



**NORTHERN CAPE DEPARTMENT OF HEALTH  
ANNUAL REPORT 2013/14**

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Tel: 053 830 2148  
Fax: 053 833 4394

[gmatlaopane@ncpg.gov.za](mailto:gmatlaopane@ncpg.gov.za)

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DEPARTMENT OF HEALTH

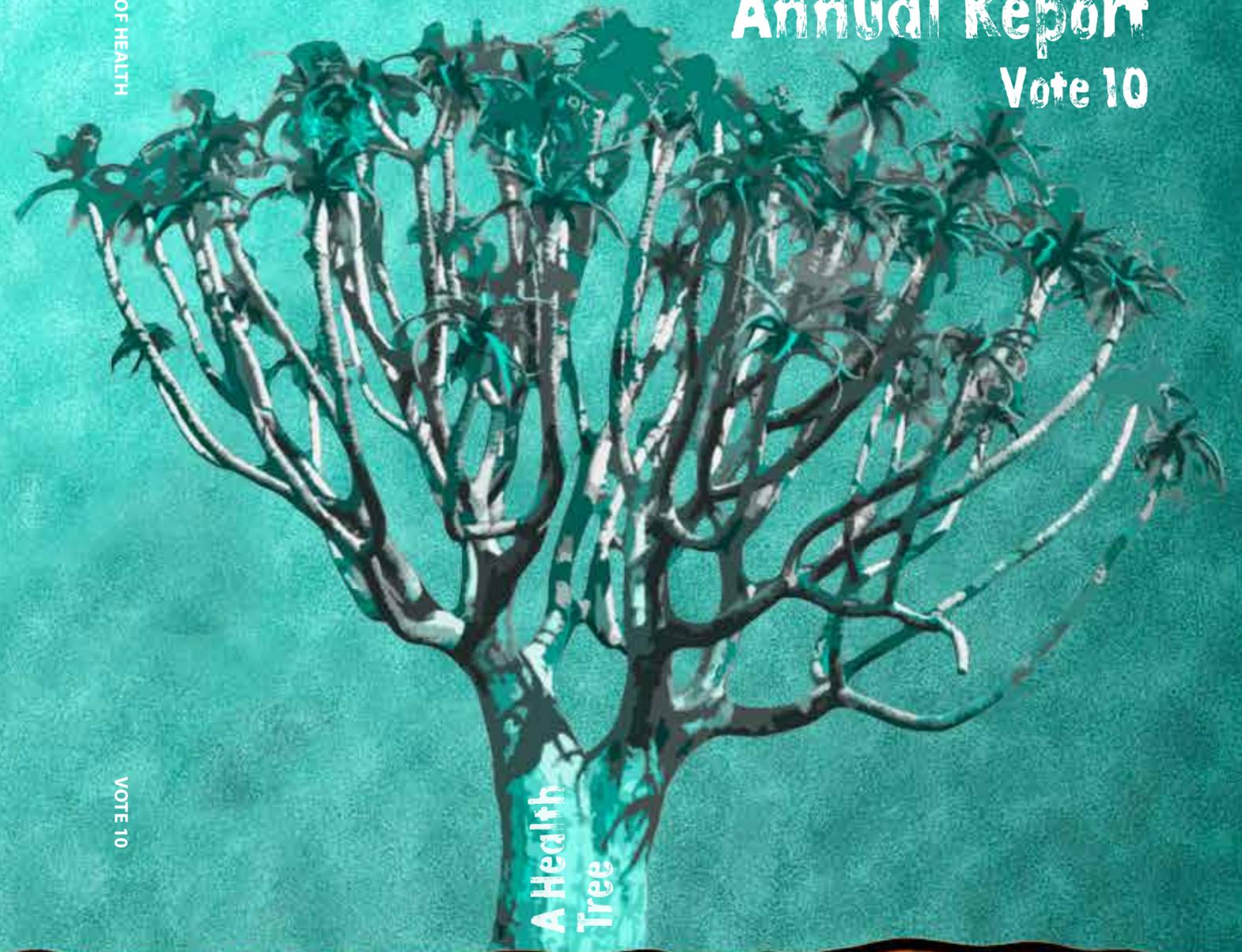


**DEPARTMENT OF HEALTH**  
PROVINCIAL GOVERNMENT OF THE NORTHERN CAPE

# 2013/14

## Annual Report

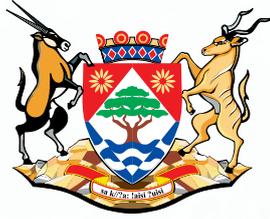
### Vote 10



VOTE 10

ANNUAL REPORT 2013/14

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## **NORTHERN CAPE DEPARTMENT OF HEALTH**

### **ANNUAL REPORT 2013/14 VOTE 10**

Honourable Mr NM Jack MPL  
Executive Authority

I have the honour of submitting the Annual Report of the Northern Cape Department of Health, for the period 1st April 2013 to 31st March 2014.

A handwritten signature in black ink, appearing to read 'G. Matlaopane', is positioned above a horizontal line.

**MS. G.E. MATLAOPANE**  
**HEAD OF DEPARTMENT**  
**DATE: 29 AUGUST 2014**



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## 2. PART A: GENERAL INFORMATION

### 2.1 Department's General Information

Northern Cape Department of Health  
Du Toit Span Road, James Exum Building  
Private Bag X 5049  
Kimberley  
8300  
Tel: 053 830 2148  
Fax: 053 833 4394  
[gmatlaopane@ncpg.gov.za](mailto:gmatlaopane@ncpg.gov.za)

**2.2 List of Abbreviations / Acronyms**

ACSA	Airport Company of South Africa
ACSM	Advocacy Communication Social Mobilisation
ACTS	Advice Consent Test Support
AFS	Annual Financial Statements
AGSA	Auditor General South Africa
AIDS	Acquired Immune Deficiency Syndrome
ALOS	Average Length of Stay
ANC	Ante Natal Care
APP	Annual Performance Plan
ART	Anti-Retroviral Treatment
ARV	Anti-Retro Virals
BUR	Bed Utilisation Rate
CCMDD	Centralized Chronic Medicine Distribution and Dispensing
CCRC	Clinical Complaints Review Committee
CDC	Communicable disease Control
CDU	Chronic Dispensing Unit
CEO	Chief Executive Officer
CFR	Case Fatality Rate
CHC	Community Health Centre
CHCW	Community Health Care Workers
CHW	Community Health Workers
CPT	Cotrimoxazole Preventive Treatment
DCST	District Clinical Specialist Teams
DSER	District Health Expenditure Review
DHIS	District Health Information System
DHMIS	District Health Management Information System
DR-TB	Drug Resistant TB
EHP	Environmental Health Practitioners
EMC	Executive Management Committee
ENT	Ear Nose and Throat
EPR	Epidemic Preparedness and Rapid Response
ETR	Electronic TB Register
FDC	Fixed Dose Combination
HAART	Highly Active Anti -Retroviral Therapy
HAST	HIV & AIDS, STI
HCT	HIV Counselling and Testing



HDI	Historically Disadvantaged Individuals
HIG	Hospital Information Grant
HIV	Human Immune Virus
HOD	Head of Department
HRG	Hospital Revitalization Grant
HST	Health Systems Trust
HTA	High Transmission Area
IACT	Integrated Access to Care and Treatment
ICF	Intensified Case Finding
ICU	Intensive Care Unit
IDSR	Integrated Disease Surveillance and Response
IDT	Independent development Trust
IMCI	Integrated Management of Childhood Illnesses
IPT	Isoniazid Preventive Therapy
ISHP	Integrated School Health Programme
IT	Information Technology
IYM	In -Year Monitoring
JHHESA	John Hopkins Health and Education in South Africa
KPA's	Key Performance Agreements
M&E	Monitoring and Evaluation
MBFI	Mother Baby Friendly initiative
MCWH	Mother, Child and Women's Health
MDG	Millennium Development Goals
MDP	Management Development Programme
MDR	Multi-Drug Resistant
MEC	Member of the Executive Council
MMC	Medical Male Circumcision
MOU's	Memorandum of Understanding
MPAT	Management Performance Assessment Tool
MTEF	Medium Term Expenditure Framework
NCP	Northern Cape Province
NDOH	National Department of Health
NGO	Non-Governmental Organisations
NHI	National Health Insurance
NHLS	National Health Laboratory Service
NICD	National Institute of Communicable Disease
NIHE	National Institute for Higher Education

NIMART	Nurse Initiated Management of Anti-Retroviral Treatment
NSDA	Negotiated Service Delivery Agreement
NSP	National Strategy Plan
OPD	Out Patients Department
PDE	Patient Day Equivalents
PEP	Post Exposure Prophylaxis
PFMA	Public Finance Management Act
PHC	Primary Health Care
PICT	Provider Initiated Counselling and Testing
PMD	Provincial Medical Depot
PMTCT	Prevention of Mother to Child Transmission
PORT	Provincial Outbreak Response Teams
PPC	Pretoria Portland cement
PSETA	Public Sector Education Training Authority
PSP	Provincial Strategic Plan
QPR	Quarterly Performance Report
QRS	Quarterly Reporting System
RIF	Rifampicin
SANC	South African Nursing Council
SCM	Supply Chain Management
SHERQ	Safety Health Environment Risk and Quality
SMC	Senior Management Committee
SOP's	Standard Operating Procedures
STI	Sexual Transmitted Infection
STP	Service Transformation Plan
TAT	Turn Around Time
TB	Tuberculosis
TROA	Total clients Remaining on ART
UKZN	University of Kwazulu Natal
VHF	Viral Haemorrhagic Fever
WBOT	Ward Based Outreach Team
WHO	World Health Organisation
WSP	Workplace Skills Plan
WTD	World TB Day
XDR	Extreme Drug Resistant



## 2.3 FOREWORD

### by the Member of Executive Council for Health

#### 1. Introduction

The Annual Report brings to the end the objectives related to the year 2013/14, understandably some of these transcend specific financial years as they are of medium and long term in nature. The focus in this regard should be the gradual, sometimes rapid advances that we have made over the year towards the long term objective. Both the objectives and specifically the targets under review are intended to strive and drive our society to the objectives of outcome two (2) related to the five priorities government adopted in 2009; namely "A Long and Healthy Life for All South Africans".

It would be important to link this reporting period to the objectives that government set itself when we as a province and country started the current, ending term of the fourth democratic Parliament. Focusing on Health we named amongst others the following:



##### a) Strengthening Health System Effectiveness

In the past five years we have made significant strides in respect of improving health system effectiveness by proper planning and putting necessary process and management systems in place. In the financial year under review Managers were appointed at all our district offices and we are just concluding the process of appointing governance structures for our hospitals and clinics.

The significance of this latter development cannot be over emphasized given the fact that community participation is one of the apex priorities that we sought to illuminate as part of the goals of the health sector in terms of the Ten Point Plan. We are pleased with the feedback that we are receiving from citizens through various mediums of communications especially the governance structures which are now more functional than any time in the past.

##### b) Infrastructure Development

In the past year an important shift that we initiated during the current term of governance continued to consolidate, namely a significant shift in terms of technological investment and maintenance of our facilities. Health establishments such as Tshwaragano Hospital in Kuruman and Galeshewe Day CHC in Galeshewe benefitted from facelift initiatives that have a direct impact on how the public perceive and receive health care services. We have expanded the fruits of the drive to improve the infrastructure and reverse the decay that had started to set in some of them to several institutions across the province. The report details in Programme eight (8) the different facilities that have been attended to and improved as a result of our shift of significant resources and attention to maintenance.

Certain critical milestones were also achieved in the past year in respect of the infrastructure development programme and the infrastructure grant. The Upington Hospital which is named after Dr Harry Surtie was completed and opened in August 2013. It has already started to improve access to Regional Services and offers state of the art technology and high quality of care to patients in Z.F Mgcawu District and surrounding communities. The long term advantages are innumerable in so far as the long term impact of this facility is concerned. Significant progress has also been made in the construction of the new De Aar Hospital whilst we have placed on record the measures that we continue to take to resolve the historical conundrums that have afflicted the construction of the new Mental Health Hospital in Kimberley.

**c) Human Resource Development, Training and Management**

It is prudent to highlight the challenges that bedeviled the Henrietta Stockdale Nursing College when the current term of the democratic government started. It effectively had no secure place to function from and its accreditation had been withdrawn by the South African Nursing Council. The result was that for a notable period we could not have a new intake of students. Initially we were able to secure temporary accommodation with the National Institute for Higher Education (NIHE); subsequently, in the year under review we have started to relocate the college to a new place. More importantly since it received its accreditation we it has been training new students and there are initiatives to grow its capacity. The department has already put in an application for the accreditation of the new envisaged premises.

The establishment relating to the year under review, when looking at a select number of indicators for nurses and doctors we can see that our human resource development and management strategies are showing potential. The challenge is to harness all the observable developments, turn them into long term trends. Looking at the Cuban programme in terms of which we took a record number of students in the year under review, 2013/14 once more is indicative of the strides that we are making. If the current momentum is maintained things will definitely improve; this is said cautiously given the inherent limits that our limited and finite resources place on our strategy implementation for re-engineering public health care provision in the Northern Cape.

**d) Healthy Lifestyles**

We have had numerous interventions in terms of the promotion of healthy lifestyles, the Annual Report itself innumerate that there were more than two hundred (200) healthy lifestyles campaigns. This is commendable by any standards; however the results are not equitable. A growth or rather increase in the number of persons suffering from non-communicable diseases has been reported. Consequently a strategy for Health Promotions in the province has been developed. There is patently a need for spatially referenced interventions and generally targeted approaches which have the end in mind or are rather goal orientated in terms of our healthy lifestyles campaigns. Efforts are already afoot to reinvigorate and orientate the Directorate responsible for health promotions.

**2. The Report Signals progress**

- a) We have maintained a functional internal and external audit function which once more signals the maturity of the internal systems of the organization. However it is correct to also highlight that there are still identifiable niche areas where our systems need to improve particularly as it pertains to risk management and our Human Resource Systems in general.
- b) The department has made significant strides in putting in place tools and techniques for the management of performance information. The control environment is also strengthening with policies and procedures being put in place. The establishment of an independent Nursing Directorate in the future will surely assist the department to strengthen clinical governance and thus reduce the risk of litigation that may result from adverse events related to matters of clinical governance.
- c) There is significant work that is being done in terms of the implementation of the NHI in the pilot site, the Pixley ka Seme Region; some of the good lessons are being transferred to other districts across the province.

The improvements in terms of actual service delivery are discernable, except that the shortage of staff and high turnover of personnel working on the project has been identified as a challenge.



- d) Central to the NHI project is the Re-engineering of Primary Health Care consistent with the clarion call made by the Alma Ata declaration. A palpable consciousness is now pervasive in the organization that if we are to achieve the kind of milestones set out in the Millennium Development Goals; central to our activities must be to strengthen the district model of service delivery. Greater emphasis on district based planning, appointment of Area Managers; managers of District Hospitals are all informed by the emergence of the predominance of the shift towards a strong effective and efficient district health approach.
- e) The improvements that have been noted in respect of maternal health can only be sustained if we continue to push the boundaries of a functional district health system, strengthen community and school health services. The latter will need greater integration across programmes and how it interfaces with the totality of services we provide as a department as we transcend into 2014/15.

I am pleased to table and publish the Annual Report for the Northern Cape Department of Health for the period 2013/14 Financial Year.

**Member of Executive Council**

**MPL MN Jack**

**Date: 29 August 2014**

## 2.4. REPORT OF THE ACCOUNTING OFFICER

The 2013/2014 financial year has been one of the most productive year on the health calendar in the province. Over a number of years the department has been grappling with ensuring that, at a strategic level, we have an effective and functional strategic management structures. We are very confident of the leadership provided by our Executive Management Committee (EMC). Consequently, our Senior Management Committee (SMC) meets regularly to take stock of the operational running of the department and advise accordingly on the next cause of action. Despite this major milestone, we are still doing very slowly in ensuring stability in our facilities in terms of management. Our district health services team is working very hard in ensuring that stability is achieved by the end of the next financial year. Indeed, we are confident of the future.



In this reporting period under review, the department made strides in providing excellent health care services to the communities around the province despite the many challenges that it encounters. At the heart of the challenges confronting the department, is the inability to attract clinical professionals such as doctors, nurses, etc. This challenge then exacerbates the already short-staffed facilities. On a positive note, we started the process of training two hundred (200) Auxiliary Nurses, through additional funding from Treasury. This initiative will help in reducing the pressure. We have managed to appoint a Provincial Clinical Manager and a Provincial Project Manager for National Health Insurance (NHI), whose task is to ensure that clinical governance and management of District Clinical Specialist Teams (DCSTs) respectively.

Human Resource Management remains one of the most challenging areas. However, that being said, we have put measures in place in order to understand the extent of the challenge. Key to these measures is the whole question of skills in HRM. We have undertaken a skills audit and based on the outcomes, appropriate interventions will be implemented without fail.

We managed to achieve stability in the finance section of the department. Surely, the fact that the department moved away from disclaimer of opinion on financial performance is symptomatic to the stability. Though our current baseline of over R3 billion does not adequately address the department's needs, we are doing everything in our power to ensure value for money.

Notwithstanding the aforementioned, the department's spending patterns on the conditional grants, especial the HIV and AIDS grant, still remains a challenge. We have put in place internal control measures and distributed them to facilities to ensure that supply chain measures are implemented accordingly. We also have a project plan that will address the eight findings of the Auditor-General that we have started to implement. We have strengthened the capacity of supply chain management (SCM) through filling all vacant positions. We are working very hard to ensure that we have a valid and reliable asset register.

Our NHI pilot district, Pixley- ka- Seme, remains a flagship district to illuminate the kind of health care that needs to be provided. The developments in the pilot site such facility and human resource improvements are critical in mirroring the entire province. We have now integrated the quality management processes into the workings of NHI. The quality assurance is doing well in resolving the complaints within the prescribed timeframes to improve the overall patient satisfaction.

The slow progress at the mental health hospital is a worrying factor as we are depriving our mental health patients of proper health care services. While the completion is being delayed it should give us more time for us to recruit health professionals who will provide the service for our patients.

Despite the provision of quality, equitable and efficient health service, it is still largely dependent on the availability of adequate resources and severe resource constraints in the health sector is a common features in many countries, including South Africa. Provision of excellent health care services is largely dependent on the availability of adequate resources. For instance, in the 2013/14 financial year, inadequate financial resources allocation to the Department was among the major stumbling blocks as was for several previous years. The Department of Health's financial perspective defines the Department's service delivery priorities.



As a Department we realise that resources are scarce and we go about using our limited amount to establish priorities.

Optimal allocation and use of resources requires clear and accurate information on the flow and use of resources, as well as the impacts on health outcomes. During the financial year, the financial performance report over different programmes indicate over expenditure or financial commitments from the amounts (ceilings) of the appropriations for each year mainly because the annual budget allocation procedure by Treasury is still determined by the historical ways and do not take the actual level of expenditure and the needs of budget by various programme units. To improve this situation and come up with a realistic financial allocation for the department, we are in the process of identifying the true cost of service delivery by conducting a unit costing analysis. This will assist both Treasury and the Department to allocate evidence based financial resources.

**Ms G.E. Matlopane**

**Head of Department**

**Date: 29 August 2014**

## 2.5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

### Statement of responsibility and confirmation of accuracy for the annual report

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (PART E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

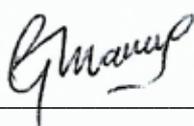
The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgement made in this information.

The Accounting Officer is responsible for establishing, implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2014.

Yours faithfully



---

**MS. G.E. MATLAOPANE**  
**ACCOUNTING OFFICER**  
**DATE: 29 AUGUST 2014**



## 2.6. STRATEGIC OVERVIEW

### **Vision**

Health Service Excellence for All

### **Mission**

Working together, we are committed to provide quality health care services. We will promote a healthy society in which we care for one another and take responsibility for our health. Our caring, multi-skilled professionals will integrate comprehensive services, using evidence-based care-strategies and partnerships to maximise efficiencies for the benefit of all.

### **Values**

- Respect (towards colleagues and clients, rule of law and cultural diversity)
- Integrity (Honesty, Discipline and Ethics)
- Excellence through effectiveness, efficiency, innovation and quality health care
- Humanity (Caring, Institution, Facility and Community)
- Empower our people

## 2.7. LEGISLATIVE AND OTHER MANDATES

### Constitutional Mandates

Section 27 of the Constitution of the Republic of South Africa, Act 108 of 1996, provides for the right of access to health care services, including reproductive health care.

The Department provides access to health care services, including reproductive health care by making sure that hospitals and clinics are built closer to communities and emergency vehicles are provided, promotion of primary health care, etc.

### Legal Mandates

The legislative mandates are derived from the National Health Act, Act 61 of 2003.

### Chapter 4

Section 25 provides for Provincial health services and general functions of provincial departments;

Section 26 provides for Establishment and composition of Provincial Health Council;

Section 27 provides for Functions of Provincial Health Council; and

Section 28 provides for Provincial consultative bodies.

### Chapter 5

Section 29 provides for the Establishment of district health system;

Section 30 provides for division of health districts into sub districts;

Section 31 provides for establishment of district health councils;

Section 32 provides for health services to be provided by municipalities; and

Section 33 provides for preparation of district health plans.

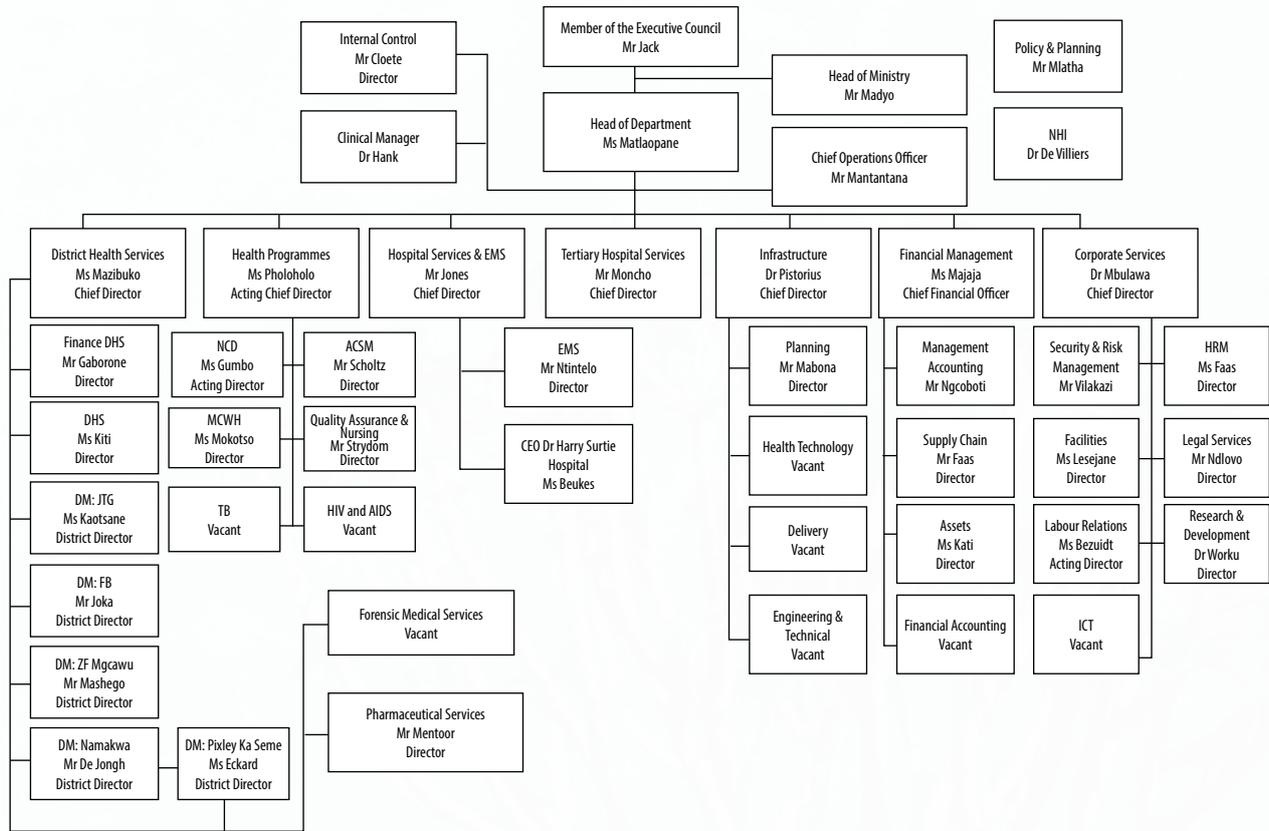
### Policy mandates

- Basic Conditions of Employment Act, 1975 (Act 75 of 1975)
- Broad Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)
- Child Care Act, 1983
- Child Care Amendment Act, 1996 (Act 96 of 1996)
- Choice on Termination of Pregnancy Act, 1996 (Act 92 of 1996)
- Constitution of the Republic of South Africa, 1996 (Act 106 of 1996)
- Control of Access to Public Premise and Vehicles Act, 1985 (Act 53 of 1985)
- Convention of the Rights of the Child, 1997 (Chapters 5 and 7)
- Division of Revenue Act, 2007 (Act 7 of 2007)
- Electronic Communication and Transaction Act, 2002 (Act 25 of 2002)
- Electronic Communications Security (Pty) Ltd Act, 2002 (Act 68 of 2002)
- Employment Equity Act, 1998 (Act 55 of 1998)
- Environment Conservation Act, 1989 (Act 73 of 1989)



- Fire-arms Control Act, 2000 (Act 60 of 2000)
- Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act 54 of 1972)
- Hazardous Substances Control Act, 1973 (Act 15 of 1973)
- Health Professions Act, 1974 (Act 56 of 1974)
- Higher Education Act, 1997 (Act 101 of 1997)
- Income Tax Act, 1962
- Inquest Act No. 58 of 1959
- Intimidation Act, 1982 (Act 72 of 1982)
- Labour Relations Act, 1995 (Act 66 of 1995)
- Maternal Death Act, 1997 (Act 63 of 1977)
- Medicine and Related Substance Control Act, 1965 (Act 101 of 1965)
- Mental Health Care Act, 2007 (Act 17 of 2002)
- National Building Regulations and Building Standards Act, 1997 (Act 103 of 1997)
- National Environmental Management Act, 1998 (Act 107 of 1998)
- National Health Act, 1977 (Act 63 of 1977)
- National Health Act, 2003 (Act 61 of 2003)
- National Youth Commission Amendment Act, (Act 19 of 2001)
- Nursing Act, 1978 (Act 50 of 1978 and Related Regulations)
- Nursing Act, 2005 (Act 33 of 2005)
- Occupational Health and Safety Act, 1993 (Act 85 of 1993)
- Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)
- Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004)
- Prevention and Treatment of Drug Dependency, 1992 (Act 20 of 1992)
- Promotion of Access to Information Act, 2000 (Act 2 of 2000)
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act 4 of 2000)
- Protected Disclosures Act, 2000 (Act 26 of 2000)
- Protection of Information Act, 1982 (Act 84 of 1982)
- Public Finance Management Act, 1999 (Act 1 of 1999 and Treasury Regulations)
- Public Service Act, 1994 (Act 103 of 1994 and regulations)
- SAQA Act, 1995 (Act 58 of 1995)
- Sexual Offences Act, 2007 (Act 32 of 2007)
- Skills Development Act, 1998 (Act 97 of 1998)
- South African Schools Act, 1996
- State Information Technology Act, 1998 (Act 88 of 1998)
- Sterilization Act, 2005 (Act 44 of 2005)
- The International Health Regulations Act, 1974 (Act 28 of 1974)
- Tobacco Control Amendment Act, 2007 (Act 23 of 2007)
- Tobacco Products Control Amendment Act, 1999 (Act 12 of 1999)
- White Paper on Transformation of Health Service

## 2.8. ORGANISATIONAL STRUCTURE



## 2.9. ENTITIES REPORTING TO THE MEC

There are no entities reporting to the MEC



## 3. PART B: PERFORMANCE INFORMATION

### 3.1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

Refer to Auditor General's (AGSA) Report (Reporting on other legal and Regulatory requirements) published as Part E (Annual Financial Statement's) of the department's annual report.

