
		Audit opinion of the Auditor-General (SA): SANAC	Unqualified	• Unqualified

3. SUPPLY CHAIN MANAGEMENT

For the first time ever, the department included supply chain management issues in its strategic plan for 2008/09, and monitored performance in this area across all quarters of the financial year. The aim was to accentuate the significance to service delivery of the procurement of goods and services.

In keeping with its target for 2008/09, the department maintained an average period of between four and five weeks for the procurement of major goods and services (value above R 500 000), after the closing date of the bid process. Similarly, the average procurement period for goods and services with a value below R500 000, was between one and three working days. This was consistent with the 2008/09 target of seven days.

Progress was also made with the payment of suppliers of goods and services to the department. The average period taken for placement of an order from the date a request memo was received by logistic management was within five working days, if the supplier was already registered on LOGIS. However, placement of an order would take about three weeks or longer if supplier was not registered on LOGIS.

The department maintained an average period of 10 days for the processing of payment from the date an invoice was received by logistics management, if the supplier was registered on LOGIS. This was in keeping with the 2008/09 target. However, the processing of payments to suppliers not registered on LOGIS, took much longer, up to 60 days. This was due to the fact that the supplier must first be created on the department's databases, LOGIS and Iqual.

Key challenges occurred with regard to the processing of bookings for local and foreign travel. With regard to local travel, the average period taken from the date a request for a booking was received by the transport unit until the confirmation of a booking, was between 24 to 48 hours, whereas the target for 2008/09 was 24 hours. In terms of foreign travel, the average period from the date request was received by the transport unit until the confirmation of a booking was between 24 to 72 hours, whereas the 2008/09 target was 48 hours. Factors influencing this pattern included last minute bookings and changes, which delayed the normal flow of work.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
SUPPLY CHAIN MANAGEMENT	Improve procurement of goods and services	Average period taken for the procurement of major goods and services (value above R 500 000) prescribed bid procedures (advertisement) is five weeks	Between three to six weeks after closing date (depending on evaluation process)	<ul style="list-style-type: none"> Between four and five weeks
		Average period taken for the procurement of minor goods and services (value below R 500 000)	Within seven working days	<ul style="list-style-type: none"> Between one and three working days
	Improve processes issuing of orders	Average period taken for the placement of an order from date request memo is received by logistics management	Within five working days	<ul style="list-style-type: none"> Within five working days if supplier is already registered on LOGIS
	Improve payment to suppliers	Average period taken for the processing of a payment from date invoice is received by logistics management	Within 10 working days	<ul style="list-style-type: none"> Within 10 working days if supply is already registered on LOGIS.
	Improve transport and accommodation arrangements	Local: average period taken from date request is received by transport unit till confirmation of booking	Within 24 hours	<ul style="list-style-type: none"> Between 24 to 48 hours
		Foreign: Average period taken from date request is received by transport unit till confirmation of booking	Within 48 hours	<ul style="list-style-type: none"> Between 24 to 72 hours
		Venues: average period taken from date request is received by transport unit till confirmation of booking	Within five working days	<ul style="list-style-type: none"> Between 8 to 14 days

4. INFORMATION AND COMMUNICATION TECHNOLOGY

Reliable availability of information and communication technology to the department posed a serious challenge in 2008/09. Network availability in the department was on average at 80%, depending on Telkom lines and support. The target for 2008/09 was 90%. Challenges encountered included dilapidated ICT infrastructure, which resulted in constant power failures in server rooms, which in turn caused hardware damage, which was costly to repair.

The department also struggled to achieved its targets of 100% PERSAL availability, 100% BAS availability and 100% LOGIS availability. The department experienced delays in receiving the VPN proposal from the State Information Technology Agency (SITA), which affected systems availability.

Personnel shortages also hampered the provision of helpdesk support to the department. Four senior network controller posts were later created and the recruitment and selection processes were set in motion. It is anticipated that these posts will be filled in the new financial year, and this will go some way towards ensuring reliable provision of helpdesk support to diverse components of the department.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
INFORMATION AND COMMUNICATION TECHNOLOGY	Provide help desk support to department	Response to calls logged at help desk	First line (on-line) support calls resolved immediately	<ul style="list-style-type: none"> Not achieved due to personnel shortages Three helpdesks posts submitted for conversion and advertisement
	To provide desktop support to the department	Response time to technical faults on workstations	Calls resolved within three working days	<ul style="list-style-type: none"> Not achieved due to personnel shortages Four senior network controller posts created
	Provide network services to department	Network availability	90% network availability	<ul style="list-style-type: none"> 80% network availability [depending on Telkom lines and support]
	Develop and maintain new and existing systems	System availability	70% system availability (dependency on SITA for support of transversal systems)	<ul style="list-style-type: none"> Systems availability affected by delays in the finalisation of the SITA VPN proposal
			100% PERSAL availability	<ul style="list-style-type: none"> Not achieved due to personnel shortages
			100% BAS availability	<ul style="list-style-type: none"> Not achieved due to personnel shortages
			100% LOGIS availability	<ul style="list-style-type: none"> Not achieved due to personnel shortages

5. NATIONAL DEPARTMENT OF HEALTH HUMAN RESOURCE MANAGEMENT

The department enhanced its internal human resource management in diverse ways during the reporting period. The competency assessment system was implemented, and all candidates that were short-listed for senior management services (SMS) posts were required to undergo the assessment. This was consistent with the set targets.

The department also produced two important internal policies, namely the recruitment policy, and the job evaluation policy. This was in keeping with the set target. These policies will be taken through finalisation processes in the next reporting cycle.

A draft *Integrated Employee Health Wellness (EHW) Strategy* was also produced. The target for 2008/09 was for the employee wellness centre to be established and functional by March 2009. This centre will become operational when the department relocates to its renovated premises at Civitas Buidling in the course of 2009/10.

Mechanisms were also implemented to improve the management of conflict, grievances and discipline. Diverse employment relations matters were addressed including disciplinary cases, appeals against dismissals and sanctions of dismissal and grievances. Almost all these cases were concluded within reasonable time frames. The only exceptions were two cases, one case of fraud and forgery, and one case of bribery which were still outstanding from 2005/2006 and 2007/2008 respectively.

The department also produced a draft *Disability Strategy*, and also revived its disability task team. A database of people with disabilities within the department was also developed.

One of the key challenges faced by the department during the reporting period was the submission of performance management agreements (PMAs) for 2008/09 by only 63 of the 100 SMS members employed. A total of 37 SMS members did not submit. To address this situation, the department implemented the Public Service Act and its regulations, and ensured that all SMS members who did not submit their PMAs for 2008/09 were not considered for both the annual package progression as well as performance bonuses.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HUMAN RESOURCE MANAGEMENT	Develop and implement a performance management and development system (PMDS)	Performance agreement signed by all members of senior management services (SMS) annually	Signing of performance agreements by all SMS members by 30 April 2008	<ul style="list-style-type: none"> 63 SMS members have submitted their performance agreements out of a total 100
	Implement a competency assessment system for SMS members	Competency assessment system implemented	Competency assessment system implemented for all newly appointed SMS members by 31 March 2009	<ul style="list-style-type: none"> All SMS members recruited during 2008/09 were subjected to competency assessment
	Develop and implement a job evaluation policy to ensure correct grading and remuneration of all posts	Job evaluation policy developed, approved and implemented	Finalise job evaluation policy by 31 October 2008	<ul style="list-style-type: none"> The job evaluation policy was completed

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HUMAN RESOURCE MANAGEMENT	Develop and implement a departmental recruitment policy to fast-track the filling of vacant posts	Departmental recruitment policy in place	Departmental recruitment and selection policy finalised by March 2009	<ul style="list-style-type: none"> The recruitment policy was completed
	Develop and implement a turn around strategy on conflict, grievance and discipline	Turn around strategy on conflict, grievance and discipline developed	Turn around strategy on conflict, grievance and discipline finalised by March 2009	<ul style="list-style-type: none"> The turn around strategy was implemented during the 2008/09 financial year Diverse employment relations matters were addressed including disciplinary cases, appeals against dismissals and sanctions of dismissal and grievances
	Implement diversity and change management programmes	Diversity and change management programmes implemented	Three diversity and change management programmes implemented by March 2009	<ul style="list-style-type: none"> Diversity and change management workshops focusing on disability mainstreaming, as well as gender mainstreaming training programmes were conducted
	Monitor and evaluate the implementation of policies pertinent to labour relations, employment equity and wellness	Existence and implementation of disability strategy	Disability strategy in place by March 2009	<ul style="list-style-type: none"> Draft disability strategy produced and departmental disability task team revived Review of the departmental employment equity plan commenced, and an updated plan was produced
	Establish an employee wellness centre	Employee wellness centre established	An Employee wellness centre established and functioning by March 2009	<ul style="list-style-type: none"> Draft integrated employee health wellness strategy developed Employee wellness centre to be established at Civitas Building

PROGRAMME 2: STRATEGIC HEALTH PROGRAMMES

PURPOSE

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

PERFORMANCE AND SERVICE DELIVERY ACHIEVEMENTS

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

6. MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION

The department continued to provide leadership to the public sector to improve maternal, child and women's health and nutrition in 2008/09. One of the key outputs for the reporting period was the production of the *Strategic Plan for Maternal, Neonatal, Child and Women's Health (MNCWH) and Nutrition in South Africa, 2009-2014*, which was finalised in February 2009.

Significant strides were also made towards enhancing child health. To improve immunisation coverage, 44 of the 52 districts implemented the reach every district (RED) strategy, which exceeded the 2008/09 target of 30 of the 52 districts. Also, 38 of the 52 districts achieved a full immunisation coverage of 80% and above, against a 2008/09 target of 40/52 districts furthermore, full immunisation coverage for children under one year of age increased nationally from 85,2% in 2007/08 to 88,8% in 2008/09.

The department submitted the country's polio-free certification documentation to the Africa regional certification committee (ARCC) of the WHO on 22 August 2008. The wild poliovirus outbreak and importation preparedness plan was also updated, which was in keeping with the target for 2008/09.

No measles outbreaks occurred in the country during 2008/09. Only isolated cases occurred. All suspected and laboratory confirmed measles were investigated and followed up. This was consistent with the national target of ensuring that 80% of outbreaks were investigated within one week by provincial teams and within two weeks by national teams.

Despite the non-occurrence of measles outbreaks during the reporting period, the immunisation of South African children against measles will have to be strengthened going forward. This is in the light of the fact that only 27 of 52 health districts had a measles 1 vaccine coverage of 80% and above, against a 2008/09 target of 40 of the 52 districts. Furthermore, only five of the 52 districts had a DPT3 to a measles 1 vaccine drop out rate of 10% or less. The target for 2008/09 was 28/52 districts.

A weighing coverage of 73,4% for children under-five years of age was reported during April to December 2008, which exceeded the 2008/09 target of 65%. A weighing rate of 80,5% for children under-five was achieved, which was consistent with the 2008/09 target of 80%. The provision of Vitamin A supplementation to children was also strengthened. 95,4% of children aged 6 to 11 months, 30,3% of children aged 12 to 59 months and 74,8% of post-partum mothers received Vitamin A supplementation. These figures were slightly below the targets for 2008/09, which were to provide Vitamin A supplementation to 100% of children aged 6 to 11 months, 35% of those aged 12 to 59 months, and to 75% of post-partum mothers. The Perinatal Problem Identification Programme (PPIP) was implemented in 76% of health institutions, which exceeded the 2008/09 target of 60.

To improve birth defects surveillance, 44 of the 52 districts implemented the new standardised birth defects data collection tool, which exceeded the 2008/09 target of 39 of the 52. The training of health care providers in medical genetics will have to be further strengthened in next planning cycle. During 2008/09, 33 of the 52 districts had at least one genetically trained health care provider. The 2008/09 target was 36 of the 52 (70%). The second part of the medical genetics education programme (MGEP) was conducted in Kwazulu-Natal in March 2009, but this did not have an impact on the number of districts with trained health providers.

To improve maternal health, 89% of institutions implemented the recommendations from *Saving Mothers and Saving Babies Reports*. The target for 2008/09 was 90%. This was however, a challenging indicator for the department to monitor, due to the complexity of measuring which of the 10 recommendations were being implemented. A new approach for measuring this indicator was presented to the Technical Committee of the National Health Council.

The department also continued to provide nutritional support to people living with HIV and AIDS. A total of 734 409 people living with HIV, AIDS and TB were provided with nutritional supplements. This exceeded the 2008/09 target of 500 000.

Limited progress was made with the implementation of and reporting on youth friendly services. Fifty percent (50%) of primary health care (PHC) facilities implemented these services, against a target of 70%.

Relatively slow progress was also made with early identification of cervical cancer. A cervical cancer screening rate of 22% was recorded in 2008/09, which was lower than the target of 40%. It was also lower than the 30% achieved in 2007/08. In discussions between the department and the national health laboratory services (NHLS), it was realised that about 50% of pap smears sent by facilities were either inadequate or unsuitable for analysis. The department and the NHLS agreed to conduct joint training workshops with provincial programme officials aimed at improving the smear quality.

Forty-five percent (45%) of community health centres provided the choice on termination of pregnancy (CTOP) services during 2008/09, against a target of 50%. This figure has remained the same for both 2007/08 and 2008/09. Key challenges included a high turnover rate amongst nurses trained to provide first trimester terminations of pregnancy.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION	Reduce infant and under five morbidity and mortality	Percentage of facilities that are saturated with IMCI health care providers i.e. 60% of health care providers managing children trained in IMCI	70%	<ul style="list-style-type: none"> IMCI saturation of 60% achieved in third quarter of 2008/09. Challenges were experienced with the data for fourth quarter of 2008/09
		Number of HIV-exposed children commencing Cotrimoxazole at six weeks of age	90 000	<ul style="list-style-type: none"> Data collection systems not yet in place
		HIV PCR tests done for early infant diagnosis	150 000	<ul style="list-style-type: none"> 145 591
		Percentage of people on ARVs that are children below 14 years	10%	<ul style="list-style-type: none"> 9%

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION	Improve immunisation coverage of children under one year	Number of health districts with full immunisation coverage of 80% and above	40 of the 52 districts	<ul style="list-style-type: none"> 38 of the 52 districts
		Number of health districts with measles 1 vaccine coverage of 80% and above	40 of the 52 districts	<ul style="list-style-type: none"> 27 of the 52 districts
	Decrease vaccination drop out rate	Number of districts with DPT3 to measles 1 vaccine drop out rate of 10% or less	28 of the 52 districts	<ul style="list-style-type: none"> 5 of the 52 districts
	Implement the reach every district (RED) strategy	Number of districts implementing the RED strategy	30 of the 52 districts	<ul style="list-style-type: none"> 44 of the 52 districts
	Declared polio free by the African Regional Certification Commission (ARCC)	Polio free certification documentation accepted by the ARCC	Annual update of polio free certification documentation submitted to ARCC	<ul style="list-style-type: none"> Report to ARCC submitted in August 2008
	Achieve polio free certification indicators	Number of Acute Flaccid Paralysis (AFP) cases detected and % stool adequacy ¹	AFP case detection: two cases per 100 000 of the <15 year old population and 80% stool adequacy	<ul style="list-style-type: none"> Non Polio AFP rate of 2,0 and 84% stool adequacy achieved
	Polio outbreak and importation preparedness	Wild poliovirus outbreak and importation preparedness plan compiled and operationalised	Update the polio outbreak and preparedness plan. Conduct campaigns as necessary	<ul style="list-style-type: none"> Polio outbreak and preparedness plan produced and updated

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION	Control measles outbreak. Note: a high routine measles coverage will lead to the control of outbreaks both in the numbers and the size of the outbreaks	Prompt outbreak response: provincial outbreak team investigate within one week of confirmed outbreak, national team investigate within two weeks of confirmed outbreak	80% of outbreaks investigated within one week by provincial and two weeks by national teams	<ul style="list-style-type: none"> No outbreaks. All suspected and laboratory confirmed measles cases were investigated and followed up
	Reduce adolescent and youth morbidity and mortality	Percentage of primary health care (PHC) facilities implementing youth friendly services (YFS)	70%	<ul style="list-style-type: none"> 50% Not all provinces report on a regular basis
		Percentage of health care workers in PHC facilities trained on adolescent and youth friendly services (YFS)	25%	<ul style="list-style-type: none"> 30% Technical support was received from LoveLife to conduct YFS training for provincial masters trainers to facilitate transfer of skills
		Percentage of PHC facilities accredited as providing adolescent and youth friendly services	20%	<ul style="list-style-type: none"> 22%
	Reduce infant and under five morbidity and mortality	Number of health districts implementing the household and community component of IMCI	52	<ul style="list-style-type: none"> 46 of the 52 districts implemented the household and community component of IMCI
	Reduce infant, child youth and adult morbidity and mortality caused by genetic disorders/ birth defects	Number of districts with at least one genetically trained health care provider	36 of the 52 (70%) districts	<ul style="list-style-type: none"> 33 of the 52 districts Delays were experienced in arranging genetics training at provincial level
	Improve birth defects surveillance	Number of districts implementing the new standardised birth defects data collection tool	39 of the 52 (75%)	<ul style="list-style-type: none"> 44 of the 52

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION	Increase cervical cancer screening	Cervical cancer screening coverage	40%	• 22%
	Facilitate increase of access of termination of pregnancy services	Percentage of community health centres providing TOP services	50%	• 45%
	Improve women's health and reduce maternal and neonatal mortality and morbidity	Percentage of institutions implementing recommendations from Saving Mothers and Saving Babies Reports	90%	• 89%
		Percentage of facilities conducting monthly maternal and morbidity review meetings	70%	<ul style="list-style-type: none"> • 53% • This indicator has been included in the new draft implementation plan for the recommendations from the Saving Mothers Report and will be monitored and evaluated by the national department and provinces
		Percentage of institutions implementing the Perinatal Problem Identification Programme (PPIP)	60%	• 76%
		Percentage of PCR tests done to all babies born to HIV positive mothers	40%	• 55%
		Improve implementation of growth monitoring and promotion	Weighing coverage under five years	65%
	Weighing rate under five years		80%	• 80,5%
	Monitor the coverage of Vitamin A supplementation	Percentage of children 0 to 60 months and post partum mothers receiving Vitamin A supplementation	6-11 months:100% 12-59 months: 35% post-partum:75%	<ul style="list-style-type: none"> • 95,4% • 30,3% • 74,8%
	Monitor millers for food fortification	Percentage of millers complying with fortification regulations	40% (120\300)	<ul style="list-style-type: none"> • Data submitted by EHPs on food fortification not part of the DHIS • Sample runs to be conducted in 2009

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION	Implement nutrition framework for PLWHA	Number of people with HIV, AIDS and TB who receive a nutritional supplement (2007/08 baseline is 480 000 out of 600 000)	500 000	<ul style="list-style-type: none"> 734 409
		Percentage (%) of accredited service points implementing the nutrition framework	100%	100%
	Conduct campaigns on key nutrition priorities such as obesity	Number of media articles on childhood obesity published	Two	<ul style="list-style-type: none"> Articles on obesity not published 28 000 copies of existing obesity booklets were re-printed
	Support and facilitate introduction of new baby-friendly hospital initiative tool	Percentage of health facilities with maternity beds declared as baby-friendly	45% (245 of 545)	44% (238 of 545)

7. HIV AND AIDS AND STI MANAGEMENT

During 2008/09, multisectoral efforts to combat HIV and AIDS gained momentum, under the leadership of the South African National Aids Council (SANAC). A total of 11 SANAC meetings took place during the reporting period, of which six were programme implementation committee (PIC) and five were plenary meetings. This exceeded the 2008/09 target of four meetings.

During the reporting period, the department achieved key milestones in the implementation of the *National Strategic Plan for HIV and AIDS and the Management of Sexually Transmitted Infections (STIs) for 2007-2011*.

Prevention continued to be the cornerstone of the department's efforts to combat HIV and AIDS. A total of 96% of public health facilities offered voluntary counselling and testing (VCT) services, and 95% of public health facilities provided prevention of mother-to-child transmission (PMTCT) services, against a target for 100%. The uptake of VCT remained a key challenge.

A total of 721 female condom distribution sites were operational, which exceeded the 2008/09 target of 385. About 245 of these were primary distribution sites managed by the department, while the rest were secondary distribution sites that provincial departments were responsible for. Through all these sites, a total of 4 276 000 female condoms were distributed, which exceeded the 2008/09 target of 3,5 million.

A total of 283,4 million male condoms were also distributed, which was lower than the 2008/09 target of 450 million. Male condom distribution was affected by delays in the awarding of new tender by National Treasury, which impacted on the number of condoms available on a quarterly basis.

Appropriate management of STIs continued to receive priority. Hundred percent (100%) of STI services in the public sector were offered by adequately trained staff using syndromic management guidelines. Private sector figures were not available. The target for 2008/09 was that 60% of public and private sector STI services would be offered by adequately trained staff using these guidelines. A national STI partner notification rate of 100% was achieved. However, the national STI partner tracing rate was much lower at 21,2%, against a target of 40%.

In keeping with the target for 2008/09, 100% of donated blood units had been screened for HIV in a quality assured

manner. The number of HIV positive pregnant women referred for and receiving CD4 testing increased from 78 888 in 2007/08 to 82 091 in 2008/09, reflecting a 4% increase.

The department also continued to expand service points for the comprehensive plan for HIV and AIDS care. Eighty-eight percent (88%) of sub-districts had at least one accredited service point for the CCMT. Although this figure was lower than the 2008/09 target of 100%, it was higher than the 84% achieved in 2007/08. Home and community based care (HCBC) programmes were established in 80% of sub-districts across the country, against a target of 100%.

Access to antiretroviral treatment for people living with HIV and AIDS was also expanded. By the end of April 2009, a cumulative total of 781 465 patients had been initiated on antiretroviral therapy (ART), compared to 483 084 by April 2008. This represents a 38,2% increase.

A total of 718 907 adults were on treatment in April 2009, compared to 440 070 in April 2008, which reflects a 38,8% increase. Finally, a cumulative total of 62 558 children had been placed on ARV treatment by April 2009, which was an increase of 31,2% from the 43 014 recorded by April 2009.

Constraints experienced by the department during the reporting period included the fact that only one report was generated from the National Microbiological Surveillance (NMS) System, against a target of four.

Furthermore, only 50% of sub-districts had programmes focused on people living with HIV and AIDS, against a target of 100% for 2008/09. Only 45% of HIV positive clients were screened for TB. The target for 2008/09 was 60%. Strategies to overcome these challenges will be implemented during the next planning cycle.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HIV AND AIDS AND STI MANAGEMENT	Improved interventions to deal with HIV and AIDS	National Strategic Plan for HIV and AIDS for 2007-2011 completed	Implementation and monitoring of NSP 2007-2011	<ul style="list-style-type: none"> NSP was implemented and monitored during the reporting period
		Percentage of public health facilities offering VCT	100%	<ul style="list-style-type: none"> 96%
		Number of male condoms distributed	450 million	<ul style="list-style-type: none"> 283,4 million
		Number of condoms distributed to male population 15 years and above per annum	11,5 million	<ul style="list-style-type: none"> 12,3 million
		Number of female condom distribution sites	385 million	<ul style="list-style-type: none"> 721

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HIV AND AIDS AND STI MANAGEMENT	Improved interventions to deal with HIV and AIDS	Number of female condoms distributed	3,5 million	• 4 276 000
		Number of operational high transmission area sites	253	• 281
		National microbiological surveillance (NMS) system reports	Four reports	• One
		National STI partner notification rate	100%	• 100%
		National STI partner tracing rate	40%	• 21,2%
		Percentage of public and private sector STI services offered by adequately trained staff using syndromic management guidelines	60% of services	• 100% of public sector
		Percentage of health facilities offering PMTCT	100%	• 95%
		Expanded PMTCT guidelines	Guidelines printed and disseminated	• PMTCT guidelines were printed and disseminated
		Proportion of pregnant women counselled and tested for HIV	90%	• 63,3%
		Proportion of HIV positive women receiving PMTCT prophylaxis	80%	• Data collection system not yet in place
Percentage of infants born to HIV positive mothers who are infected	<5%	• Data collection system not yet in place		
Proportion of HIV positive pregnant women referred for and receiving CD4 testing	80%	• Number of HIV positive pregnant women referred for and receiving CD4 testing increased from 78 888 in 2007/08 to 82 091 in 2008/09, reflecting a 4% increase		
Proportion of donated blood units screened for HIV in a quality assured manner	100%	• 100%		

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HIV AND AIDS AND STI MANAGEMENT	Improved interventions to deal with HIV and AIDS	Proportion of adults (15 to 49 years) tested for HIV in the past 12 months	18%	• 7,6%
		Proportion of districts with turn around time of six days or less for CD4 tests	100%	• 95%
		Percentage of sub-districts with at least accredited service point for the comprehensive plan	100%	• 88%
		Percentage of sub-districts with HCBC programmes	100%	• 80%
		Percentage of sub-districts with palliative care centres	100%	• 7%
		Percentage of sub-districts with PLHIV focused programmes	100%	• 50%
	Improved case detection amongst PLWHA	Proportion of HIV positive clients screened for TB	60%	• 45%
	Improved management of patients co-infected with TB and HIV	Proportion of HIV positive patients put on TB preventive therapy	10%	• 3%
	Strengthened partnerships and improved national multisectoral response to HIV and AIDS in South Africa	Number of SANAC multisectoral meetings held	Four	• 11 SANAC multisectoral meetings were held (six programme implementation committee and five plenary meetings)

8. TB CONTROL AND MANAGEMENT

The incidence of tuberculosis (TB) in South Africa has increased from 739,6 per 100 000 population in 2007 to 948 per 100 000 population in 2008, this translates to 1 in 105 people in the country with TB. As a result South Africa is one of the 22 countries with the highest burden of TB disease contributing 80% of the global TB burden. The country conducted a review of the *TB Strategic Plan 2002–2005*, and developed a new *National TB Strategic Plan for 2007–2011*, to effectively and comprehensively address TB, in line with the global plan to stop TB and Millennium Development Goals. This plan was costed, published and widely disseminated.

During 2008/09, the management and control of TB continued to steadily reflect positive outcomes. In terms of the WHO recommended cohort system of analysis of TB data, treatment outcomes can only be measured and reported a year later. A TB cure rate of 64% was achieved in 2007, against a target of 65%. The defaulter rate also improved from 9,1% in 2006 to 8,5% in 2007. The department also continued to monitor the four districts in which the TB crisis management plan was implemented, namely Amathole and the Nelson Mandela Metro in the Eastern Cape, eThekweni in KwaZulu-Natal and the City of Johannesburg in Gauteng. The TB cure rate for the City of Johannesburg for 2007 was 76,1%, which exceeded the 2007/08 target of 70%, and moved towards the 2008/09 target of 80%. However, the cure rates achieved by the other three districts (Amathole: 54,8%, eThekweni: 49,2% and Nelson Mandela Metro: 56,6%) were much lower than the set targets.

In 2008, the national case detection rate was 83%, which exceeded the target of 59%. Also, 73,8% of all TB patients were tested for HIV in 2008/09, which exceeded the target of 60%. The smear conversion rate was 69,6% against a target of 65%. The sputum result turnaround time remained long with only 53% of health facilities receiving the results within 48 hours, against a 2008/09 target of 65%.

Seventy-two TB tracer teams (a total of 228 people) were appointed and placed in districts across the country to assist in reducing the defaulter rates. During the year the teams traced 52 958 TB treatment defaulters and 34 345 of these (65%) were re-started on treatment.

Of all drug resistant patients diagnosed in 2008/09, 88,8% of MDR patients and 93,5% of X-DR patients were started on treatment, against a target of 100% for both.

Training of health care workers as well as non professionals in TB control and management was conducted continuously, focusing on clinical management of TB and drug resistant TB, TB infection control, data management and the use of the TB electronic register. A total of 6 441 health care professionals were trained in 2008/09.

The key challenges during 2008/09 included poor access to TB laboratory services in the remote areas which resulted in a delay in the initiation of treatment due to long turnaround times for results, high mobility of patients resulting in loss to follow up particularly in the urban areas, poor functional integration of provincial and local government services and inadequate social mobilisation and community engagement.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)	
TB CONTROL AND MANAGEMENT	Increase case detection from 55% in 2007/08 to 66% by 2010/11	Case detection rate	59%	• 83%	
	Increase the proportion of health facilities with a sputum result TAT of less than 48 hours from 55% in 2007/08 to 80% by 2010/11	Sputum result TAT	65%	• 53%	
	Reduce the TB defaulter rate from 10% to below 5% by 2010/11	Defaulter rate	7%	• 8,5% (2007)	
	Increase the smear conversion rate for new smear positive PTB patients from 55% in 2007/08 to more than 75% by 2011	Smear conversion rate	65%	• 69,6%	
	Increase the cure rates for new smear positive PTB patients from 56% in 2007/08 to 75% by 2010	Cure rate	65%	• 64% (2007)	
	Reduce the mortality rates as a result of TB from 71 to 62 per 100 000 population by 2011	Mortality rate (Number of TB deaths per 100 000 population)	68 per 100 000	• 22,2 per 100 000 (2007)	
	Ensure that all confirmed MDR-TB patients started on treatment by 2008	Proportion of MDR-TB patients started on treatment	100%	• 88,8%	
	Ensure that all confirmed XDR-TB patients started on treatment by 2008	Proportion of XDR-TB patients started on treatment	100%	• 93,5%	
	Increase the HIV testing rate among TB patients from 41% to 100% by 2011	Proportion of TB patients tested for HIV	60%	• 73,8%	
	Improve the TB treatment outcomes in the four crisis districts	Smear conversion rates: Amathole Distric		85%	• 60,6%
		City of Johannesburg		100%	• 75,1%
eThekwini			85%	• 85%	

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
TB CONTROL AND MANAGEMENT	Improve the TB treatment outcomes in the four crisis districts	Nelson Mandela Metro	90%	• 54,8%
		Cure rates	70%	• 54,8% (2007)
		Amathole District		
		City of Johannesburg	80%	• 76,1% (2007)
		Ethekwini	70%	• 49,2% (2007)
		Nelson Mandela Metro	70%	• 56,6% (2007)

9. COMMUNICABLE DISEASE CONTROL

During the reporting period, the department continued to achieve major milestones in the management of communicable diseases, particularly malaria.

A 29,5 % decrease in malaria cases was achieved between 2007/08 and 2008/09, which exceeded the 2008/09 target of 10%. The number of malaria cases decreased from 8 743 in 2007/08 to 6 167 in 2008/09. The case fatality rate also decreased from 0,8 in 2007/2008 to 0,6 in 2008/2009. There were 40 deaths in 2008/2009 compared to 68 deaths in 2007/2008.

The department also continued to share its technical skills in malaria control with neighbouring countries including Mozambique through the Lubombo Spatial Development Initiative (LSDI), Lesotho and Zimbabwe. The target for 2008/09, which was achieved, was to harmonise malaria control policies with these countries. The department also finalised and costed a *Communicable Disease Control Strategic Plan* for the Soccer World Cup in 2010.

The implementation of the communication/health promotion strategy on priority communicable diseases was overtaken by the urgent need to respond to the cholera outbreak that occurred during the reporting period. To raise awareness 500 000 cholera information pamphlets were distributed to all nine provinces.

Challenges encountered during the reporting period included the outbreak of cholera across the country. By February 2009, about 8 100 cases had been confirmed with about 51 deaths having occurred. The highest number of cases and deaths were reported in Mpumalanga, Limpopo, and Gauteng provinces respectively. The national case fatality rate was 0,63%. Joint intervention between the national and the provincial health departments, as well as other government departments such as home affairs, defence and water affairs, assisted in curbing the impact of cholera. Access to good quality water and proper sanitation is one of the key determinants of health that lie outside the health sector. Others include education, housing and safety and security.

Limited progress was also made towards enhancing the country's capacity to prevent and respond to food-borne diseases. The department had to amend its focus and attach higher priority to conducting training in cholera management in several provinces such as Gauteng, Limpopo and Mpumalanga, due to the outbreaks that occurred.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
COMMUNICABLE DISEASE CONTROL	Reduce malaria morbidity and mortality	Percentage reduction in malaria cases and deaths annually	10% reduction in malaria cases and deaths annually	<ul style="list-style-type: none"> A 10% reduction target was exceeded. There was a 29,5 % decrease in cases in 2008/09 (6 167 cases compared to 8 743 cases in 2007/08) There were 40 deaths in 2008/2009 compared to 68 deaths in 2007/08 The case fatality rate decreased from 0,8 in 2007/08 to 0,6 in 2008/2009
	Strengthen inter-country and cross border malaria control initiatives	Number of countries with which policies are harmonised	Three countries	<ul style="list-style-type: none"> A Joint Malaria Elimination 8 (E8) resolution with seven SADC countries-Botswana, Namibia, Zambia, Zimbabwe, Angola, Mozambique and Swaziland was implemented South Africa continued collaborating with Matabeleland Province (Zimbabwe) Ministry of Health to avert malaria epidemics across common borders
		Number of countries with which technical skills were shared	Three countries	<ul style="list-style-type: none"> Three countries, Lesotho, Zimbabwe and Mozambique through the Lubombo Spatial Development Initiative (LSDI) Collaboration was also initiated with Zambia, Namibia, Botswana, Tanzania, Zanzibar, Swaziland through the SADC Malaria managers meeting

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
COMMUNICABLE DISEASE CONTROL	Maintain country preparedness for an influenza pandemic	Multisectoral influenza implementation plans implemented in the nine provinces	<ul style="list-style-type: none"> Desktop modelling/simulation for influenza conducted implementation of preparedness tool 	<ul style="list-style-type: none"> Desktop review report produced and sent to stakeholders for action and input
	Ensure country capacity to prevent and respond to food-borne diseases	Percentage of environmental and communicable disease co-ordinators trained	50%	<ul style="list-style-type: none"> Training on food poisoning incidents was conducted in Gauteng, Limpopo Mpumalanga and Northern Cape Planned training workshops in other provinces had to be postponed due to cholera outbreaks Cholera outbreaks experienced in the country diverted attention and resources away from training on food poisoning, toward cholera response activities
	To ensure preparedness for 2010 Soccer World Cup	Strategic plan developed and implemented	Plan finalised and costed	<ul style="list-style-type: none"> Preparedness plan for the 2010 Soccer World Cup and budget was finalised and reviewed Malaria case management training was provided to health workers from four provinces

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
COMMUNICABLE DISEASE CONTROL	Implement multi-media awareness campaigns	Communication / health promotion strategy on priority communicable diseases implemented	Three campaigns held 30% of schools covered	<ul style="list-style-type: none"> • Campaigns conducted focusing on raising awareness about cholera and malaria • 500 000 cholera pamphlets were distributed to all nine provinces • SADC Malaria Day (14 November) was commemorated in KwaZulu Natal province and attended by members of community and SADC health ministers • Inputs were made into print and electronic media presentations for World Malaria Day on 25 April 2009 • Radio talks were conducted on SABC radio stations on cholera, malaria, meningitis and rabies

10. NON-COMMUNICABLE DISEASES

Evidence emerging internationally and from South Africa points to an increased contribution of non-communicable diseases (NCDs) to the burden of disease (BoD).

A BoD survey was commissioned by the department and conducted by independent researchers, with the aim of describing the pattern and distribution of diseases, disabilities and injuries seen in the public and private health facilities using the ICD10 classification system. The survey was completed in 2008/09. Amongst others, the survey found that NCDs accounted for about 30% of broad patient diagnosis. Thirty-two percent (32%) of patients who visited PHC facilities, and 29,3% of those who utilised hospital services were found to have presented with NCDs.

During the reporting period, the department also contributed towards improving the quality of life of the elderly, through sight restoration. A total of 45 243 cataract operations were performed giving a cataract surgery rate (CSR) of 1 237 per million population by December 2008. CSR was lower than the target of 1 600 per million population, due to a shortage of relevant personnel, consumables and insufficient theatre time for cataract surgery.

The provision of refractive services and low vision services were further interventions to improve sight. The target for the provision of refractive services was that seven of the nine provinces should provide refractive services in one district per province. This target was exceeded. KwaZulu-Natal provided services in 11 districts, Limpopo in five districts, Gauteng in five districts, Mpumalanga in three districts, Eastern Cape in two districts and Western Cape and North West each in one district.

The target for low vision services, which was that seven of nine provinces would provide services in one district per province was not reached. Only six provinces provided these services. However, Eastern Cape provided services in three districts, Mpumalanga and Limpopo each in two districts and KwaZulu-Natal, Western Cape and Gauteng each in one district.