### 3.2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

This overview of Departmental Performance highlights key activities that were planned and achieved in 2013/14 financial year towards the realisation of the 10 Point Plan. The Ten Point plan was introduced in 2009 for the improvement of the Health sector and aimed at creating a well-functioning health system which is capable of producing improved population health outcomes. Accordingly the Department of Health adopted a new outcome-based approach to accelerate attainment of set objectives in the 10 Point Plan.

The Department stayed focused on these commitments which were formalised in a Negotiated Service Delivery Agreement (NSDA) that was signed in by the Minister of Health in September 2010. The NSDA is a charter that reflects the commitment of the Department and key partners to achieving the goals of the Government's vision of "A Long and Healthy Life for All South Africans." To this end, the Government has identified four outputs for the health sector. These outputs include:

- 1: Increasing Life Expectancy.
- 2: Decreasing Maternal and Child mortality.
3. Combating HIV and AIDS and decreasing the burden of disease from Tuberculosis.
- 4: Strengthening Health System Effectiveness.

To achieve these desired health outcomes of Government's Programme of Action, for the health sector. The Provincial Department of Health set the "health services excellence for all" vision to improve the health status of the entire population in the Province. In keeping with this aim, more emphasis and resources were devoted to these four key areas. The quarterly and annual performance reports of different programme units showed that the Department's efforts have improved on outputs and outcomes in the above mentioned key output areas. However, this could not have been achieved without the steady political support, leadership, staff and stakeholders committed support to the Department.

For instance, during the year under review the Department has made significant improvements in a number of health outcomes contained in this report. However, we acknowledge that a lot still needs to be done. The achievements include, but not limited to:

- The appointment of Health Facility Managers and District Health System managers contributed to improved leadership and oversight capacity at facilities;
- The appointment of a Provincial Medical Officer and a Coordinator for the National Health Insurance to support the clinical and non-clinical activities;
- The introduction of the unit costing approach in prioritization of activities and resources allocation for efficient and effective use of resources;
- The review of human resources organisational structure was finalised and approval is awaited from the Department of Public Service and Administration;
- The completion of Dr Harry Surtie Hospital and health facilities to render quality and integrated referral systems; and
- The quarterly and annual reviews are conducted to strengthen monitoring and evaluation systems in the department.

### **3.2.1. Service delivery environment**

The Department has a comprehensive Health Service Delivery Improvement Plan which is derived from the Negotiated Service Delivery Agreement. To achieve Government's ultimate goal of "a long and healthy life for all", the Department uses government's principles of "Batho Pele", which include exercising courtesy in our dealings with the public, setting service standards, increasing access, consultation, openness and transparency, access to information, redress, and proving value for money in public resources.

### **3.2.2. Service Delivery Improvement Plan**

The issue of accessible, efficient and quality of healthcare for all in the Province is still a major concern. The service delivery, plan to address socio-economically created health inequities within the Province; the Departments key priority is to overhaul the health system underpinned by introducing the Re-engineering Primary Health Care (PHC) approach and the National Health Insurance (NHI) principles.

The Re-engineering of the health system approach promotes the prevention of diseases through integrated and coordinated support by different sectors to provide equitable and good quality of health care services. In addition to this, the introduction of the National Health Insurance (NHI) in Pixley-ka-Seme pilot district in the Province provided an opportunity for the significant transformation of the existing institutional and organisational arrangements. The Department is planning to expand the innovative outputs of the NHI pilot project in other districts in the Province.

In terms of strengthening the health system's effectiveness with regards to key health indicators and overall contribution to population well-being, the re-engineering of the health system is based on a primary healthcare (PHC) approach, with more emphasis on promotive and preventive healthcare to underlie all interventions needed to achieve the outputs. However, there is a need to overhaul key components of health services delivery such as financing, pooling of resources, purchasing and provision of health services, which will be done through the implementation of the National Health Insurance. The NHI is piloted in one of the District's in the Province which will allow us to test innovative ways of doing things and generate evidence to better harness the human, financial and technical resources within the public and private sectors and use these enhanced resources to improve the impact with which they contribute towards the achievement of the above stated four (4) output areas.



### 3.2.2.1 Main services and standards

Main Services	Beneficiaries	Current/Actual Standard Of Service	Desired Standard Of Service	Actual Achievements
Ensure accessibility to health care services and the full implementation of the PHC packages within 2012-2015 to 100%	Broader community	Quantity: 96% of facilities rendering a comprehensive PHC package	Quantity: 100% of facilities rendering a comprehensive PHC package	100% of facilities rendering a comprehensive PHC package
		Quality: Improved space at all clinics for patient flow and adherence to quality standards	Quality: 100% complete service package	100% of facilities rendering a comprehensive PHC package
		Consultation Monitoring functionality of clinic committees and services rendered by the PHC Outreach teams and specialist teams	Consultation Monitoring functionality of clinic committees and services rendered by the PHC Outreach teams and specialist teams	<ul style="list-style-type: none"> <li>Provincial Polio and Measles Vaccination campaign for children under 5 years, 29 April 2013 to 17 May 2013 and second round of polio drops took place 17-28 June 2013. Theme "South Africa immunise Every Child; give Polio and Measles the final Push": Sixty five (65) children from 101 Dalmatians crèche were immunised.</li> <li>Thirteen (13) health ministerial campaigns took place throughout the province</li> </ul>

Main Services	Beneficiaries	Current/Actual Standard Of Service	Desired Standard Of Service	Actual Achievements
		<p>Access</p> <p>50% of clinics serving to render a comprehensive service</p> <p>Appointment of Community Health Workers</p> <p>Appointment PHC Outreach teams and specialist teams that will promote good health and health</p> <p>The implementation of school health services</p>	<p>Access</p> <p>All clinics to render a comprehensive service</p> <p>Appointment of Community Health Workers</p> <p>Appointment of PHC Outreach teams and specialist teams that will promote good health</p> <p>The implementation of school health services</p>	<ul style="list-style-type: none"> <li>Total of 44 Cuban Scholarship awarded per district:                             <ul style="list-style-type: none"> <li>Pixley Ka Seme: 5</li> <li>Frances Baard: 26</li> <li>Namakwa: 4</li> <li>John Taolo Gaetsewe: 6</li> <li>ZF Mgcawu (Siyanda): 3</li> </ul> </li> <li>Utilization of Community Health workers appointed by municipalities</li> <li>All district have appointed District specialist teams to provide support to institutions.</li> </ul> <p>Outreach activities:</p> <ul style="list-style-type: none"> <li>Monthly visits by specialists to all districts</li> <li>Cataract tour took place in December 2013, in collaboration with Brian Holden Eye Care and sixty (60) patients were operated</li> <li>Seven (7) Cuban Doctors appointed</li> </ul> <p>Improve access, the following facilities were handed over to the communities</p> <ul style="list-style-type: none"> <li>Norvalspand Clinic</li> <li>Deurham Clinic</li> <li>Construction of new OPD at Tshwaragano Hospital, John Taolo Gaetsewe</li> </ul>



Main Services	Beneficiaries	Current/Actual Standard Of Service	Desired Standard Of Service	Actual Achievements
		<p>Courtesy</p> <p>Training of staff without PHC qualifications</p> <p>On-going training to improve clinical and management skills</p>	<p>Courtesy</p> <p>Training staff without PHC qualification</p> <p>On-going training to improve clinical and management skills</p>	<ul style="list-style-type: none"> <li>• Four (4) bursaries issued for PHC qualification</li> <li>• Refresher training on "Finger Pricking for 30 HCT Lay Counselors was provided by the National Institute for Communicable Disease, 11-12 June 2013</li> <li>• Total of two hundred and four (204) bursaries issued for the following categories:               <ul style="list-style-type: none"> <li>• MBCBH: 62</li> <li>• B. Dentistry: 4</li> <li>• Diagnostic Radiography: 6</li> <li>• Emergency Medical Services: 9</li> <li>• Clinical Psychology: 2</li> <li>• Dietician: 4</li> <li>• B-Cur: 73</li> <li>• B-Optometry: 2</li> <li>• B-Social Work: 9</li> <li>• B-Pharm: 23</li> <li>• Midwifery: 4</li> <li>• Paediatric Cur: 2</li> <li>• PHC: 4</li> </ul> </li> <li>• Total of forty four (44) Cuban Scholarship awarded per district:               <ul style="list-style-type: none"> <li>• Pixley Ka Seme: 5</li> <li>• Frances Baard: 26</li> <li>• Namakwa: 4</li> <li>• John Taolo Gaetsewe: 6</li> <li>• ZF Mgcawu (Siyanda): 3</li> </ul> </li> </ul>

Main Services	Beneficiaries	Current/Actual Standard Of Service	Desired Standard Of Service	Actual Achievements
		<p>Openness &amp; Transparency</p> <p>Quarterly client satisfaction surveys</p> <p>Reports be put on bulletin boards</p> <p>Prepare pamphlets in line with the departmental language policy</p> <p>Monthly clinic committee meetings</p> <p>Providing health information in local media</p> <p>Form partnership with other stakeholders in joint service delivery</p>	<p>Openness &amp; Transparency</p> <p>Information</p>	<p>Monthly satisfaction client surveys</p> <p>Reports be put on bulletin boards</p> <p>Pamphlets to be distributed to shops, taxi ranks and door to door</p> <p>Monthly clinic committee meetings report</p> <ul style="list-style-type: none"> <li>Approved Departmental Service Standards</li> <li>Positive feedback report received from the Provincial Service Delivery Monitoring team.</li> <li>World Health Day was celebrated on 7th April 2013 to mark the anniversary of the World Health Organization in 1948. The theme "Control your blood pressure".</li> <li>World Haemophilia day was celebrated at Kimberley Hospital</li> <li>World Breastfeeding Week was celebrated, 1-7 August 2013 in Galeshewe, Kimberley.</li> <li>Pharmacy week was celebrated 01-08 September 2013.</li> <li>Total of two hundred and twenty three (223) media responses</li> <li>Ten (10) newsletter publications for internal staff</li> <li>Department participated at the Provincial Service Delivery Month events that took place.</li> <li>New ART policy guidelines were disseminated to all districts</li> </ul>



Main Services	Beneficiaries	Current/Actual Standard Of Service	Desired Standard Of Service	Actual Achievements
		Redress	Redress	<ul style="list-style-type: none"> <li>All facilities are having suggestion boxes in place</li> <li>All facilities conduct daily client satisfaction surveys</li> <li>Complaints management policy approved</li> </ul>
		Value for Money	Value for Money	<ul style="list-style-type: none"> <li>Annual reports are published and booklets are printed for the broader public</li> </ul>

### **3.2.3. Organisational environment**

The department is committed to carry out the constitutional mandate in line with good institutional values. Through transforming the health systems using the Re-engineering PHC and introduction of the NHI principles, the Department is confident and trust to respond to the expectation and satisfy the needs of the community which we and our Stakeholders serve. To achieve this, the department continues to ensure that the principles "Batho Pele", the recommendations on the findings of the Auditor-General, the Management Performance Assessment Tool (MPAT) are implemented.

The Department continues to improve its organisational structure in line with its constitutional mandates and service delivery requirements. Accordingly the Departmental Human Resources Plan was developed and awaiting approval. Human Resource Planning is critically important to turn around the public health system in the Province.

### **3.2.4. Key policy developments and legislative changes**

1) National Mental Health Policy Framework and Strategic Plan services 2013-2020 identifies key activities that are considered catalytic to further transforming mental health services and ensuring that quality mental health services are accessible, equitable, comprehensive and are integrated at all levels of the health system, in line with World Health Organization (WHO) recommendations. This document set out the provisions of a new mental health system based on primary health care (PHC) principles.

2) District Health Management Information System (DHMIS) Standard Operating Procedures (SOP) for Sub-District and Provincial level gives clarity on the responsibilities and procedures for effective management of aggregated routine health services.

These Standard Operating Procedures (SOPs) provide standardized procedures to:

- Provide health information coordination and leadership
- Select and review indicators in routine health information systems
- Ensure effective data/information management
- Manage data analysis and information products
- Enhance data dissemination and use

## **3.3. STRATEGIC OUTCOME ORIENTED GOALS**

The Strategic Plan of the Department (2010/11- 2014/15) offered an opportunity to reflect on the past, shape the future and has been part of a holistic process within which it has looked at improving the service package. The Key Strategic Goals, were revised in 2011/12, with the aim of addressing the challenges and achieving the targets of the Health System Priorities. The Department Strategic Goals are intensifying the on-going work towards achieving the targets as set out in the Provincial Growth and Development Strategy which plays an important role in contextualising national imperatives and grounding them within realities and specifically to the Province.



## The Departments Key Strategic Goals are:

Strategic Goal	Focus Area
Provision of Strategic Leadership and creation of a social compact for effective health service delivery	<ol style="list-style-type: none"> <li>1. Strengthen the management of the Department across all sectors</li> <li>2. Ensure that planning at all levels speak to the sector priorities and those of government such as job creation; Strengthen collaboration with sector departments;</li> <li>3. Maintain strong community involvement and interaction with society on health matters;</li> <li>4. Establish and maintain functional Clinic Committees, District Health Councils and the Provincial Health Council;</li> <li>5. Strengthen the functioning of the District Health Council and other relevant and similar consultative bodies;</li> <li>6. Strengthen stakeholder liaison and involvement of communities in matters of their health;</li> <li>7. Strengthen the implementation of the Primary Health Care approach</li> </ol>
Improved quality management and patient care across the system through interalia developing the department's human	<ol style="list-style-type: none"> <li>1. Prepare facilities for accreditation for the NHI;</li> <li>2. Ensure that our facilities comply with the 6 core standards of the Standards;</li> <li>3. Ensure that the Department complies with the minimum threshold for staffing at all health establishments;</li> <li>4. Improve quality management control tools and management across the entire sector;</li> <li>5. Train health professionals;</li> <li>6. Ensure that all the health facilities, both public and private, comply with health regulations and prescripts;</li> <li>7. Ensure that services are provided in a dignified environment</li> </ol>
Improved health outcomes in managing both communicable and non-communicable diseases	<ol style="list-style-type: none"> <li>1. Strengthen the fight against the burden of diseases;</li> <li>2. Improve the fight against HIV and AIDS including STI's;</li> <li>3. Implement health campaigns intended to reduce the burden of diseases;</li> <li>4. Strengthen the performance of community based health services;</li> <li>5. Ensure that immunization levels across all spheres are high;</li> <li>6. Ensure that systems are in place for the procurement and distribution of drugs across the Province;</li> <li>7. Ensure that primary health care services are available to all catchments populations in designated areas of service for all facilities</li> </ol>

Strategic Goal	Focus Area
Attainment of a positive audit outcome for both financial and non-financial management	<ol style="list-style-type: none"> <li>1. Strive for a clean audit outcome by 2014;</li> <li>2. Implement the recommendations and resolutions of the Auditor General and SCOPA;</li> <li>3. Ensure that there is compliance with the prescripts of the PFMA and relevant regulations;</li> <li>4. Ensure that there are clear annual Audit Management Plans</li> </ol>
Improved and accelerated infrastructure Development programme.	<ol style="list-style-type: none"> <li>1. Ensure that the Department has and implements an Infrastructure Development and maintenance plan;</li> <li>2. Take measures to ensure improvement in the performance of the Infrastructure Revitalization Grant;</li> <li>3. Improve the capacity of the Department to deliver on infrastructure programmes.</li> </ol>

### The strategic goals have been reviewed for 2011/12 <sup>1</sup>

The core business of the department seeks to address strategic priorities in the Negotiated Service Delivery Agreement while honouring its official mandate of taking care of the health status of the people and general health statistics. To this end the Department has made strides in addressing the 4 Outputs namely:

#### 1. Increasing Life Expectancy

The causes of death report produced by Statistics South Africa (2010), shows that there were fifteen thousand one hundred and eighty three (15 183) deaths recorded in the Northern Cape. Out of this number, 8.9% (1 344) were non-natural deaths and 91.1% (13 839) were natural deaths. Amongst others, the causes of non-natural deaths are external causes of accidental injury, transport accidents, assault and complications of medical and surgical care.

Tuberculosis is still the leading cause of natural deaths in the Province with one thousand three hundred and ninety-six (1 396) deaths recorded in 2010. This is followed by HIV seven hundred and sixty one (761) and then influenza and pneumonia seven hundred and forty seven (747). It is also important to note that a high number (40.8%) of deaths was recorded in the economically active population, which is the age group of fifteen (15) to forty nine (49) years. In terms of district based share, Pixley-Ka-Seme had more deaths (28.3%) than all other districts in the Province. This can be attributed to the scourge of HIV, hence we see TB amongst others being one of the main killers.

The mortality report further shows that, more men are dying than women, in all five districts of the Province. Pixley-Ka-Seme accounts for more deaths for both men and women. The Department has focused on the reduction and management of non-communicable diseases through early detection and screening and promoting healthy lifestyles. This has been prioritised as one of the critical programmes and has been advocated throughout the Province.

Health promotion is the process adopted to enable people to take control monitor and improve on their own health. To this end, the Department has implemented well over two hundred (200) healthy lifestyle programmes in our communities for the period 2009 to date. Further, to ensure an independent and dignified life to clients who are either bound to wheelchairs or who are hearing impaired, we have provided assistive devices to the tune of two thousand two hundred and ten (2 210) wheelchairs and one thousand three hundred and ninety five (1 395) hearing for the period 2009 to 2014.

In 2010 the Communicable Disease Control Unit identified and investigated a total of thirty five (35) outbreaks of diseases such as Rift Valley Fever, Legionellosis, Cryptosporosis, Hand, Foot and Mouth Diseases as well as human rabies that occurred for the first time after a period of 10 years.



The Northern Cape Province is not endemic for local transmission of malaria with a total of twenty seven (27) malaria cases reported in 2012, sixty six (66) malaria cases in 2011 and nineteen (19) in 2010. The Malaria case fatality rate for 2011 was 4.8% as compared to 2.1% in 2010 with no fatalities reported for 2012. But it needs to be noted that all fatalities were imported cases with the victims hailing from countries such as Mozambique, Zimbabwe and Sierra Leone.

The emergence and spread of the novel H1N1 Influenza A (2009) virus in the country had the government responding to the pandemic. The H1N1 Influenza A (2009) virus continued to be the dominant strain causing Influenza in the 2010 – 2011 seasons.

During the 2009 Influenza season, a cumulative total of ninety three (93) Influenza A (H1N1) cases and three (3) deaths were confirmed in the Northern Cape Province. The sectors preparedness through effective sentimental sites and port health services effectively contained the outbreak.

The H1N1 vaccination campaigns have yielded resounding success over the past three years.

To mitigate the effect of the pandemic since 2010, the Department conducted vaccinations in line with the World Health Organisation guidelines and coordination.

## **2. Decrease Child and Maternal Mortality**

The Province has shown a marked improvement in maternal mortality with figures dropping from 260/100 000 (2009/10), 239/100 000 (2010/11), 167/100 000 (2011/12) to 151/100 000 in (2012/13) and with a substantial reduction to 127/100 000 in (2013/14). All facilities provide Antenatal Care but late bookings by pregnant women still remain a big challenge. Public health facility infant mortality rate has however increased from 6.5/1 000 (2010/11) to 8.4/ 1 000 (2011/12) to 9/1 000 (2012/13) and an 8.1/1 000 in 2013/14.

This is attributed to the incidence of HIV in infants. Similarly this challenge is carried over to the child (under 5 years) mortality rate which currently stands at 5.8/1 000. However a programme to improve the skills of Health Care Practitioners in the Integrated Management of Childhood Illnesses is in place to strengthen the community component.

Immunization coverage for children under one (1) years has shown improvement from 93.1% in (2010/11), 95% in (2011/12), 98.8% in (2012/13) and currently standing at 97%. Babies tested PCR Positive at 6 weeks has decreased from 7.5% in (2010) to 5.3% in (2011/12) and a remarkable drop to 2.7% in (2012/13) and standing at 3%, which is indicative that the Prevention of Mother to Child Transmission (PMTCT) coverage for HIV+ Antenatal Clients has improved.

Foetal Alcohol Syndrome (FAS) is among the most common causes of disability worldwide and is eminently preventable. In earlier reports, De Aar and Upington were rated as the highest reported cases of FAS in the Northern Cape.

The Department has instituted the following steps to address this issue:

- On-going health education
- Address alcohol related issues during health campaigns
- Immediate referral of children with FAS to therapist for evaluation and treatment
- Follow up on Road to Health scheduled dates
- Intensive training of Health professionals and practitioners

## **3. Combat HIV and AIDS and Decrease the Burden of Disease from Tuberculosis**

In line with the National Strategic Plan (NSP) for HIV and AIDS together with the provincial Strategic Plan (2012-2016), the current response to HIV and AIDS in the Province focuses mainly on prevention, treatment, care and support, monitoring and evaluation, human rights and access to justice. The HIV prevalence rate among women attending antenatal care is at 17% in the province according to the National Antenatal HIV Prevalence Survey 2011, with the Northern Cape presenting the lowest HIV infection rate in South Africa.

According to the report, the HIV prevalence rates differ greatly amongst the five districts: Siyanda recorded the highest infection rate at 19.1%, followed by Frances Baard (18.4%), John Taolo Gaetsewe at 17.7% and Pixley-ka-Seme at 15.1%. The Namakwa district recorded the lowest prevalence rate at 6.2%; 11.8% in (2010); 0.0% in (2009); 2.2% in (2008); and 7.3% in (2007). Such high fluctuations can be ascribed to the small sample size in this sparsely populated district, hence this wide variation observed. It must also be noted that, as people are living longer due to ART, HIV prevalence is expected to stabilize, rather than decline.

Prevention programmes include Prevention of Mother to Child Transmission (PMTCT), Post-Exposure Prophylaxis (PEP), condom distribution and life-skills training. Treatment includes HIV Counselling and Testing (HCT), the Anti-Retroviral Treatment (ART) programme, the treatment of opportunistic infections and effective management of Sexually Transmitted Infections (STI). The HIV Counselling and Testing Campaign of the Department have occupied a key aspect of the work of the Department with outreach services targeting communities across the length and breadth of the province. As such, the number of registered ART patients increased from twelve thousand nine hundred and thirteen (12 913) at the end of the financial year (2009/10) to sixteen thousand and eighty three (16 083) at the end of the financial year (2010/11) to twenty four thousand four hundred and ninety five (24 495) (2011/12) to twenty nine thousand seven hundred and twenty nine (29 729) (2012/13) and currently standing at thirty nine thousand one hundred and fifty eight (39 158).

The province managed to roll-out ART service points to all Primary Health Care facilities to increase access to ARV treatment, care and support. These are the number of home visits by Care Givers for the respective years: eight hundred and seventeen thousand one hundred and fifty five (817 155) (2009/10), 842 826 (2010/11), 1 129 396 (2011/12) and 866 134 (2012/13). Each caregiver on average served thirteen (13) patients and provided thirty six (36) home visits per patient. This suggests that the Home Based Care service operates at full capacity. Probably the greatest achievement of the provincial High Transmission Area (HTA) programme was a steady decline in the number of new STI episodes at HTA intervention sites. Male condom distribution rate is currently standing at 11.5%.

There has been an improvement in the departments work to combat TB and HIV & AIDS. The integrated treatment of the two has been a decisive focus of our work. We have noticed a decline in the number of new cases of TB detected which means that the Tracer Team project is succeeding. The treatment success rate is as follows; 65.6% (2009/10), 80.4% (2010/11), 80% (2011/12), 72.4% (2012/13) and 80% (2013/14).

The Intensified Case Finding (ICF) Campaign was launched in the Frances Baard District in January 2011 with the aim of tracing contact cases of newly diagnosed TB cases (Index Cases) in a bid to reduce the spread of TB in the communities. The campaigns were conducted routinely on a quarterly basis in each district by field teams consisting of a Community Health Care Worker, Professional Nurse, and Lay counsellor. In some areas the campaigns were linked to the Ministerial Health Campaign targeting certain communities in the province.

A total of three hundred and forty eight (348) household were visited as part of the Intensified Case Finding and up to 88% (n = 321) newly TB diagnosed case (Index Cases) were found in a bid to reduce the scourge of TB in the community. Approximately 80% (1547 out of 1388) of patients reported to have defaulted were traced and put into treatment during the 2013/14 period.

The escalation of Multi-drug Resistance TB and the emergence of Extensive Drug Resistant (XDR) TB warrant further strengthening of the programme. Poor living conditions, high unemployment rate and high prevalence of HIV exacerbates the situation. Since the implementation of the Policy Framework on the Decentralisation of Drug Resistant (DR) TB in 2011, the number of MDR TB cases diagnosed totalled one thousand three hundred and nineteen (1 319) with one hundred and fifty eight (158) XDR TB cases diagnosed.

Readiness assessment for Decentralization of MDR TB care was done at NababEEP Community Health Centre and at Postmansburg and Tshwaragano Hospitals. The refurbishment of West End Hospital Drug Resistant unit was funded by Provincial TB Control Programme and Global fund. Forty (40) beds were added to the thirty (30) existing beds to accommodate the increasing demand for beds for MDR and XDR patients. The TB unit was officially opened in May 2012.



#### **4. Strengthen Health Systems Effectiveness**

The process of reclassification of health facilities assented to, was concluded in 2012 with its objective to ensure all facilities are classified to function within the requisite norm and level. The outcome of this process is as follows:

- Kimberly Hospital is now a tertiary facility
- The TB and Mental Health facilities are now specialised hospitals respectively
- Gordonia Hospital is now a regional hospital and subsequently renamed the Dr Harry Surtie Hospital
- There are eleven district hospitals in the province - the following facilities Warrenton & Jan Kempdorp Hospitals (Frances Baard), Douglas Hospital (Pixley-Ka-Seme) and Keimoes Hospital (ZF Mgcawu) have been reclassified as Community Health centres.

In the Northern Cape access to health services has increased in 2013/14 with a total of 3.415 million patients utilising the Primary Health Care facilities an increase from 3.146 million in 2012/13. Primary Health Care services are provided by twenty nine (29) mobile services, forty six (46) satellites, one hundred and thirty (130) clinics and thirty three (33) Community Health Centres.

With the success of the Rota Virus and Pneumococcal Vaccines there might be decrease of children under five visiting health facilities, as this will result in the halting and better management of child illnesses. This means not fewer resources are required; instead more investment is required for prevention rather than cure which are the essence of PHC. For the past three years there has been a positive trend of children below five years visiting PHC facilities, or facilities providing that level of care. In the medium term this trend can improve.

Pixley-Ka-Seme District was named one of the ten Districts to pilot the National Health Insurance (NHI) which has been phased in as of 1st April 2012 with substantial progress having been made. It is estimated that once Pixley- ka-Seme is ready in 2015, the next district will be identified for roll-out of the NHI. The expansion of the General Practitioner contracting process is currently underway and the chronic medication distribution will be streamlined during 2014. Health has shown improvement in human resources systems with the vacancy rate currently standing at 21.1%.

##### **3.3.1. Performance information**

The Department conducts District and Provincial Reviews on a quarterly basis in order to monitor progress that has been made in implementation of the Strategic Plan and Annual Performance Plan. These sessions assist the department in identifying early warning signs on poor performance; furthermore, programmes develop action plans on indicators that have not been achieved. Minutes and resolutions taken during proceedings are implemented and reported to different forums by programmes.

The Department submits performance reports on a quarterly basis to the National Department of Health and Provincial Treasury, through the Quarterly Reporting System (QRS). The system utilizes national customized performance indicators that have been identified from different budget programmes. These indicators are published by National Treasury on a quarterly basis on its website. The Department further uses an internal monitoring tool, which is the Quarterly Performance Report, (QPR) to monitor the other performance indicators. At the end of the financial year an annual report is consolidated to account how the budget was implemented and the state of the Department's financial management systems.

Analyses of performance reports are consolidated in each quarter and shared with all relevant managers on strategies to overcome areas of underperformance. The outcome of analyses requires programmes to develop risk improvement plans on how to mitigate risks of non-achieving planned targets. Programmes are also accountable to provide means of evidence for performance achieved.

### 3.4. PERFORMANCE INFORMATION BY PROGRAMME

#### PROGRAMME 1 - ADMINISTRATION

##### Policy and Planning

###### Priorities

- Monitor the implementation of Departments integrated planning framework

**Strategic Goal 1:** Provision of Strategic Leadership and creation of a social compact for effective health service delivery

###### Achievements

- Submitted Quarterly Reporting System (QRS) 2013/14 reports to Provincial Treasury and National Department of Health;
- Tabled Annual Performance Plan (APP) 2014/15 - 2016/17 to Provincial Legislature;
- Tabled Northern Cape Department of Health Annual Report 2012/13 to Provincial Legislature on the 30th September 2013;
- Submitted Management Performance Assessment Tool (MPAT 1.3) to the Office of the Premier;
- Submitted Monitoring and Evaluation Exercise Report to Public Service Commission;
- Submitted Performance Audit Rectification Plan to Audit Committee;
- Compiled and submitted four (4) Quarterly Performance Report 2013/14;
- Held Departmental Strategic Planning session on the 9-11 December 2013;
- Conducted four (4) departmental performance review sessions;
- Developed and submitted draft 5 Year Strategic Plan 2014-2019 to National Department of Health
- Submitted Northern Cape Department of Health inputs towards State of the Province Address 2014/15
- Developed quarterly performance analysis reports 2013/14
- The following Policies have been approved:
  - ✓ Communication (Reviewed)
  - ✓ Policy on Policies (Development, Writing and Implementation) (Reviewed)
  - ✓ Policy on Surgical Safety
  - ✓ Clinical Audit (Reviewed)
  - ✓ Managing Complaints made by Health Service Users (Reviewed)
  - ✓ Staff Satisfaction Surveys (Reviewed)
  - ✓ Standard Precautions for Infection Control in Health Care Setting (Reviewed)
  - ✓ Bursary
  - ✓ Recruitment
  - ✓ Allocation and Management of Cell Phones
  - ✓ Occupational Injuries and Diseases in the Workplace
  - ✓ Conducting Health Research
  - ✓ Retention of Staff



- ✓ Overtime, Night Duty and Standby Allowance
  - ✓ Language Policy (Reviewed)
  - ✓ System Description on Reporting Process (Reviewed)
  - ✓ System Description- Planning Processes (Reviewed)
  - ✓ Seclusion and Restraint of Mental Health Care Users
  - ✓ Wellness Policy
  - ✓ Commuted Overtime
  - ✓ Establishment of Hospital Boards, Community health care centre and Clinic Committees
  - ✓ Fraud Prevention
  - ✓ Referral of Diagnostic Imaging
  - ✓ Whistle-Blowing
- Submitted Northern Cape Department of Health 5 Year Review handover report
  - Submitted Northern Cape Department of Health 20 Year Review outcomes report to Office of the Premier

**Challenges and measures planned to overcome them**

Challenges and Concerns	Proposed corrective action
• Non-compliance of reporting timeliness by programme managers	• Fully implement District Health Management Information System (DHMIS) policy at facility level
• Insufficient evidence for reported performance	• Managers to ensure that evidence based data is submitted
• Insufficient monitoring of approved policies	• Custodians to monitor the implementation and impact of policies at facility level

**Table 1: Annual targets for Policy and Planning**

Strategic Objectives	Actual 2012/13	Performance Indicator	Target 2013/14	Actual 2013/14	Deviation	Comments on deviation
To finalise and implement Provincial Health Plans aligned with National Health Services (NHS) and Medium Term Strategic Framework (MTSF) priorities for 2010-2014	Annual Performance Plan (APP) 2012/13 Tabled to Provincial Legislature	Table 2013/14-2015/16 Annual Performance Plan ( APP)	1	Annual Performance Plan 2014/15 Tabled to Provincial Legislature	-	-
	Annual Report produced	Table 2012/13 Annual Report	1	Annual Report produced	-	-
Finalise and implement the approved NCDoh Service Transformation Plan (STP)	-	Developed STP	1	-	STP not approved	STP to be reviewed before it is approved

## FINANCE & SUPPLY CHAIN MANAGEMENT

### Priorities

- Attain an unqualified audit report

**Strategic Goal 4:** Attainment of a positive audit outcome for financial and non- financial management.

### Achievements

- Two hundred and thirty two (232) Immovable Assets transferred to the Department of Roads and Public Works
- Eighty five (85) old ambulances were sold on auction in Upington and Kimberley.

### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<p>The finance directorate is still experiencing vacancies as a result monitoring of the following key controls remains a challenge.</p> <ul style="list-style-type: none"> <li>✓ Payment of suppliers within 30 days</li> <li>✓ Monitoring of accruals</li> <li>✓ Identification of Irregular expenditure</li> <li>✓ Identification of fruitless &amp; wasteful expenditure</li> <li>✓ Collection of revenue and staff debt</li> </ul> <ul style="list-style-type: none"> <li>• Cash flow constraints on the equitable share funding had a negative impact on the processing of payments.</li> <li>• Lack of an effective patient verification system in all revenue generating facilities to ensure that paying patients are classified as such.</li> <li>• Filing and safe keeping of patient's information is a great concern at the moment due to unavailability of storage facilities.</li> <li>• Road accident funds motor vehicle claims processed by an external agent continue to pose a risk of financial losses to the department.</li> </ul>	<p>The vacant positions in the Finance Directorate will be filled during the first quarter of 2014/15 financial year. Additional funding will be requested provincial Treasury to address some vacancies.</p> <p>The following controls have been put in place:</p> <ul style="list-style-type: none"> <li>• An official has been assigned to monitor accruals</li> <li>• Training has been conducted at the facilities to identify and record irregular, fruitless and wasteful expenditure.</li> <li>• A debt management division has been set up to follow up on outstanding debt.</li> <li>• Regular meetings are held with the district offices and other facilities.</li> <li>• The department will develop a cost containment strategy to reduce spending on the equitable share funding during the 2014/15 financial year.</li> <li>• The department has appointed a service provider to verify the financial status of the patients</li> </ul>

Table 1: Annual targets for Finance and Supply Chain Management

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
To ensure effective financial management processes in line with PFMA section 39, 43 and chapter 6 of the 2005 Treasury Regulation	Achieve an unqualified Audit Report for the NCDoH	Qualified opinion	Unqualified Audit Report	Qualified opinion	-	Refer to the Audit Report
	Approved Asset Register	83%	Approved Asset Register	The department has an Asset Register which was audited during the financial year	External service providers from National Treasury are assisting with Asset counting	-
To ensure effective and efficient revenue management	100% collected of projected revenue	88% revenue collected	100% attainment of target (R50,739,000)	85%	-15%	The department is following up claims with National Road Accident Fund office



## HUMAN RESOURCE MANAGEMENT

### Priorities

- Review and align the Provincial Human Resource Plan with the service delivery platform
- Improve performance Management and Development systems and processes

**Strategic Goal 1:** Provision of Strategic Leadership and creation of a social compact for effective health service delivery

**Strategic Goal 2:** Improved quality management and patient care across the system through interalia developing the department’s human resources.

### Achievements

- Appointed Assistant Director for Performance Management Development System (PMDS)
- Implementation Plan for the Employee Health Wellness Programme has been forwarded to District and Programme Managers, in order to initiate implementation at District level.
- Human Resource Development - Co-ordinated and monitored training interventions in the following areas:
  - ✓ Management Development Programme
  - ✓ Emerging Management Development Programme

**Table 1: Coordinated the management of bursary information for 2014 intake**

Name of University	Number of Bursary holders
North West University	37
University of the Free State	21
Free State School of Nursing College	13
Central University of Technology	16
Medical University of South Africa	10
University of the Western Cape	56
Rhodes University	2
Nelson Mandela Metropolitan University	1
Cape Peninsula University of Technology	98
Medical University of South Africa (MEDUNSA)	10
WITS University	7
University of Cape Town	1
Stellenbosch University	19
University of Kwazulu Natal (UKZN)	1
Henrietta Stockdale Nursing College	278

- One hundred and twelve (112) Financial Management Brochures distributed in the Department of Health.
- Eight (8) Human Resource Management Policies approved in 2013/14.

**Table 2: Development of Scarce and Critical skills**

Categories	Number of personnel trained
Primary Health Care	30
Community Nursing	3
Traumatology	2
Oral Hygiene	1
Advance Midwifery	3
Paediatric	2
Operating Theatre	2
Critical Care	1
Infection Control	3
Nursing	5
Radiation Therapy	2
Ultrasound	1
Masters in Higher Education	6
Occupational Health	1
Medical Dietetics	1

**Table 3: Students who completed their studies**

Category	Number of students
Eight (8) pharmacy students	8
Three (3) BSc Occupational Therapy	3
Fourteen (14) B. Cur	14
Oral Health	1
Nutrition	1
BSc Physiotherapy	1
Radiography	4
EMS	1
Masters in Clinical Psychology	2
Social Work	7
MBCHB	15

**2013/2014 Bursaries**

**Table 4: Ninety six (96) new bursaries were awarded to students from the Province in 2013/14**

Name of Qualification	Number per categories
B Cur (Nursing)	20
BSc Occupational Therapist	5
BSc Microbiology	2
MBCHB	14
Oral Hygiene	3
B.Pharm	8
B. Dentistry	1
B Psychology	2



Name of Qualification	Number per categories
BSc Clinical Psychologist	3
BSc Physio	9
BSc Optometry	1
BSc Speech Audio	1
BSc Dietetics	2
BSc Bio Chemistry	1
National Diploma Radiography	14
Paramedics	6
BSc Medical Bio Science	1
BSc Genetics	1
Dental Assistant	1
National Diploma Chiropractitioner	1

### Cuba Medical Programme

Thirty four (34) prospective medical students were sent to Cuba on the 27th of January 2014

### Job creation

The department has created work place experience opportunities to one hundred and fifty nine (159) Interns/ unemployed graduates in the following areas; Human Resource Management, Information Technology and Finance

**Table 5: Job Creation**

Name of District / Facilities	Number of opportunities
Frances Baard	14
Kimberley Hospital	17
James Exum (Provincial Office)	86
Henrietta Stockdale Nursing College	10
Upington	14
John Taolo Gaetsewe District	1
Postmasburg	7
Namakwa District	10

Table 6: Trainings conducted

Performance Indicator	Training Intervention	Total	
Number of professional nurses enrolled for continuous professional development	HIV and AIDS, TB and STI and other chronic diseases	1879	
	Integrated Management of Childhood Illness (IMCI)	60	
	Mentored in ART	375	
	Midwifery of South-Africa	20	
	<b>TOTAL</b>	<b>2334</b>	
Medical Doctors	HIV and AIDS, TB and STI and other chronic diseases	65	
Non-professionals	HIV and AIDS, TB and STI and other chronic diseases	1519	
	<b>TOTAL</b>	<b>1584</b>	
Others	HIV and AIDS, TB and STI and other chronic diseases	348	
	Ambulance Emergency Assistant	12	
	Paediatric Quality Radiographers	49	
	<b>TOTAL</b>	<b>409</b>	
Number of support staff receiving transversal training	Management Development Programme	20	
	Mentorship and Coaching	20	
	Foundation Management Development Programme	20	
	Emerging Management Development Programme	24	
	Basic Computer	36	
	Moderators	21	
	Assessor	21	
	Gender Mainstreaming	14	
	Managing Discipline & Grievances in Workplace	38	
	Labour Relations	42	
	<b>TOTAL</b>	<b>256</b>	
		GRAND TOTAL	4583

### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>Late submission of leave forms for capturing on PERSAL and over granting of leave by managers.</li> </ul>	<ul style="list-style-type: none"> <li>Leave should be approved by Managers /Supervisors within the prescribed timeframe</li> </ul>
<ul style="list-style-type: none"> <li>Human Resource personnel lacks capacity in calculating leave gratuity, this is exacerbated by the lack of monitoring from the supervisors</li> </ul>	<ul style="list-style-type: none"> <li>To conduct leave audit training with all Human Resource practitioners who are capturing terminations on the PERSAL system</li> <li>Roll out of relevant Standard Operating Procedures to improve effectiveness of the service.</li> </ul>
<ul style="list-style-type: none"> <li>The Registry Units within the Provincial Office is currently divided which leads to disjointed services</li> </ul>	<ul style="list-style-type: none"> <li>Registries to be centralized</li> </ul>
<ul style="list-style-type: none"> <li>National Department of Health resolved that the Health Professional Training and Development (HPTD) grant should not be used for bursaries to fund undergraduate studies</li> </ul>	<ul style="list-style-type: none"> <li>Human Resource Management and Finance to motivate for this decision to be reversed</li> </ul>
<ul style="list-style-type: none"> <li>Uncapped bursaries poses a serious challenge as Universities such as Free State students accounts are never cleared.</li> </ul>	<ul style="list-style-type: none"> <li>To allocate an agreed standardised amount per each student to be able to regulate the grant efficient</li> </ul>



Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>Payment of student accommodation. The systems of paying stipends and books to all students in Free State Institutions are a serious challenge</li> </ul>	<ul style="list-style-type: none"> <li>Student's accommodation payment to be prioritised by finance. It is strongly advised and recommended that this be done through PERSAL to ease the student's problems</li> </ul>
<ul style="list-style-type: none"> <li>Non-adherence to the implementation of the EPMS Policy</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of disciplinary measures</li> </ul>
<ul style="list-style-type: none"> <li>No identified Employee Health and Wellness site</li> </ul>	<ul style="list-style-type: none"> <li>A submission has been made to the Executive Management Committee (EMC) to renovate houses 6-12 Memorial road which is currently being utilised by the homeless.</li> </ul>

**Table7: Annual targets for Human Resource Management**

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviation
Measure performance in line with departmental objectives	Medical officers per 100,000 people.	40	30	36	+6	Retention of Community Services for Doctors
	Medical officers per 100,000 people in rural districts.	11	15	17	+2	Retention of Community Services for Doctors
	Professional nurses per 100,000 people	124	93	115	+22	Recruitment of Nurses
	Professional nurses per 100,000 people in rural districts.	88	92	115	+21	Recruitment of Nurses
	Pharmacists per 100,000 people	11	13	10	-3	Difficult to recruit and retain Pharmacists due to geographical area of the province
	Pharmacists per 100,000 people in rural districts	3	7	5	-2	Difficult to recruit and retain Pharmacists due to geographical area of the province
	Vacancy rate for professional nurses.	19.4%	16%	15.1%	+0.9%	Managed to recruit more nurses
	Vacancy rate for doctors	16%	30%	19%	-11%	Difficult to recruit and retain doctors
	Vacancy rate for medical specialists.	23%	20%	13.7%	-6.3%	Difficult to recruit and retain Medical specialists

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviation
	Vacancy rate for pharmacists:	39%	25%	45%	-20%	Difficult to recruit and retain Pharmacists due to high demand from the private sector
	Total number of Performance Agreements signed for SMS officials	-	24	31 (out of 38 Senior Managers)	-7	<ul style="list-style-type: none"> <li>4 newly appointed SMS members,</li> <li>3 SMS members have not submitted their performance agreements</li> </ul>
	Total number of Performance Agreements signed for levels 1-12 officials	41%	6342	3333 (out of 6509 in the establishment)	-3176	Non-compliance still remains a huge challenge in the department.
Promote effective and efficient recruitment and retention within the department	Reduced vacancy rate	16.6%	15%	21.1%	-6.1%	-
	Implement Provincial Human Resource Plan	-	1	Human Resource Plan is currently being reviewed	-	-



## PROGRAMME 2: DISTRICT HEALTH SERVICES

### Priorities

- Ensure accessibility to health care services and the full implementation of the Primary Health Care and District Hospitals packages (National Health Insurance)
- Improve the quality of health care services and safeguard high standard of care (PHC Re-engineering and NHI)
- Strengthen referral mechanisms within and between districts, and different levels of care, as well as minimizing self-referrals to higher levels of care (Primary Health Care Re-engineering)
- Appointments of Clinic Supervisors, Facility Managers and District Hospital Managers
- Establishment of PHC Outreach, District Specialist and School Health Teams
- Monitoring and support of the pilot site and roll out to other districts

**Strategic Goal 1:** Provision of Strategic Leadership and creation of a social compact for effective health service delivery

**Strategic Goal 2:** Improved quality management and patient care across the system through interalia developing the department's human resources.

### Achievements

- All eleven (11) District Hospital CEO's have been appointed;
- Appointment of Health Area Managers (Clinic Supervisors) in all district was concluded;
- All thirty eight (38) Wards are covered by Ward Based Outreach Teams in the Pixley-Ka-Seme district (NHI Pilot District). Other districts have made a start and will be consolidating their existing teams in the next year.
- Norvalspont Clinic in Pixley-Ka-Seme and Durham Clinic in John Taolo Gaetsewe were officially opened as new clinics this year. The Boichoko clinic is yet to be officially opened.
- Acquisition of a Mobile Clinic donated by Pretoria Portland Cement (PPC), Idwala and Petra Diamonds Mines for the Danielskuil community
- Building and equipping of a complete clinic by Kolomela in Postmasburg. This is the first stage of a bigger project for the renovation of the Postmasburg District Hospital in the next financial years.
- Appointment of seven (7) Cuban doctors across the province, one (1) each for Tshwaragano, Kuruman, Springbok, Abraham Esau and Kakamas hospitals and two (2) for De Aar Hospital.
- Twenty six (26) Nurses were recruited from the Western Cape Province to alleviate the pressures experienced due to shortage of nurses across the province.
- All vacant posts have been filled in the provincial office in order to improve support to districts

**Challenges and measures planned to overcome them**

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>Data collection and management at facility level</li> </ul>	<ul style="list-style-type: none"> <li>Incorporating data management into the KPA's of all managers</li> <li>Ensure that there are data capturers allocated in all facilities. Increase the number in high volume facilities</li> <li>Availability of information hardware such as computers, faxes and photocopiers at all facilities and to include antivirus programmes</li> <li>Data quality assessments to be done monthly in all facilities as part of the Standard Operating Procedures (SOP's)</li> <li>Standardisation of data collection tools</li> <li>M&amp;E Forum to be established and operationalized</li> </ul>
<ul style="list-style-type: none"> <li>Lack of Leadership and Accountability at most facilities level due to the unavailability of appointed/Acting Facility Managers</li> </ul>	<ul style="list-style-type: none"> <li>Finalization of the appointment of facility Managers in all facilities</li> </ul>
<ul style="list-style-type: none"> <li>Budget constraints continue to lead to Shortage of human resources namely, doctors, professional nurses, pharmacists and equipment</li> </ul>	<ul style="list-style-type: none"> <li>Definition of the Service model for the delivery of PHC in the province</li> </ul>
<ul style="list-style-type: none"> <li>Implementation of the full PHC package in all facilities</li> </ul>	<ul style="list-style-type: none"> <li>Downgraded facilities to be operationalized at the revised level</li> </ul>



**Table 1: Annual targets for District Health**

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Ensure an accessible and efficient PHC services	PHC total headcount	3 149 690	3 510 712	3 415 302	-95 410	Most facilities are plagued by high absenteeism rates and inadequate operational hours
	PHC total headcount under 5 years	502 121	539 078	538 198	-880	Bypassing of PHC to hospital level of care
	PHC supervisor visit rate (fixed clinic/ CHC/CDC)	29%	80%	42.1%	-37.9%	Two (2) districts have outstanding Area Managers appointments
	Expenditure per PHC visit	R184.56	R163.21	R185.84	R22.63	Clearing of service delivery expenditure to PHC level e.g. Pharmaceuticals and Waste Management
	Complaints Resolution within 25 working days rate	49%	100%	53.3%	-46.7%	More complex complaints are not resolved by the end of 25 days
	Percentage of facilities offering the full package of PHC Services	98.7%	100%	98.1%	-1.9%	Proximity of PHC facilities in some districts results in some services being merged e.g. Antenatal Care
	Percentage of fixed PHC facilities with functioning community participation structures	52%	70%	98.7%	+28.7%	More Community Participation structures have been established as per the Health Act
	Percentage of health districts with a single provider of PHC services.	60%	100%	80%	-20%	Costs for provincialization of Sol Plaatje have been concluded. Labour issues still outstanding
	Provincial PHC expenditure per uninsured person	R581	R650	R650	-	-
	Number of PHC outreach teams established	-	4	72	68	Wall-to-wall coverage was achieved in the NHI Pilot district
	Number of specialist teams appointed	-	3	5	+2	Most teams are still incomplete due to delay in recruitment processes

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
	PHC Utilisation rate	3 visits	3.5 visits	2.9 visits	-0.6 visit	Most facilities are not 24 hours operational
	PHC Utilisation rate under 5 years	5 visits	5 visits	4.6 visits	-0.4 visit	Most facilities are not 24 hours operational therefore patients bypass to hospital level of care
	Number of PHC facilities assessed for compliance against the 6 priorities of the core standards	12%	*205 (total fixed facilities are 163)	197	-8	There were 8 satellite clinics which were not operational during the assessment period