The department produced and disseminated additional guidelines and tools for the provision of free health care to people with disabilities. These were implemented by all hospitals, in keeping with the 2008/09 target, but to varying degrees.

The department produced and disseminated new guidelines and tools for the provision of free health care to people with disabilities. These were implemented by all hospitals, keeping with the 2008/09 target, but varying degrees.

Quality control measures in forensic chemistry laboratories were significantly enhanced, in support of justice. Proficiency testing revealed that in all three laboratories (Cape Town, Johannesburg and Pretoria), quality assurance measures were 100% up to standard for blood alcohol, and 66% up to standard for toxicology.

Key challenges during the reporting period include the department's inability to acquire the services of an appropriate researcher to assess the accessibility of public health facilities to people living with disabilities. The department advertised for a service provider to conduct this assessment and compile a report, but no suitable bidder was found. The 2008/09 target was to assess 100% of public health facilities.

The waiting period for a wheelchair in the public sector was eight weeks or more, which was inconsistent with the 2008/09 target of not longer than six weeks.

Limited progress was made with the implementation of information technology (IT) in mortuaries. The key challenge was to access funding for rolling out the IT project. The 2008/09 target was to implement the IT system in mortuaries in five provinces.

Backlogs were also experienced in processing of laboratory results for alcohol samples. Backlogs increased in the period April 2008 to March 2009, by 4% in Cape Town, 12% in Johannesburg and 48% in Pretoria.

All these unattained objectives will be pursued in the planning cycle.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
NON-COMMUNICABLE DISEASES	To expand the cataract surgery project	Number of operations conducted per million population (cataract surgery rate/ CSR)	1 600/million population by December 2008	<ul style="list-style-type: none"> A CSR for 2008: of 1 237 operations per million population by December 2008
	To expand low vision services (LVS)	Number of provinces with at least one district providing LVS	Seven of nine provinces with at least one district providing LVS	<ul style="list-style-type: none"> Six provinces namely. Mpumalanga (Gert Sibande and Nkangala Districts), KwaZulu-Natal (Ethekwini Metropolitan), Limpopo (Capricorn and Vhembe Districts), Western Cape (Metropole), Gauteng Province (Tshwane) and Eastern Cape (Nelson Mandela Metro, Amathole, OR Tambo)
	To strengthen refractive services (RS)	Number of provinces offering refractive services in one or more districts	Seven of nine provinces with at least one district providing refractive services	<ul style="list-style-type: none"> Seven provinces namely: KwaZulu-Natal (11 of 11 districts), Mpumalanga (Gert Sibande, Ehlanzeni and Nkangala Districts), Limpopo (5 of 5 districts), North West (Dr Kenneth Kaunda District), Gauteng (JHB Metro, Tshwane, Ekurhuleni, Westrand and Sedibeng Districts) Western Cape (Metropole) Eastern Cape (Nelson Mandela Metro and Amathole)
	To adherence to national guidelines	Number of provinces adhering to NCD management guidelines at PHC facilities	Three provinces supported to adhere to NCD guidelines	<ul style="list-style-type: none"> Five provinces: Free State, North West, Eastern Cape, Limpopo and Northern Cape
	Reduce waiting period for wheelchairs	Waiting period for wheelchairs in all provinces	Nine provinces with not more than six weeks waiting period for wheelchairs	<ul style="list-style-type: none"> All provinces had a waiting period of eight weeks or more
	Improve accessibility of all healthcare facilities to persons with disabilities	Percentage of public facilities assessed for accessibility	100% of all health facilities assessed for accessibility	<ul style="list-style-type: none"> Health facilities were not assessed for accessibility Procurement process of acquiring an external service provider to assist with this assessment has started
	Strengthen free healthcare for disabled persons at hospital level	Percentage of hospitals implementing guidelines and tools for free healthcare	100% of hospitals implementing guidelines and tools	<ul style="list-style-type: none"> Guidelines and tools distributed were distributed Plans are in place to re-print posters as well

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
NON-COMMUNICABLE DISEASES	Strengthen awareness of elder abuse and the prevention thereof	Number of provinces monitoring the promotion of dignity and rights of older persons	Monitoring tool developed in collaboration with social development	<ul style="list-style-type: none"> Draft screening tool was circulated to all role players for comments.
	Legalise water fluoridation (WF)	Regulations on WF promulgated	Regulations on fluoridating water supplies finalised	<ul style="list-style-type: none"> Not achieved Water affairs and Forestry still to provide inputs on the regulations
	Determine the possible influence of WF in areas to fluoridate water	WF implemented to the point of resolving the possible influence of WF in the areas to be fluoridated	Department of Water Affairs and Forestry, and DPLG should have determined the possible influence of WF in areas to fluoridate water	<ul style="list-style-type: none"> Not achieved. DWAF and DPLG have not determined the influence of WF in areas to be fluoridated
	Strengthen oral health promotion	National oral health promotion framework (NOHPF) approved and implemented	NOHPF approved by TC of NHC and printed	<ul style="list-style-type: none"> NOHPF was approved by the Technical Committee of NHC NOHPF will be printed in next year due to lack of funds in current year
	To improve secondary and specialised oral health care services	National secondary and specialised oral health care norms and standards approved and implemented	Approved by TC of NHC	<ul style="list-style-type: none"> National secondary and specialised oral health care norms and standards document was submitted to the TC of the NHC
	To strengthen school oral health services	Preventive school oral health programmes in nine provinces implemented	Implemented in two schools per province	<ul style="list-style-type: none"> Seven provinces with own funding reached the target Two provinces that relied on WHO funding did not reach target
	Remove private funeral directors from FPS services	Number of cases handled by private funeral directors	Less than 20%	<ul style="list-style-type: none"> Not achieved. Some provinces still need to complete their infra structure development projects
	Institute an inspection programme for mortuaries	Number of mortuaries inspected	All mortuaries visited	<ul style="list-style-type: none"> Provincial visits undertaken to all provinces, inspection done All mortuaries visited

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
NON-COMMUNICABLE DISEASES	Develop and implement a national FPS IT system	Percentage of mortuaries in which IT system implemented	Five provinces	<ul style="list-style-type: none"> Limited progress was made with the implementation of information technology (IT) in mortuaries
	Develop and implement a national training course for forensic officers	Percentage of staff trained or in training	25%	<ul style="list-style-type: none"> Awaiting final HPCSA approval for training curriculum
	Provide analyses which comply with international quality assurance standards	Improved quality of results as determined by proficiency testing	Quality maintained	<ul style="list-style-type: none"> Quality control measures in all three laboratories are 100% up to standard for blood alcohol, and 66% up to standard for toxicology
	Reduce backlog to one month and turnaround time to two weeks for alcohol and one month for toxicology	Reduction and elimination of backlog	Toxicology backlog reduced by 50%	<ul style="list-style-type: none"> Toxicology backlog increased as follows from April 2008 to March 2009 Cape Town: 4% increase in backlog JHB: 12% increase in backlog PTA: 48% in backlog
	SANAS accreditation obtained	Achievement of SANAS accreditation	Toxicology and food laboratories accredited	<ul style="list-style-type: none"> SANAS to audit Pretoria and Cape Town blood alcohol laboratories in June 2009
		Improved turnaround time for analyses	Turnaround times reduced to two weeks (alc) and one month toxicology	<ul style="list-style-type: none"> Turnaround times for alcohol samples were as follows: Johannesburg: 35-42 days, Pretoria: 70-84 days, and Cape Town: 70-84 days Toxicology turn around times were as follows: Johannesburg: eight weeks; Pretoria: two - four weeks; and Cape Town: two weeks
	Develop and implement a laboratory information system (LIMS) in all three laboratories	System installed and functional	System linked with forensic pathology IT system	<ul style="list-style-type: none"> Some of the equipment in the Cape Town laboratory, the Gas Chromatograph with Flame Ionisation Detector (GCFID) and Automated Fluoride meters was interfaced into the Laboratory Information Management System (LIMS) CFID in the Pretoria laboratory not yet fully interfaced, and interfacing of the GCFID in the Johannesburg laboratory still needs to be validated
Clinical forensic medicine (CFM) services implemented in all provinces	Number of CFM centres established	30	<ul style="list-style-type: none"> All nine provinces developed or identified dedicated CFM units 	

11. MENTAL HEALTH AND SUBSTANCE ABUSE

Significant strides were made with the implementation of the Mental Health Care Act, 17 of 2002 during the reporting period. The implementation of regulations pertaining to the labelling of alcohol beverages commenced in February 2009.

Nationally, 63% of hospitals were equipped and listed as 72-hour assessment facilities in terms of the Mental Health Care Act, 17 of 2002, against a target of 70%.

Also, all nine provinces had at least one psychiatric hospital in the revitalisation programme.

Community-based mental health services were strengthened, with all nine provinces having established programmes for community-based mental health care, which exceeded the 2008/09 target of six provinces. Seven of nine provinces produced draft provincial mini master plans for addressing substance abuse.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MENTAL HEALTH AND SUBSTANCE ABUSE	Implementation of the Mental Health Care Act, 17 of 2002	Number of psychiatric facilities in the revitalisation programme	One additional site in each province per year	<ul style="list-style-type: none"> All nine provinces have one psychiatric hospital undergoing revitalisation
		Percentage of hospitals that are listed and equipped as 72-hour assessment services	70%	<ul style="list-style-type: none"> 63% nationally. Some provinces have equipped and listed above 70%
		Number of provinces with a programme for community based mental health care	Six provinces	<ul style="list-style-type: none"> All nine provinces
	Develop mini drug master plan	Number of provinces with a provincial plan for substance abuse	Provincial mini master plan for substance abuse finalised in six province	<ul style="list-style-type: none"> Seven provinces have completed draft provincial mini master plans for substance abuse
	Promulgate and implement and regulations pertaining to the labelling of alcohol beverages	Proportions of alcohol beverage companies that are compliant to regulations	Regulations implemented 18 months after promulgation	<ul style="list-style-type: none"> Regulations fully implemented by 24 February 2009

PROGRAMME 3: HEALTH PLANNING AND MONITORING

PURPOSE

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

PERFORMANCE AND SERVICE DELIVERY ACHIEVEMENTS

The sections that follow below reflect the key objectives, indicators, targets and achievements for each sub-programme of the *Health Planning and Monitoring Programme*.

12. HEALTH INFORMATION, EVALUATION, EPIDEMIOLOGY AND RESEARCH

During the reporting period, the department also enhanced its monitoring and evaluation systems, as well as its research activities.

The department continued to monitor systematically the implementation of the *Comprehensive Plan for HIV and AIDS Care, Management and Treatment (CCMT)*. Amid challenges of delayed submission, all provinces continued to submit to the national department datasets reflecting progress with the implementation of the CCMT during 2008/09. In keeping with the 2008/09 target, the department also conducted quality assessment visits for CCMT data in health facilities in the Free State, KwaZulu-Natal, Mpumalanga and Northern Cape. An independent process evaluation of the CCMT commissioned by the department was also completed, and a report was submitted to the department, as well as the Technical Advisory Committee of the National Health Council (NHC).

A team of independent researchers completed a burden of disease (BoD) survey and presented its findings to the department in April 2009, and were provided with feedback. The target for 2008/09, which will be achieved in the new financial year, was for the researchers to present the final report of the BoD survey to the Technical Team of the NHC.

The department also collaborated with other government departments to strengthen health information. A memorandum of understanding (MoU) was signed by the department and Statistics South Africa (StatsSA), to enhance collaboration around improving the quality of health information. This MoU will in future facilitate the designation of certain health statistics as official statistics, including notifiable disease statistics, vital statistics, and health status statistics. A link to the District Health Information System (DHIS) was also created for an official from STATSSA. A draft e-Health White Paper was developed jointly by the department and the Presidential National Commission on Information.

To improve the integration of disease data and strengthen reporting, all provinces installed and received training on the new District Health Information System (DHIS) 1.4 Notification system. Twelve statistical notes on notifiable medical conditions were published, which was consistent with the target for 2008/09.

In keeping with the target for 2008/09, as well as international obligations, the department consistently sent AFP weekly data and monthly measles data to the WHO AFRO region.

The department also completed the data collection, analysis and validation for the *2008 HIV and Syphilis Antenatal Survey*, and produced a draft report. A discussion document on HIV and AIDS notification was developed and discussed within the department. A consultation meeting on HIV or AIDS notification will be convened in the next financial year.

The department produced four quarterly reports on the provision of choice of termination of pregnancy (CTOP) services in the public sector. This was consistent with the 2008/09 target.

Progress was made towards the development of the ICD-10 curriculum. In keeping with the target for 2008/09, clinical coding unit standards and qualification were registered with SAQA, and also published in the *Government Gazette* for public comments.

Several challenges were also experienced during the reporting period. The *South African Demographic and Health Survey (SADHS) for 2008*, and the *Primary Health Care (PHC) Facilities Audit* were not completed, due to resource constraints. A national study on health inequalities also could not be commissioned. The department also did not

appoint a South African national BoD study group.

The National Health Research Committee (NHRC) was functional during the reporting period, and convened meetings according to the set schedule. However, the regulations on the establishment of the NHREC were not completed and implemented as anticipated.

The strategy for the South African diagnosis related grouper (DRG) was delayed due to the (non) adoption of a procedure code for both the public and private sectors.

The implementation of the start-up phase of the Electronic Health Record for South Africa (eHR.ZA) did not commence in 2008 as anticipated. Relevant documentation for the start-up phase of the Electronic Health Record for South Africa (eHR.ZA) was finalised with the State Information Technology Agency (SITA) and the SITA Board. The start-up phase will commence in the new financial year.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HEALTH INFORMATION, EVALUATION AND RESEARCH	Co-ordinate, support and conduct re-search and monitoring and evaluating activities	Report on PHC facilities audit	Conduct PHC facilities audit in by September 2008	<ul style="list-style-type: none"> Not achieved due to lack of funding
		Report on the SADHS 2008	Conduct SADHS by October 2008	<ul style="list-style-type: none"> Not achieved due to lack of funding
		Establish a policy on intellectual property	Policy on intellectual property and copyright in health	<ul style="list-style-type: none"> Stakeholders consultation report drafted
	Appoint the National Health Research Ethics Council	Functional National Health Research Ethics Council	Registration and Research Ethics Committees completed by June 2008	<ul style="list-style-type: none"> NHREC is functional and has met several times in 2008/09 NHREC Annual Report drafted
		Regulations for the establishment of a National Health Research Ethics Council published	Regulations for the establishment of a National Health Research Ethics Council published for implementation by June 2008	<ul style="list-style-type: none"> Regulations finalised, but not published for implementation
	Appoint the National Health Research Committee	Functional National Health Research Committee	Publish national priority setting report by June 2008	<ul style="list-style-type: none"> National priority setting document was published
			50% of the business plans of public funded research organisations and institutions presented to the National Health Research Committee by March 200	<ul style="list-style-type: none"> Previous financial year annual reports of publicly funded research institutions were assessed by the committee

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HEALTH INFORMATION, EVALUATION AND RESEARCH	Appoint the National Health Research Committee	Functional National Health Research Committee	Regulations on the establishment of a National Health Research Committee implemented by June 2008	<ul style="list-style-type: none"> NHRC was functional and convened several meetings in 2008/09 Development of regulations was not completed, still in process
		Regulations on the conduct of research on human subjects published	Regulations on the conduct of research on human subjects published for implementation by September 2009	<ul style="list-style-type: none"> Regulations not completed, in process
	Co-ordinate, support and conduct research and monitoring and evaluating activities	Number of provinces submitting data for monitoring the implementation of the comprehensive HIV and AIDS Care, Management treatment Plan (CCMT)	All nine provincial data sets available nationally	<ul style="list-style-type: none"> CCMT statistics up to April 2009 were compiled and circulated
		Report on the evaluation of the implementation of the comprehensive plan	Final report: Process evaluation of the implementation of the comprehensive plan printed	<ul style="list-style-type: none"> Report was circulated to the meeting of the Technical Advisory Committee of the NHC
		Number of monitoring and evaluation training workshops at national and provincial levels	One monitoring and evaluation training workshops conducted	<ul style="list-style-type: none"> Three training workshops on evaluation techniques for the financial year 2008/09 were held in February/March 2009 A total of 61 provincial and national officials attended the training workshops out of the 82 that were planned initially A draft handbook for health managers on evaluation was also produced
			A manager's guide on evaluation developed	<ul style="list-style-type: none"> Draft handbook for health managers on evaluation was produced and is being revised
		National burden of disease (BoD) survey	Final report: national burden of disease (BoD) survey presented to Technical Team of the NHC	<ul style="list-style-type: none"> Draft national BoD framework was revised with inputs from Statistics South Africa and circulated for further comments
			Appointment of a SA national BoD study group	<ul style="list-style-type: none"> Not achieved due to resource constraints
		National study on health inequalities	National study on health inequalities commissioned	<ul style="list-style-type: none"> Not achieved due to resource constraints

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HEALTH INFORMATION, EVALUATION AND RESEARCH	Co-ordinate, support and conduct re-search and monitoring and evaluating activities	Monitoring and evaluation policy guidelines finalised	Monitoring and evaluation policy guidelines approved	<ul style="list-style-type: none"> Monitoring and evaluation policy guidelines were finalised with inputs from provinces and other key partners
		Number of health indicator updates produced	Four health indicator updates	<ul style="list-style-type: none"> Maternal health indicators update was printed and distributed The chronic disease and HIV and AIDS health indicators updates were approved for printing The emergency medical services indicators update was submitted for approval Health indicators updates were drafted focusing on: (i) child health; (ii) causes of death; (iii) health systems and (iv) reproductive health
		Number of key health statistics booklets published	One key health statistics booklet	<ul style="list-style-type: none"> A draft key health statistics 2007 booklet was finalised and prepared for printing
		UNGASS report completed	UNGASS report completed	<ul style="list-style-type: none"> The next UNGASS report is for 2008 and 2009, and is only due in March 2010. Planning for the production of the report will commence in 2009
		Number of matriculants trained by national department and employed as data capturers in PHC facilities	1 110 data capturers trained	<ul style="list-style-type: none"> 1 110 data capturers were recruited and 1 068 were trained 42 trainees left the service before training

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HEALTH INFORMATION, EVALUATION AND RESEARCH	Co-ordinate, support and conduct re-research and monitoring and evaluating activities	Data quality assessment workshops	One data quality assessment workshop per province	<ul style="list-style-type: none"> Data quality assessment visits for CCMT data were conducted in the following various facilities across provinces namely: Free State (National Hospital, Batho Clinic, Heidedaal CC, Bongani Hospital, Welkom clinic, and Matjhabeng clinic); Northern Cape (Kuruman Clinic, Postmansburg Clinic, Galeshewe Day Clinic, Griekwastad Clinic) and Mpumalanga (Witbank, Middelburg, Rob Ferreira and Tonga district hospitals)
		Identification and assessment of health statistics for official designation	Official designation of notifiable disease statistics, vital statistics, and health status statistics	<ul style="list-style-type: none"> Nil
	Develop a mechanism for integration of disease data and improve reporting	Monthly reporting by provinces strengthened	Timely monthly reporting in all nine provinces	<ul style="list-style-type: none"> The Surveillance and Communicable Diseases Strategy for FIFA 2009 Confederations Cup and 2010 World Cup was finalised All provinces installed and received training on the new DHIS 1.4 Notification system
		Single function nosocomial infection surveillance system established	Each tertiary hospital in each province will have a single functional nosocomial infection surveillance system	<ul style="list-style-type: none"> Review of nosocomial infection surveillance system in two tertiary hospitals was conducted and report produced
	Conduct the national HIV and syphilis prevalence survey and other surveys as required by the HIV and AIDS strategic plan	Annual national HIV prevalence estimates and trends report published	2007 national HIV and syphilis prevalence estimates and trends report published	<ul style="list-style-type: none"> 2007 HIV and syphilis antenatal survey report was published Consensus was reached with HIV experts about the results of the 2007 antenatal survey

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HEALTH INFORMATION, EVALUATION AND RESEARCH	Strengthen and build and nurture working relationships with other clusters within national departments, our provincial counterparts, NHLS and the private sector	AFP surveillance data sent to WHO (AFRO)	AFP surveillance data sent to WHO (AFRO) by March 2009	<ul style="list-style-type: none"> Weekly AFP, measles, tetanus data sent to WHO Afro
	Number of quarterly reports produced on the prevalence of use of CTOP in the public sector	Four quarterly reports	Four quarterly reports	<ul style="list-style-type: none"> Four CTOP quarterly reports compiled
	Review and edit yearly health trends	Annual health trends published	Health trends 2007 printed and published	<ul style="list-style-type: none"> Health trends 2005 - 2008 drafted
	Compile monthly statistical notes	Regulations on notifiable medical conditions published	12 statistical notes published	<ul style="list-style-type: none"> 12 statical notes published
	Compile quarterly EPI comments	Guidelines on disease notification published	Four epidemiology comments published	<ul style="list-style-type: none"> Four epidemiology comments published
	Produce draft discussion document on HIV or AIDS notification	Draft discussion document on HIV or AIDS notification produced	Consultation meeting on HIV or AIDS notification	<ul style="list-style-type: none"> Draft HIV and AIDS notification policy was produced and discussed within the department Draft policy will be discussed with stakeholders in 2009
	Implementation of the ICD-10 code in all public and private sector	ICD-10 curriculum developed	ICD 10 unit standards adopted by SAQA	<ul style="list-style-type: none"> Clinical coding unit standards and qualification were registered with SAQA and published in the <i>Government Gazette</i> for public comments

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HEALTH INFORMATION, EVALUATION AND RESEARCH	Develop SADRG (Diagnosis Related Grouper)	SA DRG developed	Strategy for SA DRG developed (delayed due to the adoption of a procedure code for both the private and public sectors)	<ul style="list-style-type: none"> Not achieved. A decision on the procedure code has not yet been taken
	Electronic Health Record for South Africa (eHR.za)	An Electronic Health Record for South Africa	Start-up phase implemented	<ul style="list-style-type: none"> Phase 0 will commence in 2009/10 Documentation finalised with SITA
	Training of health workers in data system use and application	Number of training provincial workshops for health managers	One training workshop per province	<ul style="list-style-type: none"> Data quality assessment visits for CCMT data were conducted in the Free State, Northern Cape and Mpumalanga
	Develop a data warehouse for health monitoring	Data warehouse completed	Data integration and architecture development	<ul style="list-style-type: none"> Nil
	Develop an e-health policy for South Africa	An e-health policy for South Africa completed	Adoption of the e-health white paper by March 2009	<ul style="list-style-type: none"> Draft e-health policy development completed
	Revision of both birth and death forms to improve accuracy of data	Improved vital statistics data available	Evaluate and analyse data for cancer	<ul style="list-style-type: none"> Inputs for the forms-re-design were completed and forwarded to home affairs legal division for approval
	Development of a mortuary system	Mortuary system piloted in selected provinces for further rollout to other provinces	Mortuary System roll-out in KwaZulu-Natal	<ul style="list-style-type: none"> Implementation will be piloted with Limpopo, KwaZulu-Natal and Mpumalanga
	Expand telemedicine to 120 sites	Percentage of functional telemedicine sites	50%	<ul style="list-style-type: none"> Mindset Channel was requested to expand their sites in 2009/10
	Development of telelearning centres in three provinces	Number of functional telelearning centres	Expansion of telelearning centre to Eastern Cape	<ul style="list-style-type: none"> A telemedicine centre was launched at Bhizana 2009

13. OFFICE OF STANDARDS COMPLIANCE

During 2008/09, the department developed a policy framework for establishing national core standards for health facilities, and a system for ensuring compliance. National core standards were published in April 2008, which covered seven domains namely, patient safety; clinical care; governance and management; patient experience of care; access to care; infrastructure and environment and public health. Appraisals of 27 priority hospitals were conducted by national teams between June and August 2008, and the results informed the development of health facility improvement plans for each hospital. Twenty-seven hospitals were supported to produce health facility improvement plans. Supportive facilitation was provided to these facilities by the national and provincial departments, as well as health districts. The nature of the support provided aimed at assisting facilities to focus on achieving results to turn around specific problems in the short term, thus building their capacity to improve quality in the long term.

During the reporting period, a working group consisting of stakeholders from the public and private sectors as well as health NGOs was set up to review the national set of core standards, as well as the appraisal process. The targets for 2008/09, which were achieved during the first three quarters of 2008/09, were to obtain approval from the NHC for the policy framework, as well as to develop the initial core standards and conduct appraisals.

The department also convened a national colloquium on quality in November 2008, which was attended by a large number of stakeholders from private and public sectors, as well as regulatory bodies, professional associations, organised labour, academics and non-governmental organisations. As a direct outcome of this colloquium, a concerted move towards a national quality improvement programme and the institutional arrangements that will underpin its implementation will be realised in the next planning cycles.

Concerted efforts were also dedicated to strengthening infection prevention and control. A national infection prevention and control (IPC) manual was produced, which will be used to develop the necessary teaching aids and tools.

Several provinces established their adverse incident management systems, which will serve as pilots from which to arrive at a national consensus on the final system. This was consistent with the target for 2008/09.

A ministerial advisory committee for quality, safety and standards (ACQSS) was established, together with its three sub-committees. One of the sub-committees will *inter alia* advise the department on mechanisms for monitoring the implementation of quality, as well as the usefulness and appropriateness of quality of care indicators.

Challenges experienced during the reporting period included the lack of resources to print and widely disseminate the clinical audit guidelines which were produced by the department.

Delays were also experienced in the production of a quality assurance training manual. This work has since been accelerated with assistance from a non-governmental organisation (NGO).

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
OFFICE OF STANDARDS COMPLIANCE	Develop an effective customer quality management system	A national customer quality management system	System designed and consulted with provinces	<ul style="list-style-type: none"> Costed options for the department to consider were developed
	Develop a fully fledged national call centre to also serve as national complaints' centre	A national call centre	Current systems assessed/ option developed	<ul style="list-style-type: none"> Department received a report on the national call centre technology from the service providers
	Develop a comprehensive national infection prevention and control manual	A national infection prevention and control manual	Draft manual prepared	<ul style="list-style-type: none"> Draft manual was produced by the University of KwaZulu-Natal

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
OFFICE OF STANDARDS COMPLIANCE	Develop a national adverse incident management system	A national adverse incident management system (NAIMS)	System piloted	<ul style="list-style-type: none"> A national workshop was held to identify existing models and to establish a working group that will assist in developing guidelines for a NAIMS
	Finalise and introduce into the health care system a QA training manual	QA training manual	Training manual introduced	<ul style="list-style-type: none"> QA training manual is being developed in partnership with the health care improvement programme (HCI) of the university resources centre, an NGO
	Develop the standards and indicators for strengthening quality across the health system and a system for monitoring key quality indicators on a regular basis	Set of quality indicators functional monitoring system	Standards and indicators developed Monitoring system proposed HRP indicators monitored	<ul style="list-style-type: none"> Indicators on quality now available from the DHIS. The ToR of a ministerial advisory committee for quality, safety and standards (ACQSS) and its three subcommittees were produced. One subcommittee will focus on mechanisms to monitor the implementation, usefulness and appropriateness of indicators for quality
	Develop and implement health facility improvement plans	Number of health facilities implementing health facility improvement plans	32 facilities (28 hospitals and four health facilities)	<ul style="list-style-type: none"> 27
	Develop and facilitate the implementation of a clinical audit policy with accompanying guidelines	A clinical audit policy with accompanying guidelines	Audit policy and guidelines launched nationally	<ul style="list-style-type: none"> Clinical audit guidelines were produced and prepared for printing. However, due to budgetary constraints, printing was postponed while seeking a donor to fund printing

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
OFFICE OF STANDARDS COMPLIANCE	Set up a clearinghouse for guideline development	Clearinghouse for guideline development	Proposal ready	<ul style="list-style-type: none"> Resources to assist with setting up a clearinghouse in 2009/10 were secured and ToRs of ACQSS and its three sub-committees prepared. One subcommittee will inter alia advise the departments on a process of development and assessment of national clinical guidelines
	Office of Standards Compliance established and functional	Office of Standards Compliance	Function and structure approved Staff appointed	<ul style="list-style-type: none"> All posts in the office of the cluster manager: OSC were filled. Post requirements for certificate of need directorate were submitted to OD unit
	Develop the policy framework for establishing core national standards and the system for ensuring compliance	Policy framework approved	Policy framework consulted with NHC and approved Initial core standards developed and appraisal conducted	<ul style="list-style-type: none"> A national working group consisting of stakeholders from the public and private sector as well as health NGOs was set up to review the national set of core standards as well as the appraisal process

14. HEALTH FINANCIAL PLANNING AND ECONOMICS

During 2008/09, the department produced a *National Health Reference Price List (NHRPL) for 2009*, which was published in the *Government Gazette* on 24 December 2008. This was consistent with the set target. The department also published an invitation in January 2009 to all private healthcare stakeholders to submit information that would be used for the determination of the tariffs for the 2010 NHRPL.

Progress was also made towards the completion of the national health accounts (NHA). Expenditure data from the private sector was collected and analysed. Analysis of expenditure data for the public sector also commenced, and will be completed in the next planning cycle, after which an NHA report will be produced.

With regard to the benefit incidence analysis (BIA), the department commissioned a study focusing on issues of health care access and utilisation, burden of out-of-pocket payments and perceptions of the health system, which was conducted by an independent service provider. The research report was completed and submitted to the minister. A study commissioned by the department focusing on district hospital efficiency indicators was also completed.

A district health expenditure review tool was also completed and disseminated.

Limited progress was made with the development of provincial implementation plans for the modernisation of tertiary services (MTS), as well as implementation of phases one and two of MTS, focusing on diagnostic radiology and radiation oncology.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HEALTH FINANCIAL PLANNING AND ECONOMICS	Publish tariffs to be charged by health care providers on service rendered	National Health Reference Price List published by the department for 2009 tariffs	National Health Reference Price List for 2009 accepted by all stakeholders	<ul style="list-style-type: none"> National Health Reference Price List for 2009 was produced
	Determination the flow of health care resources by sources of funding and financing intermediaries	A report on national health accounts reflecting total health care expenditure in South Africa	Data collection and analysis to be completed by the end of the 2007	<ul style="list-style-type: none"> Data analysis for the private sector was completed Data analysis for the public sector report will be completed in 2009
	Design and implement NHI	NHI proposals finalised and NHI implemented	Finalise NHI proposals and draft legislation (National Health Amendment Bill)	<ul style="list-style-type: none"> Technical work for the development of NHI has been completed NHI policy proposals and draft legislation are being drafted and will be presented to Cabinet in 2009/10
	Estimate the value of the benefit and identify the users of services and their socio economic characteristics in accessing health care services	A report on incidence benefit analysis reflecting the benefit and access of health care services by various socio economic groupings	Data collection and analysis to be completed by the end of the 2007	<ul style="list-style-type: none"> A report from the community agency for social enquiry (CASE) focusing on issues of health care access and utilisation, burden of out-of-pocket payments and perceptions of the health system was submitted to the department
	Development of a complete tool for the analysis of district health expenditure reviews	Report on district health expenditure for all 53-health districts	District health expenditure review tool ready and disseminated to all health districts	<ul style="list-style-type: none"> District health expenditure review tool produced
	Implementation of the modernisation of tertiary services plan	Number of provinces that have developed implementation plans and different number hospitals that have started implementing the modernisation of tertiary services	All nine provinces finalise the development of provincial implementation plans and implementation of phase one and two on diagnostic radiology and radiation oncology	<ul style="list-style-type: none"> Proposals on provincial implementation plans were developed
	Determination of total costs of rendering a full district hospital package in South Africa	A comprehensive report outlining average costs on all district hospital efficiency indicators	Data analysis to be completed by end of February 2008	<ul style="list-style-type: none"> Report on the costing of district hospital packages was produced

15. PHARMACEUTICAL POLICY AND PLANNING

The department continued to ensure the availability of safe and affordable medicines during the reporting period.

In keeping with the set target, the review of the *Primary Health Care Standard Treatment Guidelines (STG)* and *Essential Drug List (EDL) 2003* were completed. Significant progress was also made towards the compilation of the quaternary EDL book.

There were no stock outs of TB drugs in public health facilities in the fourth quarter of 2008/09, which was consistent with the 2008/09 target of 0%. TB drug stock outs experienced earlier during the reporting period, due to the inability of contract companies to supply according to demand, were addressed.

A policy on African traditional medicine (ATM) was also published for public comment, with the deadline for submitting inputs being 31 March 2009. A national consensus workshop was also convened in February 2009, to enable traditional health practitioners' organisations to submit comments on the draft ATM policy. Comments received were incorporated into a revised version of the policy.

Key constraints during the reporting period included the acute shortage of pharmacists in the department, which impacted negatively on the department's capacity to inspect licensed dispensers during the reporting period. Also, no reviews were conducted in-house without outsourcing.

A 4% stock out of ARV medicines occurred at accredited facilities in the fourth quarter of 2008/09, which was inconsistent with the target of 0%. This shortage was most severe in the Free State due to shortage of funds.

Limited progress was made towards the development of a decentralised system for tracking and distributing pharmaceuticals through the supply chain, to ensure that they reach the intended source (patients). The system could not go live in 2008/09. A new date of 1 April 2009 was set for the system to go live.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
PHARMACEUTICAL POLICY AND PLANNING	Review of primary health care STG/EDL 2003 edition	Percentage of review completed	100% (stakeholder consultation, review of consultation, review of chapters, editing, formatting and printing of book)	<ul style="list-style-type: none"> 100%
	Compile a quaternary EDL	Percentage of review completed	100% (stakeholder consultation, review of consultation, review of chapters, editing, formatting and printing of book)	<ul style="list-style-type: none"> 80%
	Review of hospital level STG/EDL for adults 2006 edition	Percentage of book reviewed	10% (stakeholder consultation, compilation of clients needs, establishment of review committee and project plan developed)	<ul style="list-style-type: none"> 5%
	Review of hospital level STG/EDL for paediatrics 2006 edition	Percentage of book reviewed	10% (stakeholder consultation, compilation of clients needs, establishment of review committee and project plan developed)	<ul style="list-style-type: none"> 5% Inadequate supply of pharmacists in the public health sector was a key challenge
	Strengthen capacity building for in house reviews	Percentage of reviews completed without outsourcing	5%	<ul style="list-style-type: none"> 0% Inadequate supply of pharmacists in the public health sector was a key challenge
	Eliminate stock outs of ARV medicines in all accredited facilities	Percentage stock out	0%	<ul style="list-style-type: none"> 4%
	Decrease stock outs of TB drugs at facilities	0% stock out	0%	<ul style="list-style-type: none"> 0%

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
PHARMACEUTICAL POLICY AND PLANNING	Tracking system for distribution of pharmaceuticals to track and trace drugs through the supply chain to ensure that it reach the intended source (patient level)	Development of a decentralised system for participating provinces and national departments	Decentralised system developed by September 2008	<ul style="list-style-type: none"> 40%
		Implementation of the decentralised system in four participating provinces	Three provinces by March 2009	<ul style="list-style-type: none"> Not achieved System did not go live
	Licensing of premises for pharmacies	Percentage of pharmacy licences issued against completed applications received (over a three month period)	100% of applications that meet requirements for licensing	<ul style="list-style-type: none"> 46% (34 of 74 complete applications received)
	Monitoring and evaluation of the opening and closure of community pharmacies	Number of annual reports submitted to the DG: Health reflecting total number of licences issued to, as well as closure of new community pharmacies	One	<ul style="list-style-type: none"> One
	Issuing of dispensing licences to authorised prescribers	Percentage of dispensers licensed against completed applications received	100% of applicants that meet requirements for licensing	<ul style="list-style-type: none"> 64% (152 out of 238 complete applications)
	Inspection of the premises of licensed authorised prescribers	Percentage of licensed dispensers inspected within the three year period	15% (855 of the 5 699)	<ul style="list-style-type: none"> 0%
	Develop policy on African traditional medicine (ATM)	Policy on African traditional medicine (ATM developed)	70% completion of policy on African traditional medicine for South Africa	<ul style="list-style-type: none"> 75% (a national consensus workshop was held from 26-27 February 2009 to enable traditional health practitioners organisations to submit comments on the draft policy by 31 March 2009) Comments are still being received and processed
	Restructure the MCC	MCC restructuring completed	Report of the Ministerial Committee on the Restructuring of the MCC finalised	<ul style="list-style-type: none"> Report completed and submitted to the minister in 2008

PROGRAMME 4: HUMAN RESOURCES AND MANAGEMENT DEVELOPMENT

PURPOSE

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

PERFORMANCE AND SERVICE DELIVERY ACHIEVEMENTS

The sections that follow below reflect the key objectives, indicators, targets and achievements for each sub-programme of the *Human Resource Planning, Development and Management Programme*.