**Table2: Annual performance targets for District Hospitals**

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Overhaul the health care system and improve its management	Percentage of district hospitals with appointed CEO/Manager in post	90.9%	100%	100% (11)	-	-
	Percentage of district hospitals holding clinical audit meetings monthly	9%	100%	71%	-29%	Shortage of Clinical Managers and Nursing Service Managers at some hospitals
Improve health outcome through strategic leadership in health management	Percentage of district hospitals with operational hospital boards	36%	100%	82% (9 out of 11)	2	Springbok Hospital in Namakwa and Manne Dipico Hospital in Colesburg not functional
	Delivery by Caesarean section rate	16.6%	16%	14%	-2%	No operational theatres in some hospitals and shortage of clinical staff
	Inpatient Separations – Total	51 595	73 015	35 813	-37 202	Unrealistic target setting
	Patient Day Equivalents – Total	176 384	314 395	179 682	-134 713	Unrealistic target setting
	OPD Headcounts – Total	115 396	210 304	151 932	-58 372	Most facilities are not 24 hours operational therefore patients bypass to hospital level of care
	Average length of stay	2.4 days	3.5 days	3.2 days	-0.3 day	Lack of doctors at Level 1 Hospitals



Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
	Inpatient Bed utilisation rate	62.5%	70.8%	64%	-6.8%	Lack of doctors at Level 1 Hospitals
	Expenditure per patient day equivalent (PDE)	R1 500	R2098.86	R2 553	-R454.14	Real PDE is R1891.26 as most downgraded CHC's still reporting as hospitals
	Complaints Resolution resolved within 25 days rate	61%	100%	64.4% 156/242	-35.6%	More complex complaints are not resolved by the end of 25 days
	Mortality and Morbidity review rate	54.5%	100%	63%	- 37%	Shortage of Clinical Managers and Nursing Service Managers at some hospitals
	Patient satisfaction rate	27%	80%	80.3%	0.3%	-
	Number of Hospitals facilities assessed for compliance against the 6 priorities of the core standards	4	11	11	-	-

## HIV/AIDS & STI and TB Control (HAST)

### Priorities

- Prevent new HIV, STI and TB infections
- Address social and structural barriers to HIV, STI and TB prevention, care and impact
- Sustain health and wellness
- Increase protection of human rights and improve access to justice

**Strategic Goal 3:** Improved health outcomes in managing both communicable and non-communicable diseases

### Achievements

- Provider Initiated Counselling and Testing (PICT) implemented in more facilities after training by Advice Consent Test Support (ACTS).
- National Institute of Communicable Disease (NICD) conducted training on a refresher course for all Lay Counsellors on HIV Counselling Testing (HCT) quality management to ensure that accurate HCT results are obtained.
- Facilities started implementing Fixed Dose Combination (FDC) as per mandate and the number of patients switched from old single dose regimens have improved.
- Eighty (80) Community Health Workers (CHWs) were trained on Integrated Access to Care and Treatment (IACT).
- Eighty five (85) Community Health Workers were trained on PHC Re-engineering in Pixley-Ka- Seme District and this resulted in the success of the roll-out of the Ward Based Outreach Team (WBOT) in the district.
- Developed Provincial Blueprint for Paediatric TB and HIV care.
- Collaborated with Wits Reproductive and HIV Institute and North Start Alliance in establishing a High Transmission Area (HTA) Site for providing health care services to truck drivers and sex workers in Upington, ZF Mgcawu district
- Antenatal Care and PMTCT Community dialogues were conducted in John Taolo Gaetsewe to create awareness, knowledge and demand of maternal, new-born and women's health services in public health facilities.
- Social mobilization campaign integrated with new PMTCT guidelines workshop conducted to promote early booking of pregnant women before 20 weeks for Namakwa, ZF Mgcawu and Frances Baard districts
- Conducted training in Frances Baard and John Taolo Gaetsewe districts for lay counsellors and data captures on new PMTCT guideline
- National Lotteries Board funded HST to strengthen HCT services in four districts: Frances Baard, Pixley- Ka-Seme, ZF Mgcawu and John Taolo Gaetsewe.



### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>Laboratory services Turn Around Time and courier service</li> </ul>	<ul style="list-style-type: none"> <li>Engaged provincial National Health Laboratory Services with regards to resolving the challenge</li> </ul>
<ul style="list-style-type: none"> <li>Slow down referral of paediatric ART patients from centralised facilities</li> </ul>	<ul style="list-style-type: none"> <li>Fast track the down referral process in all districts</li> </ul>
<ul style="list-style-type: none"> <li>Stigma persists &amp; precludes successful decentralisation of KHC primary site as down referred ART Patients return to the KHC primary site for treatment</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen support groups to include children &amp; adolescent stigma issues.</li> <li>Follow-up with facilities, carers &amp; families to ascertain reasons and develop intervention plans accordingly</li> </ul>
<ul style="list-style-type: none"> <li>Low reporting of pregnant women initiated on HAART due to ANC register being incomplete</li> </ul>	<ul style="list-style-type: none"> <li>Mentoring and training of information officers on the new PMTCT guidelines</li> </ul>
<ul style="list-style-type: none"> <li>Patients defaulting on treatment</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen support for the CCMDD programme in the Pixley-ka-Seme District</li> <li>Tracing defaulters through monthly NGO reports</li> <li>Pilot Adherence Clubs in three facilities in Sol Plaatje Local Municipality</li> <li>Developed Pharmacy Visits Only SOP in order to decrease patient waiting time and discourage defaulting</li> </ul>
<ul style="list-style-type: none"> <li>Management of adverse drug events</li> </ul>	<ul style="list-style-type: none"> <li>Conduct pharmacovigilance base-line study and improve monitoring</li> <li>Re-train professional nurses on pharmacovigilance</li> </ul>
<ul style="list-style-type: none"> <li>HCT Coordinator, Prevention Strategies Coordinators and HTA Nurses posts still not filled</li> </ul>	<ul style="list-style-type: none"> <li>Fast track recruitment processes</li> </ul>

Table 1: Annual targets for HIV &amp; AIDS, STI

Strategic Objective	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviation	Comments on deviations
Prevent new HIV, STI and TB infections	Total clients remaining on ART (TROA) at the end of the month	31 286	39 449	39 158	-291	Patients lost to follow up. Poor retention in care strategies (facilities)
	HIV testing coverage	96.6%	96%	20.3%	-75.7%	<ul style="list-style-type: none"> <li>The target was formulated as HCT uptake among client pre-test counseled.</li> <li>The indicator was changed after finalization of the APP by NDOH hence this wide discrepancy</li> </ul>
	Male condom distribution rate	8	12	11.5%	-0.5%	Reporting on DHIS does not accommodate condoms distributed from non-medical sites hence underestimating the number of condoms distributed at facilities
	STI incidence rate (%)	2.3	1.8	2.3%	+0.5%	Partners are not bringing back partner notification slips
	Proportion of eligible sexual assault cases receiving PEP within 72 hours	85.5%	90%	90%	-	All victims accessing the service are offered PEP, but only the eligible victims (reporting within 72 hours, HIV negative) receive PEP (ART)
	Proportion of HIV tested people who are HIV positive	-	8.5%	7.3%	-1.2%	Positive deviation as community dialogues on behavioural changes contributed to the decrease in the number of clients testing positive
	Percentage of HIV positive clients, eligible for ART, started on CPT	43%	70%	17.4%	-52.6%	The indicator was removed from the NIDS and was re-instated at provincial level during the year 2013/14
	Percentage of HIV positive ANC clients initiated on HAART	82%	80%	91.9%	+11.9%	Positive deviation due to policy change which requires pregnant women (HIV positive) to be initiated on HAART immediately irrespective of their CD4 count



Strategic Objective	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviation	Comments on deviations
Sustain health and wellness	HIV Entry Point: Incidence of TB among HIV positive clients	9.3%	15%	8.8%	-6.2%	This is a positive indication towards reducing HIV incidence due to improved initiation on IPT
	HIV Entry Point: Percentage of HIV positive clients on IPT	48%	75%	91.9%	+16.9%	Improved performance due to the implementation of the IPT register
	Number of adults and children started on ART-new	-	7 872	9 469	+1 597	Target exceeded due to FDC policy implementation

## TB-Sub-Programme

### Priorities

- Prevent new HIV, STI and TB infections
- Address social and structural barriers to HIV, STI and TB prevention, care and impact
- Sustain health and wellness
- Increase protection of human rights and improve access to justice

### Achievements

- Signing of Memorandum of Understanding (MOU's) with four mining houses (Beeshoek, Black Rock, Khumani and AfriSam mines) during commemoration of World TB Day in Postmasburg.
- A total of three hundred and forty eight (348) household were visited as part of the Intensified Case Finding and up to 88% (n = 321) newly TB diagnosed case (Index Cases) were found in a bid to reduce the scourge of TB in the community.
- Approximately 80% (1388 out of 1547) of patients reported to have defaulted were traced and placed on treatment during the 2013/14 period.

### TB Case finding

Intensified Case Finding (ICF) campaigns is one of the key strategies in improving TB Case Detection in realising targets as set out in the joint TB/HIV strategic plan (2012-2016) to fight scourge of TB/HIV and create awareness. The number of TB cases diagnosed over the years has steadily stabilised from Q1 2011, N=2 847 to Q1 2013, N=2485 (see below).

**Table 1: Total number of TB cases diagnosed Q1 2011 – Q1 2013**

Districts	Total TB Cases		
	Q1 2011	Q1 2012	Q1 2013
Frances Baard	915	706	730
John Taolo Gaetsewe	468	387	394
Namakwa	213	169	176
Pixley-ka-Seme	640	536	591
ZF Mgcawu (Siyanda)	611	537	594
Province	2847	2335	2485

Source: ETR.Net, 2014

### World TB Day Commemoration

World TB day commemoration was held in the ZF Mgcawu (Siyanda) district in Postmasburg with mines being the focus for this year. The Tuberculosis epidemic within the Northern Cape is the third highest in South Africa and mines play a critical role in the spread of the disease not only in the Province but also across the country. The multi- sectoral approach is one of the strategies in the Northern Cape Provincial Strategic Plan (PSP) for HIV and AIDS, STI's and TB (2012-2016), in which the plan represents a framework of strategic actions that must be undertaken by the province in order to address the growing HIV and AIDS, STI's and TB epidemic.

One of the goals of the Provincial Strategic Plan is to reduce new infections of HIV and TB by 50% by 2016. The highlight of the event was the signing of Memorandum of Understanding (MOU's) with four mining houses (Beeshoek, Black Rock, Khumani and Afrisam mines). Communities around mining areas will benefit from this partnership as the mines will offer a full health service package including TB/HIV, Sexually Transmitted Infections (STIs) and family planning. Social mobilization and awareness campaigns (i.e. Intensified Case Finding) formed part of build-up activities and the following activities were conducted in the district prior to the event.

### Intensified Case Finding (ICF) Campaign

Intensified Case Finding (ICF) Campaign is conducted on on-going basis in all districts with the aim of tracing contact of newly diagnosed TB cases (Index Cases) in bid to reduce the spread of TB and create TB awareness in the community. ICF were conducted in the following districts:

**Table2: ICF campaign Data**

Districts	Total number of teams	Number household successfully visited	Number index cases to be traced	Number index cases found	Number contacts found	Number screened TB	Number suspects' sputum collected	Number suspects confirmed positive	Number started TB treatment	Number Children on IPT
Pixley- ka-Seme	18	192	224	184	655	456	88	6	6	0
Namakwa	3	49	52	47	235	119	87	2	2	0
ZF Mgcawu (Siyanda)	6	67	90	49	215	208	36	0	0	97
John Taolo Gaetsewe	4	40	38	41	98	42	30	0	0	1
<b>Province</b>	31	348	404	321 (88%)	1 203	825 (75%)	241 (29%)	8	8	

Source: TB Control Programme, Northern Cape Department of Health

**Knowledge, Attitude, Practices (KAP) Survey \_ Platfontein**

The !Xhu and Khwe communities reside in Platfontein situated in the Sol Plaatje Local Municipality, Frances Baard district. The community remains poorly resourced and underserved and experiencing high incidence of TB and high prevalence of HIV and AIDS. Based on this background, the Provincial Department of Health in partnership with Life Line, USAID - TB/URC and John Hopkins Health and Education in South Africa (JHHESA) conducted a survey on Knowledge, Attitude, and Practices among this community towards health service delivery in their area. The study received Ethical clearance from the University of Kwazulu Natal (UKZN).

The following key findings were noted:

- The misinformation associated with TB and HIV (TB spread through eating utensils, condoms causing HIV etc.)
- A lack of knowledge regarding the use of condoms, the incorrect use of condoms, or socio-cultural barriers preventing the use of condoms.
- Defaulting from TB or HIV treatments, or a lack of knowledge regarding the availability of TB or HIV treatment.
- TB or HIV related stigma.

**Interventions based on KAP survey**

Journal of Health and Human Service Administration (JHHESA) collaborated with programmes and other partners to formulate an action plan by July 2013. Lifeline NGO has committed to train twelve (12) youths from both !Xhu and Khwe communities as peer educators with monthly stipends for empowering the community through health education strategies.

**Drug Resistant (DR) TB Prevalence study**

The National Department of Health commissioned a study on Drug Resistance (DR) TB Survey throughout the country. This survey has commenced in September 2012 - October 2013, a total of N=65 facilities have been identified to conduct survey, the sample size required was eighteen thousand six hundred and sixty one (18 661) participants.

The aim of the survey was to determine the magnitude of drug resistant TB across the country and to describe the different strains of M(X) DR TB present in order to inform policy change etc. The study was concluded in October 2013 and Northern Cape was applauded as the best performing province with recruitment of subjects at 81% (n = 15 175) from target and 82% of sputum samples testing positive for mycobacterium TB Cultures. The results of the study have not been released yet.

**TB Defaulter tracer project**

This project aims to trace TB interrupters and defaulters in the communities and fast-track for treatment. Approximately 80% (1388 out of 1547) of patients reported to have defaulted were traced and put into treatment during the 2013/14 period. However, the number of patients who refused to be put back into treatment (n = 128) is significantly high and is a cause for concern which requires urgent intervention.

**Table 3: TB Defaulter Tracer data**

Districts	Number of patients referred for tracing	Child under <8yr	Found & put back on treatment		Not found & not on treatment		Refuse treatment
			Pre-treatment	Interruptions	Died	Change address	
Frances Baard	1388	30	532	569	46	132	79
John Taolo Gaetsewe	102	16	17	49	5	12	3
ZF Mgcawu	0	0	0	0	0	0	0
Namakwa	0	0	0	0	0	0	0
Pixley- ka- Seme	452	13	175	205	4	9	46
Northern Cape	1942	59 (3%)	724 (37%)	823 (42%)	55 (2%)	153 (7.8%)	128 (6.5%)

Source: TB defaulter Tracer data: 2014

### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>Late reporting and no data sign - off by district managers and poor accountability by the districts</li> </ul>	<ul style="list-style-type: none"> <li>Data management to be Key Performance Area in facilities to districts</li> <li>Enforce data management policy and timeframes</li> <li>Pilot implementation of ETR.Net (electronic capturing) at facility level</li> </ul>
<ul style="list-style-type: none"> <li>Lack of focal persons at PHC and district hospitals to ensure correct management of TB and infection control</li> </ul>	<ul style="list-style-type: none"> <li>Assign TB focal person to hospitals</li> <li>TB coordinators to support inpatient care</li> </ul>
<ul style="list-style-type: none"> <li>Absorption of trace teams into the WBOT resulting in poor tracing of TB interrupters /defaulters) in Pixley- ka- Seme</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen integration of TB defaulter tracing into WBOT and improve monitoring of activities at district level</li> </ul>
<ul style="list-style-type: none"> <li>Slow progress in the decentralization of DR-TB services due to slow SCM processes in appointing service providers for the refurbishment of identified DR-TB sites (NababEEP, Jan Kempdorp CHC, Tshwaragano Hospital, De Aar)</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure office to speed up appointment of services providers</li> </ul>
<ul style="list-style-type: none"> <li>Lack of dedicated TB Control Programme Manager</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening the directorate by appointing a fulltime manager to provide strategic leadership</li> </ul>

Table 4: Annual targets for Tuberculosis (TB)

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Prevent new HIV, STI and TB infections	PTB two-month smear conversion rate	62.6%	85%	74.4%	-10.3%	<ul style="list-style-type: none"> <li>Poor coordination and non-implementation of the diary system in the facilities</li> <li>Poor support visits to the facilities by district coordinators</li> </ul>
	Percentage of HIV-TB Co-infected patients placed on ART	58.3%	100%	73.2%	-26.8%	<ul style="list-style-type: none"> <li>Disjoint between program management and guideline implementation</li> <li>Inconsistent recording and reporting of data</li> <li>Inadequate initiation by NIMART trained nurses</li> </ul>
To achieve an 85% TB cure rate	Treatment success rate	72.4%	84%	80%	-4%	Poor adherence to guidelines at health facilities
	Number of health care workers trained on TB, DR-TB, data management, infection control, risk assessment and TB adherence	593	500	279	-221	Poor coordination between programme and Regional Training Centre (RTC)
To achieve a 30% MDR-TB cure rate by 2014	Proportion of MDR-TB patients started on treatment	90.5%	100%	93.7%	-6.3%	Patients lost to follow up and patients dying before being enrolled into treatment
	Proportion of new MDR-TB cases cured	15%	30%	24.6%	-5.4%	Low cure rate due to treatment failure and other patients dying
	MDR-TB smear conversion rate at 6 months	42.5%	55%	61%	+6%	Improved sputum collection for culture
	Proportion of HIV+ MDR-TB patients started on ART	81.8%	100%	94%	-6%	Patients die before ART initiation



Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
To achieve a 5% XDR-TB cure rate by 2014	Proportion of new XDR-TB cases cured at 1 <sup>st</sup> attempt.	9.3%	35%	11.6%	-23.4%	Low cure rate due to treatment failure and other patients dying
	Proportion of XDR-TB patients started on treatment	91.5%	100%	100%	-	Target achieved due to improved patient management among DR-TB patients
Increase of testing rate among TB patients from 96.6% to 100%	XDR-TB smear conversion rate at 6 months	11.3%	40%	35.4%	+4.6%	<ul style="list-style-type: none"> <li>Poor treatment adherence</li> <li>Underlying resistance</li> </ul>
	Proportion of HIV+XDR-TB patients started on ART	87.5%	100%	100%	-	Target achieved due to improved patient management among DR-TB patients
	Proportion of TB patients tested for HIV	80.1%	100%	82%	-17.7%	Poor management of data at facility level
	Proportion of HIV+ TB patients started on ART	58.3%	100%	73.2%	-26.8%	Poor management of data at facility level
	TB (new pulmonary) cure rate	64%	80%	70% (2012)	-10%	High proportion of no smears at the end of intensive phase due to late / non-collection of sputa by health care workers
	TB (new pulmonary) defaulter rate	6.9%	3.8%	7% (2012)	+3.2%	<ul style="list-style-type: none"> <li>Patient related factors such as alcohol use affects treatment adherence resulting to patients defaulting on their treatment.</li> <li>Failure to identify interrupters early</li> <li>Lack of adherence counselling</li> </ul>
	TB AFB sputum result turn-around time under 48 hours rate	52.8%	85%	57.4%	-27.6%	Unavailability of couriers services on time

## **Disease Prevention and Control (Non-Communicable Disease)**

### **Priorities**

- Strengthen human resource development for communicable disease control and strengthen the competencies of health professionals and communities to create a balance between prevention of diseases and curative work
- Improve the Public Health and Private Health Sector's awareness and understanding of emerging and re-emerging infectious diseases
- Strengthen partnerships and collaborate across sectors with government and non-government agencies to influence public health outcomes
- Support stakeholder's involvement in the implementation of the International Health Regulation (2005) for the control and prevention of international spread of infectious diseases
- Annual Influenza vaccination campaign

### **Achievements**

#### **Case Management**

- The malaria case fatality rate (CFR) for the period April 2013 - March 2014 had dropped significantly to zero (0%).

#### **Capacity Building**

- Outbreak Response Teams from ZF Mgcawu district were trained in "Integrated Disease Surveillance and Response (IDSR) in the African Region" on the 13- 14th March 2014 and a total of nineteen (19) participants attended; Professional Nurses, Environmental Health Practitioners and Data captures.
- A Seminar on Epidemiology and Response to endemic conditions was held for Doctors and Allied Health workers at Kimberley Country Club and fifty three (53) health professionals were trained by experts from the National institute for Communicable Diseases (NICD) on 25th February 2014
- Communities in the Province were alerted and awareness on the Ebola virus outbreak taking place in West Africa, Rabies, Diarrhoeal diseases and the upcoming Influenza Campaign in preparation for World TB day on the 24th March 2014.

#### **Collaboration and Networking**

- Provincial and two district outbreak response teams fully functional
- Collaboration with Blackrock; Black Mountain and African Vision re-cataract surgeries through SA Bureau for Blindness the Province 90% (1346/1495) of cataract surgery
- African Vision provided contracts for two Optometrist in ZF Mgcawu and Frances Baard districts
- Rehabilitation Strategic Plan was held last year in November 2013

#### **Environmental Health**

- Malaria campaigns were held
- The Unit exceeded its targets on licensing the Hazardous Substance premises (101 target 70)
- Environmental Health Calendars (NC: 2014) were developed and distributed



## Mental Health

- 85% of health facilities were assessed for compliance on Policy Guidelines 72- Hourly Assessment of involuntary Mental Health Care User
- All the five districts are providing 72 Hour Assessment of Involuntary Mental Health Care Users

## Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"><li>• District Outbreak Response Teams (DORT) not functional in three districts (John Taolo Gaetsewe, Pixley-Ka- Seme and Namakwa)</li></ul>	<ul style="list-style-type: none"><li>• Districts to have dedicated and committed CDC coordinators who can start implementing programmes at district level</li></ul>
<ul style="list-style-type: none"><li>• Lack of CDC coordinators at districts to implement communicable disease control activities on surveillance and case management</li></ul>	<ul style="list-style-type: none"><li>• Appoint CDC coordinators at district level to coordinate and implement CDC activities</li></ul>
<ul style="list-style-type: none"><li>• Health Care Risk Waste Management not segregated accordingly</li></ul>	<ul style="list-style-type: none"><li>• Continuous in-service training of personnel at facilities</li></ul>
<ul style="list-style-type: none"><li>• Inadequate budget allocation has negative impact on service delivery</li></ul>	<ul style="list-style-type: none"><li>• Alignment of budget to achieve maximum programme performance</li></ul>

Table 1: Annual targets for Disease Prevention and Control

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Decrease the proportion of people with uncontrolled diabetes and hypertension	Hypertension high risk incidence rate	5.5/1000	4/1 000	18.5/1 000	14.5/1000	Inadequate health promotion programmes and lack of insight on healthy lifestyles
	Diabetes high risk incidence rate	1.2/1000	3.1/1 000	3.7/1 000	0.7/1000	Inadequate health promotion programmes and lack of insight on healthy lifestyles
Expose schools to organised school oral health preventative program	Percentage of schools exposed to school preventative oral health programme	41.3%	80%	25%	-55%	Due to shortage of dental therapist the service is not provided adequately in the Frances Baard's schools
Enhance training and skills in EPR	Number of Health Professionals trained in EPR	303	380	203	-177	Poor coordination resulting in some officials being unable to attend trainings
	Proportion of districts submitting reports on endemic conditions	30.6%	100%	95%	-5%	Lack of CDC coordinators at district level results in delays of submission of the weekly endemic diseases reports
Monitoring Implementation of CDC strategies	Number of Provincial Outbreak Response Teams (PORT) meeting held	-	4	3	-1	PORT meeting was not held in the 1st quarter due to diarrhoea outbreak in ZF Mgcawu district as members were part of the outbreak investigation team
	Number of EPR reviews conducted at health care facilities	10	100	100	-	-
Provide information, education and communication on priority conditions and threats to the public	Number of awareness campaigns held on endemic conditions	-	6	6	-	-
	Proportion of seasonal influenza vaccines administered to the designated risks groups	-	90%	80.65%	-9.35%	Poor reporting and data capturing by facilities
	Cholera case fatality rates	0%	≤ 1% cholera	0	≤ 1% cholera	No cholera cases reported in 2013/14



Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
	Malaria case fatality rates	0%	0% Malaria	0%	-	No death from all reported malaria cases (n = 18)
	Cataract Surgery Rate	387/ 1000 000	1 500/ 1 000 000	1351/1000 000 (1346 cataracts conducted)	-149/1000 000	Two Cataract outreach tours were cancelled in Prieska and Alexander Bay due to unavailability of doctors
Facilitate compliance with the Mental Health Care Act No. 17 of 2002	Number of Districts providing a 72 hour psychiatric service	1	2	5	+3	-

## Mother to Child Women's Health & Nutrition

### Priorities

- Reduce Maternal, Infant and Child mortality and morbidity;
- Train health care workers in maternal and child health.