16. HUMAN RESOURCES DEVELOPMENT AND MANAGEMENT

During the reporting period, the department achieved key milestones in its quest to ensure a reliable supply of appropriately trained health workers to improve health service delivery.

Key areas of progress included the introduction of training programmes for various categories of mid-level workers. The clinical associate programme was formally launched on 18 August 2008 in Mthatha, in the Eastern Cape. A total of 100 clinical associate students were enrolled at three institutions, Walter Sisulu University, University of Pretoria and University of Witwatersrand, as the first cohort for this programme. This exceeded the 2008/09 target of enrolling 36 students.

The scope of practice for pharmacist technicians was also completed, and the regulations were developed by the pharmacy council. Discussions commenced with South African Qualifications Authority (SAQA), aimed at registering the radiography midlevel worker category. Furthermore, the KwaZulu-Natal health department, South African Military Health Services (SAMHS), Lebone College and North West Emergency Medical Services (EMS) underwent the final accreditation for the emergency care technician (ECT) programme. The target for 2008/09 was to implement the ECT programme in five provincial EMS colleges.

A revised community health worker (CHW) policy document was produced following extensive consultations with stakeholders in November 2008. Discussions were also conducted with the national departments of social development, labour and public works on the CHW policy.

The department also conducted training for skills development facilitators in eight provinces (with the exception of the Northern Cape) on the implementation of the Human Resources Development Strategy (HRDS). The implementation process of the strategy also commenced. This exceeded the target of capacitating skills development facilitators in four provinces.

Placement of community service health professionals and medical interns in health facilities across the country was also completed.

Key challenges during the reporting period including lack of funding for the implementation of rapid access learning and the learner support programme.

Proposals for the Occupation Specific Dispensation (OSD) for medical doctors, dentists, emergency medical services (EMS) personnel and pharmacist categories were developed in consultation with provincial health departments and the Department for Public Service and Administration (DPSA). The target for 2008/09 was that collective agreements for these categories of health professionals would be signed by May 2008. However, funding issues were not resolved, which eventually resulted in organised labour declaring a dispute against the department as the employer.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HUMAN RESOURCE DEVELOPMENT AND MANAGEMENT	Approval of clinical associates qualification by education department	Students enrolment into the programme in the four universities	36 students to be enrolled nationwide as first pilot programme	<ul style="list-style-type: none"> A total of 100 students were enrolled at three universities as the first cohort of clinical associate students
	Implementation of the clinical associate programme by four universities	Implementation of the clinical associate programme by Walter Sisulu University, University of Pretoria, University of Witwatersrand and University of Limpopo	Implementation of the clinical associate programme by Walter Sisulu University, University of Pretoria and University of Witwatersrand and University of Limpopo by March 2009	<ul style="list-style-type: none"> University of Witwatersrand commenced with the training of 24 clinical associate students at two sites in February 2009 Walter Sisulu University commenced with the second cohort of clinical associate students
	Emergency medical technician programme implemented by provincial EMS colleges	Number of provincial EMS colleges implementing the emergency medical technician (ECT) programme	Five provincial EMS colleges	<ul style="list-style-type: none"> KwaZulu-Natal, SAMHS, Lebone and North West emergency medical services have undergone the final accreditation for the ECT programme North West EMS college has received full accreditation ECT programme was formally launched on 26 March 2009 23 ECT students graduated from the North West EMS college
	Develop and implement rapid access learning programme and learner support initiatives for the ECT programme	Access and learner support programme developed	Rapid access learning programme developed	<ul style="list-style-type: none"> Funding for this action was withdrawn and the procurement process was halted. Will resume in the new financial year

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HUMAN RESOURCE DEVELOPMENT AND MANAGEMENT	Develop and implement rapid access learning programme and learner support initiatives for the ECT programme	Access and learner support programme developed	Learner support programme developed	<ul style="list-style-type: none"> Nil, due to lack of funding
	Six new mid-level workers (MLW) cadres introduced to support PHC and other key priority areas	Number of cadres introduced in line with policy framework	Learning programme framework for MLWs developed in line with the policy framework	<ul style="list-style-type: none"> Scope of practice for pharmacist technicians was completed Pharmacy council is currently developing the regulations for the pharmacist technician SAQA processes to register the radiography mid-level worker still underway
			Learning programme framework developed in line with policy framework	<ul style="list-style-type: none"> Funding for this action was withdrawn and the procurement process was halted. Will resume in the new financial year
	Review and implement the CHW policy in two provinces by December 2009	Revised CHW policy framework developed	Revised CHW framework developed by March 2009	<ul style="list-style-type: none"> Draft CHW framework was revised in line with comments received following a workshop held in November 2008 Engagements are ongoing with other departments (DSD/DOL/DPW) on the policy
	Strengthen provincial skills development structures to deliver on both the national skills development strategy (NSDS) II and human resource development strategy (HRDS)	Skills development structures in health sector have capacity to implement NSDS II and new DPSA HRDS.	Training of local skills development committees in at least four provinces	<ul style="list-style-type: none"> The National Department of Health, Limpopo and Western Cape trained skills development facilitators in all provinces
			All nine provincial SDFs and skills development committees capacitated on the implementation of the new HRDS	<ul style="list-style-type: none"> The sector education and training unit together with the task team are liaising with the Directorate: HR Policy Planning and Research, to develop the HRD strategy

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HUMAN RE-SOURCE DEVELOPMENT AND MANAGEMENT	Establish functional health promotion and quality assurance centres	Number of functional health promotion and quality assurance centres established in the nine provinces	Three	<ul style="list-style-type: none"> Five centres established National conference to learn from and strengthen the function of HPQACs was held with over 170 participants
	Allocate medical interns to accredited facilities and community service health professionals to gazetted and funded facilities	Annual allocations finalised	November 2008	<ul style="list-style-type: none"> Submission for gazetting of facilities for community service 2010 was prepared
	Finalisation of collective agreements in PHSDSBC for medical doctors, EMS and pharmacist categories (2008). Other remaining categories (2009)	Collective agreements for medical doctors, EMS and pharmacist categories signed	May 2008 (medical doctors, dentists, EMS and pharmacists)	<ul style="list-style-type: none"> Proposals were developed in consultation with the provinces/DPSA Funding issues were not fully resolved
	Issuing of amendments to OSDs	Amendments issued	December 2008 (nurse)	<ul style="list-style-type: none"> Review of nurses OSD did not commence
	Review of the policy on recruitment of foreign health professionals	Recruitment Policy Review finalised	October 2008	<ul style="list-style-type: none"> Review of recruitment policy not yet undertaken Policy directive regarding foreign health professionals who obtained temporary residence in SA before applying for employment/ letters of support for registration will be sought
		Approved recruitment policies implemented and monitored		<ul style="list-style-type: none"> Regulations can only be drafted once the policy document has been finalised
	Facilitate allocations according to recruitment policies	Number of persons placed	80% of applicants for 2008 placed	<ul style="list-style-type: none"> A moratorium was placed on placement of all health professionals from developing countries

17. HUMAN RESOURCES (HR) POLICY RESEARCH AND PLANNING

During the reporting period, the department provided support to eight of the nine provinces to produce their provincial human resources for health (HRH) plans.

In keeping with the target for 2008/09, an impact assessment study of the RSA-Cuba medical training programme report was produced. This was consistent with the 2008/09 target of producing this report by March 2009.

To enhance oversight over health professionals, the new South African Dental Technicians Council was inaugurated on 27 June 2008. The South African Nursing Council was also inaugurated on 10 July 2008. Both these inaugurations were consistent with the 2008/09 targets. The nominations of members of the new Health Professional Council of South Africa (HPCSA) were also conducted, and the recommendations for both the community and health department representatives were received by the department.

To enhance hospital management, a total of 140 hospital managers were enrolled for a hospital management training programme at the beginning of 2008, which exceeded the set target of 122.

The department also completed an HR expenditure review and costing of health sciences training studies. A report on the cost of production of graduate health professionals was also completed. A draft strategy for health sciences education and training was developed.

Challenges encountered during the reporting period included a lack of funding for conducting a review of the human resources for health (HRH) planning framework, as well as producing a revised HRH plan. The development of a training programme for managers in workforce planning and its piloting could also not be undertaken due to resource constraints. Funds have since been acquired from a Canadian donor agency (CIDA) for the development of the training programme in workforce planning. A project steering committee has been appointed to drive the implementation of projects funded under CIDA in the new financial year.

The Interim Traditional Health Practitioners Council (ITHPC) was not established as planned. The translation of the regulations for the establishment of the ITHPC into all African languages took much longer than anticipated. The establishment of the Forum of Statutory Health Professional Council of South Africa also did not occur, as it was awaiting the proclamation of Section 50 of the National Health Act to be passed through Parliament. The publication of the implementation guidelines for the nursing strategy was also delayed.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HUMAN RESOURCES (HR) POLICY RESEARCH AND PLANNING	Implementation, management and advocacy of the national human resources for health (HRH) plan	HRH plan used as framework for health workforce planning for the national health system	All nine provinces with HR plans developed	<ul style="list-style-type: none"> Draft plans have been produced by eight out of nine provinces
			HRH indicators developed for monitoring and tracking HRH	<ul style="list-style-type: none"> Funding for this project has been secured from a donor. The project will be undertaken in 2009/10
			National HRH plan status report produced revised HRH plan	<ul style="list-style-type: none"> Review of HRH planning framework to be completed in 2009/10
	Increased pool of HRH managers trained in workforce planning	Mobilisation of resources for, development and implementation of a tailored health workforce planning programme to support personnel designated to undertake HRH planning	Training programme for health workforce planning developed	<ul style="list-style-type: none"> Funding for this project has been secured from a donor. Work plans approved by the project steering committee. Project to commence once CIDA funds have been transferred from national treasury to national department
			Training programme for health workforce planning piloted with national and provincial managers responsible for HRH planning	<ul style="list-style-type: none"> Not achieved due to funding constraints
	Facilitate research and analysis in order to support longrange planning and to facilitate development of projections of HR needs to strengthen HRH supply	Studies, interventions and investigations carried out to support policy and planning in HR	Production capacity study results released and used to guide the refinement of production targets for health professionals	<ul style="list-style-type: none"> HR expenditure review and costing of health sciences training was undertaken Review of nursing colleges to commence in the 2009/10 financial year
			Analysis of the health workforce in South Africa	<ul style="list-style-type: none"> Report on health workforce produced by March 2009 Report on cost of graduate production of health professionals was completed. Projections for health workers proposed as part of report

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HUMAN RESOURCES (HR) POLICY RESEARCH AND PLANNING	Strengthen the alignment of training and education resources to the needs of the health system	Health sciences education and training strategy developed and adopted	Health sciences education and training strategy discussed with, and adopted by key stakeholders	<ul style="list-style-type: none"> Draft strategy was developed and is to be strengthened further by recommendations from commissioned investigations planned for 2009/10 financial year
	Promote co-operation between the South African health system and other health systems regionally and internationally	Contribution to the development of health systems regionally and continentally	Bi-lateral and multi-lateral programmes of partnership with national and international stakeholders in HR developed and implemented	<ul style="list-style-type: none"> HR systems and capacity strengthening project-funded by donor is being implemented. Inputs provided to SADC technical committee on HR
			Report on the impact assessment of the RSA-Cuban medical training programme produced by March 2009	<ul style="list-style-type: none"> Impact assessment study completed, report available and to be disseminated to stakeholders in the next quarter
	Develop and implement a Human Resource Information System for the health workforce	Development of Human Resource Information System (HRIS)	HRIS developed and piloted at national and provincial levels	<ul style="list-style-type: none"> Facilitated conference room pilot 2 demonstration
	Appoint new SANC for 2008-2013 term	New SANC inaugurated	Inauguration of SANC by June 2008	<ul style="list-style-type: none"> New council inaugurated in July 2008
	Appoint new SADTC for 2008-2013 term	SADTC inaugurated	Inauguration of SADTC by May 2008	<ul style="list-style-type: none"> New council inaugurated in June 2008

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HUMAN RESOURCES (HR) POLICY RESEARCH AND PLANNING	Appointment of new HPCSA for 2009-2014 term	HPCSA inaugurated	Initiate appointment processes for the new HPCSA	<ul style="list-style-type: none"> Nominations done by HPCSA and documents delivered to the department Recommendations for community and department representatives were also done
	Facilitate finalisation of policy on re-alignment of oral health professions	Oral health professions aligned	Policy on oral health finalised by December 2008	<ul style="list-style-type: none"> Policy on oral health was not finalised. A drafting team has been constituted
	Facilitate the establishment of the interim Traditional Health Practitioners Council (THPC)	Interim THPC established	Interim THPC established by December 2008	<ul style="list-style-type: none"> Regulations for the nomination and appointment of members of the interim council still to be promulgated
	Facilitate proclamation of Section 50 of the National Health Act to establish the forum	Forum of Statutory Health Professional Council of South Africa established	Forum of Statutory Health Professional Council of South Africa established by December 2008	<ul style="list-style-type: none"> Awaiting proclamation of the relevant section by the President
	Unregulated health professionals (e.g. ethno medicine) regulated	Commence consultative process with ethno medicine leadership by July 2008	Liaise with legal services cluster about reregulation of ethno medicine by 2009	<ul style="list-style-type: none"> Meeting held in November 2008 between department, ethnomedicine representatives and Allied Health Professions Council to initiate the regulation process
	Fast track the process on the amendment of the Allied Health Professions Act	Allied Health Professions Act amended	Liaison with legal services cluster regarding fast-tracking the amendment of the Allied Health Professions Act by 2008	<ul style="list-style-type: none"> Draft Bill was produced

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
HUMAN RESOURCES (HR) POLICY RESEARCH AND PLANNING	Develop strategies for attraction and recruitment of young people into the health sciences at FET and HE level	Recruitment strategies developed	Recruitment strategies developed and implemented for young people into the health sciences at FET and HE level by December 2008	<ul style="list-style-type: none"> Conceptual approach was developed and has been further strengthened with recommendations from various commissioned studies and reviews
	Develop and publish implementation guidelines for the nursing strategy in South Africa	Guidelines for the nursing strategy in South Africa published	Implementation guidelines of the nursing strategy in South Africa published by March 2009	<ul style="list-style-type: none"> The steering committee to facilitate the implementation process was established
	Increase the enrolment of chief executive officers (CEOs) in the hospital management programme annually	Number of hospital managers enrolled for a hospital management training programme	120 of the 400	<ul style="list-style-type: none"> 140 of the 400 hospital managers enrolled
	Develop a strategy for health sciences education and training in South Africa	Strategy for medical education in South Africa developed	Draft strategy for medical education in South Africa produced by December 2008	<ul style="list-style-type: none"> Nil. Strategy encompassed in the draft strategy for health sciences education and training

18. SECTOR LABOUR RELATIONS AND PLANNING

During the reporting period, the department strove to strengthen its relations with its stakeholders, including organised labour. Five collective agreements were concluded in the Public Health and Social Development Sectoral Bargaining Council (PHSDSBC), which exceeded the 2008/09 target of concluding two agreements.

A total of seven bi-lateral and multi-lateral meetings were convened with trade unions during 2008/09, which exceeded the target of two meetings. These included meetings with DENOSA (and SAMA) regarding the OSD for doctors, dentists, pharmacists and EMS personnel.

The department also produced six progress reports on the implementation of PHSDSBC Resolution 3 of 2007: OSD for nurses, including the state of the dispute and the manner of its resolution.

Key challenges during the reporting period included a dispute declared on 8 December 2008, regarding interpretation and application of PHSDSBC Resolution 3 of 2007: Occupation Specific Dispensation (OSD) for Nurses, which had been conciliated upon on 14 January 2009 and 24 February 2009, with the conciliation failing to resolve the dispute. The dispute was subsequently referred to arbitration by the trade unions. Several trade unions also launched an urgent interdict application against the national department, DPSA, and the nine provincial departments of health on 16 March 2009, which was aimed at stopping the health departments from, amongst other things, implementing the OSD for nurses until the dispute of 8 December 2008 was resolved. The target for 2008/09 was to resolve all disputes (100%) in the PHSDSBC.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
SECTOR LABOUR RELATIONS AND PLANNING	Percentage of disputes between labour and employers at the PHSDSBC managed and resolved	100% of disputes resolved	100% of disputes resolved	<ul style="list-style-type: none"> Dispute declared regarding interpretation and application of PHSDSBC Resolution 3 of 2007: Occupation Specific Dispensation (OSD) for nurses was conciliated upon on 14 January 2009 and 24 February 2009, with the conciliation failing to resolve the dispute Dispute was subsequently referred to arbitration by the trade unions
	Engage labour in the PHSDSBC	Number of collective agreements concluded	Two collective agreements concluded	<ul style="list-style-type: none"> Five collective agreements were concluded in the Public Health and Social Development Sectoral Bargaining Council (PHSDSBC)
	Monitor the implementation of collective agreements	Quarterly reports produced on the implementation of collective agreements concluded at PHSDSBS	Quarterly reports produced on the implementation of collective agreements concluded at PHSDSBS	<ul style="list-style-type: none"> Two reports were prepared for the minister concerning the implementation of PHSDSBC Resolution 3 of 2007, including the state of the disputes and the manner of their resolution

PROGRAMME 5: HEALTH SERVICES (SPECIAL PROGRAMMES AND HEALTH ENTITIES MANAGEMENT)

PURPOSE

The *Health Services (Special Programmes and Health Entities Management)* is a new programme which consists of units previously located in other branches. It supports the delivery of health services in provinces including primary health care and occupational health services.

PERFORMANCE AND SERVICE DELIVERY ACHIEVEMENTS

The sections that follow below reflect the key objectives, indicators, targets and achievements for each sub-programme of the *Health Services (Special Programmes and Health Entities Management Programme)*.

19. LEGAL SERVICES AND LITIGATION

Four pieces of legislation were processed through Parliament in 2008/09. The Medicines and Related Substances Bill and the Tobacco Products Control Amendment Bill were passed by Parliament. The Medical Schemes Amendment Bill and the National Health Amendment Bill were tabled in Parliament. This was consistent with the target for 2008/09.

By the end of the reporting period, the South African Medical Research Council Amendment Bill was still being drafted. The target for 2008/09 was for the Bill to be tabled in Parliament in June 2008.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
LEGAL SERVICES AND LITIGATION	Medicines and Related Substances Bill	Published for public comment	April 2008	<ul style="list-style-type: none"> Medicines and Related Substances Bill was passed by Parliament
		Tabled in Parliament	June 2008	
	National Health Amendment Bill	Published for public comment	April 2008	<ul style="list-style-type: none"> National Health Amendment Bill was tabled in Parliament
		Tabled in Parliament	June 2008	
	Medical Schemes Amendment Bill	Published for public comment	April 2008	<ul style="list-style-type: none"> Medical Schemes Amendment Bill was tabled in Parliament
		Tabled in Parliament	June 2008	
	South African Medical Research Council Amendment Bill	Published for public comment	April 2008	<ul style="list-style-type: none"> Bill still being drafted
	Tobacco Products Control Amendment Bill	Published for public comment	April 2008	<ul style="list-style-type: none"> Tobacco Products Control Amendment Bill was passed by Parliament
		Tabled in Parliament	June 2008	

20. COMMUNICATION

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

Articles promoting healthy lifestyles as well as advertisements were placed in diverse publications and the print media. Health articles were placed in magazines such as *Pan African One Africa One Voice* (tobacco control in South Africa), *Vukuzenzele Magazine* (advertisements on healthy lifestyles and injury prevention), *Road Matters* and *The Commuter SA* (injury prevention), *The Cup – 2010* (emergency preparedness) and *Indwe* (malaria). Articles focusing on the benefits of pneumococcal vaccine were placed in *You*, *Huisgenoot*, *Drum*, *Jet Club*, *BONA* and *True Love* magazines. Advertisements were placed in newspapers such as *City Press Newspaper* (article on the Health Excellence Awards 2008) and *Daily Sun* (cervical and prostate cancer). This was consistent with the 2008/09 targets.

Public relations and marketing platforms were used to raise the profile of health issues. In support of the cholera awareness campaign, information was disseminated through print media such as the *Daily Sun* and *Sowetan* and through all SABC African language radio stations, as well as community radio stations. A multimedia campaign on the roll out of pneumococcal vaccine was conducted through SABC TV and e-TV. An exhibition profiling South Africa's progress towards curbing HIV and AIDS was conducted at the HIV and AIDS conference in March 2009.

Various public relations programmes supporting health programmes were implemented. These included programmes aimed at raising the profiles of the following important health events: International Day of Older Persons, Partnership Against AIDS Anniversary, SADC Malaria Day, and the breast cancer and prostate cancer campaigns. Cholera publicity, branding and distribution of IEC material were conducted at the ZCC in Morija, Limpopo in April 2009, as well as at the International Pentecostal Christian Church in Zurbekom, Gauteng.

Limited progress was made with conducting Izimbizo. Greater focus was placed on community-based communication and health promotion activities.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
COMMUNICATION	Supporting broader government communication activities	Imbizo events and follow up on issues raised	At least 10 ministerial Izimbizo	<ul style="list-style-type: none"> Various government communications events were supported including: <ul style="list-style-type: none"> - the 2009 EPI Symposium at Kopanong Conference Centre, Johannesburg - Reproductive Health Month Condom Week, STI Pregnancy Awareness Week in Giyani, Limpopo province - Traditional Medicines Workshop in Pretoria, Gauteng province - World TB Day in Klerksdorp, North West - Mental Health Review Board Seminar Grand Airport – Gauteng - Graduation and launch of emergency care technician programme Klerksdorp, North West - Launch of the Neuro Psychiatric Health Facility Baragwanath Hospital, Soweto
	Establish regular mediums and routines for communication	Quarterly publication of developments in health in professional and stakeholder publications	Quarterly publications in relevant magazines	Publications were produced in a variety of magazines including: <ul style="list-style-type: none"> • Health article in <i>Vukuzenzele Magazine</i> on promoting healthy lifestyles focusing on smoking and tobacco control • Articles focusing on the benefits of pneumococcal vaccine in <i>You, Huisgenoot, Drum, Jet Club, BONA and True Love</i> magazines.
	Update promotion of access information book	Promotion of access to information book updated	Availability of the book in four South African languages	<ul style="list-style-type: none"> • Available in four languages
	Develop public relations and marketing strategies to raise the profile of the health department	Utilisation of PR and marketing platforms to raise the profile of the department	Six public relations programmes supporting health programmes	<ul style="list-style-type: none"> • Public relations and marketing platforms were used to raise the profile of health issues • In support of the cholera awareness campaign, information was disseminated through print media such as the <i>Daily Sun</i> and <i>Sowetan</i> and through all SABC African language radio stations, as well as community radio stations • A multimedia campaign on the roll out of pneumococcal vaccine was conducted through SABC TV and e-TV in March 2009. An exhibition profiling South Africa's progress on HIV and AIDS was conducted at the HIV and AIDS Conference in March 2009 • Cholera publicity, branding and distribution of IEC material were conducted at the ZCC in Moria, Limpopo in April 2009, as well as at the International Pentecostal Christian Church in Zurbekom, Gauteng
	Roll out of the corporate identity action plan	Standardised application of the corporate identity in the department	90% of material published by the department to comply with corporate identity guidelines	<ul style="list-style-type: none"> • 95% of material published comply with corporate identity guidelines
	Develop media relation plan to address health issues	Utilisation of media opportunities to profile and address health issues	Quarterly media events	<ul style="list-style-type: none"> • Diverse media opportunities were used to profile and address health issues. These included various media interviews on cholera and a media education workshop on pneumococcal vaccine in, in Rosebank, Johannesburg.

21. PRIMARY HEALTH CARE (PHC), DISTRICT AND DEVELOPMENT

During the reporting period, the department continued to enhance the delivery of health services based on the primary health care (PHC) approach.

Access to PHC services, as measured by headcounts, increased from 106 623 648 (validated data) in 2007/08 to 117 341 256 in 2008/09. The national PHC utilisation rate increased from 2,2 visits per person per annum in 2007/08 to 2,4 visits per person in 2008/09. The national target was 3,5 visits per capita. Higher activity levels also occurred at district hospitals, with hospital separations increasing from 1 567 590 in 2007/08 to 1 692 969 in 2008/09.

District level planning processes were also strengthened. With support from provincial health departments, 47 Districts developed their district health plans (DHPs) and submitted these to the national department. This was consistent with the target for 2008/09. Provinces also provided quarterly reports to the department on progress with the implementation of the DHPs. Feedback sessions were held with service providers supporting the implementation of district health services across provinces.

The governance of health services was strengthened, with seven of the nine provinces having established provincial health councils. Some of the nominated provincial health councils were still awaiting approval by the respective MECs.

Constraints encountered during the reporting period included delays in conducting the audit of PHC infrastructure and services, due to lack of funding. Resources were subsequently provided from the national fiscus for this audit to be undertaken in 2009/10. Only 37 of the 47 DHPs received by the department in 2008/09 were linked to the integrated development plans (IDPs) of local government. The supervision rate of PHC facilities decreased from 69% in 2007/08 to 63% in 2008/09.

Measures to redress these challenges will be implemented in 2009/10.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
PRIMARY HEALTH CARE (PHC), DISTRICT AND DEVELOPMENT	Develop functional health districts in South Africa	Number of district health plans (DHP's) received from provinces	47	• 47
		Number of DHPs linked to development plans (IDP's)	47	• 37
		Percentage of provinces reporting quarterly on DHPs	90%	• 90%
		Number of provinces that have established provincial health councils	Five	• Seven
		Number of district health councils established	52	• 47
		Percentage of primary health care facilities where committees established	52%	• 60%
		Number of districts PHC facilities reporting on supervision in line with supervisory manual	52	• 52
		National PHC utilisation rate	2,7 visits per capita	• 2,4 visits per capita
		Support the provinces in the community based services		R 290
	One			• One (Framework completed)
	27			• 37 • 37
	Support the provinces in the implementation of community based services	Percentage of care workers with accredited training according to Health and Welfare SETA	60%	• 53%
	Improve control of hazardous substances	Percentage compliance with hazardous substances control	30%	• 30%

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
PRIMARY HEALTH CARE (PHC), DISTRICT AND DEVELOPMENT	Improve port health services	Percentage of provinces with well established port health services	55%	• 55%
	Agreed cost recovery system in place	Number of provinces where ports are implementing cost recovery system	One	• One
	Agreed framework for the three poison centres in place	Number of quarterly reports from each centre submitted	One report per centre per quarter	• One report from two centers
	Establish community-based food garden project	Number of community based food garden projects	30	• 10
	Initiate and support smoke free public health facilities	Percentage of smoke free public health facilities	60%	• 100%
	Support the implementation of Tobacco Control Products Amendment Bill	% of public institutions implementing Tobacco Control Products Amendment Bill	100%	• 100%
	Finalise the development of HPS national guidelines	HPS guidelines finalised	Finalised	• Finalised
	Monitor the implementation of HECl by provinces	Number of provinces implementing HECl	Nine	• 0

22. INFRASTRUCTURE PLANNING AND HEALTH FACILITIES MANAGEMENT

The department continued to implement its interventions to improve the delivery of hospital services during 2008/09.

As indicated earlier, 140 hospital managers were enrolled for a hospital management training programme at the beginning of 2008. To strengthen the governance of hospitals, provinces continued to establish functional hospitals boards. To enhance financial management, 15 of the targeted 17 hospitals established electronic standardised cost centres.

A total of 186 hospitals appointed information officers, against a target of 286 for 2008/09. Due to the lack of financial resources, some provinces opted to enlarge the job specification of some of their personnel, instead of appointing dedicated information officers. The target for 2008/09 was 286 hospitals.

Draft health technology planning and procurement guidelines were produced and sent to provinces for comment, but only two of the nine provinces responded.

Key challenges experienced during the reporting period included delays in the finalisation of various sets of regulations including the emergency centre regulations and health technology regulations which were due for completion by the end of the reporting period.

No progress was made with the development of the framework for national norms and standards, as well as the standardised planning and briefing documents. This was due to the delays in the implementation of the memorandum of agreement (MoA) with the Centre for Scientific and Industrial Research (CSIR) to provide additional capacity to the department.

Delays also occurred in the approval of business cases submitted for the hospitals revitalisation programme. This was due to the fact some provinces reviewed their long-term plans, the service transformation plans (STPs) while the national department was assessing their hospital business cases. This created a complication that the department could approve business cases that were no longer aligned to the final versions of the STPs.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
INFRASTRUCTURE PLANNING AND HEALTH FACILITIES MANAGEMENT	Completion of emergency centre regulations	Emergency centre regulations completed for submission to the legal services and litigation cluster	Emergency centre regulations completed by June 2008	<ul style="list-style-type: none"> Partially achieved. Emergency regulations produced and submitted to the legal services and litigation cluster, but not finalised
		Number of provinces implementing emergency centre regulations	None	<ul style="list-style-type: none"> Pending, given the finalisation of the regulations
	Provide an integrated disaster management policy for the health sector in terms of the Disaster Management Act, 57 of 2002	Draft disaster management policy completed	Draft disaster management policy submitted to the legal services and litigation cluster by November 2008	<ul style="list-style-type: none"> Draft disaster management policy was produced, and internal consultations conducted
	Health technology regulations published	Health technology regulations approved by minister and published	Health technology regulations submitted to the minister and the National Health Council (NHC) by March 2009	<ul style="list-style-type: none"> Uncertainty under which Act the regulations will fall (Health Act, Medicines and Related Substances Act) Hazardous Substances Act must be rewritten
	Health technology planning and procurement guidelines drafted	Health technology (HT) planning and procurement guidelines accepted by provinces	Guidelines submitted for approval by the NHC	<ul style="list-style-type: none"> Feedback from two provinces. Some provinces no longer have a provincial HT representative

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
INFRASTRUCTURE PLANNING AND HEALTH FACILITIES MANAGEMENT	Expand hospital revitalisation programme	Number of business cases for hospital revitalisation accepted by the national department	Nine additional business cases accepted by national department	<ul style="list-style-type: none"> Assessment of Cecilia Makiwane, New Nelspruit Tertiary and Rustenburg Hospital business cases by the national department was finalised Recommendations were sent to the Eastern Cape and Mpumalanga to review the business cases. The second version of the above business cases were submitted to national department during this quarter
	Develop norms and standards for health infrastructure	Published national norms and standards document for health infrastructure	Draft national norms and standards document completed for approval by NHC	<ul style="list-style-type: none"> Implementation of MOA with CSIR delayed due to CSIR board formalisation process and reduction in budget by national department
	Develop standardised planning and briefing documents for infrastructure projects	Standardised planning and briefing documents developed	Priority framework for standardised planning and briefing documents approved. Standard planning and briefing documents completed for: <ul style="list-style-type: none"> -TB isolation facilities -Psychiatric wards -Oncology departments -Sub-acute wards 	<ul style="list-style-type: none"> Implementation of MOA with CSIR delayed due to CSIR board formalisation process and reduction in budget by national department
	Improve management of hospitals	Number of hospitals implementing electronic standardised cost centres	17 hospitals	<ul style="list-style-type: none"> 15
		Number of provinces with functional hospitals boards as stipulated in National Health Act of 2003	Eight	<ul style="list-style-type: none"> Eight
	Improve quality of information for decision making	Number of hospitals with appointed information officers	286 of the 381	<ul style="list-style-type: none"> 186 of the 381

23. MEDICAL BUREAU FOR OCCUPATIONAL DISEASES (MBOD) AND OCCUPATIONAL HEALTH AND SAFETY

During the reporting period, 22 hospitals were fully equipped to provide benefit medical examinations (BMEs) for ex-mine workers. This exceeded the 2008/09 target of 10 hospitals.

A joint project aimed at benefitting ex-mine workers was implemented by a tripartite partnership consisting of the Department of Health in KwaZulu-Natal, the Chamber of Mines and the National Union of Mineworkers (NUM). This occurred at the St. Benedictine Hospital in Nongoma. The department also completed the development of a medical surveillance system for health workers in South Africa. These milestones were consistent with the targets for 2008/09.

Constraints experienced during the reporting period included slow progress with the provision of BMEs in public hospitals. Only 22 hospitals provided BMEs across provinces, against a 2008/09 target of 90. Furthermore, only 19 240 applications for BMEs were certified, against a 2008/09 target of 45 000.

Basic occupational health services (OHS) were provided in only four PHC clinics across provinces. There were located in the Eastern Cape (one clinic), KwaZulu-Natal (one clinic in Tongaat), and Free State (two clinics in Motheo and Thabo Mofutsanyane Districts). The 2008/09 target was to provide OHS services in five clinics per province (45 clinics).

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MEDICAL BUREAU FOR OCCUPATIONAL DISEASES (MBOD)	Increase number of certification committee doctors, to increase number of certifications completed	Number of applications certified	45 000	• 19 240
	Increase the number of public hospitals providing benefit medical examinations in all provinces	Number of hospitals that provide benefit medical examinations in each province	90	• 22
	Reduce number of deaths due to occupational diseases and injuries	Percentage of deaths due to occupational diseases and injuries	0,5%	• 0%

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
OCCUPATIONAL HEALTH AND SAFETY	Number of hospitals with radiology units, lung function units and laboratories that cater for examination and investigations for ex-mineworkers	Number of fully equipped hospitals for the programme of benefit medical examinations	10	<ul style="list-style-type: none"> • 22
	Projects done by the department in partnership with Chamber of Mines and NUM	Number of projects done in partnership per province	One in KwaZulu-Natal then roll out to other site within the province, this is a two-year project	<ul style="list-style-type: none"> • Project implemented, ex-mine workers received services at St Benediction Hospital
	Medical surveillance system for health workers in South Africa	Availability of the surveillance system, and the number of officials who have the baseline surveillance	80% of officials of the satellite offices in Johannesburg and forensic labs	<ul style="list-style-type: none"> • 65%
	Establishment of primary health care centres that provide basic occupational health services	Number of PHC clinics that provide basic occupational health services	Five per province	<p>Four PHC clinics</p> <ul style="list-style-type: none"> • One in Tongaat KwaZulu-Natal • Two in Motheo and Thabo Mafutsanyane Districts (Free State) • One in the Eastern Cape
	Programmes developed for employees of the department e.g HIV immunisation and TB	Number of programmes developed	HIV and AIDS programme for employees of the department and healthcare workers	<ul style="list-style-type: none"> • One at Pelonomi Hospital (Free State)

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

PURPOSE

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

PERFORMANCE AND SERVICE DELIVERY ACHIEVEMENTS

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

24. AFRICA AND SOUTH-SOUTH RELATIONS

During the reporting period, the department continued to strengthen its internal relations and co-operation on health matters.

The department facilitated the development and signing of agreements on health matters between South Africa and various countries in the South African Development Community (SADC) region and in the continent broadly. Agreements were signed with: Namibia (August 2008), Cameroon (3 September 2008), Burundi (16 September 2008) and Malawi (12 February 2009).

Agreements on health matters with Guinea Bissau, Mali, Nigeria, Sudan, Zambia and Zimbabwe were finalised and prepared for signature. These will be processed in the new financial year.

Implementation plans were developed for agreements with Lesotho, Rwanda, Cameroon, Mozambique, Nigeria, as well as China. Implementation plans for India, Brazil, South Africa (IBSA) on counterfeit medicines and pharmaceuticals were also developed and agreed upon. This was consistent with the target for 2008/09.

A review of qualifications of health professionals from Russia was completed with the South African Qualifications Authority (SAQA). Once approval has been obtained from the Department of Foreign Affairs (DFA), the process of recruitment and registration will commence.

The department continued to provide support to countries involved in post-conflict reconstruction. Following the signing of the agreement on health matters between South Africa and Burundi, a draft programme of action with Burundi was finalised and sent to Burundi for their final comments.

A ministerial delegation visited the Democratic Republic of Congo (DRC) during 4 to 7 August 2008 to participate in the SA-DRC Ministerial Review Session. DRC officials were also assisted to visit South Africa in September 2008 to participate in meetings and workshops focusing on the following health issues: maternal, women, and child's health and nutrition; management of MDR-TB and XDR-TB; research colloquium on African traditional medicines; hospital services and core standards and malaria control. A delegation from South Africa also visited the DRC during 14 to 17 September 2008 to assess the feasibility of establishing a telemedicine link between South Africa and DRC hospitals. A technical team from South Africa also visited the Democratic Republic of Congo in February 2009 to undertake a feasibility study on the infrastructure, human capital and equipments in the departments of gynaecology, obstetrics and paediatrics at the Clinique Ngaliema and Paediatrique Kalembelembe Hospitals, as well as to finalise the draft project implementation plan on hospital services.