**Strategic Goal 3:** Improved health outcomes in managing both communicable and non-communicable diseases

### Achievements

- Fixed Dose Combination (FDC) Policy change was successfully implemented on the 1st April 2013 and this resulted in a significant increase in the number of women enrolled into ART and consequently reduction in vertical transmission of HIV from mother to baby.
- Nomimi Mothibi PHC is fully providing Antenatal Care (ANC)/Prevention of Mother to Child transmission (PMTCT) services.
- Kimberley Hospital and Galeshewe Day Hospital were both declared Mother and Baby Friendly facilities.
- Absorbed eight (8) Community Service Dieticians
- Successful introduced Human Papilloma Virus (HPV) vaccine into the routine Exocrine Pancreatic Insufficiency (EPI) program
- The MCYWH & Nutrition Directorate was strengthened with the appointment of the following personnel:
  - a Deputy Director: MCWH
  - b Deputy Director: Nutrition
  - c Assistant Director: Maternal Health
  - d Assistant Director: Sexual and Reproductive Health/Choice on Termination of Pregnancy (CTOP)
  - e Assistant Director: IMCI
  - f Assistant Director: Perinatal Health & Genetics
  - g Pharmacist: MCWH
  - h Assistant Director: Integrated School Health Program
  - i Coordinator: Community Integrated Management of Childhood Illness (IMCI)
- Implemented Medical Abortion at Galeshewe Day Hospital and Tshwaragano Hospital. The program aims to ensure that women obtain safe and comprehensive abortion care, including counselling and contraception to prevent future unintended pregnancies.
- Introduced new contraceptive method, Implanon, this provides more options for women and extended protection.
- Campaign on Accelerated Reduction on Maternal and Child Mortality in Africa (CARMMA) was successfully launched in John Taolo Gaetsewe district.
- Maternal Mortality Ratio reducing significantly in 2013/14 compared to previous years.
- Procured dedicated vehicles for the Integrated School Health Programme in four districts (i.e. Namakwa, John Taolo Gaetsewe, Frances Baard and ZF Mgcawu).
- Five (5) Adolescent and Youth Friendly Services (AYFS) sites were established.



### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>Incomplete data submitted by districts</li> </ul>	<ul style="list-style-type: none"> <li>Conduct training to improve reporting by facility managers and data capturers on all data elements of MCYWH &amp; Nutrition.</li> <li>Ensure adherence to Information Management Policy by both facility and district managers in terms of data verification and signing-off.</li> </ul>
<ul style="list-style-type: none"> <li>Poor socio- economic conditions in communities which result in children admitted to hospital with severe malnutrition</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening the integrated food security and nutrition programmes with other government departments, civil society, private sector, etc.</li> <li>Continuous training and awareness to all health care workers.</li> </ul>
<ul style="list-style-type: none"> <li>Mother Baby Friendly Initiative not well incorporated into other health programmes</li> </ul>	Continuous motivation for managers to support MBFI especially infant feeding education at antenatal level and breastfeeding practices in post natal wards
<p>The following affects implementation of Guidelines for all programmes:</p> <ul style="list-style-type: none"> <li>Inadequate medical equipment's in facilities, e.g. speculums, CTG machines, BP machine</li> <li>Staff shortage</li> <li>Guidelines, protocols and standard operating procedures is poorly implemented</li> </ul>	Norms and standards of the Maternity Care Guidelines to be adhered to by ensuring procurement of necessary equipment's, adequate staffing and strengthening of supervision
<ul style="list-style-type: none"> <li>School Health Services not rendered in ZF Mgcawu and Namakwa districts due to inadequate budget to appoint personnel</li> </ul>	Lobby for additional funding in order to appoint School Health personnel in Namakwa and ZF Mgcawu (Siyanda). Collaborate with other programmes
<ul style="list-style-type: none"> <li>Low exclusive breastfeeding rates across the Province</li> </ul>	Continuous education at antenatal and postnatal care.

Table 1: Annual targets for MCWH &amp; Nutrition

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Reduce child mortality	Immunisation coverage under 1 year	98.8%	95%	97%	+2%	More children were immunised thus increased coverage
	Vitamin A coverage 12 – 59 months. (OR 1-4 years)	36.4%	60%	41%	-19%	The performance has been largely affected by poor reporting and inadequate support to facilities. An action plan will be developed by the programme on how to support facilities that are performing poorly and monitor on a continuous basis.
	Measles 1st dose under 1 year coverage	98.7%	98%	92%	-6%	Train health personnel on all data elements, indicators and tools. Quality improvement plans to be developed and implemented
	Pneumococcal Vaccine (PCV) 3rd Dose Coverage	95.2%	95%	90%	-5%	Train health personnel on all data elements, indicators and tools. Quality improvement plans to be developed and implemented
	Rota Virus (RV) 2nd Dose Coverage	103.3%	90%	96%	+6%	Increased Rota Virus (RV) 2nd Dose Coverage will result in fewer diarrhoeal cases among children
	Child under 5 years diarrhoea with dehydration incidence	107.6/1000	25/1000	20/1000	-5/1 000	Misclassification of cases according to IMCI Guidelines
	Child under 5 years Pneumonia incidence	85/1000	20/1000	69/1000	-49/1 000	Misclassification of cases according to IMCI guidelines
	Cervical cancer screening coverage	42.2%	45%	34%	-11%	<ul style="list-style-type: none"> <li>Poor quality of collected specimen and handling.</li> <li>Liaise with partners e.g. CANSA for training of specimen collection and handling</li> </ul>
	Antenatal 1st visits before 20 weeks rate	52.9%	55%	54%	-1%	<ul style="list-style-type: none"> <li>Benchmark with other provinces for best practices</li> <li>Late bookings by pregnant women</li> </ul>
	Infant 1st PCR test positive within 2 months rate	-	6%	3%	3%	Reduction in the transmission of HIV from mothers to babies
	AFP detection rate	100%	100%	100%	-	-
	AFP stool adequacy rate	100%	100%	100%	-	-



Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Reduce child and youth morbidity and mortality	Percentage of quintile 1 school visited by the school health team to provide Integrated School Health Programme (ISHP) services	-	20%	11%	9%	The program is only functional in three districts namely Fances Baard, John Taolo Gaetsewe and Pixley Ka Seme due to inadequate budget to appoint personnel for the program. Request additional funding in order to strengthen ISH program and collaborate with other programs to ensure that the ISH program is sustained
	Percentage of Grade 1 learners in quintile 1 and 2 schools assessed using the ISHP learner assessment	-	20%	8%	12%	The program is only functional in three districts namely Fances Baard, John Taolo Gaetsewe and Pixley Ka Seme due to inadequate budget to appoint personnel for the program. Request additional funding in order to strengthen ISH program and collaborate with other programs to ensure that the ISH program is sustained
	Percentage of Grade 8 learners in quintile 1 schools assessed using the Integrated School Health Programme (ISHP) assessment	-	10%	4%	6%	The program is only functional in three districts namely Fances Baard, John Taolo Gaetsewe and Pixley Ka Seme due to inadequate budget to appoint personnel for the program. Request additional funding in order to strengthen ISH program and collaborate with other programs to ensure that the ISH program is sustained
Scale up coverage and improve the quality of PMTCT, and reduce MTCT to less than 5%	Fixed PHC facilities offering PMTCT (PMTCT Facility Rate)	-	100%	100%	-	-
	Antenatal client HIV 1st test	96.1%	100%	90%	10%	Pregnant women come with status known, or already on ARV treatment
Improve nutritional status of children and mothers	Vitamin A coverage 6-11 months	108.7%	100%	This indicator has been phased out and removed from NIDS. Indicator no longer collected		

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Reduce maternal mortality by 2/3 (inclusive of private facilities)	Couple year protection rate	36.6%	60%	32.7%	27.3%	<ul style="list-style-type: none"> <li>Lack of awareness among clients and health professionals on the advantage of birth spacing.</li> <li>Train WBOT on family planning. Encourage clients to use long/permanent contraceptive methods</li> <li>Promote continuous use of maternal guidelines in facilities</li> </ul>
	Maternal Mortality in facility ratio	151/100 000	210/100 000	127/100 000	83/100 000	<ul style="list-style-type: none"> <li>Most facilities are not youth friendly.</li> <li>Training for health care practitioners on the Adolescent and Youth Friendly strategies.</li> <li>Peer educator training will be done</li> </ul>
	Delivery in facility under 18 years rate	11.3%	9%	10.3%	1.3%	<ul style="list-style-type: none"> <li>Poor growth monitoring and promotion practices.</li> <li>Late referrals to the next level.</li> <li>Strengthen Health Care Practitioners in Child Healthcare Problem Identification Programme and capturing</li> </ul>
	Child under 1 year mortality in facility rate	9/1000	8.0/1 000	8.1/1 000	0.1/1 000	<ul style="list-style-type: none"> <li>Poor growth monitoring and promotion practices.</li> <li>Late referrals to the next level.</li> <li>Strengthen Health Care Practitioners in Child Healthcare Problem Identification Programme and capturing</li> </ul>
	Inpatient death under 5 years rate	5.5/1000	3.5/1 000	5.8/1 000	2.3/1 000	<ul style="list-style-type: none"> <li>Poor growth monitoring and promotion practices.</li> <li>Late referrals to the next level.</li> <li>Strengthen Health Care Practitioners in Child Healthcare Problem Identification Programme and capturing</li> </ul>



## PROGRAMME 3: EMERGENCY MEDICAL SERVICES (EMS)

### Priorities

- Improve on response times
- Gradual employment of more staff

**Strategic Goal 2:** Improved quality management and patient care across the system

### Achievements

- Thirty eight (38) Emergency Care Officers successfully completed the Intermediate Life Support Course.
- Twenty two (22) Toyota Quantum ambulances and twelve (12) VW Crafters patient transporters distributed to all districts.
- Sixteen (16) Emergency Care Officers appointed in Frances Baard district.
- Five (5) Obstetric ambulances successfully registered and currently in operation in John Taolo Gaetsewe district.
- Rescue training facility has been identified and prepared for rescue training in Gordonia Hospital.
- Forty (40) ambulances, fifteen (15) Patient Transport Vehicles and five (5) Logistic vehicles has been delivered from the factories and sent to the converters.
- Two (2) students qualified with National Diplomas in Emergency Medical Care (Advanced Life Support) through the department's bursary scheme and one (1) have since been appointed in Frances Baard District.
- Twelve (12) Basic Ambulance Assistant students are currently on the Intermediate Life Support course at the Northern Cape EMS College.
- One hundred and twenty five (125) Emergency Care Officers participated in the Continuous Professional Development Program (CPD).

### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>• Shortage of operational staff and personnel in the admin section</li> </ul>	<ul style="list-style-type: none"> <li>• Approval of the organogram and appointment of personnel</li> </ul>
<ul style="list-style-type: none"> <li>• Lack of proper Control Centres in the districts</li> </ul>	<ul style="list-style-type: none"> <li>• The Control Centre in Upington is near completion and the one in Kimberley is in progress</li> </ul>
<ul style="list-style-type: none"> <li>• No budget for EMS Training College</li> </ul>	<ul style="list-style-type: none"> <li>• Funds to be made available for the training college</li> </ul>
<ul style="list-style-type: none"> <li>• Poor data capturing</li> </ul>	<ul style="list-style-type: none"> <li>• Appointment and training of data capturers</li> </ul>
<ul style="list-style-type: none"> <li>• Shortage of ambulances due to accidents and mechanical breakdown</li> </ul>	<ul style="list-style-type: none"> <li>• Replacement of vehicles</li> </ul>
<ul style="list-style-type: none"> <li>• The college is facing a risk of losing the accreditation due to non-availability of College premises</li> </ul>	<ul style="list-style-type: none"> <li>• Purchasing of park homes for classes and offices or renting a building.</li> <li>• The programme has identified premises but still need to refurbish the building.</li> </ul>

Table 1: Annual targets for Emergency Medical Services

Strategic Objective	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviation	Comment on deviations
Render an effective And efficient EMS	EMS Operational Ambulance coverage	0.40	1.3	0.8	-0.5	<ul style="list-style-type: none"> <li>• Shortage of ambulances, Vehicle breakdowns and vastness of the Province</li> </ul>
	EMS P1 urban under 15 minutes	51.5%	60%	63%	+3%	<ul style="list-style-type: none"> <li>• Increased number of operational vehicles at a given time</li> </ul>
	EMS P1 rural under 40 minutes	40.7%	40%	47%	+7%	<ul style="list-style-type: none"> <li>• Proper prioritisation of calls.</li> <li>• Increased number of operational vehicles at a given time</li> </ul>
	EMS P1 call response under 60 minutes	56.2%	60%	55%	-5%	<ul style="list-style-type: none"> <li>• Poor road conditions and street names not properly marked in rural areas.</li> <li>• Vast distances travelled in the province</li> </ul>
	Number of patients transferred	130 567	80 000	122 745	+42 745	<ul style="list-style-type: none"> <li>• Unavailability of specialist services in the districts</li> </ul>
	100% two crew system	61.5%	60%	63%	+3%	<ul style="list-style-type: none"> <li>• More staff available for operations than being on leave , sick and training</li> </ul>



## PROGRAMME 4: PROVINCIAL HOSPITAL (GORDONIA HOSPITAL)

### Priorities

- Improve Regional hospital services
- Theatre output management

**Strategic Goal 3:** Improved health outcomes in managing both communicable and non-communicable diseases

### Achievements

- Conducted one hundred and twenty eight (128) Medical Male Circumcision (MMC);
- Sixty (60) Cataract tours were conducted by Black Mountain Mine in collaboration with Brian Holden Eye Care.
- Orthopaedic outreach programme from Kimberly Hospital, doctors performed eleven (11) surgical operations in our new hospital theatre.

**Table 1: Appointed the following employees**

Categories	Number of personnel
Cleaners	40
Administration Clerks	13
Human Resource Clerks	5
Switchboard Operators	3
Receptionists	2
Principal network Controller	1
Network Controllers	2
Laundry Manager	1
Food Service Aids	22
Chief Securities	2
Allied Health staff	5
Doctors	10
Professional Nurses	39
House Keeper	1
Deputy Director HR	1
Assistant Director HR	1
Assistant Director Nursing	1
Deputy Director Finance	1
Specialty Unit Managers	3
General Unit Managers	2
Chief Physiotherapist	1
Psychologist	1

**Challenges and measures planned to overcome them**

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>• Staff shortage in all categories</li> </ul>	<ul style="list-style-type: none"> <li>• Appointments according to funded vacant posts</li> </ul>
<ul style="list-style-type: none"> <li>• High technology of the hospital requires an in-service training for the staff as well as the public</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct information sessions for the staff and information sessions for the public</li> </ul>
<ul style="list-style-type: none"> <li>• Data Management</li> </ul>	<ul style="list-style-type: none"> <li>• Create standardised data collection tools</li> </ul>
<ul style="list-style-type: none"> <li>• Open of a mental health unit</li> </ul>	<ul style="list-style-type: none"> <li>• To obtain funding for structural changes and recruitment of staff</li> </ul>
<ul style="list-style-type: none"> <li>• Long waiting times in casualty</li> </ul>	<ul style="list-style-type: none"> <li>• Restructuring of the triage systems and employment of more relevant nursing /medical staff</li> </ul>

**Table 2: Annual targets for General (Regional) Hospital**

Strategic Objective	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviation	Comment on deviations
Improve regional hospital services	Number of Paediatric patients receiving interventional treatment annually due to implementation of new regional services	7065	6000	4219	-1781	<ul style="list-style-type: none"> <li>Down referral of patients to the PHC facilities, migration to the new hospital, Non adherence to appointments as well as the shortage of doctors had a great impact on deviations</li> </ul>
	Number of surgical cases done	1751	10% increase per year 1010	1971	+961	<ul style="list-style-type: none"> <li>Outreach clinics like Ophthalmology (Cataract tours), Urology, Orthopaedic and ENT was a contributing factor to the facility exceeding the target</li> </ul>
	Total Accident & Emergency head count	32689	35 000	32530	-2470	<ul style="list-style-type: none"> <li>Inappropriate patients / referrals re-routed to the level of care</li> </ul>
	Number of clinical audit meetings held	2	4	1	-3	Absence of a Clinical Manager
	Delivery by Caesarean section rate	25.5%	25%	25.1%	0.1%	<ul style="list-style-type: none"> <li>Teenage pregnancies</li> <li>Increase of emergency cases due to complications</li> <li>Seventeen (17) late referrals of high risk patients also had an impact on the emergency Caesarean sections</li> </ul>
	Inpatient Separations Total	12729	14 200	11250	-2950	Unrealistic target setting

Strategic Objective	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviation	Comment on deviations
	Patient Day Equivalents – Total	86194	75 000	83553	+8553	<ul style="list-style-type: none"> <li>This was also triggered by a large number of OPD</li> <li>More referrals from PHC level</li> </ul>
	OPD Headcounts – Total	86246	80 000	82187	+2187	-
	Average length of stay	3.6 days	4.8 days	4 days	0.8 day	-
	Inpatient Bed Utilisation Rate	71.4%	72%	81%	+9%	<ul style="list-style-type: none"> <li>Orthopaedic patients awaiting beds from Kimberley Hospital</li> <li>Premature babies for growth monitoring</li> <li>Mental Health patients awaiting beds from West End.</li> </ul>
	Expenditure per patient day equivalent	R1414.72	R1 805.35	R1 705	-R100.35	Cost of medical inflation
	Percentage of complaints of users of Regional Hospital Services resolved within 25 days	38%	100%	36%	-64%	No quality assurance staff appointed
	Percentage of Regional Hospitals with monthly Mortality and Morbidity Meetings	50%	100%	25%	-75%	Absence of a Clinical Manager
	Percentage of users of Regional Hospital Services satisfied with the services received (Regional Hospital Patient Satisfaction rate)	15%	100%	100%	-	-
	Number of Regional Hospitals assessed for compliance with the 6 priorities of the core standards	1	1	1	-	-



**Table 3: Annual targets for MDR TB Hospital**

Strategic Objective	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
To achieve a 30% MDR-TB cure rate by 2014	Proportion of MDR-TB patients started on treatment	-	100%	94%	-6%	Patients died before taking treatment
	MDR-TB smear conversion rate at 6 months	-	35%	66%	+31%	More patients converted due to good adherence
	Proportion of HIV+ MDR-TB patients qualified for ART and started on ART	-	100%	76%	-24%	Some patients died during preparation others with low CD4 count due to alcohol abuse etc.
	Proportion of new XDR-TB patients cured at first attempt	-	1%	0%	-1%	XDR-TB is difficult to cure hence patients die during treatment.
	Proportion of XDR-TB patients started on treatment	-	100%	88%	-12%	<ul style="list-style-type: none"> <li>Patients die before diagnosis</li> <li>Pre-XDR failed full XDR regimen</li> </ul>
	XDR-TB smear conversion rate at 6 months	-	23%	75%	+52%	Good adherence on treatment
To achieve a 5% XDR-TB cure rate by 2014	Proportion of HIV+XDR-TB patients qualifying for ART and started on ART	-	100%	50%	-50%	Patients died before started on ART treatment
	Proportion of new MDR-TB cases cured at first attempt	-	18%	21%	+3%	Good adherence on treatment

## SPECIALISED HOSPITAL SERVICES (WEST END HOSPITAL)

### Priorities (Psychiatric)

- Improve specialised hospital services
- Improve accessibility to mental health services in the specialised hospital

### Priorities (MDR-TB)

- Achieve 85% TB cure rate by 2014

**Strategic Goal 3:** Improved health outcomes in managing both communicable and non-communicable diseases

### Achievements

- Refurbishment of the of Electro Convulsive Therapy theatre for administration
- Refurbishment of the Psychology component
- Development of a mental health training module for people rendering services in Mental Health
- Development and adoption of Standard Operating Procedures for the drug resistant TB unit.
- Mentoring of third year psychiatric students from Henrietta Stockdale Nursing College.
- Establishment and operationalization of the different committees e.g. Hospital committee, Budget committee and Clinical Governance committee
- Refurbishment of the Administration Block
- Refurbishment of DR TB Out Patients Department
- Mentoring of Community Service Doctors for Psychiatry and Psychology

### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>• Shortage of staff, space and equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Submitted priority posts (phase one)</li> <li>• Disposal of depreciated assets</li> </ul>
<ul style="list-style-type: none"> <li>• No dedicated vehicle specifically allocated to the hospital</li> </ul>	<ul style="list-style-type: none"> <li>• Allocate a dedicated vehicle</li> </ul>
<ul style="list-style-type: none"> <li>• Long waiting periods of patients for admission into WESH from Department of Correctional Services and the periphery due to shortage of beds for both mental health and DR TB.</li> </ul>	<ul style="list-style-type: none"> <li>• Space identified for refurbishment to increase bed utilisation for TB and Mental patients</li> </ul>
<ul style="list-style-type: none"> <li>• Space to accommodate post seventy two (72) hours mental health care users</li> </ul>	<ul style="list-style-type: none"> <li>• The proposed space identified for refurbishing for the post seventy two (72) hours and State Patient mental health to be refurbished</li> </ul>



**Table 1: Annual targets for Specialised TB Hospital**

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
To achieve a 30% MDR-TB cure rate by 2014	Proportion of MDR TB patients started on treatment	100%	100%	91%	-9%	<ul style="list-style-type: none"> <li>Two (2) patients critically ill</li> <li>Two (2) awaiting lab results to confirm diagnosis</li> <li>Three (3) are still prepared to be started on treatment as they are co infected</li> </ul>
	MDR-TB smear conversion rate at 6 months	42%	60%	28%	-32%	Only keep patient when they are having two (2) direct sputum negative results, sent to referring site
	Proportion of HIV positive MDR TB patients qualifying for ART and started on ART	96.5%	100%	60%	-40%	Admitted with their own treatment
To achieve a 5% XDR-TB cure rate by 2014	Proportion of XDR-TB patients started on treatment	100%	100%	97%	-3%	<ul style="list-style-type: none"> <li>One (1) died before treatment</li> <li>one (1) awaiting confirmation of results</li> </ul>
	XDR-TB smear conversion rate at 6 months	43.85%	30%	4%	-26%	Only keep the patient when its having 2 culture negative
	Proportion of HIV positive XDR-TB patients qualifying for ART and started on ART	100%	100%	94%	-6%	Three (3) patients are borderline XDR-TB
	Proportion of new MDR-TB patients cured at first attempt	8%	25%	0%	-25%	MDR-TB Patients cure time frame is 24 months
	Proportion of new XDR-TB patients cured at first attempt	0%	36%	0%	-36%	XDR-TB Patients cure cycle is 36 months

Table 2: Annual targets for Specialised Psychiatric Hospital

Strategic Objective	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
To provide sufficient capacity to render comprehensive specialist mental health care services	Number of patient satisfaction surveys done	1	2	1	-1	-
	Number of clinical audit meetings held	5	12	9	-3	-
	Percentage of Complaints resolved within 25 days	75%	82%	50%	-32%	Unresolved complaints are referred for further investigations
Ensure access to the full package of psychiatric hospital services by providing 266 hospital beds by 2014	Number of psychiatric hospital beds	-	97	143	46	Awaiting for the identified space for extra thirty six (36) beds to be refurbished by projects office

### Nababeep TB Decentralised Site

#### Priorities

- Achieve 85% TB cure rate by 2014

#### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>• Some DR-TB patients miss their follow up appointments at outreach clinic due to EMS not having enough resources</li> <li>• Water shortages due stealing of pipes</li> </ul>	<ul style="list-style-type: none"> <li>• Obtain designated transport for Drug Resistance-TB patients</li> <li>• Provide water tanks as a temporary measure</li> </ul>

**Table 1: Annual targets for Nababeep TB Decentralised Site**

Strategic Objectives	Performance Indicator	Actual 2012/14	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
To achieve a 30% MDR-TB cure rate by 2014	Proportion of MDR TB patients started on treatment	-	100%	100% (10) patients	100%	• All MDR TB cases initiated treatment by a doctor
	MDR-TB smear conversion rate at 6 months	-	30%	40%	+10%	• Timorous collection of sputa and culture tests at PHC and improved patient adherence
	Proportion of HIV positive MDR TB patients qualifying for ART and started on ART	-	100%	100%	-	• All HIV positive clients are placed on ART

Strategic Objectives	Performance Indicator	Actual 2012/14	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
To achieve a 5% XDR-TB cure rate by 2014	Proportion of XDR-TB patients started on treatment	-	100%	0%	-100%	<ul style="list-style-type: none"> <li>Decentralised unit only admits MDR TB patients not XDR TB patients</li> </ul>
	XDR-TB smear conversion rate at 6 months	-	5%	0%	-5%	<ul style="list-style-type: none"> <li>Decentralised unit therefore only admits MDR TB patients not XDR TB patients</li> </ul>
	Proportion of HIV positive XDR-TB patients qualifying for ART and started on ART	-	100%	-	100%	<ul style="list-style-type: none"> <li>Decentralised unit only admits MDR TB patients not XDR TB patients</li> </ul>
	Proportion of new MDR-TB patients cured at first attempt	-	30%	20%	-10%	<ul style="list-style-type: none"> <li>1 out of 5 patients cured;</li> <li>2 out of 5 patients died;</li> <li>2 out of 5 lost to follow up</li> </ul>
	Proportion of new XDR-TB patients cured at first attempt	-	5%	-	-5%	<ul style="list-style-type: none"> <li>Decentralised unit only admits MDR TB patients not XDR TB patients</li> </ul>



## PROGRAMME 5: TERTIARY HOSPITAL (KIMBERLEY HOSPITAL)

### Priorities

- Maintain secondary services and increase access to tertiary health services
- Improve the quality of maternal, child and emergency health services
- Implement a quality improvement programme for effective health service delivery

**Strategic Goal 3:** Improved health outcomes in managing both communicable and non-communicable diseases

### Achievements

- Reduction noted in the number of fatalities within the Paediatric ICU due to the newly sponsored Oscillating High flow Ventilator by BHP Billiton through the Carte Blanch Saving lives project
- Upgrading of the Medical High Care and Isolation unit commenced; to be completed in July 2014. This will reduce the occupancy rate in the Adult ICU as well as improve the quality of patient care.
- Continued infrastructure improvement to ensure patient and staff safety in the Emergency and Harmony home where the West End Hospital patient over-night stay has been relocated.
- Procurement and installation of a third booth, audiometer and tympanometer, this will streamline the ENT/Audiological services.
- Improving standard of care and quality of working life through the procurement of Clinical and support equipment, Occupational Therapy equipment, ultrasound machine, two hundred and thirty (230) Hearing Aids and sixty three (63) wheelchairs thus reducing the backlog on waiting lists.
- New Panorex machine procured at the Radiology unit, this will assist in the management of facial bone injuries.
- The following tenders were awarded in the Radiology Department:
  - ✓ Sixty four (64) Slice CT
  - ✓ Mammogram
  - ✓ Sonar
- Installation of extra water tanks increasing the capacity during water cut-offs.
- Cataract marathon was successfully conducted on forty (40) patients thus reducing the waiting time for many of our elderly patients. The Hip and Knee surgery exceeded its target of forty (40) as forty eight (48) hip and knee replacements were done.
- Successfully achieved the National Mother Baby Friendly Hospital Initiative. Through this initiative Mother and Baby health has become top priority focusing on reducing Maternal and Peri-Natal mortality rate and achieving the Millennium Development Goals (MDG).
- A compliment report received from Ms T Madonsela, the Public Protector who was highly impressed with the Hospital performance and management as well as from the Provincial Service Delivery Monitoring unit on service standards and Customer Care
- Successful wheel chair rally was held in November 2013 as part of the activities of Disability month as well as Health promotional activities conducted on World Diabetes Day – patients better informed and equipped to manage their condition.
- Quality improvement programs continued with the utilisation and capacitation of Lay Counsellors and Care Givers as well as auditing of all resuscitations done by the Resuscitation Committee.