The agreement between South Africa and Sudan was finalised and is anticipated to be signed in 2009/10.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
AFRICA AND SOUTH-SOUTH RELATIONS	Initiate and sign new agreements	Number of bilateral agreements signed	Two bilateral agreements signed	<ul style="list-style-type: none"> • Agreements were signed with Cameroon (3 September 2008), Malawi (12 February 2009) • Agreements on health matters with Zimbabwe, Mali, Sudan and Guinea Bissau were finalised and prepared for signature
	Develop implementation plans for new and existing agreements	Number of implementation plans developed	Four implementation plans developed for new and existing agreements	<ul style="list-style-type: none"> • Draft implementation plans were developed with the following countries: Lesotho (March 2009), Cameroon (November 2009), Nigeria (November 2008) and Rwanda (May 2008) • A total of 85 Tunisian doctors have been deployed in eight provinces in the rural areas • Tunisian ophthalmologists performed cataract surgeries to children and adults in Butterworth Hospital
	Co-ordinate national department participation in various multilateral activities, meetings and other fora	Number of major multilateral meetings and conferences national department participated	Three major multilateral meetings and conferences co-ordinated	<ul style="list-style-type: none"> • Department hosted several multilateral meetings and conferences including COP3 Conference in Durban, November 2008 and the Diabetes Conference in Cape Town in 2008 • Participated in various SADC technical meetings
	Co-ordinate various multilateral activities, meetings and other fora hosted by South Africa	Number of multilateral meetings and activities hosted by South Africa	One multilateral meeting	<ul style="list-style-type: none"> • Department successfully hosted the SADC maternal and child workshop, 9 to 13 April 2008 in Turfontein • Department successfully facilitated the hosting the SADC Health Ministers' Meeting in Durban, 11 – 16 November 2008 which resulted in the adoption of the Record of SADC Health Agenda • Department successfully facilitated the hosting the SADC Malaria Day Commemoration in Jozina, KwaZulu-Natal, 13 November 2009 • Department hosted SADC TROIKA meeting of senior officials responsible for health and water affairs on Zimbabwe assistance in Johannesburg, 11 December 2008

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
AFRICA AND SOUTH-SOUTH RELATIONS	Implementation of key SADC programmes such as malaria, HRH, reproductive health and African traditional medicine	Number of plans implemented Number of technical meetings attended	Two plans implemented 60% of meetings attended	<ul style="list-style-type: none"> • Draft implementation plans were developed with the following countries: Lesotho (March 2009), Cameroon (November 2009), Nigeria (November 2008) and Rwanda (May 2008)
	Develop agreements and implementation plans with Mozambique, Zimbabwe, Namibia, China, India, Brazil, Thailand, Russia, EU, UK, Canada and Italy	Number of agreements developed. Number of plans developed and implemented	Four agreements developed, eight plans developed and implemented	<ul style="list-style-type: none"> • Late responses from other member states made the finalisation of the agreements and implementation plans difficult
	Develop agreements and implementation plans with DRC, Burundi and Sudan	Number of agreements and implementation plans developed	Two agreements signed two implementation plans developed	<ul style="list-style-type: none"> • Agreement with Burundi was signed on September 2008 and Sudan agreement has been finalised and will be signed in new financial year • Ministers participated in the 5th Session of the Bi-National Commission (BNC) held in Pretoria with the DRC, on 3 April 2008 and also during the ministerial review in Kinshasa, on 7 August 2008 • Various delegations from the DRC visited South Africa during August to September 2009 as part of implementation of the signed agreement. A technical delegation visited the DRC during 18 to 20 February 2009 for the purpose of undertaking a feasibility study on the infrastructure, human capital and equipments in the departments of gynaecology, obstetrics and paediatrics at the Clinique Ngaliema and Paediatrique Kalembelembe Hospitals and finalising the draft project implementation plan on hospital services • Draft POA was finalised and sent to Burundi for their final comments. No comments have been received

25. MULTILATERAL RELATIONS, NORTH-SOUTH

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

Funding agreements were signed with three countries, Italy, Japan (JICA) and the United States of America. Five funding agreements were still under discussion with the Department for International Development (DFID), Denmark, European Union (EU), Germany (GTZ), and the World Health Organisation (WHO). It is anticipated that these will be finalised and signed in the new planning cycle.

The department also developed the fourth implementation plan for the work of the World Health Organisation (WHO) in the country. A funding agreement with Italy was also signed.

Several meetings with international development partners were also convened during the reporting period. An annual consultation meeting with the United Nations (UN), as well as a steering committee with the Canadian International Development Agency (CIDA) were conducted. A WHO Biennial Meeting, as well as a WHO Metrics Network Technical Support Partnership meeting were also convened.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MULTILATERAL RELATIONS, NORTH-SOUTH	Initiate and sign new agreements	Number of bilateral agreements signed	Two bilateral agreements	<ul style="list-style-type: none"> • Agreements were signed with Cameroon (3 September 2008), Malawi (12 February 2009) • Agreements on health matters with Zimbabwe, Mali, Sudan and Guinea Bissau have been finalised and ready for signature
	Develop implementation plans for new and existing agreements	Number of implementation plans developed	Two implementation plans developed	<ul style="list-style-type: none"> • 4th WHO Biennial Plan was developed
	Co-ordinate national department participation in various multilateral activities, meetings and other fora	Number of major multilateral meetings and conferences national department participated	Four major multilateral meetings and conferences	<ul style="list-style-type: none"> • One CIDA Steering Committee meeting • One UN and South Africa Government Annual Consultation
	Co-ordinate various multilateral activities, meeting and other fora hosted by South Africa	Number of multilateral meetings and activities hosted by South Africa	Three meetings	<ul style="list-style-type: none"> • One WHO biennial meeting and one WHO metrics network technical support partnership meeting were hosted • One meeting was held with UN agencies to discuss the intervention in the 18 districts
	Conduct capacity building programmes for provinces in information management systems	Number of provinces trained on the management of ODA database	Three provinces	<ul style="list-style-type: none"> • Eastern Cape currently developing ODA database and trained by Italians on the ODA database • KwaZulu-Natal currently developing the ODA system

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MULTILATERAL RELATIONS NORTH-SOUTH	Initiate and sign funding agreements with international partners	Number of major funding agreements signed with international partners	Three major funding agreements	<ul style="list-style-type: none"> • Agreement were signed with Italy; USA and JICA (Japanese) • Five Agreements are still under discussions for signing with WHO, GTZ, EU, DFID, Denmark and Germany • One Minister's Annual Donor Forum meeting held with donors
	Facilitate various multilateral activities, meetings and other fora taking place in South Africa (for example CODEX, AU CWOMCAT, Red Cross, COPT)	Number of multilateral meetings and activities facilitated, taking place in South Africa	Five multilateral meetings and activities facilitated	<ul style="list-style-type: none"> • Multilateral meetings and activities facilitated included: • One CIDA (Canada) steering committee meeting • One UN and South African Government annual consultation • One WHO biennial meeting and one WHO metrics network technical support partnership meeting were hosted • One meeting with UN agencies to discuss the intervention in the 18 districts

26. AFRICAN UNION (AU) HEALTH STRATEGY

During the reporting period, the department provided support to the African Union (AU) to ensure a wider dissemination of the *Africa Health Strategy*, which was adopted at the 3rd Conference of African Health Ministers (CAHM 3) held in Johannesburg in April 2007.

The department printed copies and produced compact discs of the *Africa Health Strategy* in English, French and Portuguese. Printed copies were distributed to 53 African Union member states.

The department also facilitated the development of the framework for the implementation, as well as the Implementation plan of the Africa health strategy. This implementation plan was approved by AU Ministers of Health at the World Health Assembly in Geneva on 17 May 2008, and also endorsed by the AU Summit in June 2008.

In terms of supporting African countries to implement indoor residual spraying (IRS) with DDT for malaria elimination, the department donated 10 tons of DDT to Mozambique and Zimbabwe to support implementation of indoor residual spraying for malaria elimination.

With regard to supporting five SADC countries to establish and implement the confidential enquiry into maternal deaths, as well as establishing and implementing programmes for the review of neonatal and childhood mortality, the department hosted an African Union Continental Workshop on Maternal, Neonatal and Child Mortality reviews held on 13 to 16 April 2008 at the Turffontein Race Course, Johannesburg, South Africa. The workshop brought together 10 countries from the SADC region (Botswana, DRC, Lesotho, Malawi, Mozambique, Namibia, Swaziland, South Africa, Zimbabwe and Zambia) to discuss implementation of maternal mortality reviews. The Eastern Africa Region was represented by Eritrea, Ethiopia, Rwanda and Sudan. Other countries included Benin from West Africa and Congo Brazzaville from Central Africa.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
AFRICAN UNION (AU) HEALTH STRATEGY	Enhance programmes aimed at implementing key priority areas of the Africa Health Strategy (i.e. elimination of malaria, promoting safer motherhood and women's health as well as programmes aimed at combating childhood illnesses)	Number of countries within SADC and Africa at large supported to implement key priority areas of the Africa Health Strategy	Six malaria-affected countries within SADC supported to implement key priority areas of the Africa Health Strategy	<ul style="list-style-type: none"> • Department supported the African Union by printing copies and producing compact discs of the Africa Health Strategy in English, French and Portuguese. Printed copies were distributed to 53 African Union member states • Facilitated the development of the Framework for the Implementation of the Africa Health Strategy • Facilitated the development of the Implementation Plan for the Africa Health Strategy 2007-2015 • The implementation plan was approved by AU Ministers of Health at the World Health Assembly in Geneva on 17 May 2008 and endorsed by the AU Summit in June 2008
	Strengthen activities of the Malaria Elimination Programme in Africa	Number of countries implementing indoor residual spraying (IRS) with DDT for malaria elimination	10 countries supported to implement IRS	<ul style="list-style-type: none"> • Department facilitated the donation of 10 tones of DDT to Mozambique and Zimbabwe to support implementation of indoor residual spraying for malaria elimination • Supported the collaboration with Mozambique and Swaziland in the Lubombo spatial development initiative for the control of malaria • The initial objective of reducing malaria incidence in the border areas of South Africa and Swaziland from 250 per 1 000 to less than 20 per 1 000 and of reducing malaria infections from 625 per 1 000 to less than 200 per 1 000 within three year after the start of IRS in Maputo have all been achieved

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
AFRICAN UNION (AU) HEALTH STRATEGY	Enhance programmes to reduce maternal mortality in collaboration with SADC countries and the African Union	Number of countries within SADC region and the Africa region at large supported to establish and implement the confidential enquiries into maternal deaths (CEMD)	Five SADC countries supported to establish and implement the CEMD Commemoration of a decade of CEMD held in South Africa	<ul style="list-style-type: none"> • Department facilitated the hosting of the African Union Continental Workshop on Maternal, Neonatal and Child Mortality reviews held on 13 to 16 April 2008 at the Turffontein Race Course, Johannesburg, South Africa. The workshop brought together 10 countries from the SADC region (Botswana, DRC, Lesotho, Malawi, Mozambique, Namibia, Swaziland, South Africa, Zimbabwe and Zambia) to discuss implementation of maternal mortality reviews. The Eastern Africa Region was represented by Eritrea, Ethiopia, Rwanda and Sudan, other countries included Benin from West Africa and Congo Brazzaville from Central Africa. Other regions and countries were represented by partners from WHO, UNFPA and UNICEF • Department facilitated the development of the implementation plan for the maternal mortality reviews in collaboration with the African Union • Facilitated the hosting of the senior officials and experts from the Democratic Republic of Congo and Namibia on a technical visit to learn the practical implementation of the maternal mortality reviews • Facilitated commemoration of ten years of confidential enquiries into maternal deaths in South Africa in collaboration with cluster MCWH and communications • The hosting of the delegation from Ghana, Botswana and Swaziland was postponed for the financial year 2009/2010

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
AFRICAN UNION (AU) HEALTH STRATEGY	Enhance programmes aimed at combating childhood illnesses and promote child survival in Africa in collaboration with SADC countries and the African Union	Number of countries within SADC and Africa at large with programmes for the review of neonatal and childhood mortality	Five countries within SADC supported to establish and implement the programmes for the review of neonatal and childhood mortality	<ul style="list-style-type: none"> Department facilitated the hosting of the African Union Continental Workshop on Maternal, Neonatal and Child Mortality reviews held on 13 to 16 April 2008 at the Turffontein Race Course, Johannesburg, South Africa. The workshop brought together 10 countries from the SADC region (Botswana, DRC, Lesotho, Malawi, Mozambique, Namibia, Swaziland, South Africa, Zimbabwe and Zambia) to discuss implementation of neonatal and under-five mortality reviews. The Eastern Africa Region was represented by Eritrea, Ethiopia, Rwanda and Sudan, other countries included Benin from West Africa and Congo Brazzaville from Central Africa. Other regions and countries were represented by partners from WHO, UNFPA and UNICEF

27. MEDICINES REGULATORY AFFAIRS

Significant strides were made during the reporting period towards enhancing the department's capacity to conduct in-house evaluations of medicines and protocols from pharmaceutical companies.

The department succeeded in evaluating all bioequivalence protocols (100%), as well as relevant amendments, in-house. This exceeded the 2008/09 target of 70%. All Section 21 (100%) were evaluated in-house, which exceeded the 2008/09 target of 40%. Fifty percent (50%) of the applications for clinical trials were reportedly evaluated in-house, which exceeded the 2008/09 target of 30%.

The increased capacity to conduct these in-house evaluations resulted from a concerted effort by the department to develop standard guidelines and systems for these evaluations, as well as to train and transfer skills to its own personnel.

Guidelines for the evaluation of clinical data for registration purposes were completed, which was in keeping with the 2008/09 target. The system for dealing with the patient information leaflet (PILs) was also completely developed.

In terms of capacity building, 100% of technical staff in the clinical and evaluation directorate were trained to conduct evaluations of applications for clinical trials, which exceeded the 2008/09 target of 50%. Similarly, 100% of technical staff members of the Section 21 unit were trained to conduct the technical screening and evaluation of Section 21 applications, which exceeded the 2008/09 target of 50%. New staff were also trained to conduct evaluations of the quality aspects of medicines.

The department also provided technical assistance during a WHO sponsored training for developing countries (13 countries) on the inspections of clinical trial sites conducted in Cape Town. This exceeded the 2008/09 target of establishing relations with at least one international regulatory authority. South Africa was also appointed as a member of the executive committee of the Pharmaceutical Inspection Co-operation Scheme (PIC/S).

Progress was also made with the development of the pharmacovigilance plan for monitoring XDR-TB drugs, in keeping with the target for 2008/09.

The department also compiled a report on the implementation of the Pharmaceutical Inspection Co-operation Scheme (PIC/s) recommendations, and submitted it to the director-general, Minister of Health and the Medicines Control Council.

Some challenges were also experienced during the reporting period. Delays were experienced with the finalisation of guidelines and systems for the registration of complementary medicines, as this process was awaiting the publication of regulations. Comments on regulations were also reviewed during 2008/09. The target for 2008/09 was to complete 80% of guidelines and systems for complementary medicines.

Only 10% of the patient information leaflet (PILs) were evaluated in-house, against a 2008/09 target of 20%. This was due to difficulties in recruiting pharmacists to the public health sector. Massive backlogs were also experienced with the evaluation of clinical applications, as well as clinical dossiers. The target for 2008/09 was that 30% of the clinical applications and 10% of clinical dossiers would be evaluated in-house.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MEDICINES REGULATORY AFFAIRS	Implementation of an electronic document management system (EDMS) to accelerate the registration and re-registration of medicines every five years	EDMS developed and implemented	Configuration of software for specialist processes complete	<ul style="list-style-type: none"> Functional design specifications were finalised and signed off Software licences were procured Draft of CTD/eCTD (revised medicine registration application form) was finalised Software configuration of processes was completed for the development phase and beta-testing was done
	Build staff capacity for evaluation of the quality aspects of medicines	Percentage of evaluations performed in-house	At least 70% of evaluations for generic medicines performed in-house	<ul style="list-style-type: none"> Training of new staff in-house in progress
	Build capacity for the evaluation of bioequivalence protocols	Percentage of evaluations performed in-house	At least 70% of evaluations performed in-house	<ul style="list-style-type: none"> All (100%) bioequivalence protocols evaluated in-house All (100%) amendments done-in-house
	Complete guidelines and systems for the registration of traditional medicines	Percentage completion of guidelines and systems for registration of traditional medicines	80% of guidelines and systems completed	<ul style="list-style-type: none"> Finalisation of guidelines has commenced following completion of the draft regulations Draft regulations incorporating regulation of complementary medicines were completed and ready for legal drafting

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MEDICINES REGULATORY AFFAIRS	Established working relationships with international regulatory authorities for exchange of regulatory information	Number of authorities with which relationships have been established	Relationship established with at least one international regulatory authority	<ul style="list-style-type: none"> • South Africa provided technical assistance with the WHO sponsored training for developing countries (13 countries) on the inspections of clinical trial sites conducted in Cape Town • Attended the 8th Developing Country Vaccine Regulatory Network DCVRN meeting in Geneva building relationships with Indonesia and India to assist the countries with GCP inspections • Assisted two countries of the DCVRN, i.e. Indonesia and India in building capacity in inspecting clinical trial sites for compliance with international good clinical practice (GCP) guidelines
	Acquire membership of Pharmaceutical Inspection Cooperation Scheme (PIC/S)	Membership of PIC/S acquired building on the recommendations of the PIC/S assessment [September 2006]	Report on the implementation of the PIC/s recommendations compiled	<ul style="list-style-type: none"> • Department was appointed as executive committee member to the PIC/S
	Improve in-house technical capacity of the inspectorate	Provide technical training by external GMP/GCP expert on GMP/GCP inspections	60%	<ul style="list-style-type: none"> • Department attended the WHO meeting on IMPACT in Tunisia (December 2008) addressing the sale of medicines through the Internet, measures to curb the counterfeiting of medicines and necessary warnings to be issued to the public on Internet sales • Department attended PIC/S training in November 2008 on GMP guidelines relating to quality risk management • Department attended WHO training in February 2009 (France) on inspections of clinical trial sites and implementation of GCP guidelines

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
MEDICINES REGULATORY AFFAIRS	Implement a system to deal with patient information leaflet (PIL).	System developed	100%	• 100%
		Percentage PIL's evaluated	20%	• 10%
	Build staff capacity to do technical screening and evaluation in Section 21 applications, clinical and pharmacovigilance evaluations	Percentage of each application evaluated in-house: Clinical	30%	• Dealing with massive backlog. Awaiting training from FDA
		Clinical trials	30%	• 50%. All technical staff of the directorate are doing full evaluations of clinical trials
		Pharmacovigilance	50%	• 40%
		Section 21	40%	• 100%
		Percentage of in-house staff trained to conduct technical evaluations: Clinical	50%	• 0%
		Clinical trials	50%	• 100% All technical staff of the directorate are doing full evaluations of clinical trials
		Pharmacovigilance	50%	• 30%. Staff still in training and also cannot recruit pharmacists
		Section 21	50%	• 100%
		Finalise guidelines to do evaluation of clinical data for registration purpose and start implementation	Percentage completion of guidelines	100%
	Percentage in-house staff trained		50%	• 0% Dealing with massive backlog. Awaiting training from FDA
	Percentage of clinical dossiers evaluated in-house		10%	• Awaiting training from FDA
	Develop pharmacovigilance plan for monitoring XDR-TB drugs	Pharmacovigilance plan in place for monitoring XDR-TB drugs	50%	• 50%

28. CLINICAL TRIALS MANAGEMENT

During the reporting period, the department continued to monitor clinical trials. A total of 910 trials were registered on the department's database. The guidelines for the establishment and functioning of a Community Advisory Board in relation to clinical trials had been completed.

Strides were also made towards the development of a central depository of all clinical trials conducted in South Africa. In collaboration with the Medical Research Council (MRC), the department commenced with collation and verification of data on clinical trials. The target for 2008/09 was to complete 50% of a central depository of all clinical trials conducted in South Africa. A working document providing a framework for the annual systematic review of clinical trials was also produced.

Key challenges during the reporting period included the inability of the department to upload South African clinical trials onto the WHO platform, due to a lack of funding. The 2008/09 target was to upload 25% of South African clinical trials onto the WHO platform by March 2009. No progress was made with the establishment of electronic links with clinical trials databases such as the : European and Developing Countries Trails Partnership (EDCTP), WHO International Clinical Trials Registry, International AIDS Vaccine Initiative (IAVI), HIV Prevention Trails Network (HPTN), International Partnership for Microbicides (IPM), AIDS Clinical Trials Group (ACTG) and- Alliance for Microbicide Development, due to a lack of funding.

These constraints will be addressed in the next planning and implementation cycle.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
CLINICAL TRIALS MANAGEMENT	Monitor and oversee the conduct of clinical trials and related activities	Electronic system for the registration of clinical trails accessible on department-website	Report on number of clinical trails conducted published bi-annually	<ul style="list-style-type: none"> 910 trials were registered
		A central depository of all clinical trails conducted in South Africa	50% of the depository	<ul style="list-style-type: none"> Data collation and verification with MCC data in process
		Guidelines for establishment and functioning of community advisory board in relation to clinical trails published	Guidelines implemented by June 2008	<ul style="list-style-type: none"> Guidelines were completed
		Annual systematic reviews of clinical trails published	Quarterly systematic reviews conducted and reports published bi-annually	<ul style="list-style-type: none"> Working document finalised

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
CLINICAL TRAILS MANAGEMENT	South African clinical trails register uploaded to the WHO platform	Percentage of South African clinical trails uploaded to the WHO platform	25% of South African clinical trails uploaded to the WHO platform by March 2009	<ul style="list-style-type: none"> No progress made due to funding constraints
		Electronic links with clinical trails database such as the : - European and Developing Countries Trails Partnership (EDCTP) - WHO International Clinical Trails Registry - International AIDS Vaccine Initiative (IAVI) - HIV Prevention Trails Network (HPTN) - International Partnership for Microbicides (IPM) - AIDS Clinical Trials Group (ACTG) - Alliance for Microbicide Development	25% electronic links with other clinical trails database	<ul style="list-style-type: none"> No progress made due to funding constraints

29. FOOD CONTROL AND NON-MEDICAL HEALTH PRODUCT REGULATION

The Codex Alimentarius Commission is the highest decision-making body in Codex which meets annually on a rotation basis in Geneva (WHO) or Rome (FAO), to consider and adopt standards, guidelines, codes of practice, and other matters referred by any of its committees to the commission for consideration. These include the Codex Committee on Food Labeling, Codex Committee on Pesticide Residues, Codex Committee on Food Additives and the Codex Committee on Nutrition and Foods for Special Dietary Uses.

The key focus of the department during 2008/09 was on the implementation of the national policy for South Africa's participation in the Codex Alimentarius Commission. A revised policy framework was developed, drawing from the experiences and policies of other countries, such as New Zealand. This will be finalised in the next financial year, and submitted to the National Codex Commission for ratification and adoption.

Furthermore, in December 2008, South Africa co-hosted with Germany a session of the Codex Committee on Nutrition and Foods for Special Dietary Uses, in Cape Town, which was attended by more than 240 delegates from 55 member countries of Codex. The department also participated in six other Codex meetings.

Only 58% of metro/district municipalities were authorised to enforce the Foodstuffs, Cosmetics and Disinfectants Act of 1972 during 2008/09. The department received very few requests for authorisation from municipalities that were not already authorised.

A proclamation notice for the Foodstuffs, Cosmetics and Disinfectants Amendment Act was published in the Government Gazette in March 2009.

The department also processed 61% of toxicological evaluations as referred by the Registrar: Act 36 of 1947, against a 2008/09 target of 90%. Inadequate capacity, resulting from the scarcity of evaluators affected progress towards the set target.

SUB PROGRAMME	MEASURABLE OBJECTIVE	INDICATOR	TARGET (2008/09)	ACTUAL PERFORMANCE (2008/09)
FOOD CONTROL AND NON-MEDICAL HEALTH PRODUCT REGULATION	Government Gazette publications of metro district municipalities authorisations	Percentage of metro district municipalities authorised	80%	<ul style="list-style-type: none"> 58%
	Conduct risk assessments to determine the toxicology of agricultural/stock remedies for food safety purposes	Percentage of completed toxicological evaluations as referred by the Registrar: Act 36 of 1947	90%	<ul style="list-style-type: none"> 61%
	Develop and implement a national policy for South Africa's participation in the Codex Alimentarius Commission	Implementation of the national policy for South Africa's participation in the Codex Alimentarius Commission	Draft national policy for South Africa's participation in Codex adopted by the National Codex Committee	<ul style="list-style-type: none"> Draft strategic objectives circulated to NCC members in September 2007. Comments received and incorporated into the revised draft policy

SECTION 2: HUMAN RESOURCE ADMINISTRATION

1. SERVICE DELIVERY

TABLE 1.1 - Main service for service delivery improvement and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Ensure that all members of the senior management service sign performance agreements within three months of assumption of duty	Management in the National Department of Health	DPSA, Cabinet	All members of the SMS should have signed performance agreements	Upon assumption of duty SMS members are informed of the responsibility to sign performance agreements. The DG also raises the matter at MC meetings
Ensure that the performance and development system is used to improve service delivery	All employees in the National Department of Health	Organised labour organisations	The PMDS system is applied to encourage employees to achieve departmental goals and be awarded for excellent performance	The draft PMDS policy is in the process of consultation with organised labour
Ensure that the department's human resources plan is developed to provide strategies to recruit and retain skills in the department	Management in the National Department of Health	DPSA	Effective recruitment, retention and development of human resources	Key stakeholders will assist in completing the workforce profile of the department and line managers will assist in identifying external environmental factors impacting on HR planning
Ensure that all clients are provided with caring services	All employees in the National Department of Health and other government departments	-	Compliance to service level agreements	Service level agreements to be compiled and complied with
Ensure that all stakeholders are consulted on matters of mutual interest	Organised labour organisations	PHSDSBC	Adequately consult stakeholders on matters of mutual interest	Regular engagement with stakeholders takes place in the bargaining chamber

TABLE 1.2 - Consultation arrangements for customers

Type of arrangement	Actual customer	Potential customer	Actual achievements
Accessibility to HR advice on implementation of the PMDS system and HR planning	All employees in the National Department of Health and other government departments	DPSA, Auditor-General	Information is accessible on request, but also regularly updated on a departmental intranet site
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 committee meetings, induction sessions and workshops	Information is available and accessible based on the requirements from the client

TABLE 1.4 - Service information tool

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

TABLE 1.5 - Complaint mechanism

Complaint mechanism	Actual achievements
Grievance and complaints procedure	Employment relations assists in addressing complaints satisfactorily

2. EXPENDITURE

TABLE 2.1 - Personnel costs by programme

Programme	Total voted expenditure (R'000)	Compensation of employees expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Compensation of employees as percent of total expenditure
Prog 1: Administration and Corporate Services	241 013	86 674	224	7 002	36,0
Prog 2: Strategic Health Programmes	4 129 485	70 150	390	126 241	1,7
Prog 3: Health Planning and Monitoring	342 149	50 048	556	14 495	14,6
Prog 4: Human Resources and Management Development	1 705 345	13 831	490	625	0,8
Prog 5: Health Services	8 949 885	35 923	224	7 972	0,4
Prog 6: International Relations, Health Trade and Health Product Regulation	96 593	35 881	547	7 783	37,1
Z=Total as on Financial Systems (BAS)	15 464 470	292 507	2 431	164 118	1,9

TABLE 2.2 - Personnel costs by salary band

Salary bands	Compensation of employees cost (R'000)	Percentage of total personnel cost for department	Average compensation cost per employee (R)	Total personnel cost for department including goods and transfers (R'000)	Number of employees
Lower skilled (Levels 1-2)	3 936	1,3	57 882	292 507	68
Skilled (Levels 3-5)	28 112	9,6	95 295	292 507	295
Highly skilled production (Levels 6-8)	63 746	21,8	155 858	292 507	409
Highly skilled supervision (Levels 9-12)	59 504	20,3	148 760	292 507	400
Senior management (Levels 13-16)	55 716	19	574 392	292 507	97
Contract (Levels 1-2)	54 552	18,6	865 905	292 507	63
Contract (Levels 3-5)	1 454	0,5	85 529	292 507	17
Contract (Levels 6-8)	1 776	0,6	136 615	292 507	13
Contract (Levels 9-12)	4 183	1,4	697 167	292 507	6
Contract (Levels 13-16)	19 528	6,7	3 905 600	292 507	5
TOTAL	29 2507	100	213 042	292 507	1 373

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

Programme	Salaries (R'000)	Salaries as % of personnel cost	Overtime (R'000)	Overtime as % of personnel cost	HOA (R'000)	HOA as % of personnel cost	Medical ass. (R'000)	Medical Ass. as % of personnel cost	Total personnel cost per programme (R'000)
Programme 1: Administration and Corporate Services	58 019	66,9	1 128	1,3	2 247	2,6	3 484	4	86 674
Programme 2: Strategic Health Programmes	48 961	69,8	589	0,8	1 494	2,1	2 746	3,9	70 150
Programme 3: Health Planning and Monitoring	35 078	70,1	23	0	1 027	2,1	1 966	3,9	50 048
Programme 4: Human Resources and Management Development	9 360	67,7	0	0	300	2,2	560	4	13 831
Programme 5: Health Services	23 469	65,3	368	1	987	2,7	1 446	4	35 923
Programme 6: International Relations, Health Trade and Health Product Regulations	23 216	64,7	273	0,8	564	1,6	973	2,7	35 881
TOTAL	198 103	67,7	2 381	0,8	6 619	2,3	11 175	3,8	292 507

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

Salary bands	Salaries (R'000)	Salaries as % of personnel cost	Overtime (R'000)	Overtime as % of personnel cost	HOA (R'000)	HOA as % of personnel cost	Medical ass. (R'000)	Medical ass. as % of personnel cost	Total personnel cost per salary band (R'000)
Lower skilled (Levels 1-2)	3 452	87,7	18	0,5	352	8,9	351	8,9	3 936
Skilled (Levels 3-5)	19 130	68	903	3,2	1 477	5,3	2 180	7,8	28 112
Highly skilled production (Levels 6-8)	46 569	73,1	916	1,4	1 638	2,6	3 951	6,2	63 746
Highly skilled supervision (Levels 9-12)	64 423	108,3	470	0,8	1 873	3,1	3 576	6	59 504
Senior management (Levels 13-16)	39 186	70,3	0	0	989	1,8	826	1,5	55 716
Contract (Levels 1-2)	2 103	98,2	30	1,4	0	0	0	0	2 141
Contract (Levels 3-5)	1 391	95,7	35	2,4	5	0,3	0	0	1 454
Contract (Levels 6-8)	1 720	96,8	1	0,1	0	0	0	0	1 776
Contract (Levels 9-12)	2 911	69,6	8	0,2	32	0,8	21	0,5	4 183
Contract (Levels 13-16)	17 218	88,2	0	0	253	1,3	270	1,4	19 528
Periodical Remuneration	0	0	0	0	0	0	0	0	52 411
TOTAL	198 103	67,7	2 381	0,8	6 619	2,3	11 175	3,8	292 507

TABLE 3.1 - Employment and vacancies by programme at end of period

Programme	Number of posts	Number of posts filled	Number of posts vacant	Vacancy rate	Number of posts filled additional to the establishment
Programme 1: Administration and Corporate Services	515	394	121	23,5	39
Programme 2: Strategic Health Programmes	403	304	99	24,6	19
Programme 3: Health Planning and Monitoring	340	245	95	27,9	8
Programme 4: Human Resources and Management Development	106	75	31	29,2	11
Programme 5: Health Services	269	205	64	23,8	16
Programme 6: International Relations, Health Trade and Health Product Regulations	199	150	49	24,6	15
TOTAL	1 832	1 373	459	25,1	108

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

Salary band	Number of posts	Number of posts filled	Number of posts vacant	Vacancy rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2), Permanent	80	68	12	15	0
Skilled (Levels 3-5), Permanent	415	295	120	28,9	1
Highly skilled production (Levels 6-8), Permanent	513	407	106	20,7	0
Highly skilled production (Levels 6-8), Temporary	2	2	0	0	2
Highly skilled supervision (Levels 9-12), Permanent	560	397	163	29,1	0
Highly skilled supervision (Levels 9-12), Temporary	4	3	1	25	4
Senior management (Levels 13-16), Permanent	131	97	34	26	0
Contract (Levels 1-2), Permanent	79	61	18	22,8	60
Contract (Levels 3-5), Permanent	21	17	4	19	17
Contract (Levels 6-8), Permanent	13	13	0	0	13
Contract (Levels 9-12), Permanent	7	6	1	14,3	5
Contract (Levels 13-16), Permanent	5	5	0	0	6
TOTAL	1 830	1 371	459	25,1	108
Minister	1	1	0	0	0
Deputy Minister	1	1	0	0	0
TOTAL	1 832	1 373	459	25,1	108

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

Critical occupations	Number of posts	Number of posts filled	Number of posts vacant	Vacancy rate	Number of posts filled additional to the establishment
Administrative related, Permanent	229	170	59	25,8	1
Artisan project and related superintendents, Permanent	2	1	1	50	0
Auxiliary and related workers, Permanent	10	7	3	30	1
Chemical and physical science technicians, Permanent	1	1	0	0	0
Chemists, Permanent	38	30	8	21,1	0
Cleaners in offices workshops hospitals etc., Permanent	70	68	2	2,9	0
Client information clerks(switchboard, reception, information clerks), Permanent	4	4	0	0	0
Communication and information related, Permanent	21	17	4	19	4
Computer programmers, Permanent	1	1	0	0	0
Computer system designers and analysts, Permanent	5	3	2	40	0
Dieticians and nutritionists, Permanent	2	1	1	50	0
Economists, Permanent	1	0	1	100	0
Engineers and related professionals, Permanent	1	1	0	0	0
Environmental health, Permanent	2	2	0	0	0
Finance and economics related, Permanent	22	14	8	36,4	0
Financial and related professionals, Permanent	34	27	7	20,6	0
Financial clerks and credit controllers, Permanent	30	23	7	23,3	0
Food services aids and waiters, Permanent	19	20	-1	-5,3	0
General and special investigations, Permanent	1	0	1	100	0
General legal administration and related professionals, Permanent	6	5	1	16,7	0
Head of department/chief executive officer, Permanent	2	2	0	0	0
Health sciences related, Permanent	106	90	16	15,1	0
Human resources and organisation development and related professional, Permanent	16	14	2	12,5	0
Human resources and organisational development and related professional Temporary	0	0	0	0	0
Human resources clerks, Permanent	27	25	2	7,4	0
Human resources related, Permanent	26	17	9	34,6	0
Information technology related, Permanent	16	8	8	50	2
Language practitioners interpreters and other communication, Permanent	6	5	1	16,7	2
Legal related, Permanent	2	2	0	0	0
Librarians and related professionals, Permanent	2	1	1	50	0
Library mail and related clerks, Permanent	36	32	4	11,1	3
Library mail and related clerks, Temporary	3	3	0	0	0
Light vehicle drivers, Permanent	4	3	1	25	0

Critical occupations	Number of posts	Number of posts filled	Number of posts vacant	Vacancy rate	Number of posts filled additional to the establishment
Logistical support personnel, Permanent	15	10	5	33,3	0
Material-recording and transport clerks, Permanent	62	48	14	22,6	2
Medical practitioners, Permanent	1	1	0	0	0
Medical practitioners, Temporary	1	1	0	0	0
Medical research and related professionals, Permanent	60	39	21	35	0
Medical specialists, Permanent	8	6	2	25	2
Medical technicians/technologists, Permanent	2	1	1	50	0
Messengers porters and deliverers, Permanent	31	23	8	25,8	0
Natural sciences related, Permanent	24	20	4	16,7	0
Other administration and related clerks and organisers, Permanent	292	216	76	26	20
Other administrative policy and related officers, Permanent	101	76	25	24,8	2
Other information technology personnel, Permanent	19	15	4	21,1	8
Other occupations, Permanent	90	67	23	25,6	57
Pharmacists, Permanent	23	11	12	52,2	0
Pharmacologists pathologists and related professional, Permanent	51	33	18	35,3	0
Physicists, Permanent	23	17	6	26,1	0
Professional nurse, Permanent	1	1	0	0	0
Radiography, Permanent	2	0	2	100	0
Secretaries and other keyboard operating clerks, Permanent	99	64	35	35,4	2
Security guards, Permanent	10	1	9	90	0
Security officers, Permanent	47	35	12	25,5	0
Senior managers, Permanent	123	89	34	27,6	2
Social work and related professionals, Permanent	1	1	0	0	0
Staff nurses and pupil nurses, Permanent	1	1	0	0	0
TOTAL	1 832	1 373	459	25,1	108

TABLE 4.1 - Job evaluation

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated	Number of posts upgraded
Lower skilled (Levels 1-2)	80	1	1,3	1
Skilled (Levels 3-5)	415	24	5,8	14
Highly skilled production (Levels 6-8)	515	18	3,5	6
Highly skilled supervision (Levels 9-12)	564	40	7,1	11
Senior management (Levels 13-16, Permanent)	131	12	9,2	0
Contract (Levels 1-2)	79	0	0	0
Contract (Levels 3-5)	21	0	0	0
Contract (Levels 6-8)	13	0	0	0
Contract (Levels 9-12)	7	0	0	0
Contract (Levels 13-16), Permanent	5	0	0	0
TOTAL	1 830	95	5,2	32
Minister	1	0	0	0
Deputy Minister	1	0	0	0
TOTAL	1 832	95	5,2	32

TABLE 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	African	Asian	Coloured	White
Female	8	1	3	1
Male	15	0	1	1
Total	23	1	4	2
Employees with a disability	0	0	0	0

TABLE 4.3 - Employees whose salary level exceed 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
Audit Supervisor	1	10	12	Retention of services
Deputy Director: Employment Relations	1	11	12	Retention of services
Assistant Director: NGO	1	9	10	Retention of services
Assistant Director: Administration	1	9	10	Retention of services
Total	4			

TABLE 4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o. PSR 1.V.C.3]

Beneficiaries	African	Asian	Coloured	White
Female	1	0	0	0
Male	2	0	1	0
Total	3	0	1	0
Employees with a disability	0	0	0	0

TABLE 5.1 - Annual turnover rates by salary band

Salary band	Employment at beginning of period (April 2008)	Appointments	Terminations	Turnover rate
Lower skilled (Levels 1-2), Permanent	70	14	2	2,9
Skilled (Levels 3-5), Permanent	300	53	18	6
Highly skilled production (Levels 6-8), Permanent	390	16	20	5,1
Highly skilled production (Levels 6-8), Temporary	2	0	0	0
Highly skilled supervision (Levels 9-12), Permanent	363	32	34	9,4
Highly skilled supervision (Levels 9-12), Temporary	3	0	0	0
Senior Management Service, Permanent	68	8	4	5,9
Contract (Levels 1-2), Permanent	46	75	56	121,7
Contract (Levels 3-5), Permanent	17	35	43	252,9
Contract (Levels 6-8), Permanent	5	30	13	260
Contract (Levels 9-12), Permanent	12	14	9	75
Contract Senior Management Services, Permanent	30	7	10	33,3
TOTAL	1 306	284	209	16

TABLE 5.2 - Annual turnover rates by critical occupation

Occupation	Employment at beginning of period (April 2008)	Appointments	Terminations	Turnover rate
Administrative related, Permanent	170	14	11	6,5
Advocates	1	0	0	0
Artisan project and related superintendents, Permanent	1	0	1	100
Auxiliary and related workers, Permanent	2	3	1	50
Chemical and physical science technicians, Permanent	1	3	3	300
Chemists, Permanent	29	13	4	13,8
Cleaners in offices workshops hospitals etc., Permanent	64	2	0	0
Client information clerks(switchboard reception information clerks), Permanent	4	2	5	125
Communication and information related, Permanent	21	0	0	0
Computer programmers, Permanent	1	1	0	0
Computer system designers and analysts, Permanent	4	0	0	0
Custodian personnel, Permanent	2	0	0	0
Dieticians and nutritionist, Permanent	2	0	0	0
Diplomats, Permanent	1	0	0	0
Engineers and related professionals, Permanent	1	1	0	0
Environmental health, Permanent	0	1	0	0
Finance and economics related, Permanent	8	2	2	25
Financial and related professionals, Permanent	23	11	3	13
Financial clerks and credit controllers, Permanent	20	0	0	0
Food services aids and waiters, Permanent	19	1	1	5,3
General legal administration and related professionals, Permanent	3	3	1	33,3
Head of department/chief executive officer, Permanent	2	0	0	0
Health sciences related, Permanent	78	8	10	12,8
Human resources and organisational development and related professional Permanent	13	2	1	7,7
Human resources and organisational development and related professional Temporary	1	0	0	0
Human resources clerks, Permanent	26	0	0	0
Human resources related, Permanent	17	0	1	5,9
Information technology related, Permanent	7	3	2	28,6
Language practitioners interpreters and other communication, Permanent	2	2	0	0
Legal related, Permanent	0	1	0	0
Librarians and related professionals, Permanent	1	0	0	0

Occupation	Employment at beginning of period (April 2008)	Appointments	Terminations	Turnover rate
Library mail and related clerks, Permanent	31	0	1	3,2
Library mail and related clerks, Temporary	1	0	0	0
Light vehicle drivers, Permanent	3	1	1	33,3
Logistical support personnel, Permanent	8	1	0	0
Material-recording and transport clerks, Permanent	48	5	2	4,2
Medical practitioners, Permanent	1	0	0	0
Medical practitioners, Temporary	1	8	9	900
Medical research and related professionals, Permanent	39	0	1	2,6
Medical specialists, Permanent	8	0	0	0
Medical technicians/technologists, Permanent	2	0	2	100
Messengers porters and deliverers, Permanent	28	2	2	7,1
Natural sciences related, Permanent	21	65	51	242,9
Other administration and related clerks and organisers, Permanent	220	1	4	1,8
Other administrative policy and related officers, Permanent	72	11	2	2,8
Other information technology personnel, Permanent	10	73	54	540
Other occupations, Permanent	31	0	0	0
Pharmacists, Permanent	8	2	2	25
Pharmacologists pathologists and related professional, Permanent	29	10	4	13,8
Physicists, Permanent	15	2	1	6,7
Professional nurse, Permanent	1	0	0	0
Radiography, Permanent	2	0	2	100
Rank: Minister, Permanent	1	0	0	0
Secretaries and other keyboard operating clerks, Permanent	62	17	11	17,7
Security guards, Permanent	1	0	0	0
Security officers, Permanent	39	4	4	10,3
Senior managers, Permanent	98	9	10	10,2
Social sciences related, Permanent	0	0	0	0
Social work and related professionals, Permanent	1	0	0	0
Staff nurses and pupil nurses, Permanent	1	0	0	0
TOTAL	1 306	284	209	16

TABLE 5.3 - Reasons why staff are leaving the department

Termination type	Number	Percentage of total resignations	Percentage of total employment	Total
Death	6	2,9	0,5	209
Resignation, Permanent	91	43,5	7	209
Expiry of contract, Permanent	95	45,5	7,3	209
Transfers to statutory institutes, Permanent	2	1	0,2	209
Discharged due to ill health, Permanent	2	1	0,2	209
Dismissal-misconduct, Permanent	1	0,5	0,1	209
Retirement	12	5,7	0,9	209
TOTAL	209	100	16	209
Resignations as % of employment				
	16			

TABLE 5.4 - Promotions by critical occupation

Occupation	Employment at beginning of period (April 2008)	Promotions to another salary level	Salary level promotions as a % of employment	Progressions to another notch within salary level
Administrative related	162	32	19,8	71
Advocates	1	1	100	0
Agriculture related	0	1	0	0
Artisan project and related superintendents	1	1	100	0
Auxiliary and related workers	3	2	66,7	0
Chemists	29	5	17,2	18
Cleaners in offices, workshops, hospitals etc.	67	1	1,5	34
Client information clerks (switchboard receptionists information clerks)	4	0	0	2
Communication and information related	22	3	13,6	7
Computer programmers	2	0	0	2
Computer system designers and analysts	4	1	25	0
Custodian personnel	2	0	0	1
Dieticians and nutritionists	2	0	0	1
Diplomats	1	0	0	0
Engineers and related professionals	1	0	0	0
Environmental health	1	0	0	0
Finance and economics related	9	7	77,8	7
Financial and related professionals	17	2	11,8	8
Financial clerks and credit controllers	27	2	7,4	18
Food services aids and waiters	17	0	0	8
General legal administration and related professionals	5	2	40	3
Head of department/chief executive officer	1	0	0	1
Health sciences related	87	7	8	47
Human resources and organisational development and related professions	18	1	5,6	7
Human resources clerks	28	6	21,4	16

Occupation	Employment at beginning of period (April 2008)	Promotions to another salary level	Salary level promotions as a % of employment	Progressions to another notch within salary level
Human resources related	15	3	20	7
Information technology related	7	1	14,3	3
Language practitioners interpreters and other communication	3	0	0	0
Legal related	1	0	0	0
Librarians and related professionals	1	0	0	1
Library mail and related clerks	36	3	8,3	26
Light vehicle drivers	3	0	0	2
Logistical support personnel	9	3	33,3	4
Material-recording and transport clerks	38	8	21,1	24
Medical practitioners	6	0	0	4
Medical research and related professionals	33	3	9,1	10
Medical specialists	7	1	14,3	2
Medical technicians/technologists	2	0	0	0
Messengers porters and deliverers	27	0	0	13
Natural sciences related	22	2	9,1	14
Other administration and related clerks and organisers	235	39	16,6	107
Other administrative policy and related officers	66	12	18,2	38
Other information technology personnel	9	2	22,2	5
Other occupations	46	1	2,2	0
Pharmacists	7	2	28,6	1
Pharmacologists pathologists and related professionals	24	7	29,2	4
Physicists	14	1	7,1	9
Professional nurse	2	0	0	1
Radiography	3	0	0	0
Political office bearers	2	0	0	0
Regulatory inspectors	0	1	0	0
Secretaries and other keyboard operating clerks	68	17	25	33
Security guards	1	0	0	0
Security officers	41	3	7,3	26
Senior managers	63	5	7,9	52
Social sciences related	2	0	0	2
Social work and related professionals	1	0	0	0
Staff nurses and pupil nurses	1	0	0	0
TOTAL	1 306	188	14,4	639

TABLE 5.5 - Promotions by salary band

Salary band	Employment at beginning of period (April 2008)	Promotions to another salary level	Salary level promotions as a % of employment	Progressions to another notch within salary level
Lower skilled (Levels 1-2), Permanent	70	0	0	45
Skilled (Levels 3-5), Permanent	300	35	11,7	131
Highly skilled production (Levels 6-8), Permanent	390	76	3800	221
Highly skilled production (Levels 6-8), Temporary	2	0	0	1
Highly skilled supervision (Levels 9-12), Permanent	363	67	2233,3	162

Salary band	Employment at beginning of period (April 2008)	Promotions to another salary level	Salary level promotions as a % of employment	Progressions to another notch within salary level
Highly skilled supervision (Levels 9-12), Temporary	3	6	13	53
Senior management service, Permanent	68	0	0	0
Contract (Levels 1-2), Permanent	46	0	0	0
Contract (Levels 3-5), Permanent	17	0	0	1
Contract (Levels 6-8), Permanent	5	0	0	0
Contract (Levels 9-12), Permanent	12	1	0,1	1
Contract senior management services, Permanent	30	3	0	24
TOTAL	1 306	188	14,4	639

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	17	2	5	24	10	24	1	3	28	7	69
Professionals, Permanent	118	9	4	131	26	139	10	15	164	41	362
Technicians and associate professionals	92	3	2	97	11	133	4	0	137	32	277
Clerks, Permanent	137	3	3	143	6	204	15	4	223	74	446
Service and sales workers, Permanent	30	0	0	30	2	10	0	0	10	0	42
Craft and related trades workers, Permanent	1	0	0	1	0	0	0	0	0	0	1
Plant and machine operators and assemblers, Permanent	1	0	0	1	1	1	0	0	1	0	3
Elementary occupations, Permanent	63	4	0	67	0	99	7	0	106	0	173
TOTAL	459	21	14	494	56	610	37	22	669	154	1 373

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	1	0	0	1	2	1	0	0	1	3	7

TABLE 6.2 – Total number of employees (including employees with disabilities) per occupational bands

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	6	2	0	8	0	7	0	1	8	2	18
Senior management, Permanent	23	1	1	25	12	22	2	1	25	3	65

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
Professionally qualified and experienced specialists and mid-management, Temporary	0	0	0	0	0	3	0	0	3	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	108	5	1	114	10	170	12	3	185	83	392
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	0	0	0	0	0	2	2
Semi-skilled and discretionary decision making, Permanent	129	3	2	134	3	135	12	1	148	12	297
Unskilled and defined decision making, Permanent	24	2	0	26	0	46	0	0	46	0	72
Contract (top management), Permanent	2	1	3	6	0	5	0	1	6	1	13
Contract (senior management), Permanent	2	0	0	2	3	5	0	1	6	5	16
Contract (professionally qualified), Permanent	5	1	0	6	0	11	0	0	11	3	20
Contract (skilled technical), Permanent	7	0	0	7	1	11	1	0	12	1	21
Contract (semi-skilled), Permanent	3	0	0	3	0	5	0	0	5	0	8
Contract (unskilled), Permanent	22	0	0	22	0	43	0	0	43	0	65
TOTAL	459	21	14	494	56	610	37	22	669	154	1 373

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	3	0	0	3	0	4	0	0	4	1	8
Professionally qualified and experienced specialists and mid-management, Permanent	9	0	0	9	0	20	1	1	22	1	32
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	9	0	0	9	0	6	0	0	6	0	15
Semi-skilled and discretionary decision making, Permanent	16	0	0	16	0	35	1	0	36	0	52
Unskilled and defined decision making, Permanent	3	1	0	4	0	9	0	0	9	0	13
Not available, Permanent	1	0	0	1	0	2	0	0	2	0	3
Contract (top management), Permanent	0	0	1	1	1	0	0	1	1	0	3
Contract (senior management), Permanent	1	0	0	1	0	1	0	0	1	2	4
Contract (professionally qualified), Permanent	3	1	0	4	0	8	0	0	8	2	14
Contract (skilled technical), Permanent	8	0	0	8	1	17	2	0	19	2	30
Contract (semi-skilled), Permanent	11	0	0	11	0	24	0	0	24	0	35
Contract (unskilled), Permanent	26	0	0	26	0	49	0	0	49	0	75
TOTAL	90	2	1	93	2	175	4	2	181	8	284

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	2	0	3	0	4	0	1	5	0	8
Senior management, Permanent	17	3	1	21	12	16	0	0	16	2	51
Professionally qualified and experienced specialists and mid-management, Permanent	74	7	3	84	15	82	7	7	96	34	229
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	72	4	0	76	11	127	11	5	143	67	297
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	0	0	0	0	0	1	1
Semi-skilled and discretionary decision making, Permanent	65	1	2	68	3	72	11	1	84	11	166
Semi-skilled and discretionary decision making, Temporary	0	0	0	0	0	0	0	0	0	1	1
Unskilled and defined decision making, Permanent	17	1	0	18	0	26	1	0	27	0	45
Contract (top management), Permanent	1	1	1	3	0	3	0	0	3	1	7
Contract (senior management), Permanent	4	0	1	5	2	7	0	2	9	4	20
Contract (professionally qualified), Permanent	0	0	0	0	0	2	0	0	2	0	2
TOTAL	251	19	8	278	43	339	30	16	385	121	827

	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
Employees with disabilities	1	0	0	1	3	0	0	0	0	3	7

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	0	0	0	1	0	0	0	0	0	1
Senior management, Permanent	1	0	0	1	0	1	0	0	1	1	3
Professionally qualified and experienced specialists and mid-management, Permanent	8	0	0	8	3	13	2	1	16	5	32
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	8	0	0	8	2	7	0	1	8	2	20
Semi-skilled and discretionary decision making, Permanent	8	0	0	8	0	7	1	0	8	1	17
Unskilled and defined decision making, Permanent	0	0	0	0	0	1	0	0	1	0	1
Not available, Permanent	0	0	0	0	0	4	0	0	4	0	4
Contract (top management), Permanent	1	0	0	1	1	0	0	0	0	0	2
Contract (senior management), Permanent	2	0	0	2	1	5	0	0	5	0	8
Contract (professionally qualified), Permanent	0	1	0	1	0	7	0	0	7	1	9
Contract skilled technical), Permanent	2	0	0	2	0	8	1	0	9	2	13
Contract (semi-skilled), Permanent	12	0	0	12	0	31	0	0	31	0	43
Contract (unskilled), Permanent	25	0	0	25	0	30	1	0	31	0	56
TOTAL	67	1	0	68	8	114	5	2	121	12	209

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	0	0	0	0	0	0	0	0	0	0	0

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	15	1	2	18	11	22	2	2	26	5	60
Professionals	28	3	9	40	10	46	4	6	56	14	120
Technicians and associate professionals	22	2	1	25	7	36	1	0	37	18	87
Clerks	73	1	2	76	2	174	7	2	183	26	287
Service and sales workers	6	0	0	6	0	0	3	0	3	0	9
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	1	0	0	1	0	0	0	0	0	0	1
Elementary occupations	11	0	0	11	0	16	0	0	16	0	27
TOTAL	156	7	14	177	30	294	17	10	321	63	591
Employees with disabilities	1	0	0	0	0	1	0	0	0	0	2

TABLE 7.1 - Performance rewards by race, gender and disability

Demographics	Number of beneficiaries	Total employment	Percentage of total employment	Cost (R'000)	Average cost per beneficiary (R)
African, Female	221	610	36	1 429	6
African, Male	150	459	33	1 176	8
Asian, Female	18	22	82	224	12
Asian, Male	5	14	36	55	11
Coloured, Female	21	37	57	100	5
Coloured, Male	14	21	67	147	11
Total Blacks, Female	260	669	39	1 753	7
Total Blacks, Male	169	494	34	1 378	8
White, Female	113	154	73	394	3
White, Male	30	56	54	818	27
Employees with a disability	3	7	43	26	9
TOTAL	575	1 373	42	4 369	107

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

Salary band	Number of beneficiaries	Total employment	Percentage of total employment	Cost (R'000)	Average cost per beneficiary (R)
Lower skilled (Levels 1-2)	17	68	25	55	3 235
Skilled (Levels 3-5)	104	295	35	251	2 413
Highly skilled production (Levels 6-8)	211	407	52	1 079	5 114
Highly skilled supervision (Levels 9-12)	188	400	47	2 129	11 324
Contract (Levels 1-2)	0	61	0	0	0
Contract (Levels 3-5)	0	17	0	0	0
Contract (Levels 6-8)	1	13	8	3	3 000
Contract (Levels 9-12)	2	6	33	16	8 000
TOTAL	523	1 267	41	3 533	6 755

TABLE 7.3 - Performance rewards by critical occupation

Critical occupations	Number of beneficiaries	Total employment	Percentage of total employment	Cost (R'000)	Average cost per beneficiary (R)
Administrative related	97	170	57,1	888	9 155
Advocates	1	1	100	16	16 000
Agriculture related	0	7	0	0	0
Artisan project and related superintendents	0	1	0	0	0
Auxiliary and related workers	0	30	0	0	0
Chemists	9	68	13,2	37	4 111
Cleaners in offices workshops hospitals etc.	17	4	425	35	2 059
Client information clerks (switchboard reception information clerks)	1	17	5,9	3	3 000
Communication and information related	8	1	800	113	14 125
Computer programmers	1	3	33,3	6	6 000
Computer system designers and analysts	0	1	0	0	0
Custodian personnel	0	0	0	0	0
Dieticians and nutritionists	1	1	100	11	11 000
Diplomats	1	2	50	6	6 000
Engineering sciences related	0	14	0	0	0
Engineers and related professionals	0	27	0	0	0
Environmental health	0	23	0	0	0
Finance and economics related	8	20	40	81	10 125
Financial and related professionals	7	0	0	68	9 714
Financial clerks and credit controllers	17	5	340	79	4 647
Food services aids and waiters	13	2	650	21	1 615

Critical occupations	Number of beneficiaries	Total employment	Percentage of total employment	Cost (R'000)	Average cost per beneficiary (R)
Head of department/chief executive officer	0	14	0	0	0
Health sciences related	40	0	0	470	11 750
Human resources and organisational development and related professions	7	25	28	65	9 286
Human resources clerks	16	17	94,1	80	5 000
Human resources related	7	8	87,5	100	14 286
Information technology related	4	5	80	20	5 000
Language practitioners interpreters and other communication	1	2	50	11	11 000
Legal related	0	1	0	0	0
Librarians and related professionals	0	32	0	0	0
Library mail and related clerks	18	3	600	53	2 944
Light vehicle drivers	0	3	0	0	0
Logistical support personnel	4	10	40	19	4 750
Material-recording and transport clerks	17	48	35,4	67	3 941
Medical practitioners	1	1	100	11	11 000
Medical research and related professionals	12	1	1200	110	9 167
Medical specialists	2	39	5,1	44	22 000
Medical technicians/technologists	0	6	0	0	0
Messengers porters and deliverers	10	1	1000	20	2 000
Natural sciences related	9	23	39,1	125	13 889
Other administration and related clerks and organisers	97	20	485	451	4 649
Other administrative policy and related officers	41	216	19	246	6 000
Other information technology personnel	5	76	6,6	33	6 600
Other occupations	0	15	0	0	0
Pharmacists	5	67	7,5	60	12 000
Pharmacologists pathologists and related professionals	15	11	136,4	156	10 400
Physicists	6	33	18,2	53	8 833
Professional nurse	1	17	5,9	9	9 000
Rank: Unknown	0	1	0	0	0
Secretaries and other keyboard operating clerks	29	0	0	155	5 345
Security guards	0	64	0	0	0
Security officers	14	1	1400	36	2 571
Senior managers	29	35	82,9	600	20 690
Social sciences related	0	89	0	0	0
Staff nurses and pupil nurses	0	1	0	0	0
Statisticians and related professionals	0	1	0	0	0
TOTAL	572	1 373	41,7	4 369	7 638

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

SMS band	Number of beneficiaries	Total employment	Percentage of total employment	Cost (R'000)	Average cost per beneficiary (R)
Band A	33	78	42,3	546	1 655
Band B	6	20	30	139	2 317
Band C	7	5	140	151	2 157
Band D	0	3	0	0	0
TOTAL	46	106	43,4	836	1 817,40

TABLE 8.1 - Foreign workers by salary band

Salary band	Employment at beginning period	Percentage of total	Employment at end of period	Percentage of total	Change in employment	Percentage of total	Total employment at beginning of period	Total employment at end of period	Total change in employment
Highly skilled supervision (Levels 9-12)	0	0	1	10	1	-100	11	10	-1
Contract (Levels 13-16)	5	45,5	4	40	-1	100	11	10	-1
Periodical remuneration	6	54,5	5	50	-1	100	11	10	-1
TOTAL	11	100	10	100	-1	100	11	10	-1

TABLE 8.2 - Foreign workers by major occupation

Major occupation	Employment at beginning period	Percentage of total	Employment at end of period	Percentage of total	Change in employment	Percentage of total	Total employment at beginning of period	Total employment at end of period	Total change in employment
Administrative office workers	3	27,3	2	20	-1	100	11	10	-1
Professionals and managers	8	72,7	8	80	0	0	11	10	-1
TOTAL	11	100	10	100	-1	100	11	10	-1

TABLE 9.1 - Sick leave for January 2008 to December 2008

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)	Total number of employees using sick leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	400	68,8	56	5,4	7	72	1 030	275
Skilled (Levels 3-5)	1 854	76,6	252	24,5	7	429	1 030	1 421
Highly skilled production (Levels 6-8)	2 605	76,2	352	34,2	7	1 129	1 030	1 985
Highly skilled supervision (Levels 9-12)	1 584	72,1	275	26,7	6	1 526	1 030	1 142
Senior management (Levels 13-16)	309	81,9	40	3,9	8	674	1 030	253
Other	8	100	1	0,1	8	1	1 030	8
Contract (Levels 1-2)	64	62,5	19	1,8	3	9	1 030	40
Contract (Levels 3-5)	32	90,6	9	0,9	4	8	1 030	29
Contract (Levels 6-8)	21	85,7	5	0,5	4	7	1 030	18
Contract (Levels 9-12)	36	80,6	6	0,6	6	36	1 030	29
TOTAL	7 005	75,2	1 030	100	7	4 104	1 030	5 269

TABLE 9.2 - Disability leave (temporary and permanent) for January 2008 to December 2008

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)	Total number of days with medical certification	Total number of employees using disability leave
Lower skilled (Levels 1-2)	43	100	3	20	14	8	43	15
Skilled (Levels 3-5)	92	100	4	26,7	23	22	92	15
Highly skilled production (Levels 6-8)	113	100	3	20	38	49	113	15
Highly skilled supervision (Levels 9-12)	34	100	4	26,7	9	24	34	15
Senior management (Levels 13-16)	30	100	1	6,7	30	43	30	15
TOTAL	312	47,1	15	100	21	146	147	15

TABLE 9.3 - Annual leave for January 2008 to December 2008

Salary band	Total days taken	Average days per employee	Number of employees who took leave
Lower skilled (Levels 1-2)	1 419	21	69
Skilled (Levels 3-5)	6 078,84	18	332
Highly skilled production (Levels 6-8)	9 104	20	446
Highly skilled supervision (Levels 9-12)	8 034	19	428
Senior management (Levels 13-16)	1 412	19	76
Other	3	3	1
Contract (Levels 1-2)	309	5	61
Contract (Levels 3-5)	88	5	19
Contract (Levels 6-8)	114	9	13
Contract (Levels 9-12)	259	19	14
Contract (Levels 13-16)	488	16	31
TOTAL	27 308,84	18	1 490

TABLE 9.4 - Capped leave for January 2008 to December 2008

Salary band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2008	Number of employees who took capped leave	Total number of capped leave available at 31 December 2008	Number of employees as at 31 December 2008
Lower skilled (Levels 1-2)	18	6	38	3	1 251	33
Skilled (Levels 3-5)	30	3	39	11	4 045	105
Highly skilled production (Levels 6-8)	138	4	30	33	5 838	195
Highly skilled supervision (Levels 9-12)	107	5	38	21	7 015	184
Senior management (Levels 13-16)	29	10	53	3	2 326	44
TOTAL	322	5	36	71	20 475	561

TABLE 9.5 - Leave payouts

Reason	*Total amount (R'000)	Number of employees	*Average payment per employee (R)
Leave payout for 2008/09 due to non-utilisation of leave for the previous cycle	124	4	31 000
Capped leave payouts on termination of service for 2008/09	525	62	8 468
Current leave payout on termination of service for 2008/09	136	27	5 037
TOTAL	785	93	8 441

TABLE 10.1 - Steps taken to reduce the risk of occupational exposure

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

TABLE 10.2 - Details of health promotion and HIV/AIDS programmes [tick Yes/No and provide required information]

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position	X		Adv MT Ngake; Director: Employment Relations, Equity and Employee Wellness is the chairperson of the departmental HIV/Aids working group
2. Does the department have a dedicated unit or have you designated specific staff members to promote 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 employees is available and budget is avialable
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
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 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/AIDS and STD in the work place is available and under review. Employees and prospective employees have the right to confidentiality with regard to their HIV/AIDS status, if an employee informs an employer of their HIV/AIDS status

Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved	X		On consultation with the Employee Assistance Programme Officer and the Departmental nurse, employees are counselled and encouraged to subject themselves to voluntary testing.
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 HIV/AIDS committee is presently busy with measures to evaluate health promotion programmes, however condom usage in the department is being promoted

TABLE 11.1 - Collective agreements

Subject matter
PHSDSBC RESOLUTIONS: APRIL 2008 - MARCH 2009
RESOLUTION 1 OF 2008: PRE-DISMISSALS ARBITRATIONS
RESOLUTION 2 OF 2008: FULL-TIME SHOP STEWARDS
RESOLUTION 3 OF 2008: UNIFORM ALLOWANCE FOR NURSES
RESOLUTION 4 AND 5 OF 2008: CONSTITUTIONAL AMENEDMENTS
PSCBC RESOLUTIONS: APRIL 2008 - MARCH 2009
RESOLUTION 3 OF 2008: AGREEMENT ON THE IMPLEMENTATION OF AN OCCUPATION SPECIFIC DISPENSATION FOR LEGALLY QUALIFIED CATEGORIES OF EMPLOYEES, APPOINTED IN TERMS OF PUBLIC SERVICE ACT, FALLING OUTSIDE OF THE GPSSBC
RESOLUTION 4 OF 2008: AMENDMENT TO RESOLUTION 1 OF 2007 (EXTENSION OF TIME FRAMES) OSD NEGOTIATIONS AT SECTORAL LEVEL
RESOLUTION 5 OF 2008: AMENDMENT TO CONSTITUTION: SECRETARY TO SECRETARY GENERAL
RESOLUTION 6 OF 2008: AMENDMENT TO RESOLUTION 2 OF 2008: (EXTENSION OF TIME FRAMES) OSD NEGOTIATIONS AT SECTORAL LEVEL
RESOLUTION 7 OF 2008: AMENDMENT TO RESOLUTION 4 OF 2008: (EXTENSION OF TIME FRAMES) OSD NEGOTIATIONS AT SECTORAL LEVEL
RESOLUTION 8 OF 2008: APPOINTMENT OF PANEL OF CONCILIATORS AND ARBITRATORS (2007/2008)
RESOLUTION 9 OF 2008: EXTENSION OF TIME FRAMES: OSD FOR NEGOTIATIONS AT SECTORAL LEVEL AND PROCESS TO DEVELOP MINIMUM SERVICE LEVEL AGREEMENT
RESOLUTION 10 OF 2008: EXTENSION OF TIME FRAMES ON REVIEW OF HOUSING ALLOWANCE
RESOLUTION 1 OF 2009: EXTENSION OF TIME FRAMES: OSD FOR NEGOTIATIONS AT SECTORAL LEVEL

TABLE 11.2 - Misconduct and discipline hearings finalised

Outcomes of disciplinary hearings	Number	Percentage of total	Total
Dismissals	6	75	8
3 months suspension without pay	2	25	8
TOTAL	8	100	8

TABLE 11.3 - Types of misconduct addressed and disciplinary hearings

Type of misconduct	Number	Percentage of total	Total
Unlawful possession of state property	3	30	10
Absence without authority	2	20	10
Fraud and corruption	2	20	10
Bribery	2	20	10
Assault	1	10	10
TOTAL	10	100	10

TABLE 11.4 - Grievances lodged

Number of grievances addressed	Number	Percentage of total	Total
TOTAL	27	100	27

TABLE 11.5 - Disputes lodged

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

TABLE 11.6 - Strike actions

Strike actions	
Total number of person working days lost	None
Total cost(R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

TABLE 11.7 - Precautionary suspensions

Precautionary suspensions	
Number of people suspended	6
Number of people whose suspension exceeded 30 days	6
Average number of days suspended	0
Cost (R'000) of suspensions	0

TABLE 12.1 - Training needs identified

Occupational categories	Gender	Employment	Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	35	0	96	10	106
	Male	34	0	51	15	66
Professionals	Female	205	0	85	7	92
	Male	157	0	37	3	40
Technicians and associate professionals	Female	169	0	45	2	47
	Male	108	0	23	1	24
Clerks	Female	297	0	221	28	249
	Male	149	0	121	22	143
Service and sales workers	Female	10	0	0	0	0
	Male	32	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and machine operators and assemblers	Female	1	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	106	0	10	20	30
	Male	67	0	4	15	19
Gender sub totals	Female	823	0	457	67	524
	Male	550	0	236	56	292
Total		1 373	0	693	123	816

TABLE 12.2 - Training provided

Occupational categories	Gender	Employment	Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	35	0	31	8	39
	Male	34	0	29	8	37
Professionals	Female	205	0	70	2	72
	Male	157	0	50	2	52
Technicians and associate professionals	Female	169	0	55	0	55
	Male	108	0	32	0	32
Clerks	Female	297	0	209	23	232
	Male	149	0	78	14	92
Service and sales workers	Female	10	0	3	0	3
	Male	32	0	6	0	6
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0

Occupational categories	Gender	Employment	Learnerships	Skills programmes and other short courses	Other forms of training	Total
	Male	2	0	1	1	2
Elementary occupations	Female	106	0	0	16	16
	Male	67	0	0	11	11
Gender sub totals	Female	823	0	368	49	417
	Male	550	0	196	36	232
Total		1 373	0	564	85	649

TABLE 13.1 - Injury on duty

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

TABLE 14.1 - Report on consultant appointments using appropriated funds

Project title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
A 15 year review of the Health Sector in South Africa, 1994-2008	3	94	R 497 000,00
BID DOH 20/2008-2009; Review of the Training Manual for Primary Health Care Nurses on Mental Health and Substance Abuse	1	270	R 176 203,00
Compliance/ Performance/ Information Technology	12	231	R 1 552 074,15
Forensic Audit	8	90	R 1 313 515,09
Stadia, FIFA Fan Parks	1	365	R 2 052 000,00
Hospitals and Training	1	365	R 442 000,00
Designated Service Provider Network Project (DSP Project)	1	480	R 700 000,00
Cost Per case Mix, for MVA Patients	1	1095	R 173 280,00
ABET Programme	1	365	R 186 902,65
Feasibility study on the strengthening of the Food Analysis Laboratory Services in the Department of Health	1	40	R 300 636,00
Project Manager for Drug Supply Management system HIV and AIDS Multisectoral Support Framework Programme (DFID Funded)	1	186,5	R 641 793,00
Project Manager for Drug Supply Management system Directorate: Pharmaceutical Programmes and Planning NDoH Funded	1	44,5	R 135 127,00

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
12	32	3 626	R 8 170 530,89

TABLE 14.2 - Analysis of consultant appointments using appropriated funds, in terms of HDIs

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
A 15 year review of the Health Sector in South Africa, 1994-2008	100	100	1
Co-Sourcing of Internal Audit NDOH; Pricewaterhousecooper	50	34	12
Co-Sourcing of Internal Audit NDOH; Xabiso Chartered Accountant	50	50	8
DSP Project	100	0	1

TABLE 14.3 - Report on consultant appointments using donor funds

Project title	Total number of consultants that worked on the project	Duration: Work days	Donor and contract value in Rand
Human Resources Supply Plan	1	35	R 100 000,00
Technical assistance to the DOH (MCWH) for the curriculum development and training manuals for Sexual Assault Practitioners in SA	1	214	R 574 596,00
Technical assistance to the DOH (MCWH) for the development of National Policy and Guidelines of Fertility Options			
Reference Price List (RPL)	2	365	R 1 000 000,00
Incident Benefit Analysis (IBA)	100	579	R 1 500 000,00
National Health Accounts (NHA)	100	365	R 500 000,00
Expert Consultant in Minister's Office (Clinton Foundation)	1	105	R 625 550,00
Technical Task Team: Information Systems Strengthening (DFID)	1	80	R 698 003,00
Deployment the Medicine Pricing Database for internal usage (FARITECX)	1	30	R 183 200,00
DSP Project	1	480	R 700 000,00
Capacity Building in the Department of Health of the Republic of South Africa (Regenesys Management)	1	29	R 154 566,50
Capacity Building in the Department of Health of the Republic of South Africa (Stratec ARC)	1	29	R 249 543,16
Specifications for Conducting a Functional Analysis to Assit in the Process of Clarifying Mandates, Roles, Responsibilities and Future Training needs for Environmental Health Practitioners at Municipal level; (Urban Environmental Management Programme (UEMP) funded by the Danish Embassy)	10	275	R 499 897,00
The Development of Environmental Health Regulations as required un the National Health Act, Act No. 61 of 2003 (Urban Environmental Management Programme (UEMP) funded by the Danish Embassy)	10	243	R 340 860,00
Specifications for the Roll-out of the National Health and Hygiene Education Strategy (NHHES) to all nine provinces (Urban Environmental Management Programme (UEMP) funded by the Danish Embassy)	10	31	R 1 331 580,00

Project title	Total number of consultants that worked on the project	Duration: work days	Donor and contract value in Rand
Study on the Microbiological Safety and Nutritional Quality of infant formula (with specific reference to Enterobacter Sakazakii)	4	150	R 746 322,00
Technical Advisor: Implementation of the Nursing Strategy (ANTKATIC Donor Fund)	1	213	R 350 000,00
Strengthening of HE Branch, knowledge Resource Portal (EU)	1	365	R 90 000,00
EU Support to the Comprehensive paln (SuCoP)	405	22	R 39 585 299,88

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
20	661	3 641	R 50 087 013,32

TABLE 14.4 - Analysis of consultant appointments using donor funds, in terms of HDIs

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Technical Task Team: Information Systems Strengthening (DFID)	100%	100%	1
Technical Advisor: Implementation of the Nursing Strategy (ANTKATIC Donor Fund)	100%	100%	1
Strengthening of HE Branch, knowledge Resource Portal (EU)	100%	100%	1

SECTION 3: FINANCIAL REPORT
ANNUAL FINANCIAL STATEMENTS FOR THE NATIONAL DEPARTMENT OF HEALTH - VOTE 14
For the year ended 31 March 2009

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

FOR THE YEAR ENDED 31 MARCH 2009

1. General review of state of financial affairs

1.1 Important policy decisions and strategic issues facing the department

- a) Decreasing the burden of disease from both communicable and non-communicable diseases, as well as injuries and trauma;
- b) Ensuring more targeted recruitment, especially to under-served areas as well as a more robust retention strategy to create a consistent supply of health professionals, who are properly trained and highly motivated to provide a quality service;
- c) Poverty, unemployment, low education levels, poor transport infrastructure, social cohesion issues. These determinants of health lie outside the health sector, but have a significant impact on health outcomes;
- d) Poor health infrastructure, coupled with inadequate resources for expanding and upgrading clinics, community health centres and hospitals. This is notwithstanding the progress made with the implementation of the Hospital Revitalisation Project.