- Continuous training and development of Nurses and other categories with the following topics covered
  - ✓ Patient centred allocation and Compilation of a care plan – conducted three (3) sessions with ninety nine (99) nurses trained
  - ✓ Registered nurses role during resuscitation of a patient – two (2) sessions forty three (43) nurses trained
  - ✓ The importance of prescribed peri-operative medication and anaesthesia four (4) sessions – eighty (80) nurses trained
  - ✓ Bare below elbow protocol – two (2) Sessions
  - ✓ Basic Life Support Training- seven (7) training sessions with a number of 86 staff members from various occupational categories trained
- Accredited weekly tutorials through University of Free State to take place in the Physiotherapy department

**Challenges and measures planned to overcome them**

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>• Inadequate infrastructure amidst a fast growing service package e.g. facilities for parents and guardians, limited functional space in the Renal unit, facilities for nursing and support staff and clinical laboratory, clinical archive.</li> </ul>	<ul style="list-style-type: none"> <li>• Speed up the approval for the utilisation of Curomed facilities and allocation of adequate budget for upgrading.</li> </ul>
<ul style="list-style-type: none"> <li>• PILIR applications are pilling up</li> </ul>	<ul style="list-style-type: none"> <li>• Speeding up of all outstanding pillar applications</li> </ul>
<ul style="list-style-type: none"> <li>• Safety of staff, patients and property remains compromised due to inadequate safety measures in place.</li> </ul>	<ul style="list-style-type: none"> <li>• Review the security systems and improve contract management</li> <li>• Installation of metal detectors and increase Physical security.</li> </ul>
<ul style="list-style-type: none"> <li>• Continued overflow of psychiatric patients over 72 hour due to unavailability of beds at West End Hospital</li> </ul>	<ul style="list-style-type: none"> <li>• Upgrade current structure to comply with the National Mental Health Act provisions.</li> <li>• Increase or improve bed management at West End Hospital.</li> </ul>
<ul style="list-style-type: none"> <li>• Turnaround time on appointments of critical staff</li> </ul>	<ul style="list-style-type: none"> <li>• Turnaround time for submissions to be clearly stated and adhered to</li> </ul>
<ul style="list-style-type: none"> <li>• Compromised quality of care due to inadequate staffing levels for nurses and low staff morale</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct staff satisfaction survey and develop improvement plan</li> <li>• Introduce the Patient centred approach to nursing care</li> <li>• Strengthen the multi-disciplinary teams in all Disciplines</li> </ul>
<ul style="list-style-type: none"> <li>• Ineffective infection prevention and control due to inadequate staffing levels especially nursing and cleaning staff</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening of management and supervision of staff especially cleaning services</li> <li>• Re-organisation of shifts for Cleaners to ensure maximum coverage</li> <li>• Revive the wound management team</li> </ul>



**Table 1: Annual targets for Tertiary Hospital**

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Improve secondary and tertiary health services	Number of patients seen at outreach services	-	5181	4782	-399	<ul style="list-style-type: none"> <li>Decrease in the total number of outreach services</li> <li>Reduced the number of planes from 2 to 1 and hence the number of flights.</li> </ul>
	Hospital patients receiving interventional treatment annually due to implementation of new tertiary service.	199	Cardiac surgery	157	+7	<ul style="list-style-type: none"> <li>The total number (157) indicates surgery done at the Free State Province by our Cardiac Surgeon</li> <li>All Northern Cape patients are referred to the Free State for Cardiac surgery</li> </ul>
			Thoracic surgery	150	115	-35
		22	Hip & knee replacement Surgery	48	+8	<ul style="list-style-type: none"> <li>Increase in the total number of surgery performed.</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Backlog corrected and set target exceeded</li> </ul>
			Radiation Oncology mapping	360 patients	457	+97

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Improve the quality of maternal, child and family health	Number of surgical cases done.	9730	8 800	9968	+1168	<ul style="list-style-type: none"> <li>Increased demand for surgical interventions.</li> <li>Inadequate/ lack of these services in some district Hospitals.</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Strengthen Out – Reach program to districts</li> <li>Adherence by district hospitals to the referral policy</li> </ul>
	Total Accident & Emergency headcount.	73 158	58 800	58183	-617	<ul style="list-style-type: none"> <li>Efficiencies improved in the triage system</li> <li>Inappropriate patients / referrals re-routed to the level of care</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Health education on lifestyle diseases</li> </ul>
	Number of clinical audit meetings held.	5	12	12	-	
	Case fatality rate for surgery separations (inpatient death – surgery/Separations- surgery).	4.7	4	5.1	+1.1	<ul style="list-style-type: none"> <li>Complexity of surgical interventions</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Effective screening prior to surgery</li> <li>Timely referral from the districts</li> </ul>



Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
	Delivery by Caesarean section rate.	55.3%	50%	57%	+7	<ul style="list-style-type: none"> <li>The high caesarean section rate is attributed to the fact that Kimberley Hospital is the main Obstetric referral centre for the Province, receiving high risk admissions and referrals from the periphery</li> <li>Lack of capacity at the districts to perform low risk Caesarean sections</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Strengthen District Hospitals to deal with low risk Caesarean Sections</li> <li>Health Education Programmes</li> <li>Fast track the implementation of the district specialist teams programme</li> </ul>
	Inpatient Separations – Total.	32780	26 416	26070	-346	<ul style="list-style-type: none"> <li>Complexity / nature of condition</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Health education on lifestyle diseases</li> </ul>
	Patient Day Equivalent	206 989	208 875	211 622	+2747	<ul style="list-style-type: none"> <li>Increased inpatients</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Health education on lifestyle diseases</li> </ul>
	OPD Headcounts – Total.	109 745	120 472	119791	-681	<ul style="list-style-type: none"> <li>Decrease in OPD headcount</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Effective down referral system and outreach program.</li> </ul>

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Improve the quality of maternal, child and family health	Average length of stay.	5.1 days	5.3 days	6.5days	+1.2day	<ul style="list-style-type: none"> <li>Burden of disease in ICU, Neo- natal ICU, Burns &amp; Medical Oncology</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Health education on lifestyle diseases especially teenage pregnancy, advance maternal age, substance abuse , early booking and effective screening</li> </ul>
	Bed utilisation rate.	71%	73%	71%	-2%	<ul style="list-style-type: none"> <li>Burden of disease</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Health education on lifestyle diseases</li> </ul>
	Expenditure per patient day equivalent (PDE).	R3 475	R3 256	R3 487	+R231	<ul style="list-style-type: none"> <li>Cost of medical inflation</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Correct the allocation</li> </ul>
	Complaints resolution within 25 working days rate	53%	80%	66%	-14%	<ul style="list-style-type: none"> <li>Due to complexity / nature of complaints 14% were not solved in 25 days</li> <li>Complaints are referred to the Clinical Complaints Review Committee (CCRC)</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>Encourage prompt response from the staff on all queries</li> <li>Encourage management of complaints at unit level on the spot</li> </ul>
	Mortality and Morbidity review rate	100%	100%	100%	100%	-



Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
Improve the quality of maternal, child and family health	Percentage of users of Tertiary Hospital Services satisfied with the services received (Tertiary Hospital Patient Satisfaction rate).	77%	80%	76%	-4%	<ul style="list-style-type: none"> <li>• Clients were not satisfied with the service</li> </ul> <p><b>Improvement Plan</b></p> <ul style="list-style-type: none"> <li>• Encourage prompt response from the staff on all queries</li> <li>• Encourage management of complaints at unit level on the spot</li> </ul>
	Number of Tertiary Hospitals assessed for compliance with the 6 priorities of the core standards.	1	1	1	-	-

## PROGRAMME 6: HEALTH SCIENCES AND TRAINING

### Priorities

- Training of undergraduate nurses
- Provision of bursaries for students in health science programme
- Provision of skills development interventions for all occupational categories

**Strategic Goal 2:** Improved quality management and patient care across the system through interalia developing the department's human resources.

### Achievements

- Forty five (45) students graduated on the 24th May 2013 with thirty six (36) Diplomas in Midwifery and nine (9) Diplomas in General Nursing;
- Twenty two (22) Midwifery students were enrolled into the programme;
- Four (4) students graduated through the Cuban Programme.
- Twenty eight (28) bridging students passed their 1st year South African Nursing Council (SANC) examination (28/31)
- Nine (9) Diploma in Midwifery students passed their SANC examination (9 out of 20)
- Thirty five (35) new students commenced with training on the 1st September 2013
- Three (3) students successfully completed their studies in Medicine and are currently placed by National Department of Health to serve their internship in Bloemfontein and Mpumalanga
- Twelve (12) Pharmacy interns are currently placed in the Kimberley Hospital Complex and in Gordonia hospital respectively
- Co-ordinated and monitored training interventions on
  - ✓ Management Development Programme
  - ✓ Emerging Management Development Programme
- Successfully recruited forty seven (47) prospective candidates on the Mandela Castro programme
- Placement of thirty nine (39) Further Education and Training learners for experiential learning at Provincial office, districts and facilities
  - ✓ Human Resource Management – eighteen (18)
  - ✓ Financial Management – seven (7)
  - ✓ Office Administration – six (6)
  - ✓ Public Management eight (8)
- HRD Annual Implementation Plan submitted to the Office of The Premier and National Department of Health
- Workplace Skills Plan (WSP) submitted to Office of The Premier and Public Sector Education Training Authority (PSETA)
- Appointed a Lecturer at Henrietta Stockdale Nursing College
- Six (6) Lecturers attended the Assessor and Moderator course
- Four (4) Administrative staff members attended computer training

### Challenges and measures planned to overcome them

Challenges and concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>• Payment of student accommodation in Free State Institutions</li> <li>• Re- accreditation of the relocation site for Nurses training (old Frances Baard district offices) by South African Nursing Council (SANC)</li> </ul>	<ul style="list-style-type: none"> <li>• Student accommodation payment should be paid through Persal to ease student problems</li> <li>• Application submitted to SANC for re-accreditation of the College new site</li> </ul>

**Table 1: Annual targets for Health Sciences and Training**

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
To expand and sustain the Registrar training programme	Number of Registrars in training - cumulative	-	15	9	-6	Number of applications received was less than the envisaged target
	Number of Registrars retained after qualifying	-	1	1	-	-
To implement a Training Strategy aligned with the core functions of the Department	Number of PHC nurses graduating	-	25	20	-5	Number of applications received was less than the envisaged target
	Number of paediatric Nurses graduating	-	5	2	-3	Number of applications received was less than the envisaged target
	Number of Advanced Midwives graduating	-	6	4	-2	Number of applications received was less than the envisaged target
	Medical Registrars graduating	-	1	1	-	-
	Number of Managers accessing the Management Skills	-	35	20	-15	Number of applications received was less than the envisaged target

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comments on deviations
	Intake of nurse students	25	180	249	+69	-
				Comprises of: Comprehensive course viz: 1st year = 52 2nd year = 88 3rd year = 33 4th year = 23 Bridging course = 31 R254 = 22		
	Students with bursaries from the Province	179	500	500	-	New intake in January 2014 increased the number of bursaries awarded
	Basic nurse students graduating	12	-	45	-	-



## PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

### 7.1. Forensic Pathology Services

#### Priorities

- Reduce turnaround time on completion of autopsies

**Strategic Goal 2:** Improved quality management and patient care across the system through interalia developing the department's human resources.

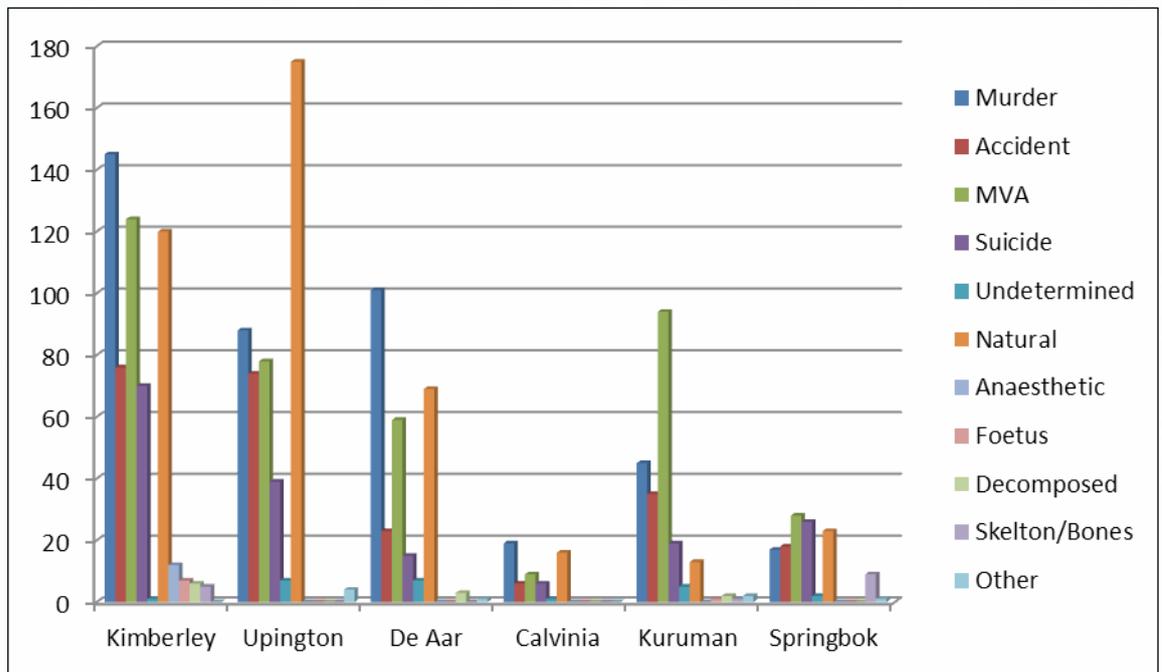
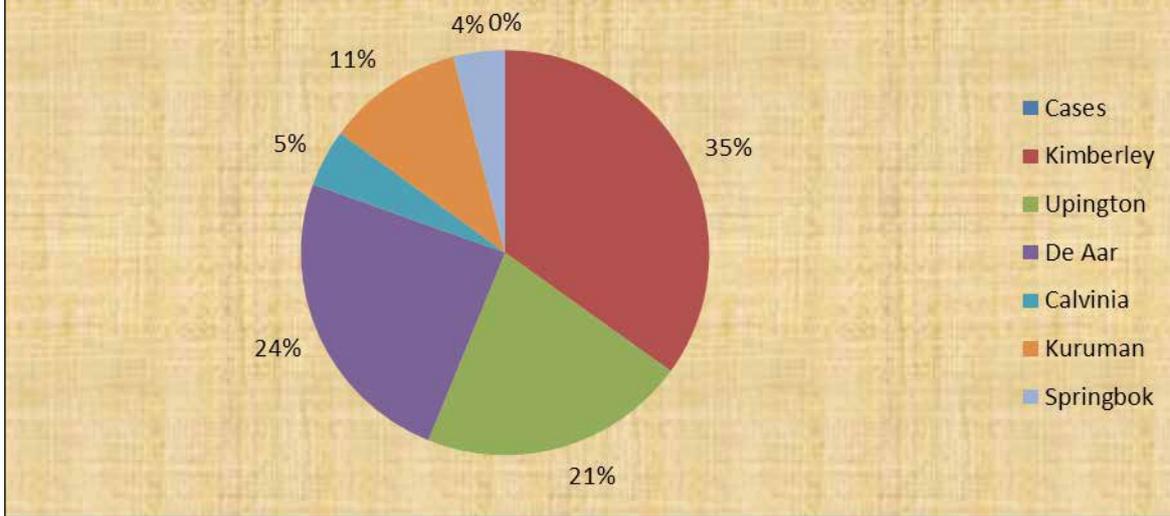
#### Achievements

- Appointed Dr Fouche as Clinical Head of Forensic Pathologist Specialist on the 15 August 2013 from Free State Province.
- Relocation of Dr Kanaomang from Kimberley Hospital to Kimberley Forensic Pathology Services (FPS).
- Re-appointed Dr Surtie to Forensic Pathology Services in Upington.
- Appointed Dr Van der Merwe on 5/8th basis to service De Aar Forensic Pathology Services and surroundings.
- Installation of new body fridges for Kimberley Forensic Pathology Services and water tank.
- Relocation from old mortuary at South African Police Service (Upington) to new Forensic Pathology Services mortuary at Dr Harry Surtie Hospital.
- Integrated Gender and Post Exposure Prophylaxis (PEP) Women's month awareness campaigns conducted in three districts: Pixley- Ka- Seme, Namakwa and Frances Baard.
- Conducted integrated training with Department of Social Development, National Prosecuting Authority and South African Police Services on Sexual Assault Management

**Table1: Statistics Forensic Pathology Services: 1st April 2013 – 31st March 2014**

Types of postmortems	Kimberley	Upington	De Aar	Calvinia	Kuruman	Springbok	Total
Murder	145	88	101	19	45	17	415
Accident	76	74	23	6	35	18	232
Motor Vehicle Accidents	124	78	59	9	94	28	392
Suicide	70	39	15	6	19	26	175
Undetermined	1	7	7	1	5	2	23
Natural	120	175	69	16	13	23	416
Anaesthetic	12	0	0	0	0	0	12
Foetus	7	0	0	0	1	0	8
Decomposed	6	0	3	0	2	0	11
Skelton/Bones	5	0	0	0	1	9	15
Other	0	4	1	0	2	1	8
<b>Total</b>	<b>566</b>	<b>465</b>	<b>278</b>	<b>57</b>	<b>217</b>	<b>124</b>	<b>1707</b>

### Graphical View of Pathology Statistics for April 2013 - March 2014

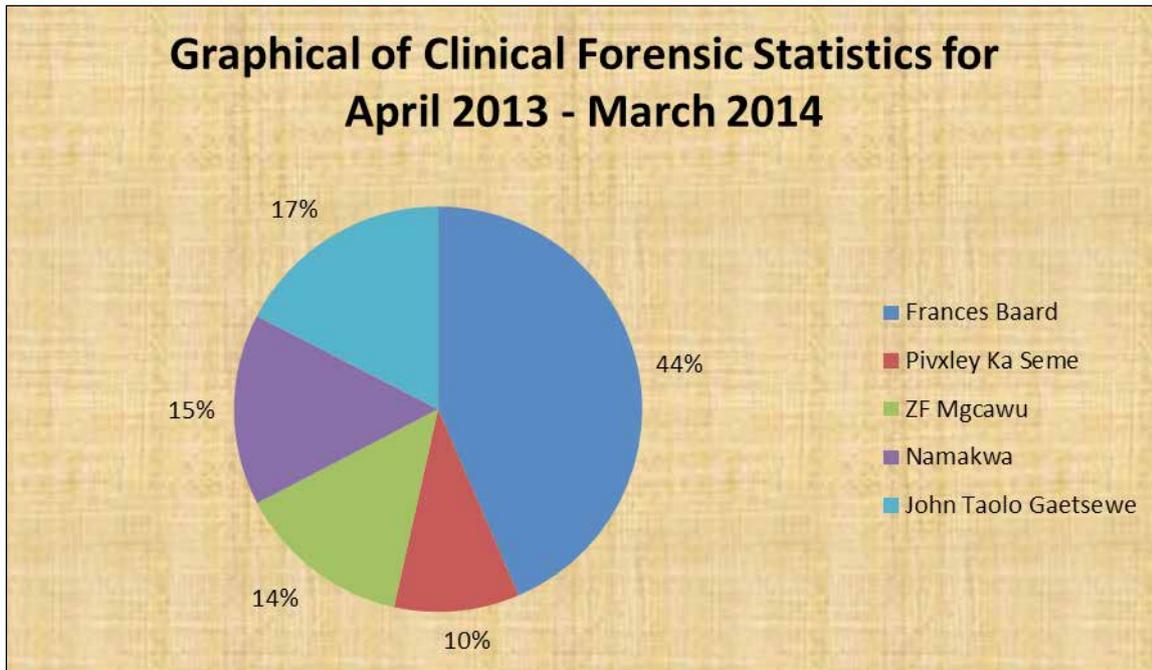


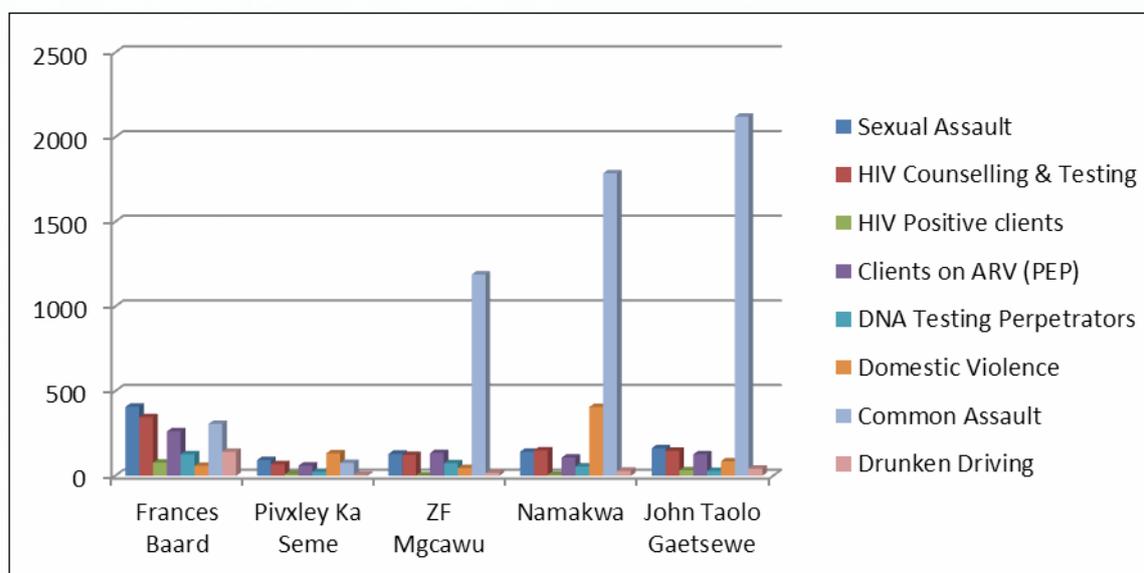


**Table 2: Statistics Clinical Forensic Services: 1st April 2013 – 31st March 2014**

Districts Reporting	Frances Baard	Pixley ka Seme	Z.F Mgcawu (Siyanda)	Namakwa	John Taolo Gaetsewe	Total
Sexual Assault/ New	408	93	130	143	163	937
HIV Counselling & Testing	346	69	124	150	147	836
HIV Positive clients	78	9	3	7	32	129
Clients on ARV (PEP)	263	61	135	108	127	694
DNA testing perpetrators	128	24	74	56	29	311
Domestic violence	59	133	46	407	86	731
Common assault	307	76	1189	1787	2121	5480
Drunken driving	134	6	18	30	43	231
<b>Total</b>	<b>1723</b>	<b>471</b>	<b>1719</b>	<b>2688</b>	<b>2748</b>	<b>9349</b>

**Graphical View of Clinical Forensic Services for 1st April 2013 – 31st March 2014**





**Challenges and measures planned to overcome them**

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>Shortage of practising clinical forensic nurses at Thuthuzela centres (Kuruman, De Aar and Kakamas)</li> </ul>	<ul style="list-style-type: none"> <li>Appoint a full-time forensic nurse at Bopanang Centre.</li> <li>Engage districts and facilities to budget, train and appoint forensic nurses and doctors.</li> <li>Refer patients to nearest health facilities.</li> </ul>
<ul style="list-style-type: none"> <li>Lack of proper Employee Awareness Programme services for forensic employees including doctors</li> </ul>	<ul style="list-style-type: none"> <li>Prioritise Employee Awareness Programme for employees</li> </ul>
<ul style="list-style-type: none"> <li>Shortage of forensic pathology doctors/specialists</li> </ul>	<ul style="list-style-type: none"> <li>Headhunt additional forensic specialist and doctors</li> </ul>
<ul style="list-style-type: none"> <li>Un-finished mortuary upgrades, and worsening state of affairs.</li> </ul>	<ul style="list-style-type: none"> <li>Lobby for funds from stakeholders to complete mortuaries</li> <li>Build a business case for appropriate facilities to be built especially Kimberley for training purposes.</li> </ul>

**Table 3: Annual targets for Forensic Medical Services**

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviations	Comment on deviations
Improved Forensic Medical Services	Percentage of autopsies completed in two (2) days	66%	70%	54%	-16%	<ul style="list-style-type: none"> <li>• 24% of cases are conducted in 3 days. 12% of cases are conducted in 4 days and 13% of cases are conducted in 5 days or more.</li> <li>• Workloads at times higher than norms of 4 cases per doctor per day.</li> <li>• Shortage of forensic specialists and doctors in the province.</li> <li>• Specialised cases are referred to Bloemfontein and Western Cape (Worcester and Salt River).</li> <li>• Delays with deceased patient records and late referrals due to omitted patient history.</li> <li>• Incomplete mortuaries (Space and workflow constraints)</li> <li>• Unavailability of running water from municipality also affects the turnaround time to completion of autopsies.</li> <li>• Unavailability of doctors due to leave of absence, attendance of court to give evidence.</li> <li>• Lack of proper subpoena management process as doctors are kept long in courts including extensive travelling to courts around the province to give evidence, thus impacting on schedules and availability of doctors.</li> </ul>
	Number of new practising clinical practitioners	0	2	0	-2	<ul style="list-style-type: none"> <li>• Inadequate budget for Clinical Forensic Services</li> </ul>

## 7.2. Pharmaceuticals

### Priorities

- Improve availability of medicines.
- Improve compliance with pharmaceutical regulations and legislation.
- Improve quality of pharmaceutical services.