To address these issues the Department focused on eight priority areas that were adopted by the National Health Council (NHC) as National Health System (NHS) priorities for 2008/09

- i) Programme priorities, both communicable and non communicable diseases
- ii) Public health facility improvement, through the implementation of a health facilities improvement plan
- iii) Implementation of integrated national health information systems
- iv) Health financing, including designing the national health insurance system and reducing the rate of increase of tariffs in the private health care sectors
- v) Further reduction in the prices of pharmaceutical products
- vi) Strengthening Human Resources for Health
- vii) International Health Relations and
- viii) Strengthening management and communication.

1.2 Significant events that have taken place during the year

- a) Over the past year, several important sectoral reviews have been conducted and a number of policy making processes have been initiated.
- b) A national health insurance working group established giving emphasis to health sector priorities.
- c) Reviews have been conducted by the Presidency culminating in the Towards a Fifteen Year Review: Synthesis Report, an extensive health sector review has been coordinated by the Development Bank of South Africa, and the Department of Health has commissioned an external evaluation of development and performance in the health sector between 1994 and 2008.
- d) Areas of recent progress include filling 37 059 posts in the health service over the past three years. HIV and AIDS programmes are accelerating, with over 200 000 new patients starting treatment over the past 12 months.

- e) Primary care services have been strengthened. At 90%, immunisation coverage is high and measles control has improved to such an extent that it might actually have been eliminated. The majority of pregnant women attend antenatal clinics and deliver their babies in health facilities.
- f) Malaria cases and deaths have been reduced through improved control programmes.
- g) The number of cases of serious malnutrition has declined.
- h) Anti-tobacco policies, an important aspect of chronic disease prevention, have been pursued with vigour.
- i) Infrastructural improvement is ongoing through the hospital revitalisation programme.
- j) Medicine prices have been noticeably reduced.

1.3 Comments on major projects undertaken or completed during the year

- a) Two new child vaccines were introduced to reduce cases of diarrhoea and pneumonia, which are significant causes of child morbidity.
- b) By the end of April 2009, 781 465 patients had been initiated on antiretroviral therapy, of which 718 907 were adults, and 62 558 were children.
- c) New quality assurance systems were put in place, including the national office of standards compliance to monitor both the quality of care and compliance with norms and standards for health facilities.
- d) The tuberculosis cure rate of 64% has increased from 57.7% in 2006/07. Tuberculosis tracer teams were appointed and placed in districts across South Africa to help reduce the defaulter rate, resulting in a decrease in the defaulter rate from 10.4% in 2006/07 to 7% in 2008/09. Most tuberculosis patients who presented to the health facilities in 2008 were tested for HIV. Provincial health workers were continuously being trained on tuberculosis control. One of the challenges was the lack of reliable data on community prevalence of tuberculosis and multi-drug resistant and extensively drug resistant strains. A national prevalence survey of tuberculosis will be conducted in 2009/10.
- e) A 29.5 % decrease in malaria cases was achieved between 2007/08 and 2008/09, which exceeded the 2008/09 target of 10%. The number of malaria cases decreased from 8 743 in 2007/08 to 6 167 in 2008/09. The case fatality rate also decreased from 0.8 in 2007/2008 to 0.6 in 2008/2009. There were 40 deaths in 2008/2009 compared to 68 deaths in 2007/2008.
- f) National immunisation coverage of 88.8 per cent was achieved in 2008/09, against a target of 90 per cent. Three new vaccines will be progressively implemented in 2009/10, with the aim of reducing child mortality. The new vaccines target the most common forms of pneumonia (pneumococcal) and diarrhoea (rotavirus).
- g) Doctors, dentists, pharmacists and emergency medical personnel will receive improved remuneration.
- h) The new South African Health Products Regulatory Authority is being established.
- i) Mechanisms to address inequities in health sector financing, such as mandatory health insurance, are being researched.
- j) The national department's oversight capacity over provincial health services will be strengthened and methods to improve coordination and address weaknesses of fiscal federalism (such as the differential implementation of priorities across provinces) are being designed.

1.4 Spending trends

Programme 1: Administration

The Administration programme conducts the overall management of the department. Activities include policy-making by the offices of the minister, deputy minister and director-general, and the provision of centralised support services, including strategic planning, legal, financial, communication, and human resource services to the department.

The programme shows an under expenditure of R 3, 9 million (1.6%) against a budget of R244, 9 million.

The under spending can mainly be ascribed to the delays experienced in the relocation to the newly upgraded Civitas Building due to incomplete processes between the contractors and the public works department. Although the funds are committed, the payments could not be made during the year.

Programme 2: Strategic Health Programmes

Strategic Health Programmes co-ordinates a range of strategic national health programmes by developing policies, systems, management, funding and monitoring of key programmes. Programmes include maternal, child and women's health and nutrition; HIV and AIDS/STIs; TB control programmes; non-communicable diseases and communicable diseases.

The five sub-programmes are as follows:

- Maternal, child and women's health
- HIV and AIDS and STIs
- Non-communicable diseases
- Communicable diseases
- TB control and management

The programme shows an under expenditure of R 38 million (1%) against a budget of R4,166 billion

The under spending can mainly be ascribed to the slow progress on the mortuaries to be built as well as payment of invoices with the forensic pathology services conditional grant at provincial level. Funds earmarked to NGOs could not be released in full before year-end.

Programme 3: Health Planning and Monitoring

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

The four sub-programmes are as follows:

- Health information research and evaluation
- Financial planning and health economics
- Pharmaceutical policy and planning
- Office of standards compliance

The programme has spent 100% of its allocated funds amounting to R342 million with only R110 000 unspent.

Programme 4: Human Resources and Management Development

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

The three sub-programmes are as follows:

- Human resources policy, research and planning
- Sector labour relations and planning
- Human resources development and management

The programme shows an under expenditure of R 10 million (0,6%) against a budget of R1, 716 billion

The under spending can mainly be ascribed to the delay in finalising a tender for an audit of Nursing Colleges project. A roll over of the funds has been requested.

Programme 5: Health Services

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

The four sub-programmes are as follows:

- Hospitals and health facilities management

- District Health Services
- Environmental health promotion and nutrition
- Occupational health

The programme has spent 96,4% of its allocated funds amounting to R8,945 billion which resulted in an under expenditure of 3,6% amounting to R334 million.

The under expenditure can be attributed to withheld hospital revitalisation and the forensic pathology services conditional grants for some provinces due to delays with construction processes of approved projects as well as invoices which could not be paid before year end due to cash flow limitations. A roll over has been requested for the funds since the funds have been committed.

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

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

The three sub-programmes are as follows:

- Multilateral relations
- Food Control and Non-medical health product regulation
- Pharmaceutical and related product regulation and management

The programme has spent 99,6% of its allocated funds amounting to R97 million with only R382 000 (0,4%) unspent.

The Medicines Control Council surrendered an amount of R 25 416 million to the National Revenue Fund on 27 March 2009, but at year end, an amount of R 279 313,80 reflected in the MCC's bank account that will be paid to the NRF during the 2009/10 financial year.

1.5 Virement

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

1) Compensation of employees

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

- An amount of R1,7 million from Programme 3 under Pharmaceutical Policy and Planning.
- Programme 5 an amount of R1,743 million under District Health Services , Occupation Health and from Hospital and Health Facilities Management.
- Programme 6 R1.6 million was shifted from Food Control and Non-Medical Health Product Regulation as well as from Pharmaceutical and Related Product Registration and Management.
- The National Treasury furthermore approved a virement of R4,9 million from Goods and Services to Compensation of Employees to defray the overspending in the said item and the funds were shifted from Strategic Health Programme under Cluster :HIV and AIDS and STI.

2) Goods and Services

The department introduced a six programme structure, which placed a strain on the budget of a number of clusters within the department. To defray the excess expenditure in these clusters funds were moved within the Goods and Services budget from various programmes for the amount of R39,1 million.

Further more, during the financial year the department expended on the items: gift and donations as well as leave gratuities. As the expenditure on these two items was difficult to determine at the beginning of a financial year, funds were shifted once the expenditure was realised.

Approval from National Treasury was also obtained for the transfer payment to MRC to be increased with an amount

of R3 million. All funds were shifted from Strategic Health Programme under Cluster: HIV and AIDS and STI.

2. Services rendered by the department

2.1 Activities

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

2.2 Tariff policy

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

2.3 Free Services

The Department does not provide any free services.

2.4 Inventories

Inventory on hand at year end consisted of the following stock items:

	R'000
Laboratory consumables	5
Stationery and Printing	1
Medical Supplies	13
Total inventory	19

3. Capacity constraints

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

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

4. Utilisation of donor funds

The department of Health is privileged to have partners from donor organisations. Foreign aid assistance received in kind during the year amounted to R 9 678 million for various projects. These funds have been deposited in the RDP Fund and are drawn by the department to implement the projects. The expenditure amounted to R146 million. Donor funds are mainly sourced to areas where both the health department and the donor agreed as an area of priority. Funds are being received from European Union for the public health sector support programme, Italy, for their support in the strengthening of the South African health system; Belgium, for TB and HIV and STI prevention; the Global Fund, for TB and AIDS and Malaria prevention; CDC, for HIV and AIDS activities.

5. Trading entities and public entities

Medical Research Council

The Medical Research Council (MRC) undertakes scientific research on clinical and health systems issues. Core funding is through the department of Health with the allocations from government being determined as part of the overall science vote under control of the Minister of Arts, Culture, Science and Technology, advised by the National Council for Innovation. Funding from the department's vote amounts to R 236 million in 2008/09. The council is successful in attracting research funding from other sources. There is close co-operation with the Department of

Health in setting research priorities. A critical task is research into a vaccine against the strain of HIV that affects sub-Saharan Africa.

National Health Laboratory Services

The National Health Laboratory Service Act, 37 of 2000 came into operation in May 2001. The entity is now fully operational as the legislated preferred provider of laboratory services to public health facilities. The National Health Laboratory Services took over the laboratory services in KwaZulu-Natal during the year under review. The National Health Laboratory Service's major source of funding will be the sale of analytical laboratory services to users such as provincial departments of health, but it continues to receive a transfer from the national department, which amounted to R 70, 2 million in 2008/09.

Medical Schemes Council

The Medical Schemes Council regulates the private medical scheme industry in terms of the Medical Schemes Act, 131 of 1998, and is funded mainly through levies on the industry in terms of the Council for Medical Schemes Levies Act (58 of 2000). During 2008/09 the department transferred R 6,1 million to the council.

South African National Aids Council Trust (SANAT)

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

Trading Entity

Mines and Works Compensation Fund

The Compensation Commissioner for Occupational Diseases is responsible for the payment of benefits to miners and ex-miners who have been certified to be suffering from lung-related diseases because of working conditions. The Mines and Works Compensation Fund derives funding from levies (mine account, works account, research account, state account) collected from controlled mines and works, as well as appropriations from Parliament. Payments to beneficiaries are made in terms of the Occupational Diseases in Mines and Works Act 78 of 1973. The value of the fund for the CCOD amounts to R1,1 billion while the department's transfer payment amounted to R2,355 million for the year under review.

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

6. Organisations to whom transfer payments have been made

Ninety-eight percent (98%) of the budget of the National Department of Health 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	R 6 134 billion
Health Professions Training and Development Grant	R 1 679 billion
Hospital Revitalisation	R 2 664 billion
Comprehensive HIV and AIDS Plan	R 2 885 billion
Forensic Pathology Services	R 594 million

These funds flow to provincial health departments from where spending takes place on items as contained in a pre-approved business plan. More details of the transfers per province are contained in **Annexure 1 C** of the financial statements.

The National Department of Health has no conditional grants to municipalities and can certify that all conditional grant funding, which was transferred, was in fact transferred into the primary bank account of the province concerned.

Monitoring process – the performance of provinces were monitored by the National Department of Health in terms of the reports submitted by provinces and in terms of the frameworks which had been published in the DORA Bill for 2008/09. In support of the monitoring process described above officials from the National Department of Health also paid site visits to recipient provinces to verify progress.

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

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

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

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

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

Non-governmental organisations (NGOs) – NGO's range from national NGOs who are delivering services in the field of health and cover diverse institutions from LoveLife to Soul City to a range of smaller NGOs who are active in the field of HIV and AIDS. More details of the institutes funded can be found in **Annexure 1 K** of the annual financial statements.

7. Public Private Partnership (PPP)

The PPP agreement was concluded on 30 May 2003 and the partnership is valid from 1 April 2003. In terms of the contracts the National Department of Health holds 40% of the shares in BioVac Institute Pty Ltd (BioVac). In exchange for the 40% share the National Department of Health transferred the staff and assets of the directorate, which housed the State Vaccine to the BioVac. The department foresees no significant future cash flows to the PPP entity. The National Department of Health has no business relations with BioVac, however as part of the PPP contracts, BioVac has the right to supply provincial health departments with EPI vaccines from 2004 to 2007 (four years) at competitive prices. There were changes in the structure of the PPP through the dilution of the 40% share holding to 30%. This has also been approved by National Treasury. Implementation of the change will only be done in the next financial year.

The transfers into the PPP was estimated to have a value of R13,5 million and a third party valuation done in July 2008 on the net assets value method of valuation placed a value of R18,8 million on the National Department of Health's stake in the PPP.

No valuation was done on BioVac for disclosure in the current financial year because the department is currently valuating the relationship with BioVac and once this process has been completed, the department will be in a position to disclose and to decide on a way forward beyond December 2009.

8. Corporate Governance Arrangements

The department has an active risk management unit which is currently in the internal audit directorate for assistance with the establishment and sustainability. Risk assessment was conducted during the year under review and a departmental risk profile has been developed. The risk assessment is conducted annually and the risk register is updated accordingly.

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

The department has a fully functional internal audit unit which co-ordinates its efforts with other assurance providers. The unit performs audits in terms of its approved audit plan and reports functionally to the audit committee and administratively to the accounting officer.

The Internal Audit Unit entered into a co-source arrangement with an audit firm to outsource some audit projects on its operational plan. The Internal Audit Unit conducted a quality assurance review on its activities, and it "Generally Conforms" to the Standards for the Professional Practise of Internal Audit.

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

9. Discontinued activities / activities to be discontinued

No activities were discontinued during the year under review.

10. New / proposed activities

At this stage no new activities have been identified.

11. Asset management

• Asset Management Reforms

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

12. Events after the reporting date

The Department applied for the following rollovers

- Conditional Grants to the value of R 358 665 million of which R 10 207 million was for the Forensic Pathology Services Grant and R 323,904 million for the Hospital Revitalisation Grant, were withheld due to under performance in the provinces.
- Funding of R 2,496 million to cover commitments for the completion of the infra-structure in the Civitas Building.
- Rollover of goods and services funds of R 11 million, which are earmarked to be spent in 2009/10 of which R10 million is for the nursing colleges recapitalisation project.

13. Performance information

The quarterly reporting system (QRS) introduced by the National Department of Health in 2003/04 for monitoring the implementation of its strategic plans, as well as the annual performance plans (APP's) of provincial departments of health has grown from strength to strength. This system also serves to identify areas where support is required and to provide timeously by National and Provincial Departments of Health and thus provide support to National Department of Health clusters and provincial departments of health where this is required.

For the financial year 2008/09, all nine Provinces (100%) submitted all four quarterly progress reports on the implementation of their APP's, as required. The submission rate of clusters at the national department of health hovered close to 100% during 2008/09, and reached 100% in the last quarter of the financial year. Data completeness and quality have also improved significantly over the years, although there are still a few challenges.

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

The national department continued work with National Treasury in strengthening the quarterly reporting system. The two national departments continued to monitor a common set of 67 indicators, to alleviate the reporting burden on provinces. The departments compiled summary reports on the performance of provincial departments, which were sent back to provinces as feedback on their performance. On the 05 March 2008, the national departments convened a workshop with the department and national treasury, where it was agreed that to ensure data completeness, and to meet the tight time frames for submitting quarterly reports, provincial departments should provide actual data for the first two months of every quarter, and use data for these months to extrapolate figures for the third month of the quarter. This resolution was adopted by all parties, and has worked well.

The summary reports of progress with the implementation of the department of health strategic plan and the provincial APPs for 2008/09-2010/11 during all four quarters of 2008/09 are available from the national department.

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

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

14. SCOPA resolutions

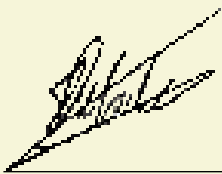
The department has not received any SCOPA resolutions yet for the 2007/08 financial year. Prior year resolutions have been dealt with.

15. Acknowledgements

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

16. Approval

The Annual Financial Statements set out on pages 144 to 208 have been approved by the Accounting Officer.



NAME: Mr TD Mseleku
TITLE: Director-General of Health
DATE: 28 May 2009

AUDIT COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009

NATIONAL DEPARTMENT OF HEALTH

REPORT OF THE AUDIT COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2009.

Audit Committee members and attendance:

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

Name of member	Types and number of meetings attended		
	Normal	Special	Total meetings
Ms M Nyathi (Chairperson)	4	2	6
Adv. OC Mabaso	3	2	5
Mr. M Maliehe	3	2	5
Ms. VLP Malumbete	3	1	4
Ms. DM Matloa	4	1	5

Audit Committee responsibility

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

The effectiveness of internal control

The system of internal control is designed to provide assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the PFMA and the King II Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. Risk management unit has been established, however the Internal Audit unit is assisting with the facilitation of the risk management processes for the department until the risk management unit has sufficient capacity. From the various reports of the Internal Auditors and management letter of the Auditor-General South Africa, there has been some improvements, however, there are still challenges that needs to be addressed.

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

The Audit Committee has noted the improvement in the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and the Department during the year under review. However, the committee still has concerns with the implementation of DORA framework.

The framework of performance information

The Internal Auditors and the Auditor-General South Africa have conducted audits on performance information, and from the reports of the auditors it has been noted that significant improvement is required.

Evaluation of financial statements

The Audit Committee has:

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

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



Ms Mizeria Nyathi
Chairperson of the Audit Committee

Date: 29 July 2009

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE NO. 14: NATIONAL DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the National Department of Health (NDoH) which comprise the appropriation statement, the statement of financial position as at 31 March 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes, as set out on pages 144 to 208.

The 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 modified cash basis of accounting determined by the National Treasury as set out in accounting policy note 1.1 and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act (Act No. 2 of 2008) (DoRA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis for qualified opinion

Departmental Revenue

7. Included in note 2 to the financial statements is an amount of R29,7 million relating to revenue from the Medicines Control Council (MCC). I was unable to verify the accuracy, occurrence and classification of this revenue due to NDoH not having a system to reconcile application forms to the fees received. I was unable to perform alternative audit procedures to obtain reasonable assurance that the amounts received were for the MCC, that the amounts were accurate in relation to the services rendered and that the amounts received qualified to be classified as revenue.

Goods and Services

8. Included in note 5 to the annual financial statements is an amount of R23,2 million relating to travel and subsistence. The amount relates to costs incurred by the department for the use of vehicles in respect of the National Fleet Public Private Partnership project. The department does not have a system to enable the reconciliation of the payments for the use of vehicles under the National Fleet Public Private Partnership project to the supporting documentation. As a result, I was unable to confirm the amounts paid were an actual expense of the department. I was unable to perform alternative audit procedures to obtain reasonable assurance that the transactions related to this payment was authorised and was for the benefit of the department.

Qualified opinion

9. In my opinion, except for the effects of the matters described in the Basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the National Department of Health as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 and in the manner required by the PFMA and the DoRA.

Basis of accounting

10. Without further qualifying my opinion, I draw attention to accounting policy note 1.1, which describes the basis of accounting. The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury.

Other matters

I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Material non-compliance with applicable legislation

Division of Revenue Act (DoRA)

11. Although the department has a control framework in place to monitor the respective conditional grants to the value of R14,028 billion transferred to the provinces, the department did not always adhere to the framework as:
- The monitoring of applicable conditional grants through quarterly visits and physical inspections by the department was inadequate due to capacity constraints.
 - The evaluation of information provided in the provincial reports to ensure the timeous identification of potential non-compliance with the conditions attached to the grants by the provinces was inadequate because the unexplained differences, errors and omissions that were identified during the audit was neither explained by the provinces nor investigated by the department.

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

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

Governance framework

12. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the internal control deficiencies and key governance responsibilities addressed below.

Internal control deficiencies

13. Section 38(1)(a)(i) of the PFMA states that the accounting officer must ensure that the department has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that gave rise to the deficiencies in the system of internal control, which led to the qualified opinion. The root causes are categorised according to the five components of an effective system of internal control. (The number listed per component can be followed with the legend below the table.) In some instances deficiencies exist in more than one internal control component.

Par. no.	Basis for qualified opinion	CE	RA	CA	IC	M
7	Departmental Revenue	5		6		1
8	Goods and Services		3	5		1

14. The governance framework at the department is generally satisfactory. However there are shortcomings in the adequacy and appropriateness of risk assessments around financial accounting and reporting. These shortcomings result in inadequate policies and procedures being developed to address the attendant risks and inadequate monitoring and supervision of internal controls to assess their effectiveness over financial accounting and reporting.

Legend	
CE = Control environment	
The organisational structure does not address areas of responsibility and lines of reporting to support effective control over financial reporting.	1
Management and staff are not assigned appropriate levels of authority and responsibility to facilitate control over financial reporting.	2
Human resource policies do not facilitate effective recruitment and training, disciplining and supervision of personnel.	3
Integrity and ethical values have not been developed and are not understood to set the standard for financial reporting.	4
The accounting officer/accounting authority does not exercise oversight responsibility over financial reporting and internal control.	5
Management's philosophy and operating style do not promote effective control over financial reporting.	6
The entity does not have individuals competent in financial reporting and related matters.	7
RA = Risk assessment	
Management has not specified financial reporting objectives to enable the identification of risks to reliable financial reporting.	1
The entity does not identify risks to the achievement of financial reporting objectives.	2
The entity does not analyse the likelihood and impact of the risks identified.	3
The entity does not determine a risk strategy/action plan to manage identified risks.	4
The potential for material misstatement due to fraud is not considered.	5
CA = Control activities	
There is inadequate segregation of duties to prevent fraudulent data and asset misappropriation.	1
General information technology controls have not been designed to maintain the integrity of the information system and the security of the data.	2
Manual or automated controls are not designed to ensure that the transactions have occurred, are authorised, and are completely and accurately processed.	3
Actions are not taken to address risks to the achievement of financial reporting objectives.	4
Control activities are not selected and developed to mitigate risks over financial reporting.	5
Policies and procedures related to financial reporting are not established and communicated.	6
Realistic targets are not set for financial performance measures, which are in turn not linked to an effective reward system.	7
IC = Information and communication	
Pertinent information is not identified and captured in a form and time frame to support financial reporting.	1
Information required to implement internal control is not available to personnel to enable internal control responsibilities.	2
Communications do not enable and support the understanding and execution of internal control processes and responsibilities by personnel.	3

M = Monitoring

Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal control over financial reporting.	1
Neither reviews by internal audit or the audit committee nor self -assessments are evident.	2
Internal control deficiencies are not identified and communicated in a timely manner to allow for corrective action to be taken.	3

Key governance responsibilities

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

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.		✓
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		✓
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.		✓
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines in section 40 of the PFMA	✓	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	✓	
Development of, and compliance with, risk management, effective internal control and governance practices			
6.	Audit committee		
	<ul style="list-style-type: none"> The department had an audit committee in operation throughout the financial year. 	✓	
	<ul style="list-style-type: none"> The audit committee operates in accordance with approved, written terms of reference. 	✓	
	<ul style="list-style-type: none"> The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10 	✓	
7.	Internal audit	✓	
	<ul style="list-style-type: none"> The department had an internal audit function in operation throughout the financial year. 	✓	
	<ul style="list-style-type: none"> The internal audit function operates in terms of an approved internal audit plan. 	✓	
	<ul style="list-style-type: none"> The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2 	✓	
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	✓	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	✓	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	✓	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, was documented and used as set out in Treasury Regulation 3.2	✓	
12.	Powers and duties have been assigned, as set out in section 44 of the PFMA.	✓	

No.	Matter	Y	N
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	✓	
14.	SCOPA resolutions have been substantially implemented.	✓	
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.		✓
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.		✓
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the department against its mandate, predetermined objectives, outputs, indicators and targets Treasury Regulation 29.1	✓	
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	✓	

16. Significant difficulties concerning the availability of requested information was experienced during the audit of revenue from the MCC. This was due to inadequate filing systems and the lack of reconciliations between the bank statements and the application forms.
17. The department made six significant amendments to financial statements. The amendments were due to inadequate monitoring of internal controls over financial reporting.
18. The audit findings relating to DoRA had been reported for a number of years and had not been adequately addressed. The department has inadequate staff numbers to ensure effective monitoring of the implementation of DoRA. The effectiveness of monitoring is further complicated by the constitutional separation of powers and functions between the national and provincial spheres of government.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Reporting on performance information

19. I have reviewed the performance information as set out on pages 8 to 96.

The accounting officer's responsibility for the performance information

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

The Auditor-General's responsibility

21. I conducted my engagement in accordance with section 13 of the Public Audit Act, 2004 (Act No. 25 of 2004) read with *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*.
22. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate audit evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

Findings (Performance Information)

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

Reported performance information not reliable

24. The accuracy of the performance information relating to the activities of the provincial departments, as reported by NDoH, could not be determined due to the lack of a system to collate and verify the source documentation

to support the information received from the provincial departments.

APPRECIATION

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

Auditor-General

Pretoria

31 July 2009



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14 ACCOUNTING POLICIES
for the year ended 31 March 2009**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2006.

1. Presentation of the Financial Statements

1.1 Basis of preparation

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

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

2. Revenue

2.1 Appropriated funds

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

Total appropriated funds are presented in the Statement of Financial Performance.

Unexpended appropriated funds are surrendered to the National Revenue Fund. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

2.2 Statutory Appropriation

Statutory appropriations are recognised in the financial records on the date the appropriation becomes effective. Adjustments to the statutory appropriations made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

Total statutory appropriations are presented in the Statement of Financial Performance.

Unexpended statutory appropriations are surrendered to the National Revenue Fund. Amounts owing to the National

Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

2.3 Departmental revenue

All departmental revenue is paid into the National Revenue Fund when received, unless otherwise stated. Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

Amounts receivable at the reporting date are disclosed in the disclosure notes to the annual financial statements.

2.3.1 Tax revenue

Tax revenue consists of all compulsory unrequited amounts collected by the department in accordance with laws and or regulations (excluding fines, penalties and forfeits).

Tax receipts are recognised in the Statement of Financial Performance when received.

2.3.2 Sales of goods and services other than capital assets

The proceeds received from the sale of goods and/or the provision of services is recognised in the Statement of Financial Performance when the cash is received.

2.3.3 Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory unrequited amounts which were imposed by a court or quasi-judicial body and collected by the department. Revenue arising from fines, penalties and forfeits is recognised in the Statement of Financial Performance when the cash is received.

2.3.4 Interest, dividends and rent on land

Interest, dividends and rent on land is recognised in the Statement of Financial Performance when the cash is received.

2.3.5 Sale of capital assets

The proceeds received on sale of capital assets are recognised in the Statement of Financial Performance when the cash is received.

2.3.6 Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the Statement of Financial Performance on receipt of the funds.

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

Forex gains are recognised on payment of funds.

2.3.7 Transfers received (including gifts, donations and sponsorships)

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

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

2.4 Direct Exchequer receipts

All direct exchequer receipts are recognised in the Statement of Financial Performance when the cash is received.

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

Local and foreign aid assistance is recognised as revenue when notification of the assistance is received from the National Treasury or when the department directly receives the cash from the donor(s).

All in-kind local and foreign aid assistance are disclosed at fair value in the annexures to the annual financial statements

The cash payments made during the year relating to local and foreign aid assistance projects are recognised as expenditure in the Statement of Financial Performance. The value of the assistance expensed prior to the receipt of the funds is recognised as a receivable in the Statement of Financial Position

Inappropriately expensed amounts using local and foreign aid assistance and any unutilised amounts are recognised as payables in the Statement of Financial Position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as current or capital expenditure in the Statement of Financial Performance.

Inappropriately expensed amounts using CARA funds and any unutilised amounts are recognised as payables in the Statement of Financial Position.

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense 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). Capitalised compensation forms part of the expenditure for capital assets in the Statement of Financial Performance¹.

All other payments are classified as current expense.

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 Position.

3.1.2 Post retirement benefits

The department provides retirement benefits (pension benefits) for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions.

Employer contributions (i.e. social contributions) to the fund are expensed when the final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year). No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

The department provides medical benefits for certain of its employees. Employer contributions to the medical funds are expensed when final authorisation for payment to the fund is effected on the system (by no later than 31 March of each year).

3.1.3 Termination benefits

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

¹ This accounting policy is only relevant where the department elects to capitalise the compensation paid to employees involved on capital projects

3.1.4 Other long-term employee benefits

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

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the Statement of Financial Performance or Position.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). The expense is classified as capital if the goods and services were used for a capital project or an asset of R5000 or more is purchased. All assets costing less than R5000 will also be reflected under goods and services.

3.3 Interest and rent on land

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

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but amounts are disclosed as a disclosure note.

Forex losses are recognised on payment of funds.

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 discovered unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

Unauthorised expenditure approved with funding is recognised in the Statement of Financial Performance when the unauthorised expenditure is approved and the related funds are received. Where the amount is approved without funding it is recognised as expenditure, subject to availability of savings, in the Statement of Financial Performance on the date of approval.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the Statement of Financial Performance. 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 in

the Statement of Financial Performance.

3.9 Expenditure for capital assets

Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

4. Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Financial Position at cost.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprises of 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.

Pre-payments 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.

Receivables outstanding at year-end are carried in the Statement of Financial Position at cost plus any accrued interest.

4.5 Investments

Capitalised investments are shown at cost in the Statement of Financial Position. Any cash flows such as dividends received or proceeds from the sale of the investment are recognised in the Statement of Financial Performance when the cash is received.

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

4.6 Loans

Loans are recognised in the Statement of Financial Position at the nominal amount when cash is paid to the beneficiary. Loan balances are reduced when cash repayments are received from the beneficiary. Amounts that are potentially irrecoverable are included in the disclosure notes.

Loans that are outstanding at year-end are carried in the Statement of Financial Position at cost..

4.7 Inventory

Inventories purchased during the financial year are disclosed at cost in the notes.

4.8 Capital assets

4.8.1 Movable assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition.

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.

Subsequent expenditure of a capital nature is recorded in the Statement of Financial Performance as “expenditure for capital asset” and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current “goods and services” in the Statement of Financial Performance.

4.8.2 Immovable assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. 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.

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as “expenditure for capital asset”. On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

Repairs and maintenance is expensed as current “goods and services” in the Statement of Financial Performance.

5. Liabilities

5.1 Voted funds to be surrendered to the Revenue Fund

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

5.2 Departmental revenue to be surrendered to the Revenue Fund

Amounts owing to the National Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position at cost.

5.3 Direct Exchequer receipts to be surrendered to the Revenue Fund

All direct exchequer fund receipts are recognised in the Statement of Financial Performance when the cash is received.

Amounts received must be surrendered to the relevant revenue fund on receipt thereof. Any amount not surrendered at year end is reflected as a current payable in the Statement of Financial Position.

5.4 Bank overdraft

The bank overdraft is carried in the Statement of Financial Position at cost.

5.5 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are recognised at historical cost in the Statement of Financial Position.

5.6 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements.

5.7 Commitments

Commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance but are included in the disclosure notes.

5.8 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.

5.9 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.

5.10 Lease commitments

Finance leases

Finance leases are not recognised as assets and liabilities in the Statement of Financial Position. Finance lease payments are recognised as an expense in the Statement of Financial Performance and are apportioned between the capital and the interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating leases

Operating lease payments are recognised as an expense in the Statement of Financial Performance. The operating lease commitments are disclosed in the disclosure notes to the financial statements.

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 of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the Statement of Financial Position for the first time in the current reporting period. Amounts are transferred to the National Revenue Fund on disposal, repayment or recovery of such amounts.

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.