**Strategic Goal 2:** Improved quality management and patient care across the system through interalia developing the department's human resources.

### Achievements

- The Dr. van Niekerk (Springbok) Hospital Pharmacy has been registered as a training site for the Pharmacist Assistants and approval has been granted for the accommodation of a pharmacist intern.
- Standard Operating Procedures (SOP) as required by the National Core Standards have been distributed to all facilities in the Zwelentlanga Fatman Mgcawu (Siyanda) district.
- Stock management in the wards of Gordonia Hospital improved and there was significant decrease in medicines being out of stock and expiring.
- Allocated a dedicated vehicle for medicine transportation in the ZF Mgcawu district.
- The Manne Dipico Hospital obtained an "A" grading by an inspection conducted by the South African Pharmacy Council.
- Dr Harry Surtie Hospital introduced an electronic dispensing system that improved recording and reporting of vital patient statistics.
- All pharmacy personnel in the Pixley- ka -Seme district have completed the Alpha Pharm Continuous Professional Development (CPD) programme.
- Oxygen machines have been provided to all PHC facilities in ZF Mgcawu district.
- Galeshewe Day Hospital adhered to specific requirements of the South African Pharmacy Council and was awarded with a training license for a further two (2) years until the end of 2015.
- Distributed Pre-eclampsia Emergency Tray medication to Z.F Mgcawu district.

### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
<ul style="list-style-type: none"> <li>• Shortage of qualified pharmaceutical staff at all facilities</li> </ul>	<ul style="list-style-type: none"> <li>• A clear provincial policy should be developed on the categories in the pharmacy sphere that are deemed to be critical and a scarce skill.</li> <li>• Avail bursaries in other categories in Pharmacy besides a B. Pharm degree.</li> <li>• Implement a retention strategy</li> </ul>
<ul style="list-style-type: none"> <li>• Improper stock control at facility level.</li> </ul>	<ul style="list-style-type: none"> <li>• Electronic ordering system implemented at facility level.</li> </ul>



<b>Challenges and Concerns</b>	<b>Proposed corrective action</b>
<ul style="list-style-type: none"><li>• Infrastructure challenges resulting in non-conformance to South African Pharmacy Council and Merchant Category Codes (MCC) requirements</li></ul>	<ul style="list-style-type: none"><li>• Infrastructural changes must be made in accordance to the South African Pharmacy Council and Merchant Category Codes (MCC) requirements</li><li>• Pharmaceutical Services should be involved in the planning phase for new pharmacies.</li></ul>
<ul style="list-style-type: none"><li>• Congested hospital/pharmacy due to patients with scripts for chronic medicines</li></ul>	<ul style="list-style-type: none"><li>• Increase drug supply to clinics, possibility of establishing a Chronic Dispensing Unit (CDU)</li></ul>
<ul style="list-style-type: none"><li>• Rational drug prescribing</li></ul>	<ul style="list-style-type: none"><li>• Implementation of policies, Antibiotic Stewardship program, distribute Code list to all doctors.</li></ul>
<ul style="list-style-type: none"><li>• Down referral of chronic patients to Primary Health Care facilities</li></ul>	<ul style="list-style-type: none"><li>• Improve communication between higher level of care facilities to the Primary Health Care facilities.</li><li>• Set up proper process and systems between the various levels of care.</li></ul>
<ul style="list-style-type: none"><li>• Inadequate operational budget to render pharmaceutical support to facilities</li></ul>	<ul style="list-style-type: none"><li>• District and facility managers to apportion dedicated budget for such activities.</li></ul>
<ul style="list-style-type: none"><li>• Expired scheduled 5 and 6 medicines that are accumulating at the districts/hospitals and the Depot are causing challenges as the company responsible for disposing thereof cannot do so as there is no Pharmacist in their employ to ensure that it is properly destroyed as per applicable legislation</li></ul>	<ul style="list-style-type: none"><li>• The manager of the waste management contract to interact with the company responsible for managing the waste..</li></ul>

Table 1: Annual targets for Pharmaceuticals

Strategic Objectives	Performance Indicator	Actual 2012/13	Target 2013/14	Actual 2013/14	Deviation	Comment on deviations
Improve medicine availability and the supply management system at Provincial Medical Depot (PMD) and District level.	Percentage availability of ARV medicines	91.3%	95%	97%	+2%	<ul style="list-style-type: none"> <li>Continuous monitoring of stock levels in the facilities</li> <li>Unavailability of items is addressed with alternative pack sizes and strengths.</li> </ul>
	Percentage availability of TB medicines	92.3%	80%	94%	+14%	<ul style="list-style-type: none"> <li>Continuous monitoring of stock levels in the facilities</li> <li>Unavailability of items is addressed with alternative pack sizes and strengths</li> </ul>
	Percentage availability of Chronic and Indicator medicines	88.3%	85%	95%	+10%	<ul style="list-style-type: none"> <li>Continuous monitoring of stock levels in the facilities</li> <li>Unavailability of items is addressed with alternative pack sizes and strengths</li> </ul>
	Percentage availability of EPI vaccines	96.3%	93%	96%	+3%	<ul style="list-style-type: none"> <li>Continuous monitoring of stock levels in the facilities</li> <li>Unavailability of items is addressed with alternative pack sizes and strengths</li> </ul>
Improve quality of pharmaceutical services as well as safeguard high standards of care.	Average out-patient waiting time at hospital pharmacies	≤30.8 minutes	≤40 minutes	≤21 minutes	≤19 minutes	<ul style="list-style-type: none"> <li>Continuous monitoring of stock levels in the facilities</li> <li>Unavailability of items is addressed with alternative pack sizes and strengths</li> </ul>
	Improve compliance with pharmaceutical regulations and legislation.	Percentage PMD compliant	70%	60%	60%	-
Number of Pharmacies that obtained a B grading on inspection		1	4	1	3	-



## PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

### Priorities

- Implementation of Hospital Revitalization Programme
- Implementation of infrastructure Grants for Provinces
- Implementation of Capital Infrastructure Maintenance Programme
- Implementation of Government Asset Management Act
- Implementation of Clinical Engineering Maintenance Programme

**Strategic Goal 5:** Improved and accelerated infrastructure development programme.

### Achievements

- Novalspond Clinic reached final completion.
- Final hand-over of the main hospital buildings in Upington completed
- Commissioning of Upington TB unit and outpatient unit
- Construction of new OPD at Tshwaragano Hospital has reached 100% completion
- De -commissioning of old Gordonia Hospital in Upington
- Completion of the external roads at Upington Hospital
- Completion of Deurham Clinic
- Practical Completion of the TB facility at De Aar Hospital.

### Challenges and measures planned to overcome them

Challenges and Concerns	Proposed corrective action
• Insufficient budget for Infrastructure Programme	• Bid for additional budget to be submitted to National Department of Health
• Slow progress at the New Mental Health facility. National Department of Health submitted design changes to the layout of the facility. Contractor submitted claim for extension of time due to design changes.	• Changes were approved and site instructions given to effect the changes. Claim for extension of time being evaluated by Joint Management Committee.
• Complete the conditions assessment for the Namakwa District	• Implementing agent to take legal action against service provider
• Slow progress on EPWP projects due to slow delivery by contractor	• Regular meetings with implementing agent to fast tract delivery
• Slow implementation of Sutherland and Fraserburg renovation projects due to slow SCM processes at Department of Roads and Public Works	• Regular meetings with implementing agent and contractor in order to speed up progress
• Slow progress on the transfer of land for Kuruman Hospital by Department of Public Works Properties	• Regular meetings with Department of Roads and Public Works to speed up progress
• Slow appointment of maintenance personnel at both Upington and De Aar Hospitals	• Meeting with Hospital Services in order to speed up the processes

Table 1: Annual targets for Health Facilities Management

Strategic Objectives	Performance Indicator	Actual 2012/14	Target 2013/14	Actual 2013/14	Deviations	Comment on deviations
Implementation of Hospital Revitalization Programme	New replacement hospitals	70%	100% completion of New Mental Health Hospital;	38%	-32%	Change of scope by NDOH. New scope finalised and instructions given to contractor to proceed.
		42%	80% Completion of De Aar Hospital;	100% TB 65% Main Hospital	-15% main hospital	Slow progress by service provider
		100%	100% completion of Upington Hospital	100%	-	-
		-	Upington Hospital Staff accommodation	100%	-	-
		Environmental Impact Assessment ongoing	Planning of Kuruman Hospital	Business case prepared	-	Business case in the process of preparation
		10%	Ka Gung clinic	60%	-40%	Delays due to the slow progress by the contractor
		-	Petrusham clinic upgrade	100%	-	-
		-	Schmidtsdrift Clinic	100%	-	-
		-	Heuningsvlei Clinic	5%	-5%	Designs complete
		55%	Williston Phase 2	95%	+15%	Staff accommodation complete
Implement of infrastructure Grants for Provinces	New clinics & community health centre.	-	Port Nolloth Phase 2	0%	-	Project moved to 2014/15
		-	Port Nolloth Phase 3	0%	-	-
		-	Upgrading of facilities	5%	Professional Service Providers not appointed	Terms of Reference is reviewed and procurement process is repeated
Implementation of capital Infrastructure Maintenance Programme	Upgraded & refurbished facilities	-				



Strategic Objectives	Performance Indicator	Actual 2012/14	Target 2013/14	Actual 2013/14	Deviations	Comment on deviations
Implementation of Government Asset Management Act	User Asset Management Plan.	User Asset Management Plan submitted to custodian	User Asset Management Plan submitted to custodian.	User Asset Management Plan submitted	Assessment did not cover full submission	Requested for assessment by Treasury to be reviewed
Implementation of Clinical Engineering Maintenance Programme	Repaired & replaced clinical equipment's.	-	Asset Register for clinic equipment developed	Standard Operating procedure approved. Update of register ongoing	-	-

### Strategy to overcome areas of under performance

- The department's budget should be aligned to its measurable objectives and performance targets;
- The department should take timely action where deviations indicating underperformance has been identified with regard to managing performance information;
- The department's performance targets should be selected with due regard to the result of relevant research and programme evaluations;
- Programmes must develop risk improvement plans on how to mitigate risks of not achieving planned targets;
- Review job description of employees to include performance management;
- The department should evaluate the correlation between the planned vs actual performance and its budget vs actual expenditure;
- Programme managers to account by means of evidence, verify, quality assure documents submitted and take responsibility of their programmes.

### Changes to planned targets

Vitamin A coverage 6-11 months the indicator was removed from the National Indicator Data Set (NIDS).

**Table 1: Linking performance with budgets**

Sub-Programme Name	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Administration						
Office of MEC	5,706	5,797	-91	8,368	8,460	-92
Management	162,977	165,851	-2,874	158,977	144,442	14,535
District Health Services						
District Management	124,619	124,621	-2	117,157	117,157	-
Community Health Clinic Services	326,927	326,983	-56	350,136	341,657	8,479
Community Health Centers	213,137	213,520	-383	185,605	185,345	260
Other Community Services	94,179	94,205	-26	52,265	52,265	-0
HIV/Aids	351,156	331,546	19,610	252,721	231,611	21,110
Nutrition	3,467	3,467	-	3,078	3,030	48



Sub-Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
Coroner Services	27,132	27,179	-47	26,295	25,615	680
District Hospitals	394,200	394,761	-561	370,265	365,007	5,258
Emergency Medical Services						
Emergency Transport	239,439	199,910	39,529	226,202	207,226	18,976
Provincial Hospital Services						
General Hospitals	159,726	149,624	10,102	130,919	125,533	5,386
TB Hospitals	9,485	6,294	3,191	12,043	12,043	-
Psychiatric Hospital	45,358	45,164	194	27,120	27,120	-
Central Hospital Services						
Provincial Tertiary Hospital Services	716,679	739,655	-22,976	724,152	729,538	-5,386
Health Sciences						
Nursing Training College	47,726	45,098	2,628	21,252	15,380	5,872
Other Training	5,756	5,756	-	39,138	39,394	-256
Primary Health Care Training	297	297	-	36	36	-
Bursaries	34,857	34,861	-4	31,973	31,974	-1
Health Care Support Services						
Engineering	18,548	18,519	29	16,415	11,240	5,175
Laundries	10,454	10,483	-29	7,077	7,077	-
Orthotic And Prosthetic Services	4,850	4,850	-	6,494	5,802	692
Health Facilities Management						
District Health Services	315,455	286,816	28,639	378,130	378,130	-
Provincial Health Services	164,858	166,544	-1,686	101,415	101,415	-
<b>Total</b>	<b>3,476,988</b>	<b>3,401,801</b>	<b>75,187</b>	<b>3,247,233</b>	<b>3,166,498</b>	<b>80,735</b>

### 3.5 TRANSFER PAYMENTS

**Table 1: Transfer payments to excluding public entities**

Name of Public Entity	Service rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
Emthanjeni Municipality	Primary Health Care Service	1056	0	-
!Kai! Garib Municipality	Primary Health Care Service	776	0	-
Khara Hais Municipality	Primary Health Care Service	1275	3378	-
Kgatelopele Municipality	Primary Health Care Service	522	0	-
Nama Khoi Municipality	Primary Health Care Service		0	-
Sol Plaatjie Municipality	Primary Health Care Service	2663	1309	-
Pixley ka Seme district municipality	Primary Health Care Service	100	100	-
Tsantsabane Municipality	Primary Health Care Service	1013	0	-
Namakwa District Municipality	Primary Health Care Service	100	100	-
Frances Baard District Municipality	Primary Health Care Service	100	100	-
John Taolo Gaetsewe district	Primary Health Care Service	100	100	-
Ubuntu Municipality	Primary Health Care Service	141	0	-

**Table 2: Transfer payments to all organisations other than public entities**

Name of transferee	Type of organization	Purpose for which the funds were used	Did the department comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Ankra	Non-profit institution	-	-	0		-
Thabisho	Non-profit institution	-	-	8700	8731	-
Legatus	Non-profit institution	-	-	9100	9134	-
Northern Cape Aids Forum & Christiaan Care and Support	Non-profit institution	-	-	8200	8301	-
Nightingale Hospice & Moeder Theresa Hospice	Non-profit institution	-	-	6964	6967	-
Moeder Theresa Hospice	Non-profit institution	-	-	5700	5688	-
Helen Bishop Orthopedic After - Care Home	Non-profit institution			2808	2805	



The table below reflects the transfer payments which were budgeted for in the period 1 April 2013 to 31 March 2014, but no transfer payments were made.

**Table 3:**

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Emthanjeni Municipality	Municipality	PHC services run by municipality	1 056	1056	PHC functions were moved from municipality to the Department
!Kai! Garib Municipality	Municipality	PHC services run by municipality	776	776	PHC functions were moved from municipality to the Department
Kgatelopele Municipality	Municipality	PHC services run by municipality	522	522	PHC functions were moved from municipality to the Department
Sol Plaatjie Municipality	Municipality	PHC services run by municipality	2663	1354	PHC functions were moved from municipality to the Department
Tsantsabane Municipality	Municipality	PHC services run by municipality	1 013	1013	PHC functions were moved from municipality to the Department
Ubuntu Municipality	Municipality	PHC services run by municipality	141	141	PHC functions were moved from municipality to the Department

### 3.6 CONDITIONAL GRANTS

#### Conditional grants and earmarked funds paid

The table/s below details the conditional grants and ear marked funds paid during for the period 1 April 2013 to 31 March 2014

**Table 1:**

Department who transferred the grant	National Department of Health
<ul style="list-style-type: none"> <li>Purpose of grant</li> </ul>	<ul style="list-style-type: none"> <li>To enable the health sector to develop an effective response to HIV and AIDS including universal access to HIV counselling and testing.</li> <li>To support the implementation of the National Operational plan for comprehensive HIV treatment and care.</li> <li>To subsidize in part, funding for the anti-retroviral treatment programme</li> </ul>

Department who transferred the grant	National Department of Health
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 179 total number of fixed public health facilities offering ART services</li> <li>• 1,928 active home based carers receiving stipends</li> <li>• 5 total number of HTA intervention sites</li> <li>• 23,000,000 total number of male condoms distributed</li> <li>• 31 total number of public health facilities offering PEP for sexual assault cases</li> <li>• 2,108 babies given nevirapine within 72 hours after birth</li> <li>• 19 management positions filled against business plan</li> <li>• 1,879 professional nurses trained on HIV and AIDS, TB and STIs and other chronic diseases</li> <li>• 5 total number of Step Down Facilities/Units</li> <li>• 343,876 total number of clients HIV pre-test counselled (including antenatal)</li> <li>• 25,322 total number of HIV positive clients screened for TB</li> <li>• 19 total number of fixed health facilities offering MMC</li> <li>• 39,449 number of patients receiving ARVs</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 179 total number of fixed public health facilities offering ART services</li> <li>• 1866 active home based carers receiving stipends</li> <li>• 6 total number of HTA intervention sites</li> <li>• 7,964,800 total number of male condoms distributed</li> <li>• 28 total number of public health facilities offering PEP for sexual assault cases</li> <li>• 3213 babies given Nevirapine within 72 hours after birth</li> <li>• 18 management positions filled against business plan</li> <li>• 1146 professional nurses trained on HIV and AIDS, TB and STIs and other chronic diseases</li> <li>• 5 total number of Step Down Facilities/Units</li> <li>• 144 750 total number of clients HIV pre-test counselled (including antenatal)</li> <li>• 14 746 total number of HIV positive clients screened for TB</li> <li>• 17 total number of fixed health facilities offering MMC</li> <li>• 39 158 number of patients receiving ARVs</li> </ul>
Amount per amended DORA (R'000)	321 150
Amount received (R'000)	321 150
Reasons if amount as per DORA was not received	100% received
Amount spent by the Department (R'000)	302 259
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> <li>• Delay in the approval of the amended business plan</li> <li>• The Department committed an amount of R14 349 million towards the procurement of capital medical equipment and office equipment.</li> </ul>



Department who transferred the grant	National Department of Health
Reasons for deviations on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the receiving department	-

**Table 2:**

Department who transferred the grant	National Department of Health
Purpose of grant	<ul style="list-style-type: none"> <li>• Support provinces to fund service costs associated with training of health science trainees on the public service platform</li> <li>• Co-funding of the national human resource plan for health in expanding undergraduate medical education for 2013 and beyond (2025)</li> </ul>
Expected outputs of the grant	-
Actual outputs achieved	-
Amount per amended DORA (R'000)	72,356
Amount received (R'000)	72,356
Reasons if amount as per DORA was not received	100% received
Amount spent by the Department (R'000)	77,395
Reasons for the funds unspent by the entity	100% spent
Reasons for deviations on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the receiving department	-

**Table 3:**

Department who transferred the grant	National Department of Health
Purpose of grant	<ul style="list-style-type: none"> <li>• Ensure provision of tertiary health services for all South Africa citizens.</li> <li>• To compensate tertiary facilities for the costs associated with provision of these services including cross boundary patients</li> </ul>
Expected outputs of the grant	Provision of designated national tertiary services (T1 & T2 partly) as agreed between the province and the national Department of health
Actual outputs achieved	Yes
Amount per amended DORA (R'000)	282,618
Amount received (R'000)	282,618
Reasons if amount as per DORA was not received	100% received
Amount spent by the Department (R'000)	282,616
Reasons for the funds unspent by the entity	100% spent
Reasons for deviations on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the receiving department	<p>Discussion on a monthly basis at hospital Senior management meeting</p> <p>Discussed at the provincial quarterly review meetings</p>

Table 4:

Department who transferred the grant	National Department of Health
Purpose of grant	<ul style="list-style-type: none"> <li>To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including: health technology, organisational design (OD), systems and quality assurance (QA)</li> <li>Supplement expenditure on health infrastructure delivered through public-private partnerships</li> <li>To enhance capacity to deliver health infrastructure</li> <li>The Hospital Revitalisation component funds construction, upgrading or replacement of hospitals</li> <li>The Nursing Colleges and Schools component funds the upgrading of nursing colleges and schools</li> <li>The Health Infrastructure component funds improvements in all health facilities</li> </ul>
Expected outputs of the grant	-
Actual outputs achieved	-
Amount per amended DORA (R'000)	483,531
Amount received (R'000)	483,531
Reasons if amount as per DORA was not received	100% received
Amount spent by the Department (R'000)	452,952
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> <li>Delays in finalising contract processes with the implementing agent</li> <li>The Department had committed R12, 598 million towards refurbishment of Galeshewe Day Hospital, Sutherland and Fraserburg CHC's.</li> </ul>
Reasons for deviations on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the receiving department	-

Table 5:

Department who transferred the grant	National Department of Public Works
Purpose of grant	<p>To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with EPWP guidelines:</p> <ul style="list-style-type: none"> <li>Road maintenance and the maintenance of buildings</li> <li>Low traffic volume roads and rural roads</li> <li>Other economic and social infrastructure</li> <li>Tourism and cultural industries</li> <li>Sustainable land based livelihoods</li> </ul>
Expected outputs of the grant	-
Actual outputs achieved	-
Amount per amended DORA (R'000)	3,330
Amount received (R'000)	3,330



Department who transferred the grant	National Department of Public Works
Reasons if amount as per DORA was not received	100% received
Amount spent by the Department (R'000)	2,605
Reasons for the funds unspent by the entity	-
Reasons for deviations on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the receiving department	-

**Table 6:**

Department who transferred the grant	National Department of Health
Purpose of grant	To incentivise provincial social sector departments identified in the 2012 EPWP log-frame to increase job creation by focusing on the strengthening and expansion of social services programmes that have employment potential
Expected outputs of the grant	-
Actual outputs achieved	-
Amount per amended DORA (R'000)	9,516
Amount received (R'000)	9,516
Reasons if amount as per DORA was not received	100% received
Amount spent by the Department (R'000)	8,798
Reasons for the funds unspent by the entity	-
Reasons for deviations on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the receiving department	-

**Table 7:**

Department who transferred the grant	National Department of Health
Purpose of grant	<ul style="list-style-type: none"> <li>• Test innovations in health services provision for implementing NHI, allowing for each district to interpret and design innovations relevant to its specific context</li> <li>• To undertake health system strengthening initiatives</li> <li>• To assess the feasibility, acceptability, effectiveness and affordability of innovative ways of engaging private sector resources for public purposes</li> </ul>
Expected outputs of the grant	-
Actual outputs achieved	-
Amount per amended DORA (R'000)	6,428
Amount received (R'000)	6,428
Reasons if amount as per DORA was not received	100% received
Amount spent by the Department (R'000)	6,528
Reasons for the funds unspent by the entity	100% spent
Reasons for deviations on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the receiving department	-

### Conditional grants and earmarked funds received

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2013 to 31 March 2014

**Table 1:**

Department who transferred the grant	National Department of Public Works
Purpose of grant	To incentivize provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with EPWP guidelines: <ul style="list-style-type: none"> <li>• Road maintenance and the maintenance of buildings</li> <li>• Low traffic volume roads and rural roads</li> <li>• Other economic and social infrastructure</li> <li>• Tourism and cultural industries</li> <li>• Sustainable land based livelihoods</li> </ul>
Expected outputs of the grant	-
Actual outputs achieved	-
Amount per amended DORA (R'000)	3,330
Amount received (R'000)	3,330
Reasons if amount as per DORA was not received	100% received
Amount spent by the Department (R'000)	2,605
Reasons for the funds unspent by the entity	-
Reasons for deviations on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the receiving department	-

### 3.7 DONOR FUNDS

**Table 1:**

Name of donor	European Union
Full amount of the funding	-
Period of the commitment	-
Purpose of the funding	Training and information technology
Expected outputs	-
Actual outputs achieved	-
Amount received (R'000)	1,061
Amount spent by the Department (R'000)	292
Reasons for the funds unspent	-
Monitoring mechanism by the donor	-



**Table 2:**

Name of donor	Global fund
Full amount of the funding	-
Period of the commitment	-
Purpose of the funding	TB intervention
Expected outputs	-
Actual outputs achieved	-
Amount received (R'000)	783
Amount spent by the Department (R'000)	Nil
Reasons for the funds unspent	-
Monitoring mechanism by the donor	-

**Table 3:**

Name of donor	Belgium fund
Full amount of the funding	-
Period of the commitment	-
Purpose of the funding	TB intervention
Expected outputs	-
Actual outputs achieved	-
Amount received (R'000)	Nil
Amount spent by the Department (R'000)	149
Reasons for the funds unspent	-
Monitoring mechanism by the donor	-

### 3.8 CAPITAL INVESTMENT

Capital investment, maintenance and asset management plan

- Progress made on implementing the capital, investment and asset management plan.