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. Public private partnerships

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

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

APPROPRIATION STATEMENT	Appropriation per programme									
	2008/09					2007/08				
	Adjusted Ap- propriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appro- priation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
1. Administration										
Current payment	220 321	-	(1 843)	218 478	218 617	(139)	100.1%	210 402	206 184	
Transfers and subsidies	279	-	79	358	355	3	99.2%	430	426	
Payment for capital assets	26 078	-	-	26 078	22 041	4037	84.5%	18 766	7 018	
2. Strategic Health Programmes										
Current payment	434 477	-	(28 142)	406 335	405 545	790	99.8%	374 722	300 466	
Transfers and subsidies	3 740 801	-	5 090	3 745 891	3 709 125	36 766	99.0%	2 923 668	2 783 748	
Payment for capital assets	14 663	-	-	14 663	14 815	(152)	101.0%	18 651	12 054	
3. Health Planning and Monitoring										
Current payment	89 084	-	5 102	94 186	94 806	(620)	100.7%	77 220	78 271	
Transfers and subsidies	242 286	-	3 029	245 315	245 314	1	100.0%	229 661	229 641	
Payment for capital assets	2 758	-	-	2 758	2 029	729	73.6%	2 626	1 214	
4. Human Resources Management and Development										
Current payment	32 897	-	3 423	36 320	26 124	10 196	71.9%	21 927	17 161	
Transfers and subsidies	1 679 061	-	1	1 679 062	1 679 062	-	100.0%	1 596 199	1 596 199	
Payment for capital assets	808	-	-	808	159	649	19.7%	665	218	
5. Health Services										
Current payment	87 312	-	(3 429)	83 883	75 793	8 090	90.4%	74 887	63 181	
Transfers and subsidies	9 197 102	-	40	9 197 142	8 872 212	324 930	96.5%	7 465 475	7 401 646	
Payment for capital assets	2 917	-	-	2 917	1 880	1 037	64.4%	2 777	1 016	
6. International Relations, Health Trade and Health Product Regulation										
Current payment	79 630	-	16 580	96 210	96 086	124	99.9%	71 942	63 773	
Transfers and subsidies	-	-	70	70	70	-	100.0%	68	68	
Payment for capital assets	695	-	-	695	437	258	62.9%	1 050	449	
Subtotal	15 851 169	-	-	15 851 169	15 464 470	386 699	97.6%	13 091 136	12 762 733	
TOTAL	15 851 169	-	-	15 851 169	15 464 470	386 699	97.6%	13 091 136	12 762 733	

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

	2008/09		2007/08	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
TOTAL (brought forward)	15 851 169	15 464 470	13 091 136	12 762 733
Reconciliation with statement of financial performance				
ADD				
Departmental receipts	31 188		41 193	
Aid assistance	146 024		171 643	
Actual amounts per statement of financial performance (total revenue)	16 028 381		13 303 972	
ADD				
Aid assistance		193 130		98 451
Actual amounts per statement of financial performance (total expenditure)		15 657 600		12 861 184

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

	Appropriation per economic classification									
	2008/09					2007/08				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Current payments										
Compensation of employees	287 674	-	4 900	292 574	292 507	67	100.0%	258 826	258 605	
Goods and services	656 047	-	(13 209)	642 838	624 266	18 572	97.1%	572 274	470 340	
Financial transactions in assets and liabilities	-	-	-	-	198	(198)	-	-	91	
Transfers and subsidies										
Provinces and municipalities	14 362 786	-	-	14 362 786	14 028 675	334 111	97.7%	11 736 678	11 552 732	
Departmental agencies and accounts	312 917	-	3 000	315 917	315 916	1	100.0%	304 851	301 884	
Universities and technicians	1 000	-	-	1 000	733	267	73.3%	1 000	400	
Non-profit institutions	182 526	-	5 000	187 526	160 209	27 317	85.4%	172 287	156 033	
Households	300	-	309	609	605	4	99.3%	685	679	
Payments for capital assets										
Buildings and other fixed structures	-	-	-	-	-	-	-	4 734	-	
Machinery and equipment	47 919	-	-	47 919	41 361	6 558	86.3%	39 501	21 683	
Software and other intangible assets	-	-	-	-	-	-	-	300	286	
Total	15 851 169	-	-	15 851 169	15 464 470	386 699	97.6%	13 091 136	12 762 733	

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 1: ADMINISTRATION

Detail per sub-programme	2008/09					2007/08			
	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 Minister									
Current payment	1 019	-	100	1 119	1 119	-	100.0%	951	951
1.2 Deputy Minister									
Current payment	828	-	-	828	565	263	68.2%	275	275
1.3 Management									
Current payment	24 564	-	(2 403)	22 161	22 428	(267)	101.2%	20 526	19 563
Transfers and subsidies	-	-	32	32	31	1	96.9%	5	4
Payment for capital assets	283	-	-	283	442	(159)	156.2%	269	123
1.4 Corporate Services									
Current payment	152 344	-	460	152 804	152 940	(136)	100.1%	149 986	147 206
Transfers and subsidies	279	-	47	326	324	2	99.4%	425	422
Payment for capital assets	25 795	-	-	25 795	21 599	4 196	83.7%	18 497	6 895
1.5 Property Management									
Current payment	41 566	-	-	41 566	41 565	1	100.0%	38 664	38 189
Total	246 678	-	(1 764)	244 914	241 013	3 901	98.4%	229 598	213 628

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 1: ADMINISTRATION

Programme 1 Per Economic classification	Statutory Appropriation per economic classification									
	2008/09					2007/08				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments										
Compensation of employees	84 321	-	2 353	86 674	86 674	-	100.0%	75 649	75 571	
Goods and services	136 000	-	(4 196)	131 804	131 802	2	100.0%	134 753	130 576	
Financial transactions in assets and liabilities	-	-	-	-	141	(141)	-	-	37	
Transfers and subsidies										
Departmental agencies and accounts	279	-	-	279	278	1	99.6%	252	252	
Households	-	-	79	79	77	2	97.5%	178	174	
Payments for capital assets										
Buildings and other fixed structures	-	-	-	-	-	-	-	4 734	-	
Machinery and equipment	26 078	-	-	26 078	22 041	4 037	84.5%	13 982	6 972	
Software and other intangible assets	-	-	-	-	-	-	-	50	46	
Total	246 678	-	(1 764)	244 914	241 013	3 901	98.4%	229 598	213 628	

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 2 : STRATEGIC HEALTH PROGRAMME

Detail per sub-programme	2008/09					2007/08			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Maternal, Child and Women's Health									
Current payment	23 572	-	(193)	23 379	23 378	1	100.0%	21 089	19 146
Transfers and subsidies	1 030	-	-	1 030	-	1 030	0%	983	653
Payment for capital assets	403	-	-	403	171	232	42.4%	386	168
2.2 HIV and AIDS and STI's									
Current payment	348 177	-	(28 089)	320 088	320 087	1	100.0%	296 876	228 945
Transfers and subsidies	3 059 564	-	5 002	3 064 566	3 039 299	25 267	99.2%	2 170 633	2 155 281
Payment for capital assets	3 048	-	-	3 048	392	2 656	12.9%	2 890	891
2.3 Communicable Diseases									
Current payment	8 079	-	(175)	7 904	7 900	4	99.9%	5 840	5 181
Transfers and subsidies	-	-	-	-	-	-	-	14	14
Payment for capital assets	370	-	-	370	171	199	46.2%	351	58
2.4 Non-Communicable Diseases									
Current payment	45 505	-	2 034	47 539	46 762	777	98.4%	42 916	40 975
Transfers and subsidies	676 624	-	11	676 635	666 167	10 468	98.5%	748 692	624 888
Payment for capital assets	10 700	-	-	10 700	14 045	(3 345)	131.3%	14 890	10 842
2.5 TB Control and Management									
Current payment	9 144	-	(1 719)	7 425	7 418	7	99.9%	8 001	6 219
Transfers and subsidies	3 583	-	77	3 660	3 659	1	100.0%	3 346	2 912
Payment for capital assets	142	-	-	142	36	106	25.4%	134	95
Total	4 189 941		(23 052)	4 166 889	4 129 485	37 404	99.1%	3 317 041	3 096 268

**NATIONAL DEPARTMENT OF HEALTH
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**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 2: STRATEGIC HEALTH PROGRAMMES

Programme 2 Per Economic classification	Statutory Appropriation per economic classification								
	2008/09			2007/08					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	68 903	-	1 270	70 173	70 150	23	100.0%	63 906	63 187
Goods and services	365 574	-	(29 412)	336 162	335 391	771	99.8%	310 816	237 279
Financial transactions in as- sets and liabilities	-	-	-	-	4	(4)	-	-	-
Transfers and subsidies									
Provinces and municipalities	3 490 104	-	-	3 490 104	3 479 897	10 207	99.7%	2 678 643	2 558 045
Departmental agencies and accounts	70 623	-	-	70 623	70 623	-	100.0%	75 038	72 071
Universities and technikons	1 000	-	-	1 000	733	267	73.3%	1 000	400
Non-profit institutions	178 874	-	5 000	183 874	157 583	26 291	85.7%	168 809	153 055
Households	200	-	90	290	289	1	99.7%	178	177
Payments for capital assets									
Machinery and equipment	14 663	-	-	14 663	14 815	(152)	101.0%	18 471	11 877
Software and other intangible assets	-	-	-	-	-	-	-	180	177
Total	4 189 941	-	(23 052)	4 166 889	4 129 485	37 404	99.1%	3 317 041	3 096 268

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**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 3: HEALTH PLANNING AND MONITORING

Detail per sub-programme	2008/09					2007/08			
	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 Health Information Research and Evaluation									
Current payment	23 171	-	2 405	25 576	25 872	(296)	101.2%	24 001	24 782
Transfers and subsidies	236 135	-	3 012	239 147	239 146	1	100.0%	226 293	226 272
Payment for capital assets	1 456	-	-	1 456	1 426	30	97.9%	1 317	332
3.2 Financial Planning and Health Economics									
Current payment	20 891	-	(2 574)	18 317	18 100	217	98.8%	16 254	12 433
Transfers and subsidies	6 151	-	-	6 151	6 151	-	100.0%	3 324	3 324
Payment for capital assets	308	-	-	308	196	112	63.6%	364	250
3.3 Pharmaceutical Policy and Planning									
Current payment	15 460	-	(1 744)	13 716	13 673	43	99.7%	13 456	14 104
Transfers and subsidies	-	-	-	-	-	-	-	38	39
Payment for capital assets	285	-	-	285	225	60	78.9%	270	251
3.4 Office of Standards Compliance									
Current payment	29 562	-	7 015	36 577	37 161	(584)	101.6%	23 509	26 952
Transfers and subsidies	-	-	17	17	17	-	100.0%	6	6
Payment for capital assets	709	-	-	709	182	527	25.7%	675	381
Total	334 128	-	8 131	342 259	342 149	110	100.0%	309 507	309 126

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**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 3: HEALTH PLANNING AND MONITORING

Programme 3 Per Economic classification	Statutory Appropriation per economic classification							2007/08	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	51 956	-	(1 700)	50 256	50 048	208	99.6%	43 038	43 233
Goods and services	37 128	-	6 802	43 930	44 705	(775)	101.8%	34 182	35 035
Financial transactions in assets and liabilities	-	-	-	-	53	(53)	-	-	3
Transfers and subsidies									
Departmental agencies and accounts	239 660	-	3 000	242 660	242 660	-	100.0%	226 931	226 931
Non-profit institutions	2 626	-	-	2 626	2 626	-	100.0%	2 501	2 501
Households	-	-	29	29	28	1	96.6%	229	209
Payments for capital assets									
Machinery and equipment	2 758	-	-	2 758	2 029	729	73.6%	2 596	1 184
Software and other intangible assets	-	-	-	-	-	-	-	30	30
Total	334 128	-	8 131	342 259	342 149	110	100.0%	309 507	309 126

**NATIONAL DEPARTMENT OF HEALTH
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**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 4: HUMAN RESOURCES AND MANAGEMENT DEVELOPMENT

Detail per sub-programme	2008/09						2007/08		
	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 Human Resources Policy, Research and Planning									
Current payment	8 998	-	(1 556)	7 442	7 389	53	99.3%	13 824	11 371
Transfers and subsidies	-	-	1	1	1	-	100.0%	10	10
Payment for capital assets	330	-	-	330	86	244	26.1%	157	102
4.2 Sector Labour Relations and Planning									
Current payment	4 040	-	(1 205)	2 835	2 831	4	99.9%	3 617	1 955
Payment for capital assets	315	-	-	315	49	266	15.6%	298	69
4.3 Human Resources, and Management Development									
Current payment	19 859	-	6 184	26 043	15 904	10 139	61.1%	4 486	3 835
Transfers and subsidies	1 679 061	-	-	1 679 061	1 679 061	-	100.0%	1 596 189	1 596 189
Payment for capital assets	163	-	-	163	24	139	14.7%	210	47
Total	1 712 766	-	3 424	1 716 190	1 705 345	10 845	99.4%	1 618 791	1 613 578

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**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 4: HUMAN RESOURCES AND MANAGEMENT DEVELOPMENT

Programme 4 per Economic classification	2008/09					2007/08			
	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	11 515	-	2 320	13 835	13 831	4	100.0%	11 772	11 851
Goods and services	21 382	-	1 103	22 485	12 293	10 192	54.7%	10 155	5 307
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	3
Transfers and subsidies to:									
Provinces and municipalities	1 679 061	-	-	1 679 061	1 679 061	-	100.0%	1 596 189	1 596 189
Households	-	-	1	1	1	-	100.0%	10	10
Payment for capital assets									
Machinery and equipment	808	-	-	808	159	649	19.7%	665	218
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Total	1 712 766	-	3 424	1 716 190	1 705 345	10 845	99.4%	1 618 791	1 613 578

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**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 5: HEALTH SERVICES

Detail per sub-programme	2008/09					2007/08			
	Adjusted Appropriation R'000	Shift- ing of Funds	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 District Health Services									
Current payment	17 949	-	1 076	19 025	11 391	7 634	59.9%	14 488	7 785
Transfers and subsidies	191	-	-	191	100	91	52.4%	87	20
Payment for capital assets	255	-	-	255	188	67	73.7%	244	93
5.2 Environmental Health Promotion and Nutrition									
Current payment	18 698	-	7 268	25 966	26 498	(532)	102.0%	16 795	18 100
Transfers and subsidies	935	-	1	936	1	935	0.1%	890	477
Payment for capital assets	199	-	-	199	134	65	67.3%	195	81
5.3 Occupational Health									
Current payment	25 442	-	(1 859)	23 583	23 567	16	99.9%	22 889	21 808
Transfers and subsidies	2 355	-	39	2 394	2 394	-	100.0%	2 647	2 647
Payment for capital assets	1 833	-	-	1 833	1 343	490	73.3	1 738	432
5.4 Hospitals and Health Facilities Management									
Current payment	25 223	-	(9 914)	15 309	14 337	972	93.7%	20 715	15 488
Transfers and subsidies	9 193 621	-	-	9 193 621	8 869 717	323 904	96.5%	7 461 851	7 398 502
Payment for capital assets	630	-	-	630	215	415	34.1%	600	410
Total	9 287 331	-	(3 389)	9 283 942	8 949 885	334 057	96.4%	7 543 139	7 465 843

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**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

DETAIL PER PROGRAMME 5: HEALTH SERVICES

Programme 5 per Economic classification	2008/09					2007/08			
	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	37 374	-	(1 743)	35 631	35 923	(292)	100.8%	31 662	32 187
Goods and services	49 938	-	(1 686)	48 252	39 870	8 382	82.6%	43 225	30 946
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	48
Transfers and subsidies to:									
Provinces and municipalities	9 193 621	-	-	9 193 621	8 869 717	323 904	96.5%	7 461 846	7 398 498
Departmental agencies and accounts	2 355	-	-	2 355	2 355	-	100.0%	2 630	2 630
Non-profit institutions	1 026	-	-	1 026	0	1 026	0%	977	477
Households	100	-	40	140	140	-	100.0%	22	41
Payment for capital assets									
Machinery and equipment	2 917	-	-	2 917	1 880	1 037	64.4%	2 752	995
Software and other intangible assets	-	-	-	-	-	-	-	25	21
Total	9 287 331	-	(3 389)	9 283 942	8 949 885	334 057	96.4%	7 543 139	7 465 843

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**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

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

Detail per sub-programme	2008/09						2007/08		
	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 Multilateral Relations									
Current payment	44 030	-	17 283	61 313	61 374	(61)	100.1%	43 393	36 446
Transfers and subsidies	-	-	-	-	-	-	-	33	32
Payment for capital assets	524	-	-	524	79	445	15.1%	497	204
6.2 Food Control and Non-Medical Health Product Regulation									
Current payment	7 364	-	(902)	6 462	6 412	50	99.2%	5 084	4 310
Payment for capital assets	38	-	-	38	14	24	36.8%	36	28
6.3 Pharmaceutical and Related product Regulation and Management									
Current payment	28 236	-	199	28 435	28 300	135	99.5%	23 465	23 017
Transfers and subsidies	-	-	70	70	70	-	100.0%	35	36
Payment for capital assets	133	-	-	133	344	(211)	258.6%	517	217
Total	80 325	-	16 650	96 975	96 593	382	99.6%	73 060	64 290

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**APPROPRIATION STATEMENT
for the year ended 31 March 2009**

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

Programme 6 per Economic classification	2008/09					2007/08			
	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	33 605	-	2 400	36 005	35 881	124	99.7%	32 799	32 576
Goods and services	46 025	-	14 180	60 205	60 205	-	100.0%	39 143	31 197
Transfers and subsidies to:									
Households	-	-	70	70	70	-	100.0%	68	68
Payment for capital assets									
Machinery and equipment	695	-	-	695	437	258	62.9%	1 035	437
Software and other intangible assets	-	-	-	-	-	-	-	15	12
Total	80 325	-	16 650	96 975	96 593	382	99.6%	73 060	64 290

**NATIONAL DEPARTMENT OF HEALTH
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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2009**

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

Detail of these transactions can be viewed in note 7 (Transfers and subsidies) and Annexure 1 (A-L) to the Annual Financial Statements.

2. Details 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. Details on financial transactions in assets and liabilities

Details of these transactions per programme can be viewed in note 6 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

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

4.1 Per Programme:

Programme name	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	244 914	241 013	3 901	98.4%

The variance is as a result of new equipment for the Civitas Building that could not be procured as the construction work was not finalized at year-end.

Programme name	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Strategic Health Programmes	4 166 889	4 129 485	37 404	99.1%

A Forensic Pathology Services Conditional Grant was withheld, as well as the late finalization of the payments to Love Life and SAAVI.

Programme name	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Health Planning and Monitoring	342 259	342 149	110	100.0%

100% Spent.

Programme name	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Human Resources Management and Development	1 716 190	1 705 345	10 845	99.4%

The variance is due to the tender for the recapitalization of the nursing colleges that was not awarded before year end.

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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2009**

Programme name	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Health Services	9 283 942	8 949 885	334 057	96.4%
Conditional Grants for Hospital Revitalisation were withheld due to the progress on the construction work being slower than anticipated.				

Programme name	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
International Relations, Health Trade and Health Product	96 975	96 593	382	99.6%
100% Spent				

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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2009**

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	292 574	292 507	67	100.0%
Goods and services	642 838	624 266	18 572	97.1%
Financial transactions in assets and liabilities	-	198	198	-
Transfers and subsidies:				
Provinces and municipalities	14 362 786	14 028 675	334 111	97.7%
Departmental agencies and accounts	315 917	315 916	1	100.0%
Universities and Technikons	1 000	733	267	73.3%
Non-profit institutions	187 526	160 209	27 317	85.4%
Households	609	605	4	99.3%
Payments for capital assets:				
Machinery and equipment	47 919	41 361	6 558	86.3%

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**STATEMENT OF THE FINANCIAL PERFORMANCE
for the year ended 31 March 2009**

	<i>Notes</i>	2008/09 R'000	2007/08 R'000
REVENUE			
Annual appropriation	1	15 851 169	13 091 136
Departmental revenue	2	31 188	41 193
Aid assistance	3	146 024	171 643
TOTAL REVENUE		16 028 381	13 303 972
EXPENDITURE			
Current expenditure			
Compensation of employees	4	292 507	258 605
Goods and services	5	624 266	470 340
Financial transactions in assets and liabilities	6	198	91
Aid assistance	3	191 459	96 813
Total current expenditure		1 108 430	825 849
Transfers and subsidies		14 506 138	12 011 728
Transfers and subsidies	7	14 506 138	12 011 728
Expenditure for capital assets			
Tangible capital assets	8	43 032	23 322
Software and other intangible assets	8	-	286
Total expenditure for capital assets		43 032	23 608
TOTAL EXPENDITURE		15 657 600	12 861 185
SURPLUS/(DEFICIT) FOR THE YEAR		370 781	442 788
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		386 699	328 403
Departmental revenue	13	31 188	41 193
Aid assistance	3	(47 106)	73 192
SURPLUS/(DEFICIT) FOR THE YEAR		370 781	442 788

**NATIONAL DEPARTMENT OF HEALTH
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**STATEMENT OF THE FINANCIAL POSITION
as at 31 March 2009**

	<i>Notes</i>	2008/09 R'000	2007/08 R'000
ASSETS			
Current assets		493 338	483 048
Cash and cash equivalents	9	466 662	467 145
Prepayments and advances	10	7 889	4 887
Receivables	11	18 787	11 016
TOTAL ASSETS		493 338	483 048
LIABILITIES			
Current liabilities		492 456	482 396
Voted funds to be surrendered to the Revenue Fund	12	376 699	328 403
Departmental revenue to be surrendered to the Revenue Fund	13	290	768
Payables	14	23 588	14 240
Aid assistance repayable	3	72 589	-
Aid assistance unutilised	3	19 290	138 985
Non-current liabilities			
Payables	15	42	42
TOTAL LIABILITIES		492 498	482 438
NET ASSETS		840	610
Represented by:		840	610
Recoverable revenue		840	610
TOTAL		840	610

**NATIONAL DEPARTMENT OF HEALTH
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**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2009**

	2008/09	2007/08
	R'000	R'000
Recoverable revenue		
Opening balance	610	567
Transfers:	230	43
Debts recovered (included in departmental receipts)	(399)	(333)
Debts raised	629	376
Closing balance	840	610
TOTAL	840	610

**NATIONAL DEPARTMENT OF HEALTH
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**CASH FLOW STATEMENT
for the year ended 31 March 2009**

	<i>Notes</i>	2008/09 R'000	2007/08 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		16 018 381	13 303 972
Annual appropriated funds received	1.1	15 841 169	13 091 136
Departmental revenue received	2	31 188	41 193
Aid assistance received	3	146 024	171 643
Net (increase)/decrease in working capital		(1 425)	21 767
Surrendered to Revenue Fund		(360 069)	(156 983)
Current payments		(1 108 430)	(825 848)
Transfers and subsidies paid		(14 506 138)	(12 011 728)
Net cash flow available from operating activities	16	42 319	331 180
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(43 032)	(23 608)
Net cash flows from investing activities		(43 032)	(23 608)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		230	43
Net cash flows from financing activities		230	43
Net (decrease) in cash and cash equivalents		(483)	307 615
Cash and cash equivalents at the beginning of the period		467 145	159 530
Cash and cash equivalents at end of period	17	466 662	467 145

**NATIONAL DEPARTMENT OF HEALTH
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the ended 31 March 2009**

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):

	Final Appropriation	Actual Funds Received	Funds not requested / not received	Appropriation received 2007/08
	R'000	R'000	R'000	R'000
Programme 1: Administration	244 914	244 914	-	229 598
Programme 2: Strategic Health Programmes	4 166 889	4 166 889	-	3 317 041
Programme 3: Health Planning and Monitoring	342 259	332 259	10 000	309 507
Programme 4: Human Resources Management and Development	1 716 190	1 716 190	-	1 618 791
Programme 5: Health Services	9 283 942	9 283 942	-	7 543 139
Programme 6: Trade and Health Product Regulation	96 975	96 975	-	73 060
Total	15 851 169	15 841 169	10 000	13 091 136

Note 1: The comparative figures for 2007/08 have been reclassified.

2. Departmental revenue

	<i>Notes</i>	2008/09 R'000	2007/08 R'000
Sales of goods and services other than capital assets	2.1	29 747	39 514
Interest, dividends and rent on land	2.2	249	297
Financial transactions in assets and liabilities	2.3	1 192	1 382
Total revenue collected		31 188	41 193
Departmental revenue collected		31 188	41 193

2.1 Sales of goods and services other than capital assets

Sales of goods and services produced by the department	2	29 676	39 447
Sales by market establishment		71	68
Administrative fees		29 478	39 182
Other sales		127	197
Sales of scrap, waste and other used current goods		71	67
Total		29 747	39 514

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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2.2 Interest, dividends and rent on land 2

	2008/09 R'000	2007/08 R'000
Interest	249	297
Total	249	297

2.3 Financial transactions in assets and liabilities 2

Stale cheques written back	27	16
Other Receipts including Recoverable Revenue	1 165	1 366
Total	1 192	1 382

Note 2.1: The comparative figures for 2007/08 have been reclassified.

3. Aid assistance

3.1 Aid assistance received in cash from RDP

Foreign

Opening Balance	138 985	65 793
Revenue	146 024	171 643
Expenditure	(193 130)	(98 451)
Current	(191 459)	(96 813)
Capital	(1 671)	(1 638)
Closing Balance	91 879	138 985

3.2 Total

Opening Balance	138 985	65 793
Revenue	146 024	171 643
Expenditure	(193 130)	(98 451)
Current	(191 459)	(96 813)
Capital	(1 671)	(1 638)
Closing Balance	91 879	138 985
Aid assistance unutilised	19 290	138 895
RDP	19 290	138 895
Aid assistance repayable	72 589	
RDP	72 589	-
Closing balance	91 879	138 895

4. Compensation of employees

4.1 Salaries and Wages

Basic salary	198 103	172 425
Performance award	4 367	3 364
Service Based	210	24
Compensative/circumstantial	3 404	3 006
Periodic payments	1 975	4 815
Other non-pensionable allowances	48 774	43 392
Total	256 833	227 026

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4.2 Social contributions

	<i>Notes</i>	2008/09 R'000	2007/08 R'000
Employer contributions			
Pension		24 459	21 588
Medical		11 175	9 952
Bargaining council		40	39
Total		35 674	31 579
Total compensation of employees		292 507	258 605
Average number of employees		1 365	1 288

5. Goods and services

Administrative fees		83	27
Advertising		17 199	30 719
Assets less than R5,000	5.1	2 700	2 650
Bursaries (employees)		520	530
Catering		3 522	2 798
Communication		12 762	14 094
Computer services	5.2	17 790	12 441
Consultants, contractors and agency/outsourced services	5.3	172 276	125 132
Entertainment		235	206
Audit cost – external	5.4	13 221	6 131
Inventory	5.5	127 493	99 211
Maintenance, repairs and running costs		-	3 924
Operating leases		-	2 488
Owned and leasehold property expenditure	5.6	46 797	40 556
Transport provided as part of the departmental activities		123	178
Travel and subsistence	5.7	127 678	89 901
Venues and facilities		6 403	16 215
Training and staff development		24 220	3 336
Other operating expenditure	5.8	51 244	19 803
Total		624 266	470 340

5.1 Assets less than R 5 000

Tangible assets	5	2 700	2 574
Machinery and equipment		2 700	2 574
Intangible assets		-	76
Total		2 700	2 650

5.2 Computer services

SITA computer services	5	672	6 650
External computer service providers		17 118	5 791
Total		17 790	12 441

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	<i>Notes</i>	2008/09 R'000	2007/08 R'000
5.3 Consultants, contractors and agency/outsourced services			
Business and advisory services	5	10 732	100 673
Laboratory services		113 953	12 189
Legal costs		8 159	5 842
Contractors		32 629	454
Agency and support/outsourced services		6 803	5 974
Total		172 276	125 132
5.4 Audit cost – External			
Other audits	5	7 152	-
Regularity audits	5	6 069	6 131
Total		13 221	6 131
5.5 Inventory	5		
Fuel, oil and gas		36	36
Other consumable materials		1 021	877
Maintenance material		42	304
Stationery and printing		19 208	16 988
Medical supplies		107 186	81 006
Total		127 493	99 211
5.6 Owned and leasehold property expenditure	5		
Other		46 797	40 556
Total		46 797	40 556
5.7 Travel and subsistence			
Local	5	90 437	67 768
Foreign		37 241	22 133
Total		127 678	89 901
5.8 Other operating expenditure			
Professional bodies, membership and subscription fees	5	42 415	12 213
Resettlement costs		4 391	3 627
Other		4 438	3 963
Total		51 244	19 803
Note 5: The comparative figures for 2007/08 have been reclassified.			
6. Financial transactions in assets and liabilities			
Debts written off	6.1	198	91
Total		198	91

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	Notes	2008/09 R'000	2007/08 R'000
6.1 Debts written off			
Nature of debts written off			
Transfer to debts written off			
Salary debt		4	7
Tax debt		-	37
State guarantee		-	43
Library books		-	3
Loss of State Property		-	1
Private telephone debt		1	-
Dishonoured cheques		4	-
Debts written off relating to fruitless & wasteful expenditure		189	-
Total		198	91
6.2 Assets written off			
Nature of write off			
	29		
Equipment < R5 000		4	-
Inventory		5	-
Machinery and equipment		37	-
Total		46	-
7. Transfers and subsidies			
Provinces and municipalities	<i>Annex 1C</i>	14 028 675	11 552 732
Departmental agencies and accounts	<i>Annex 1G</i>	315 916	301 884
Universities and technikons	<i>Annex 1H</i>	733	400
Non-profit institutions	<i>Annex 1K</i>	160 209	156 033
Households	<i>Annex 1L</i>	605	679
Total		14 506 138	12 011 728
8. Expenditure for capital assets			
Tangible assets			
Machinery and equipment	29.1	43 032	23 322
		43 032	23 322
Software and other intangible assets			
Computer software	29.1	-	286
		-	286
Total		43 032	23 608
8.1 Analysis of funds utilised to acquire capital assets – 2008/09			
	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	41 361	1 671	43 032
Machinery and equipment	41 361	1 671	43 032
Total	41 361	1 671	43 032

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8.2 Analysis of funds utilised to acquire capital assets – 2007/08

	Voted funds R'000	Aid assistance R'000	Total R'000
Total assets acquired	21 970	1 638	23 608

Note 8: The comparative figures for 2007/08 have been reclassified.

	<i>Note</i>	2008/09 R'000	2007/08 R'000
9 Cash and cash equivalents			
Consolidated Paymaster General Account		466 637	467 120
Cash on hand		25	25
Total		466 662	467 145

10 Prepayments and advances

Travel and subsistence	818	431
Advances paid to other entities	7 071	4 456
Total	7 889	4 887

11 Receivables

		2008/09			Total	2007/08 Total
	<i>Note</i>	Less than one year R'000	One to three years R'000	Older than three years R'000	R'000	R'000
Claims recoverable	11.1 <i>Annex 4</i>	7 492	5 007	4 272	16 771	9 487
Recoverable expenditure	11.2	61	61	198	320	265
Staff debt	11.3	235	419	453	1 107	828
Other debtors	11.4	134	312	143	589	436
Total		7 922	5 799	5 066	18 787	11 016

	<i>Notes</i>	2008/09 R'000	2007/08 R'000
11.1 Claims recoverable	11		
National departments		4 122	268
Provincial departments		12 649	9 219
Total		16 771	9 487

11.2 Recoverable expenditure (disallowance accounts)

Dishonoured cheques	312	265
Salary debt	2	-
Income tax debt	6	-
Total	320	265

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	<i>Notes</i>	2008/09 R'000	2007/08 R'000
	25		
11.3 Staff debt	11		
Bursary debt		519	305
Salary overpayments		474	340
State guarantees		36	32
Tax debt		18	8
Loss/damage of State Property		60	143
Total		1 107	828
11.4 Other debt	11		
Schedule 9 drugs		65	71
Laboratory tests		57	40
Other debts		57	33
Ex-employees		410	292
Total		589	436
Note 11: Comparative figures for 2007/08 have been reclassified.			
12 Voted funds to be surrendered to the Revenue Fund			
Opening balance		328 403	115 946
Transfer from statement of financial performance		386 699	328 403
Voted funds not requested/not received	1.1	(10 000)	-
Paid during the year		(328 403)	(115 946)
Closing balance		376 699	328 403
13 Departmental revenue to be surrendered to the Revenue Fund			
Opening balance		768	612
Transfer from Statement of Financial Performance		31 188	41 193
Paid during the year		(31 666)	(41 037)
Closing balance		290	768
14 Payables – current			
Advances received	14.1	21 294	13 907
Clearing accounts	14.2	362	333
Other payables	14.3	1 932	-
Total		23 588	14 240
14.1 Advances received	14		
Description			
Advances for Havana Students: Mpumalanga Province		229	1 198
Advances for Havana Students: KwaZulu/Natal Province		3 176	2 235
Advances for Havana Students: Limpopo Province		8 988	2 992
Contributions to Cuba for Havana Students: Eastern Cape Province		4 536	3 145
Contributions to Cuba for Havana Students: Gauteng Province		733	733
Contributions to Cuba for Havana Students: Northern Cape Province		861	1 514
Contributions to Cuba for Havana Students: North West Province		2 771	2 090
Total		21 294	13 907

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	<i>Notes</i>	2008/09 R'000	2007/08 R'000
14.2 Clearing accounts	14		
Description			
Income tax		354	324
Pension fund		9	9
Housing		2	-
Garnishee Orders		1	-
Telephone		(4)	-
Total		362	333
14.3 Other payables	14		
Description			
Deposit to be paid to drawer		1 095	-
GCIS		837	-
Total		1 932	-
15 Payables – non-current			
		2008/09	2007/08
		R'000	R'000
	<i>Note</i>	One to two years	Two to three years
		R'000	More than three years
		R'000	Total
		Total	Total
Other payables	15.1	-	-
		42	42
Total		42	42
15.1 Other payables			
		2008/09	2007/08
		R'000	R'000
Description			
Income tax	25	42	42
Total		42	42
16 Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		370 781	442 788
Add back non cash/cash movements not deemed operating activities		(328 462)	(111 608)
(Increase)/decrease in receivables – current		(7 771)	18 279
(Increase)/decrease in prepayments and advances		(3 002)	(4 549)
Increase/(decrease) in payables – current		9 348	8 037
Expenditure on capital assets		43 032	23 608
Surrenders to Revenue Fund		(360 069)	(156 983)
Voted funds not requested/not received		(10 000)	-
Net cash flow generated by operating activities		42 319	331 180
17 Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		466 637	467 120
Cash on hand		25	25
Total		466 662	467 145

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

	<i>Notes</i>	2008/09 R'000	2007/08 R'000
18 Contingent liabilities			
Liable to	Nature		
Motor vehicle guarantees	Employees	<i>Annex 3A</i> 678	622
Housing loan guarantees	Employees	<i>Annex 3A</i> 828	1 116
Claims against the department		<i>Annex 3B</i> -	5 137
Other departments (interdepartmental unconfirmed balances)		<i>Annex 5</i> 14	13 907
Total		1 520	20 782
19 Commitments			
Current expenditure			
Approved and contracted		263 454	25 498
Approved but not yet contracted		326	555
		263 780	26 053
Capital expenditure			
Approved and contracted		1 090	1 135
Approved but not yet contracted		-	21
		1 090	1 156
Total Commitments		264 870	27 209

20 Accruals

		2008/09 R'000	2007/08 R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Goods and services	8 022	58 676	66 698
Machinery and equipment	30	1 143	1 173
Total	8 052	59 819	67 871
Listed by programme level			
Programme 1: Administration		31 059	22
Programme 2: Strategic Health Programmes		31 895	399
Programme 3: Health Planning and Monitoring		2 736	-
Programme 4: Human Resources Management and Development		237	15
Programme 5: Health Services		1 180	177
Programme 6: Trade and Health Product Regulation		764	-
Total		67 871	613

Note 20: The comparative figures for 2007/08 have been reclassified.

Confirmed balances with departments	<i>Annex 5</i>	21 294	-
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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21 Employee benefits

	2008/09 R'000	2007/08 R'000
Leave entitlement	11 139	10 312
Thirteenth cheque	8 058	6 935
Performance awards	-	36
Capped leave commitments	15 149	15 095
Total	34 346	32 378

22 Lease commitments

22.1 Operating leases expenditure

2008/09	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	70	70
Later than 1 year and not later than 5 years	-	-	55	55
Later than five years	-	-	45	45
Total lease commitments	-	-	170	170

2007/08	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	2 368	2 368
Later than 1 year and not later than 5 years	-	-	1 057	1 057
Later than five years	-	-	12	12
Total lease commitments	-	-	3 437	3 437

Note

**2008/09
R'000**

**2007/08
R'000**

23 Receivables for departmental revenue

Sales of goods and services other than capital assets	8	-
Total	8	-

24 Irregular expenditure

24.1 Reconciliation of irregular expenditure

Opening balance	6 286	5 137
Add: Irregular expenditure – relating to current year	1 636	1 149
Less: Amounts condoned	(68)	-
Irregular expenditure awaiting condonation	7 854	6 286

Analysis of awaiting condonation per age classification

Current year	1 636	1 035
Prior years	6 218	5 251
Total	7 854	6 286

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24.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2008/09 R'000
National Traditional Medicines Day Celebrations	To be investigated	300
Hiring of consultants	To be investigated	485
Resettlement cost	To be investigated	397
Hiring of venue	To be investigated	279
Other	To be investigated	175
Total		1 636

24.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	
Catering Sanitation Week	State Tender Board	68
Total		68

Disclosure Note 24: Comparative figures for 2007/08 have been reclassified.

25 Fruitless and wasteful expenditure

25.1 Reconciliation of fruitless and wasteful expenditure

Fruitless and wasteful expenditure – relating to prior year	189
Fruitless and wasteful expenditure awaiting condonation	189

25.2 Analysis of Current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	
Air ticket	Official found not guilty, amount has been written off	48
Strategic Planning Session cancelled	Official found not guilty, amount has been written off	141
Total		189

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26 Key management personnel

	No. of Individuals	2008/09 R'000	2007/08 R'000
Political office bearers (provide detail below)	2	1 880	1 354
Officials:		-	
Level 15 to 16	6	4 711	3 381
Level 14 (incl. CFO if at a lower level)	19	12 112	730
Total		18 703	5 465

Minister's salary was R1 356 683,17 and the Deputy Minister's salary for the period 1 October 2008 till 31 March 2009 was R523 032,17

As from 2008/09 all cluster managers on level 14 is regarded as being key management personnel.

27 Public Private Partnership

The contracts to enter into the PPP were signed on 30 May 2003. The contracts were valid from 1 April 2003. In terms of the contracts, the National Department of Health holds 40% of the shares in the Biologicals and Vaccines Institute of South Africa (Pty) Ltd. (The Biovac Institute). In exchange of the 40% share, the National Department of Health transferred the staff and assets of the Directorate which housed the State Vaccine Institute. The Department had no significant cash flows to the PPP entity in the year under review.

The National Department of Health has no direct relations with the Biovac Institute, however, as part of the PPP contracts, the Biovac Institute had the right to supply Provincial Health Departments with EPI vaccines from 2004 – 2007 (four years) at competitive prices. National Treasury approved the extension of the Supply Chain contract with a further two years until the end of December 2009.

There were changes in the structure of the PPP through the dilution of the 40% share holding to 30%. This has also been approved by National Treasury. Implementation of this change will only be done in the next financial year.

The transfers into the PPP was estimated to have a value of R13,5 million and a third party valuation done in July 2008 on the Net Assets Value Method of a Valuation, placed a value of R18,8 million on the National Department of Health's stake in the PPP.

No valuation was done for the current financial year on Biovac for disclosure in the current financial year because the department is currently valuating the relationship with Biovac and once this process has been completed, the department will be in a position to disclose and to decide on a way forward beyond December 2009.

28 Provisions

	Note	2008/09 R'000	2007/08 R'000
Potential irrecoverable debts			
Staff debtors		453	173
Other debtors		341	151
Claims recoverable		0	4
Total		794	328

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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29 Movable Tangible Capital Assets

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED
31 MARCH 2009**

	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 EQUIP- MENT	99 386	(30 984)	43 116	3 508	108 010
Transport assets	997	-	1 375	1 305	1 067
Computer equipment	48 893	(31 536)	27 188	1 622	42 923
Furniture and office equip- ment	10 661	(4 262)	757	111	7 045
Other machinery and equip- ment	38 835	4 814	13 796	470	56 975
TOTAL MOVABLE TANGI- BLE CAPITAL ASSETS	99 386	(30 984)	43 116	3 508	108 010

29.1 Additions

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED
31 MARCH 2009**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease pay- ments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	43 116	-	-	-	43 116
Transport assets	1 375	-	-	-	1 375
Computer equipment	27 188	-	-	-	27 188
Furniture and office equip- ment	757	-	-	-	757
Other machinery and equip- ment	13 796	-	-	-	13 796
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	43 116	-	-	-	43 116

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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29.2 Disposals

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Sold for cash R'000	Transfer out or destroyed or scrapped R'000	Total disposals R'000	Cash Received Actual R'000
MACHINERY AND EQUIP- MENT	-	3 508	3 508	-
Transport assets	-	1 305	1 305	-
Computer equipment	-	1 622	1 622	-
Furniture and office equipment	-	111	111	-
Other machinery and equipment	-	470	470	-
TOTAL DISPOSAL OF MOV- ABLE TANGIBLE CAPITAL ASSETS	-	3 508	3 508	-

29.3 Movement for 2007/08

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	74 495	24 891	-	99 386
Transport assets	1 182	(185)	-	997
Specialised military assets	-	-	-	-
Computer equipment	39 144	9 749	-	48 893
Furniture and office equipment	9 099	1 562	-	10 661
Other machinery and equipment	25 070	13 765	-	38 835
TOTAL MOVABLE TANGIBLE ASSETS	74 495	24 891	-	99 386

29.4 Minor assets

MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2009

	Intangible assets R'000	Heritage as- sets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor assets	-	-	22 958	-	22 958
TOTAL	-	-	22 958	-	22 958
	Intangible assets	Heritage as- sets	Machinery and equipment	Biological assets	Total
Number of minor assets	-	-	29 747	-	29 747
TOTAL	-	-	29 747	-	29 747

Disclosure Note 29: Non-Residential Buildings was removed from this disclosure note and is now reflected under Disclosure Note 31.

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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30 Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	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	58 793	-	-	-	58 793
TOTAL INTANGIBLE CAPITAL ASSETS	58 793	-	-	-	58 793

30.1 Additions

**ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED
31 MARCH 2009**

	Cash	Non-Cash	(Develop- ment work in progress - current costs)	Received cur- rent year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	-	-	-	-	-
TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS	-	-	-	-	-

30.2 Disposals

**DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31
MARCH 2009**

	Sold for cash	Transfer out or de- stroyed or scrapped	Total dis- posals	Cash Received Actual
	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	-	-	-	-
TOTAL DISPOSALS OF INTAN- GIBLE CAPITAL ASSETS	-	-	-	-

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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30.3 Movement for 2007/08

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2008

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
COMPUTER SOFTWARE	54 114	4 679	-	58 793
TOTAL	54 114	4 679	-	58 793

31 Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance R'000	Curr Year Adjust- ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
TOTAL IMMOVABLE TANGI- BLE CAPITAL ASSETS	-	-	-	-	-

31.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Cash R'000	Non-cash R'000	(Capital Work in Progress current costs and finance lease payments) R'000	Received cur- rent, not paid (Paid current year, received prior year) R'000	Total R'000
BUILDING AND OTHER FIXED STRUCTURES	-	-	-	-	-
Non-residential buildings	-	-	-	-	-
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	-	-	-	-	-

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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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31.2 Disposals

**DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2009**

	Sold for cash R'000	Transfer out or destroyed or scrapped R'000	Total disposals R'000	Cash Received Actual R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	-	-	-
Non-residential buildings	-	-	-	-
TOTAL DISPOSALS OF IM- MOVABLE TANGIBLE CAPI- TAL ASSETS	-	-	-	-

31.3 Movement for 2007/08

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR
ENDED 31 MARCH 2008**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	3 207	(3 207)	-	-
Non-residential buildings	3 207	(3 207)	-	-
TOTAL IMMOVABLE TANGIBLE ASSETS	3 207	(3 207)	-	-

31.4 Immovable assets valued at R1

IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER FOR 31 MARCH 2009

	Buildings and other fixed structures R'000	Heritage assets R'000	Land and subsoil assets R'000	Investment property R'000	Total R'000
R1 Immovable assets	-	-	-	-	-
TOTAL	-	-	-	-	-

Disclosure Note 31: Non-Residential Buildings was removed from Disclosure Note 29 and is now reported under this disclosure note.

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 1C STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES

NAME OF PROVINCE / GRANT	GRANT ALLOCATION			TRANSFER		SPENT			2007/08 Division of Revenue Act R'000	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by department	Amount spent by department		% of available funds spent by department
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		%
HIV AND AIDS										
Eastern Cape	300 522	-	-	300 522	300 522	100%	300 522	301 432	100%	233 204
Free State	189 630	-	-	189 630	189 630	100%	189 630	189 630	100%	153 646
Gauteng	541 119	-	108 512	649 631	649 631	100%	649 631	581 456	90%	399 604
KwaZulu/Natal	629 694	-	127 519	757 213	757 213	100%	757 213	757 615	100%	466 922
Limpopo	234 410	-	-	234 410	234 410	100%	234 410	234 364	100%	200 578
Mpumalanga	151 849	-	25 570	177 419	177 419	100%	177 419	186 663	105%	121 190
Northern Cape	91 444	-	-	91 444	91 444	100%	91 444	91 363	100%	74 091
North West	205 288	-	38 399	243 687	243 687	100%	243 687	245 997	101%	156 429
Western Cape	241 467	-	-	241 467	241 467	100%	241 467	268 931	111%	200 559
Forensic Pathology Services										
Eastern Cape	58 129	32 195	-	90 324	90 324	100%	90 324	95 265	105%	68 135
Free State	31 198	15 500	-	46 698	46 698	100%	46 698	35 814	77%	30 422
Gauteng	77 472	2 500	-	79 972	79 972	100%	79 972	80 779	101%	92 428
KwaZulu/Natal	127 757	-	-	127 757	127 757	100%	127 757	149 093	117%	247 285
Limpopo	33 457	14 861	-	48 318	48 318	100%	48 318	48 834	101%	42 743
Mpumalanga	42 003	24 299	-	66 302	66 302	100%	66 302	65 571	99%	52 628
Northern Cape	19 169	10 207	-	29 376	19 169	65%	19 169	18 022	94%	36 519
North West	22 158	7 759	-	29 917	29 917	100%	29 917	32 531	100%	22 835
Western Cape	55 535	30 482	-	86 017	86 017	100%	86 017	69 958	81%	79 425
Health Professional Training and Development										
Eastern Cape	140 641	-	-	140 641	140 641	100%	140 641	120 894	86%	133 944
Free State	102 000	-	-	102 000	102 000	100%	102 000	101 988	100%	97 143
Gauteng	610 828	-	-	610 828	610 828	100%	610 828	610 828	100%	581 741

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ANNEXURE 1C STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES

NAME OF PROVINCE / GRANT	GRANT ALLOCATION		TRANSFER		SPENT		2007/08 Division of Revenue Act			
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred		Amount received by department	Amount spent by department	% of available funds spent by department
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
KwaZulu/Natal	212 092	-	-	212 092	212 092	100%	212 092	212 092	100%	201 992
Limpopo	79 834	3 062	-	82 896	82 896	100%	82 896	81 871	99%	76 032
Mpumalanga	59 935	-	-	59 935	59 935	100%	59 935	38 127	64%	57 081
Northern Cape	45 278	-	-	45 278	45 278	100%	45 278	37 677	83%	43 122
North West	68 977	-	-	68 977	68 977	100%	68 977	68 977	100%	65 692
Western Cape	356 414	-	-	356 414	356 414	100%	356 414	356 414	100%	339 442
National Tertiary Services										
Eastern Cape	468 088	-	4 454	472 542	472 542	100%	472 542	390 375	83%	428 912
Free State	545 350	-	5 189	550 539	550 539	100%	550 539	550 512	100%	480 945
Gauteng	2186 619	-	20 805	2 207 424	2 207 424	100%	2 207 424	2 207 424	100%	1 959 399
KwaZulu/Natal	903 297	-	8 595	911 892	911 892	100%	911 892	911 898	100%	789 578
Limpopo	150 168	642	1 429	152 239	152 239	100%	152 239	143 555	94%	79 649
Mpumalanga	66 621	-	634	67 255	67 255	100%	67 255	44 666	66%	54 995
Northern Cape	152 120	-	1 447	153 567	153 567	100%	153 567	151 965	99%	110 775
North West	117 317	-	1 116	118 433	118 433	100%	118 433	118 433	100%	81 409
Western Cape	1 486 054	-	14 139	1 500 193	1 500 193	100%	1 500 193	1 500 193	100%	1 335 544
Hospital Revitalisation										
Eastern Cape	282 288	-	-	282 288	282 288	100%	282 288	223 938	79%	246 750
Free State	202 753	-	-	202 753	202 753	100%	202 753	168 615	83%	90 419
Gauteng	718 312	-	-	718 312	718 312	100%	718 312	682 760	95%	567 052
KwaZulu/Natal	285 666	44 738	-	330 404	330 404	100%	330 404	330 404	100%	360 194
Limpopo	248 540	3 489	-	252 029	252 029	100%	252 029	246 374	98%	148 172
Mpumalanga	244 322	53 975	-	298 297	144 774	49%	144 774	102 905	71%	107 843
Northern Cape	246 364	71 116	-	317 480	317 480	100%	317 480	181 817	57%	251 448
North West	254 030	-	-	254 030	254 030	100%	254 030	254 030	100%	176 966
Western Cape	400 388	3 556	-	403 944	233 563	58%	233 563	232 748	100%	191 796
	13 686 597	318 381	357 808	14 362 786	14 028 675		14 028 675	13 524 788		11 736 678

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ANNEXURE 1C STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES

HIV and AIDS: Western Cape: The target for patients on ART was overachieved.
Forensic Pathology Services: Northern Cape: court case against the Implementing Agents, therefore the expenditure could not flow.

National Tertiary Services: Eastern Cape: The tender on Oncology equipment has just been awarded and they are awaiting delivery before payment. Mpumalanga: Specialists were appointed late in the financial year which make it difficult to get specifications for equipment to be procured and delays in procurement of equipment of projects.

Hospital Revitalisation: Eastern Cape: Delays in awarding tender for construction work at 2 hospitals and late processing of payments; Free State: Insufficient cash to process payments; Mpumalanga: Termination of contracts and re-advertising of tenders for contract work delayed the work; and Northern Cape: Delay in construction work at 2 hospitals and insufficient cash to process payment.

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**ANNEXURE 1G
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2007/08 Appropriation Act R'000
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Compensation Fund	2 355	-	-	2 355	2 355	100%	2 630
Human Science Research Council	400	-	-	400	400	100%	3 000
Medical Research Council	233 133	-	3 000	236 133	236 133	100%	223 290
Medical Schemes Council	6 151	-	-	6 151	6 151	100%	3 283
National Health Laboratory Services	67 271	2 952	-	70 223	70 223	100%	72 038
National Health Laboratory Services (Cancer Register)	376	-	-	376	376	100%	358
Service Sector Education and Training Authority	279	-	-	279	278	100%	252
	309 965	2 952	3 000	315 917	315 916		304 851

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**ANNEXURE 1H
STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS**

UNIVERSITY/TECHNIKON	TRANSFER ALLOCATION					TRANSFER			2007/08 Appropriation Act
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Amount not transferred R'000	% of Available funds Transferred %		
University of Cape Town	500	-	-	500	233	267	47%	500	
Medunsa	500	-	-	500	500	-	100%	500	
	1 000	-	-	1 000	733	267		1 000	

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**ANNEXURE 1K
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2007/08 Appropriation Act R'000
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Trans- ferred	
	R'000	R'000	R'000	R'000	R'000	%	
Transfers							
Health Systems Trust	2 626	-	-	2 626	2 626	100%	2 501
Life Line	11 000	-	5 000	16 000	16 000	100%	15 000
Love Life	63 000	13 000	-	76 000	55 000	72%	53 000
National Council Against Smoking	-	-	-	-	-	-	252
SA Council for the Blind	525	-	-	525	525	100%	500
Soul City	14 000	-	-	14 000	14 000	100%	17 000
South African Depression and Anxiety Group	-	-	-	-	-	-	723
South Africa Inherited Disorder Association	-	-	-	-	-	-	300
South African Aids Vaccine Institute	12 000	-	-	12 000	10 000	83%	23 000
South African Community Epidemiology Network on Drug Abuse	200	-	-	200	200	100%	200
South African Federation for Mental Health	234	-	-	234	234	100%	223
Health Promotion: NGO: Food Gardens Foundation	935	-	-	935	-	-	638
Maternal, Child and Women's Health: NGO: IPAS South Africa	1 030	-	-	1 030	-	-	677
Tuberculosis: NGO: TADSA	3 483	-	-	3 483	3 483	100%	3 303
Environmental Health: NGO's	91 000	-	-	91 000	-	-	87
Mental Health and Substance Abuse: NGO's	261	-	-	261	-	-	239
HIV and AIDS: NGO's	58 390	1 751	-	60 141	-	97%	54 644
ASHYO	-	-	-	-	3 760	-	-
Amadele Aluhlaza CBO	-	-	-	-	200	-	-
Bokamoso	-	-	-	-	1 600	-	-
Catcha	-	-	-	-	2 060	-	-
Centre for Positive Care	-	-	-	-	1 008	-	-
Christiana Care and Support Centre	-	-	-	-	200	-	-
Community Health Media Trust	-	-	-	-	1 411	-	-
Community Responsiveness Programme	-	-	-	-	1 595	-	-

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**ANNEXURE 1K
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION					EXPENDITURE		2007/08 Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Trans- ferred %		
Cotlands	-	-	-	-	2 050	-	-	
Dhlabeng Development Initiative	-	-	-	-	200	-	-	
Disabled People South Africa	-	-	-	-	1 340	-	-	
Dumbe HIV/AIDS Action Group	-	-	-	-	200	-	-	
Eagle Training and Development	-	-	-	-	200	-	-	
Education Support Service Trust	-	-	-	-	2 000	-	-	
ESSA Christian Aids Program	-	-	-	-	200	-	-	
ESST	-	-	-	-	4 390	-	-	
Friends for Life	-	-	-	-	841	-	-	
Gold Peer Education Development	-	-	-	-	2 500	-	-	
HEAPS	-	-	-	-	2 483	-	-	
Highway Hospice Sherwood	-	-	-	-	200	-	-	
Hospice Moeder Theresa	-	-	-	-	200	-	-	
Ikusasa Lesizwe	-	-	-	-	1 000	-	-	
Johannesburg Society for the Blind	-	-	-	-	415	-	-	
Lesedi Lechabile	-	-	-	-	200	-	-	
Lethimpilo Youth Organisation	-	-	-	-	200	-	-	
Makotse Womens Club	-	-	-	-	200	-	-	
Masikhulisane	-	-	-	-	200	-	-	
Muslim Aida Programme	-	-	-	-	912	-	-	
Nacosa – Western Cape	-	-	-	-	2 304	-	-	
Naledi Hospice	-	-	-	-	200	-	-	
NAPWA	-	-	-	-	3 751	-	-	
NICDAM	-	-	-	-	882	-	-	
Nightingale Hospice	-	-	-	-	200	-	-	
Noordkaap Vigs Forum	-	-	-	-	200	-	-	
SA network of religious	-	-	-	-	275	-	-	

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**ANNEXURE 1K
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION					EXPENDITURE	
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	2007/08 Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Ntshuxeko Health Development	-	-	-	-	200	-	-
PPASA – Eastern Cape	-	-	-	-	463	-	-
SAOP (for carers network project)	-	-	-	-	2 191	-	-
SARCS – National	-	-	-	-	2 396	-	-
Seboka Training & Support Network	-	-	-	-	863	-	-
Siyaphila CBO	-	-	-	-	200	-	-
South African Men's Action Group	-	-	-	-	997	-	-
South Coast Hospice Association	-	-	-	-	200	-	-
St. Clement Home Based Care	-	-	-	-	200	-	-
The Aids Response Trust	-	-	-	-	797	-	-
Thusanang Youth Activity	-	-	-	-	725	-	-
Training Institute for Primary Health	-	-	-	-	200	-	-
Tshwaraganang	-	-	-	-	731	-	-
Ukhamba Projects	-	-	-	-	1 584	-	-
Winterveldt Finding & Projects	-	-	-	-	2 505	-	-
Zakheni Training & Development Centre	-	-	-	-	3 912	-	-
Zisebenzele – KwaZulu/Natal	-	-	-	-	200	-	-
Msunduzi Hospice Association	-	-	-	-	200	-	-
Total	167 775	14 751	5 000	187 526	160 209		172 287
Subsidies							
Total	167 775	14 751	5 000	187 526	160 209		172 287

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**ANNEXURE 1L
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2007/08 Appropriation Act R'000
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Transfers							
Leave gratuities	-	-	303	303	299	99%	685
Refund as an Act of Grace	-	-	-	-	-		3
Donation	300	-	6	306	306	100%	5
Total	300	-	309	609	605		693
Subsidies							
Total	300	-	309	609	605		693

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**ANNEXURE 1M
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2008/09	2007/08
		R'000	R'000
Received in kind			
CDC	Attendance of meeting	-	184
Department of International Development	Support to MACH, TTT and IST; support to reorient and revitalize Aids Policy; development of policy and guidelines on fertility options	210 570	4 520
GMP Applicants	Travel and Subsistence: Inspection of GMP	333	255
Instituto Superiore de Sanita	Study tour	-	50
International Atomic Energy Agency	Attendance of meeting on Radio-pharmaceutical approval	-	30
Investec	Attendance of meeting	-	5
Other	Various	216	85
PEPFAR	Attendance of meeting; Implementers' meeting	89	162
Pharmaceutical Industry	Training course on Pharmaco-economics	-	345
PHSDSBC	Attendance of International Industrial Relations Association	-	238
Public Service Co-ordinating Bargaining Council	Attending a congress; study tour	-	56
Roll Back Malaria	Attendance of workshop	-	50
Southern Africa Developing Countries Secretariat	Attendance of workshops and study tour on traditional medicine; various meetings	127	813
UNAIDS	Attending a workshop; a conference and a meeting on HIV & AIDS prevention	51	20
UNFPA	Conference; attendance of workshop	-	191
UNICEF	Various travel and subsistence expenditure, conferences, courses and workshops	1 074	507
USAID	Travel and Subsistence, courses; workshop on human resources development	308	55
World Health Organisation	Various travel and subsistence expenditure, conferences, meetings, seminars, workshops, etcetera	3 147	1 990
Drexel University	Minister's visit	180	-
GlaxoSmithKline	Training on new vaccines	1 065	-

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**ANNEXURE 1M
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2008/09	2007/08
Organizing Committee for the Inter Conference on Racism	Attendance of conference	156	-
Tuberculosis Free SAFELTP	Roadshow and related activities	2 378	-
Tokai University Graduate School of medicine	Training programme	74	-
International Council for Nurses	Training on Health planning	62	-
Format Travel Counsellors	TB and Lung Disease Conference	99	-
USDA	Forum on TB	69	-
Chinese Government	Workshop and course in Biotechnology	58	-
Department of Health, England	Training workshop in telemedicine network design	38	-
DIA Conference Organisers	Conference in closing the gap in a generation	30	-
Namibian Ministry of Health and Social Services	8 th Middle East Regulatory Conference	30	-
JTCA	Malaria Elimination meeting	46	-
Committee for Research and Development	Attendance of workshop	-	18
Management Sciences Health	Attendance of Forum	-	29
	Training of Trainers	-	26
TOTAL		220 200	9 629

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**ANNEXURE 1N
STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED**

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDITURE	CLOSING BALANCE
		R'000	R'000	R'000	R'000
Received in kind					
Local					
GMP Applicants	Travel and Subsistence: Inspection of GMP	-	333	333	-
Local	Various	-	25	25	-
Foreign					
Department of International Development	Support to MACH, TTT and IST; support to reorient and revitalize Aids Policy; development of policy and guidelines on fertility options	-	210 570	210 570	-
Other	Various	-	191	191	-
PEPFAR	Attendance of meeting; Implementers' meeting	-	89	89	-
Southern Africa Developing Countries Secretariat	Attendance of workshops and study tour on traditional medicine; various meetings	-	127	127	-
UNAIDS	Attending a workshop; a conference and a meeting on HIV & AIDS prevention	-	51	51	-
UNICEF	Various travel and subsistence expenditure, conferences, courses and workshops	-	1 074	1 074	-
USAID	Travel and Subsistence, courses; workshop on human resources development	-	308	308	-
World Health Organisation	Various travel and subsistence expenditure, conferences, meetings, seminars, workshops, etcetera	-	3 147	3 147	-
Drexel University	Minister's visit	-	180	180	-
GlaxoSmithKline	Training on new vaccines	-	1 065	1 065	-
Organizing Committee for the Inter Conference on Racism	Attendance of conference	-	156	156	-
Tuberculosis Free	Roadshow and related activities	-	2 378	2 378	-
SAFELTP	Training programme	-	74	74	-

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**ANNEXURE 1N
STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED**

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDITURE	CLOSING BALANCE
		R'000	R'000	R'000	R'000
Tokai University Graduate School of medicine	Training on Health planning	-	62	62	-
International Council for Nurses	TB and Lung Disease Conference	-	99	99	-
Format Travel Councillors	Forum on TB	-	69	69	-
USDA	Workshop and course in Biotechnology	-	58	58	-
Chinese Government	Training workshop in telemedicine network design	-	38	38	-
Department of Health, England	Conference in closing the gap in a generation	-	30	30	-
DIA Conference Organisers	8 th Middle East Regulatory Conference	-	30	30	-
Namibian Ministry of Health and Social Services	Malaria Elimination meeting	-	46	46	-
Subtotal		-	220 200	220 200	-
TOTAL		-	220 200	220 200	-

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**ANNEXURE 10
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)	2008/09	2007/08
	R'000	R'000
Made in kind		70
Sponsoring of conference bags, banners, name tags, etc.	-	-
Gifts to delegation attending UK/SA Nursing and Education Seminar	1	-
Donation to Public Health Association of SA to host the 4 th PHASA Conference	100	-
Donation to SA Spinal Cord Association for International Spinal Cord Conference	100	-
Donation to Foundation for Professional Development for 1 st TB Conference	100	-
Purchasing of garden implements for Clinic	1	-
Purchasing of vegetable seed to community	1	-
Purchasing of gifts for caregivers at Daycare Centre	2	-
Purchasing of flowers for deceased officials' families	1	-
TOTAL	306	70

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ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2009 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2008	Guarantees drawn down during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2009	Guaranteed interest for year ended 31 March 2009	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
	Stannic	1 251	622	271	215	-	678	-	-
		1 251	622	271	215	-	678	-	-
	Housing								
	ABSA	595	199	26	121	-	104	-	-
	Boe Bank Ltd (Including NBS)	130	87	-	-	-	87	-	-
	First Rand Bank (FNB)	511	174	54	-	-	228	-	-
	Nedbank	444	377	12	189	-	200	-	-
	Old Mutual (Permanent Bank)	229	81	-	40	-	41	-	-
	Peoples Bank	49	32	-	15	-	17	-	-
	Standard Bank	393	166	-	15	-	151	-	-
		2 351	1 116	92	380	-	828	-	-
	Other								
	Total	3 602	1 738	363	595	-	1 506	-	-

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**ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2009**

Nature of Liability	Opening Balance 01/04/2008 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 31/03/2009 R'000
Claims against the department					
Court cases against the Department	5 137	-	5 137	-	-
Subtotal	5 137	-	5 137	-	-
Total	5 137	-	5 137		-

Note:

Liabilities have been cancelled due to proper classification. Prior year disclosure amounts referred to expenditure for legal costs. The liabilities are only at Provincial level.

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 4
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Provincial Health Eastern Cape	2 584	-	-	2 477	2 584	2 477
Provincial Health Gauteng	1 100	-	-	1 154	1 100	1 154
Provincial Health KwaZulu/Natal	2 866	-	-	2 006	2 866	2 006
Provincial Health Mpumalanga	1 234	-	-	499	1 234	499
Provincial Health Northern Cape	1 986	-	-	1 364	1 986	1 364
Provincial Health Limpopo	1 981	-	-	674	1 981	674
Provincial Health North West	769	-	-	930	769	930
Provincial Health Free State	87	-	-	87	87	87
Provincial Public Works KwaZulu/Natal	-	-	-	12	-	12
Provincial Agriculture Gauteng	-	-	-	16	-	16
National Department of Justice and Constitutional Development	6	-	-	13	6	13
National Department of Public Works	-	-	-	20	-	20
National Department of Water Affairs and Forestry	223	-	-	195	223	195
National Department of Transport	8	-	-	6	8	6
SASSA	-	-	-	29	-	29

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 4
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	R'000	R'000
South African Police Services	5	-	-	5	5	5
National Department of Agriculture	31	-	-	-	31	-
National Department of Communication	61	-	-	-	61	-
National Department of Home Affairs	6	-	-	-	6	-
National Department of Social Development	9	-	-	-	9	-
Government Employees Pension Fund	7	-	-	-	7	-
Presidency	331	-	-	-	331	-
Office of the Premier: KwaZulu/Natal	5	-	-	-	5	-
Provincial Education of Gauteng	37	-	-	-	37	-
National Department of Foreign Affairs	3 312	-	-	-	3 312	-
South African Revenue Services	123	-	-	-	123	-
TOTAL	16 771	-	-	9 487	16 771	9 487

**NATIONAL DEPARTMENT OF HEALTH
VOTE 14**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009**

**ANNEXURE 5
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2009 R'000	31/03/2008 R'000	31/03/2009 R'000	31/03/2008 R'000	31/03/2009 R'000	31/03/2008 R'000
DEPARTMENTS						
Current						
Provincial Health Eastern Cape	4 536	-	-	3 145	4 536	3 145
Provincial Health Gauteng	733	-	-	733	733	733
Provincial Health KwaZulu/ Natal	3 176	-	-	2 235	3 176	2 235
Provincial Health Mpumalanga	229	-	-	1 198	229	1 198
Provincial Health Limpopo	8 988	-	-	2 992	8 988	2 992
Provincial Health Northern Cape	861	-	-	2 090	861	2 090
Provincial Health North West	2 771	-	-	1 514	2 771	1 514
National Department of Agriculture	-	-	14	-	14	-
Subtotal	21 294	-	14	13 907	21 308	13 907
Total	21 294		14	13 907	21 308	13 907

SOUTH AFRICAN NATIONAL AIDS TRUST**FINANCIAL STATEMENTS OF SOUTH AFRICA NATIONAL AIDS TRUST
for the year ended 31 March 2009**

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Approval of the Financial Statements

The Annual Financial Statements are approved by the Board of Trustees on and are signed on its behalf by:



MR TD MSELEKU
Accounting Authority for Board of Trustees
South African National Aids Trust
Date: 28 May 2009

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE SOUTH AFRICAN NATIONAL AIDS TRUST FOR THE YEAR ENDED 31 MARCH 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the South African National Aids Trust which comprise the statement of financial position as at 31 March 2009, statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 214 to 220.

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 2, and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and the Deed of Trust 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.

The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996, read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing and *General Notice 616 of 2008*, issued in *Government Gazette No. 31057 of 15 May 2008*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the South African National Aids Trust as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 2 and in the manner required by the PFMA and the Deed of Trust.

Basis of accounting

8. Without qualifying my opinion, I draw attention to accounting policy note 2, which describes the basis of accounting. The Trust's policy is to prepare financial statements on the basis of accounting determined by the National Treasury.

Other matter

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

Governance framework

9. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting officer and executive management and are reflected in the key governance responsibilities addressed below:

Key governance responsibilities

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

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	✓	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.	✓	
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.		✓
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines in section 55 of the PFMA.	✓	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	✓	
Development of, and compliance with, risk management, effective internal control and governance practices			
6.	Audit committee		
	<ul style="list-style-type: none"> The Trust had an audit committee in operation throughout the financial year. 	✓	
	<ul style="list-style-type: none"> The audit committee operates in accordance with approved, written terms of reference. 		✓
	<ul style="list-style-type: none"> The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 27.1.8 		✓
7.	Internal audit		
	<ul style="list-style-type: none"> The Trust had an internal audit function in operation throughout the financial year. 	✓	
	<ul style="list-style-type: none"> The internal audit function operates in terms of an approved internal audit plan. 		✓
	<ul style="list-style-type: none"> The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 27.2 		✓
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.		✓
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.		✓
10.	The information systems were appropriate to facilitate the preparation of the financial statements.		✓
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, was documented and used as set out in Treasury Regulation 27.2		✓
12.	Powers and duties have been assigned, as set out in section 56 of the PFMA.	✓	

No.	Matter	Y	N
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.		✓
14.	SCOPA resolutions have been substantially implemented.		✓
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.		✓
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.		✓
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the Trust against its mandate, predetermined objectives, outputs, indicators and targets Treasury Regulation 30.1.		✓
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.		✓

11. The Trust has had limited operations during the year. This matter has been reported for the past four financial years. As a result;

- The audit committee and the internal audit did not review the activities of the Trust.
- A strategic plan risk assessment and a fraud prevention plan were not prepared.
- Instances of non-compliance with the PFMA and the Deed of Trust were noted.
- SCOPA resolutions were not addressed.
- Preparation of and reporting on performance information did not occur.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

12. I was engaged to review the performance information.

The accounting officer's responsibility for the performance information

13. The accounting authority has additional responsibilities as required by section 55(2)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the public entity.

The Auditor-General's responsibility

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

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

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

Findings (Performance Information)

Non-compliance with regulatory requirements

No strategic performance plan

17. The accounting officer of the Trust did not prepare a strategic plan that is consistent with the period covered

by the medium term expenditure framework for approval by the relevant executive authority, as required by Treasury Regulation 5.1.1 and the Public Finance Management Act, 1999 (Act No.1 of 1999) (PFMA).

No reporting of performance information

18. The Trust did not have a policy and procedure framework to manage and monitor the reporting of performance information.

APPRECIATION

19. The assistance rendered by the staff of the South African National Aids Trust during the audit is sincerely appreciated.

F. J. G. G. G.

Pretoria

31 July 2009



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

SOUTH AFRICAN NATIONAL AIDS TRUST

STATEMENT OF FINANCIAL POSITION
as at 31 March 2009

	<i>Notes</i>	2008/09 R	2007/08 R
Assets			
Current Assets			
Cash and Cash Equivalents	3	39 511 148	35 936 120
Lessor Deposit Receivable	4	32 358	32 358
Total Assets		39 543 506	35 968 478
Net Assets and Liabilities			
Accumulated Funds		39 543 506	35 968 478
Current Liability			
Total Net Assets		39 543 506	35 968 478

SOUTH AFRICAN NATIONAL AIDS TRUST

STATEMENT OF FINANCIAL PERFORMANCE
as at 31 March 2009

	<i>Note</i>	2008/09 R	2007/08 R
Income			
Interest Received		3 575 868	2 251 202
Net Income		3 575 868	2 251 202
Expenses			
Administrative	<i>1</i>	840	1 251
Net Expense		840	1 251
Net Surplus		3 575 028	2 249 951

SOUTH AFRICAN NATIONAL AIDS TRUST**STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2009**

	2008/09 R	2007/08 R
Accumulated Funds at the beginning of the year	35 968 478	33 718 527
Net Surplus of the year	3 575 028	2 249 951
Accumulated Funds at the end of the year	39 543 506	35 968 478

SOUTH AFRICAN NATIONAL AIDS TRUST

CASH FLOW STATEMENT
as at 31 March 2009

	<i>Notes</i>	2008/2009 R	2007/2008 R
Cash Flows from Operating Activities			
Cash paid to suppliers and employees		840	852
Cash utilised in operations	2	(840)	(852)
Net Cash from operating activities			
Interest Income		3 575 868	2 251 202
Net Cash from investing activities		3 575 868	2 251 202
Net increase in cash and cash equivalents		3 575 028	2 250 350
Cash and cash equivalents at beginning of period		35 936 120	33 685 770
Cash and cash equivalent at end of period	3	39 511 148	35 936 120

SOUTH AFRICAN NATIONAL AIDS TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2009

1. Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are as set out below and are consistent with those of the previous year. Any changes in accounting policies are disclosed in the notes to the financial statements.

2. Basis of Preparation

The financial statements have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practices (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board, with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board replacing the equivalent GAAP Statement as follows:

Standard of GRAP	Statement of GAAP
GRAP 1: Presentation of financial statements	AC101: Presentation of financial statements
GRAP 2: Cash flow statements	AC118: Cash flow statements
GRAP 3: Accounting policies, changes in accounting estimates and errors	AC103: Accounting policies, changes in accounting estimates and errors

The recognition and measurement principles in the above GRAP and GAAP Statements do not differ or result in material differences in items presented and disclosed in the financial statements. The implementation of GRAP 1, 2 & 3 has resulted in the following significant changes in the presentation of the financial statements:

a. Terminology differences:

Standard of GRAP	Replaced Statement of GAAP
Statement of financial performance	Income statement
Statement of financial position	Balance sheet
Statement of changes in net assets	Statement of changes in equity
Net assets	Equity
Surplus / deficit for the period	Profit / loss for the period
Accumulated surplus / deficit	Retained earnings
Contributions from owners	Share capital
Distributions to owners	Dividends
Reporting date	Balance sheet date

b. The cash flow statement can only be prepared in accordance with the direct method

c. Specific information such as:

- i) receivables from non - exchange transactions, including taxes and transfers;
- ii) taxes and transfers payable;
- iii) trade and other payables from non - exchange transactions;

must be presented separately on the statement of financial position

d. The amount and nature of any restrictions on cash balances is required to be disclosed.

Paragraph 11 - 15 of GRAP has not been implemented as the budget reporting standard is in the process of being developed by the international and local standard setters. Although the inclusion of budget information would enhance the usefulness of the financial statements, non - disclosure will not affect fair presentation.

3. 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.

4. 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.

5. Revenue

Comprises of interest received on bank deposits. Interest is recognized using the effective interest rate.

6. Comparatives

Were necessary prior year comparative figures have been reclassified to conform to changes in presentation in the current year

7. 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.

8. Taxation

No provision for taxation is made because the Trust is exempt from income tax in terms of section 10(1) (cA). of the Income Tax Act, 1962 (Act No: 58 of 1962)

SOUTH AFRICAN NATIONAL AIDS TRUST

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2009

	2008/2009 R	2007/2008 R
1. Administrative expenses		
Bank charges	840	852
Irrecoverable Debt		399
	840	1 251
2. Net Cash Flow Generated by Operating Activities		
Net Surplus as per Income Statement	3 575 028	2 249 951
Adjustment for:		
Non-Cash Items		399
Interest income	(3 575 868)	(2 251 202)
Operating surplus before working capital changes:	(840)	(852)
Working capital changes:		
Increase / (decrease) in accounts payable		
(Increase) / decrease in accounts receivable		
Cash utilised in operations	(840)	(825)
3. Cash and Cash Equivalents		
Corporate bank Account	39 511 148	35 936 120
	39 511 148	35 936 120
4. Trade and other receivables		
Deposit held by lessor	32 358	32 358
	32 358	35 358

This amount was required by the lessor as a deposit at the inception of the lease contract. It is repayable on 28 February 2006 at the end of the lease contract. The amount will only be deposited back into trust account under financial year 2009-10 when the account is in operation.

ADDENDUM

The financial statements of the King George V Silver Jubilee Fund for Tuberculosis and the Commission for Compensation of Occupational Diseases will be reported on separately. These documents will be available from the Department of Health