Project	Percentage work done
Mental Health Hospital	38%
De Aar Hospital	100% TB 65% Main Hospital
Upington Hospital	100%
Ka Gung clinic	60%
Schmidsdrift Clinic	100%
Heuningsvlei Clinic	Design stage
Galesewe Day Hospital	5%
Williston Phase 2 (staff accommodation)	95%
Fraserberg CHC	10%
Sutherland CHC	10%

Infrastructure projects which have been completed in the current year and the progress in comparison to what was planned at the beginning of the year. Provide reasons for material variances (2% variance).

The following projects are still under construction and deviations have resulted due to slow delivery by the contractors. With regard to Mental Health Hospital the department made alterations on the project scope due to changes made in the mental health policy guidelines.

Project	Percentage	Deviation
Mental Health Hospital	38%	32%
Ka Gung clinic	60%	5%

- Infrastructure projects that are currently in progress (list projects) and when are they expected to be completed.

Project	Expected completion
Mental Health Hospital	2015
De Aar Hospital	2015
Ka Gung clinic	2014
Galeshewe Day Hospital	2014
Williston Phase 2	2014
Fraserberg CHC	2014
Sutherland CHC	2014

- Progress made on the maintenance of infrastructure.

Tender documentation revised and ready to request bids from professional service providers

- Developments relating to the above that are expected to impact on the department's current expenditure.

The roll-out of maintenance shall require additional budget allocation for the actual maintenance of the health facilities and the budget appointment of maintenance personnel in the facilities.

- Measures taken to ensure that the department's asset register remained up-to-date during the period under review.

Monthly meetings are held with the property section of the Department of Roads and Public Works to update the immovable asset register.

- The current state of the department's capital assets, for example what percentage is in good, fair or bad condition?

Conditions assessment on all buildings was conducted in 2011. The state of the building infrastructure can be classified as fair taking into account the maintenance backlog that the department is working on to address. Priority is given to facilities that are classified as poor in terms of maintenance and upgrading.

A copy of conditions assessment report is attached.

- Major maintenance projects that have been undertaken during the period under review.

The following projects have been identified in 2013 for major maintenance.

Project
Galeshewe Day Hospital
Fraserberg CHC
Sutherland CHC

- Progress made in addressing the maintenance backlog during the period under review, for example, has the backlog grown or become smaller? Is the rate of progress according to plan? If not why not, and what measures were taken to keep on track.



The department has identified facilities for maintenance and progress is made according to the plan.

An additional maintenance project of 2013 includes maintenance on fire-fighting equipment, autoclaves, heating and ventilation and electrical works including replacement of standby generators.

### Asset Management

Activity	Action Plan On Qualification Issues	Progress/Achievements/Challenges
	The department was qualified on assets that could not be verified, donations, completeness of asset registers and non-existence of intangible asset register	<ul style="list-style-type: none"><li>• The department embarked on full comprehensive asset verification. The verification for 101000 on movable assets and 31000 on surgical to 260 sites was completed on the 30 April 2014.</li><li>• The new register has improved much more than the previous one. The register shows now correct description, correct allocations and room numbers, condition of assets, redundant and disposed assets.</li><li>• The registers for movable and intangible assets are more than 90% complete and will be submitted to the Auditor -General on the 31 May 2014. Loss Control register for the province is kept by Ms Fatima Alexander and Donation register is kept by the Ms Manqele.</li><li>• Asset management with the help of the Service Provider managed to train 35 interns and 15 permanent staff on asset management.</li><li>• Asset management is still challenged by the fact that only 3 officials are responsible for the entire province to do all the functions in this Unit.</li></ul>

ALL HEALTH FACILITIES: NORTHERN CAPE PROVINCE

FRANCES BAARD		JOHN TAOLO GAETSEWE		ZF MGCWU		PIXLEY- KA - SEME		NAMAKWA	
Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating
KIMBERLEY HOSPITAL (Tertiary)	C3	KURUMAN HOSPITAL	C3	POSTMASBURG HOSPITAL & CLINIC	C5	BILL PICKARD HOSPITAL	V.Good/C5	Fraserburg Old Hospital	Fair/C3
CONNIE VORSTER MEMORIAL HOSP	C3	TSHWARAGANO DISTRICT HOSPITAL	C4	KEIMOES HOSPITAL	C4	COLESBERG OLD HOSPITAL		Springbok Old Hospital	
WEST END HOSPITAL	C1			NEW HARRY SUITE HOSPITAL	C5	MANNE DIPICO HOSPITAL	V.Good/5	Abraham Essau Hospital	Good/C4
BARKLY WEST NEW HOSPITAL	C4					CENTRAL -KAROO HOSPITAL	Fair/3	Dr. Van Niekerk Hospital (Springbok)	Fair/C3
NEW KIMBERLEY MENTAL HOSPITAL (Under construction)	NEW					De AAR/NEW OSPITAL	New		
PAMPIERSAID HEALTH CARE	C4	CASSEL HEALTH CENTRE	C3	DANIELSKUILCOMMUNITY HEALTH CENTRE	C4	RICHMOND CHC	Good/4	Calvinia CHC	
GALESHEWE DAY HEALTH CENTRE	C3	CAMDEN HEALTH CENTRE	C3	KAKAMAS CHC	C4	WEGE CHC	Fair/3	Garies New CHC	Good/C4
JAN KEMPDORP CHC	C3	LOOPENG HEALTH CENTRE	C2	KENHARDT CHC	C3	BRITSTOWN CHC	Good/4	Alexanderbay CHC	
WARRENTON CHC	C2	KAGISO HEALTH CENTRE	C3			GREENPOINT CHC	Good/4	Port Nolloth CHC	Poor/C2
						CARNARVON CHC	Fair/3	Pofadder CHC	Poor/C2
						Vosburg CHC	Good/4	Nababib CHC	Poor/C2
						B.J. KEMPEN CHC	Good/ C4	Brandvlei CHC	Fair/C3



ALL HEALTH FACILITIES: NORTHERN CAPE PROVINCE

FRANCES BAARD		JOHN TAOLO GAETSEWE		ZF MGCWU		PIXLEY- KA- SEME		NAMAKWA	
Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating
						FRTZ VISSER CHC	V.Good/C5	Fraseburg CHC	Fair/C3
						GRIEKWASTAD HOSPITAL - HELPMEKAAR CHC	Poor/2	Sutherland CHC	Poor/C2
						HESTER MALAN CHC	Poor/2	Williston CHC	Fair/C3
						MARTHA BISHOP CHC	V.Good/5	Lorriesfontein CHC	Fair/C3
						CARNAVON CHC	v.poor/1		
MATALENG CLINIC	C4	DITHAKONG CLINIC	C3	GROBLERSHOOP CLINIC	C4	STRYDENBURG CLINIC	Good/4	Nieuwoudtville Clinic	Poor/C2
WINDSORTON CLINIC	C4	GLEN RED CLINIC	C3	AUGRABIES CLINIC	C3	HOPETOWN CLINIC	Good/4	Max Shapiro Clinic	Fair/C3
RITCHE CLINIC	C3	PIETERSHEM CLINIC	C4	CONCORDIA CLINIC	C3	OLD CLINIC		Calvinia Clinic	Poor/C2
BEACONSFIELD CLINIC	C1	LAXEY CLINIC	C4	KHARKAMS CLINIC		RICHMOND CLINIC	Good/4	Loeriesfontein Clinic	Poor/C2
WINSTON TORRES CLINIC	C3	PADSTOW CLINIC	C2	LINGELETHU CLINIC	C4	ETHEMBENI CLINIC	Good/4	Pofadder Clinic	Poor/C2
CITY CLINIC	C3	RUSFONTEIN CLINIC	C3	LOUISVALEWEG CLINIC	C3	BONTEHEUWEL CLINIC	Fair/3	Onseepkans Clinic	Poor/C2
MASAKHANE CLINIC	C3	GADIBOE CLINIC	C3	BOEGOEBERG CLINIC	C1	NIEKERKSHOOP CLINIC	Good/4	Melkboschrand Clinic	Fair/C3
BETTY GAETSEWE CLINIC	C3	METSIMANTSI CLINIC	C3	LEERKRANS CLINIC	C3	LOXTON CLINIC	Fair/3	Pella Clinic	Poor/C2
MAPULE MATSEPANE CLINIC	C1	DITSHIPENG CLINIC	C4	KAROS CLINIC	C3	B.J. KEMPEN CLINIC	Good/4	Aggenys Clinic	

ALL HEALTH FACILITIES: NORTHERN CAPE PROVINCE

FRANCES BAARD		JOHN TAOLO GAETSEWE		ZF MGCWU		PIXLEY- KA- SEME		NAMAKWA	
Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating
MA DOYLE CLINIC	C4	HEUNINGVLEI CLINIC	C2	WEGDRAAI CLINIC	C3	SIMON NANGQO CLINIC	Good/4	Garies Clinic	Good/C4
DE BEERSHOOGTE CLINIC	C3	CHURCHILL CLINIC	C3	TOPLINE CLINIC	C3	EUREKAVILLE CLINIC	Good/4	Hondeklipbaai Clinic	Good/C4
PHOLONG CLINIC	C3	DEERWARD CLINIC	C2	TOPLINE CLINIC	C3	KUYASA CLINIC	Poor/2	Karkhams Clinic	Poor/C2
WARRENVALE SATELITE CLINIC	C4	GASEHUNELO CLINIC	C3	ASKHAM CLINIC	C3	LOWRYVILLE CLINIC	V.Good/5	Karnieskroon Clinic	Fair/C3
VALSPAN CLINIC	C1	MARUPING CLINIC	C3	RIETFOONTEIN CLINIC	C3	PETRUSVILLE CLINIC	Good/4	Leliefontein Clinic	Fair/C3
FLORIANVILLE CLINIC	C3	MECWENTSANENG CLINIC	C4	VILANDERSBRON CLINIC	C3	PHILLIPSTOWN CLINIC	V.Good/5	Port Nolloth Clinic	Poor/C2
GREENPOINT CLINIC	C3	LOGOBATE CLINIC	C2	GROOTDRINK CLINIC	C3	MONTANA CLINIC	Good/4	Alexanderbay Clinic	Good/C4
GONG - GONG CLINIC	C2	WRENGHVILLE CLINIC	C5	GROOTDRINK CLINIC	C3	HANOVER CLINIC	Fair/3	Sandrift Clinic	Fair/C3
DELPORTSHOOP CLINIC	C3	KATHU CLINIC	C2	KAKAMAS CLINIC	C3	GRIEKWASTAD CLINIC	Fair/3	Kuboes Clinic	Poor/C2
LONGLANDS CLINIC	C3	DEBEN CLINIC	C3	CILLIE CLINIC	C2	L.ADAMS CLINIC	V.Good/5	Lekkersing Clinic	Poor/C2
ULCO SATELITE CLINIC	C2	DINGLETON CLINIC	C1	LUTZBURG CLINIC	C3	BREIPAL CLINIC	v.Poor/1	Eksteenfontein Clinic	Fair/C3
IKHUTSENG CLINIC	C3	VAN ZYLRSUS CLINIC	C3	MARCHANDT CLINIC	C3	CAMPBELL CLINIC	Good/4	Nababeep Clinic	Poor/C2
Eleanor Nomimi Mothibi	C4	BANKHARA BODULONG	C3	RAASWATER CLINIC	C3	K.E.TWANI CLINIC	V.Good/5	Matjieskloof Clinic	Poor/C2
PHUTHANANG CLINIC	C3	OLIFANTSHOEK CLINIC	C3	KALKSLOOT CLINIC	C3	VANWYKSVLEI CLINIC	Good/4	Bergsig Clinic	
JERRY BOTHA CLINIC	C3	SEODING CLINIC	C3	LENNERTSVILLE CLINIC	C3	NORVALSPONT CLINIC	Poor/2	O'kiep Clinic	Fair/C3



ALL HEALTH FACILITIES: NORTHERN CAPE PROVINCE

FRANCES BAARD		JOHN TAOLO GAETSEWE		ZF MGCAWU		PIXLEY- KA- SEME		NAMAKWA	
Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating
GANSPAN CLINIC	C3	TSINENG	C3	JAN HAVEN CLINIC	C3	NORVALSPONT CLINIC	New	Concordia Clinic	Good/C4
STEYNVILLE CLINIC		BATLHAROS GATEWAY CLINIC	C3	LEERKRANS CLINIC	C3	KHAYA LETHEMBA HOME BASE CARE	Fair/3	Carolusberg Clinic	Poor/C2
		BENDEL CLINIC	C2	RUIVVASMAAK CLINIC	C3			Komaggas Clinic	Fair/C3
		BOTHELETSA CLINIC	C1	GROENWATER CLINIC	C1			Rooiwal Clinic	
		OLD CLINIC	C1	KEIMOES CLINIC	C3			Vloosdrif Clinic	Poor/C2
		LOOPENG CLINIC		ALHEIT CLINIC	C2			Steinkopf Clinic	Poor/C2
		KAMDEN CLINIC		PROGRESS CLINIC	C2				
		KAGISHO CLINIC		SARAH STRAUSS CLINIC	C3				
		DEURHAM CLINIC	NEW	KLIEN MIRE CLINIC	C3				
				GROOTE MIER CLINIC	C4				
				POSTDENE CLINIC	C4				
				KENHARDT CLINIC	C3				
				OLIFANTSHOEK CLINIC					
HOUSES									
ELEANOR NOMIMI MOTHIBI		HOUSE NO.1 (CASSEL CLINIC)				B.J. KEMPEN STAFF ACC.		Garies Dept Nurses Home	
DR LETELE BUILDING		HOUSE NO.1 (MANYEDING CLINIC)						Garies Dept Nurses Flats	
SHARON COURT		HOUSE NO.2 (MANYEDING CLINIC)						Springbok Dept House	

ALL HEALTH FACILITIES: NORTHERN CAPE PROVINCE

FRANCES BAARD		JOHN TAOLO GAETSEWE		ZF MGCAWU		PIXLEY- KA- SEME		NAMAKWA	
Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating	Facility	Condition Rating
MEMORIAL HOUSES								Springbok Dept House	
HOUSE NO 2								Springbok Dept House	
HOUSE NO 4									
HOUSE NO 6									
HOUSE NO 8									
HOUSE NO 10									
HOUSE NO 12									
HOUSE NO 18									
HOUSE NO 22									
HOUSE NO 24									
HOUSE NO 26									
HOUSE NO 20									
HOUSE NO 30									
HOUSE NO 34									

LEGEND

	Upgrade recently done
	C1 & C2 Condition



Infrastructure Projects	2012/2013			2013/2014		
	Final Appropriation R'000	Actual Expenditure R'000	Over/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	Over/Under Expenditure R'000
New and replacement assets	R 461,232.00	R 426,628.00	R34, 604.00	R 416,257.00	R401 837.00	R14, 420.00
Existing infrastructure assets	R 43,752.00	R 52,918.00	R9, 166.00	R 85,429.00	R80 ,420.00	R5, 009.00
Upgrades and additions	R 25,000.00	R 5,331.00	R19, 669.00	R 24,500.00	R24, 500. 00	-
Rehabilitation, renovations and refurbishments	R 12,652.00	R 41,856.00	R29, 204.00	R 27,800.00	R15,202.00	R12,598.00
Maintenance and repairs	R 6,100.00	R 5,731.00	R 369.00	R 33,129.00	R 33. 129.00	-
Infrastructure transfer						
Current						
Capital						
<b>Total</b>	<b>R548 736.00</b>	<b>R532 464. 00</b>	<b>R9 3012.00</b>	<b>R587 115. 00</b>	<b>R55 5088. 00</b>	<b>R32 027. 00</b>

## 4. PART C: GOVERNANCE

### 4.1. INTRODUCTION

Good governance in public service is one of the indicators that show how well public funds are spent by officials. This further indicates the processes and structures that exist within government institutions geared towards ensuring compliance with all relevant legislative requirements that govern public service in general and the expenditure of funds thereof.

Our department has put in place processes, from recruitment of employees, to procurement of goods and services, right through to the disbursements and expenditure of public funds. These measures seek to ensure complete compliance with statutory requirements and the continuous provision of health services to the public.

In this instance the department has developed and is at the stage of completion of its organisational structure (organogram) which will address the human resource needs and performance efficiencies in the Department, ensuring that health facilities are better staffed and equipped to effectively deliver services in an equitable and efficient manner. We have adopted and approved SCM policy to procure goods and services within the prescripts of the law. We have created structures to manage risks within the department, and to ensure that fraud and corruption is eliminated.

The department has established committees that are tasked to monitor good governance within. These include Audit Committee, Risk Management Committee, Policy Committee, and SCM Bid Committees.

We are in the processes of reviewing our performance in order to ensure that good governance is always improved to avoid any form of irregularity happening in the department.

### 4.2. RISK MANAGEMENT

The Department has approved Risk Management Policy and Strategy and these have been implemented successfully within the operations of the department. The Risk Management unit is trying its best to function optimally under circumstances to ensure that Risk Management within the Department runs smoothly.

The Department conducts regular risk assessments, at least once a quarter to review the risk registers of all facilities, districts and directorates. These assessments have helped the department to better manage risks, and to come up with effective strategies to reduce those risks. These assessments have also helped in the identification of new emerging risks.

The Risk Management Committee was established and advises Management on the issues of Risk Management. The Risk Management Committee also reviews the risk register for the whole department and it decides on the Top Ten risks of the Department.

The Audit Committee with its oversight responsibility has been vital on monitoring the effectiveness of the strategies that the department has employed to deal with identified risks. The Committee further provide advice and guidance regarding Risk Management.

There has been some progress made with Risk Management in the department, and this has to an extent resulted in the improvement in some areas. There is room for improvement hence our endeavours to continue and strive for better performance. The Risk Management unit is continuously interacting with all relevant stakeholders to ensure that quality improvements are realized.



### 4.3. FRAUD AND CORRUPTION

The Department has a Fraud Prevention Plan that was approved, together with the Whistle Blowing Policy. These documents have created an environment within the Department that seeks to ensure that ordinary employees are able to report cases of fraud and corruption without fear of reprisals.

The Security and Risk Management unit is in the process of conducting awareness campaigns with regards to the two above mentioned policy documents. These campaigns are geared towards ensuring that the incidents of fraud and corruption within the Department are minimized and eliminated.

Generally employees are aware of the procedure and processes followed when wanting to report fraud and corruption, and these are now documented in the policy documents.

### 4.4. MINIMISING CONFLICT OF INTEREST

In all procurement thresholds as detailed in the National Treasury Practice Note 2 of 2005 reviewed in 2008/2009, are areas of transactions that potential conflict of interests can occur. In this context, the Department has therefore instituted the following measures:

- As required in terms of National Treasury practice notes, all transactions between R10 000.00 until R30 000.00 the service providers bidding through quotations are expected to submit declarations, herein referred to as "SBD forms" to confirm whether owners of the companies are government employees.
- In light of the Department's approved policy on SCM, in terms of clause 20 of the same policy all SCM officials sign a code of conduct received from National Treasury requiring declaration of interest as well as disclosing any gifts received.
- With respect to bids / tenders, both committees at Evaluation and Adjudication level, all members sign a declaration of interest to attest to the best knowledge of their conscience as individuals in that they do not have conflict of interest with respect to the bids serving before them.

### 4.5. CODE OF CONDUCT

The Department is using the national code of conduct as published by the Department of Public Administration in line with Batho Pele principles. Employees are taken through an induction programme that indicates, what is expected of each employee and what is the role of the Department in assisting each employee. (Refer to Explanatory manual on the code of conduct for the public service)

### 4.6. HEALTH SAFETY AND ENVIRONMENT ISSUES

Health, Safety and Environment (as understood under the common term "Occupational Health & Safety") is not a competency of the various health departments, but resorts directly under the Department of Labour. The safety of our employees within their workplace is vitally important and the Department is committed to establishing and implementing relevant Policies and Protocols which promotes this.

The biggest gap in the Department presently is that there are no trained Safety Officers and therefore no fully functioning Health and Safety Committees. Health and Safety activities are also executed in an adhoc way, for example a district might have safety officers but they have not been trained, where there is Wellness staffs, initial medical surveillances are completed but no exit surveillances are completed.

In order to rectify this, the Department has advertised the SHERQ Manager's post in order to establish a more co-ordinated and streamlined Safety Programme with the Department.

The Department is also in the process of addressing the gaps with regard to approved policies. Some strides have been made in this area as the Department has approved SHERQ and Occupational Injuries and Disease in the Workplace policies. The HIV and AIDS, STIs and TB in the Workplace and Protective Clothing policies are in the consultative process.

The local authorities, mostly the district municipalities, are responsible for the rendering of Municipal Health Services (MHS) at government premises and also at all public health facilities in the Northern Cape Province. The role of Environmental Health Practitioners is to monitor the Health Care Risk Waste Management service rendered by the contracted service provider, Tshenolo Resources.

#### **4.7. PORTFOLIO COMMITTEES**

The dates of the meetings

- Budget Presentation - 26 April 2013
- Quarterly Report presentation - 11 September 2013
- Briefing on the Mental Health Amendment Bill - 01 August 2013
- NHI Presentation - 06 June 2013
- Annual Report 2012/2013 - 01 November 2013

#### **Matters raised by the Portfolio Committee and how has the department addressed these matters.**

##### **The following reports were submitted to the Portfolio Committee:**

- Audit Report on the National Health Insurance pilot site in the province
- Report on the Strategy on how the department would address the shortage of medical personnel to ensure the successful implementation of the National Health Insurance
- Report on the retention strategy of the Department
- Progress report on the appointment of personnel in terms of the Integrated School Health Services
- Progress report on the dispensing of medication at the Dr Arthur Lethele Pharmaceutical Depot.
- Report on the claims against the department for the period under review
- A progress report in terms of Turn-around Strategy to adequately address the shortcomings of the department as identified by the Auditor general
- Report on the quality of service that is provided by the Emergency Medical Services and Paramedics
- A progress report in terms of the status of the medical Waste Management in the Province



## 4.8. SCOPA RESOLUTIONS

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
Internal Control Measures	The Accounting Officer should review and monitor internal control measures to ensure supply chain management policies are implemented.	<ul style="list-style-type: none"> <li>An audit rectification plan was developed and implemented by the Chief Financial Officer for all Directorates.</li> <li>The rectification plan consists of all classes of transactions and balances as well as disclosure notes that required urgent interventions through implementation of controls.</li> </ul>
Irregular and wasteful expenditure	Department should put preventative measures in place to circumvent irregular and wasteful expenditure.	<ul style="list-style-type: none"> <li>The Major cause of fruitless and wasteful expenditure is interest on late payment and Medico legal claims.</li> <li>The Department assigned an official to monitor the processing of payments to avoid late payments.</li> <li>The Department developed monitoring tools for the processing of payments which clearly outlines the ageing of payments.</li> <li>All facilities have been trained on how to use the monitoring recording and reporting using the tool.</li> <li>The department appointed additional people in the Supply Chain Management unit and has advertised the vacant positions; this will address the delay in the processing of payments</li> </ul>
Consultants	Department should reduce reliance on consultants and the contract must compile them to transfer skills to the departmental employees.	<ul style="list-style-type: none"> <li>The department made use of the consultants as a result of technical skills which were needed.</li> </ul>
Planning / Targets	Department should ensure adequate planning is done when strategic plan is compiled by setting targets that are SMART.	<ul style="list-style-type: none"> <li>Target setting workshops conducted with all programmes on development of SMART indicators during the development of APP 2014/15 and draft Strategic Plan 2014-2019.</li> </ul>
Asset Management System	Department should review and monitor the asset management system to ensure that all assets are properly recorded and accounted for.	<ul style="list-style-type: none"> <li>An Audit Rectification plan was developed and implemented by the Chief Financial Officer for all Directorates.</li> <li>Asset Management Project Plan was developed. A number of objectives have been identified for this projects, the most important being the pursuit to obtain an unqualified opinion for the movable assets of the department.</li> <li>During July and August 2013, Asset Management Unit embarked on Road Shows to all Districts on asset Management. The target was CEOs, District Managers, Facility Managers, Finance Managers and Controllers.</li> </ul>

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
		<ul style="list-style-type: none"> <li>• The Road shows included a presentation on audit reports, draft asset management policies, procedures and processes.</li> <li>• An Asset Management Policy was submitted to Policy and Planning in September 2013 for review. Policy and Planning circulated the Policy for inputs to all Senior Managers of the department in October 2013.</li> <li>• Memos were issued to all Districts to appoint Asset and Loss Control Officers in September 2013.</li> <li>• A Circular on the granting and acceptance of gifts, donations and sponsorships was issued on the 3 September. 2013.</li> <li>• A Circular on Asset Management was issued on 11 November 2013 and Circulated to all employees of the department. The Circular was informing the department about a complete asset verification to take place in order clear the qualification of assets that could not be verified.</li> <li>• The department operated with only two employees to perform all the functions of asset management. The department has more than 200 000 assets to verify.</li> <li>• To assist the department with the challenge of capacity, the department appointed Asset Management Consultants: TAT I-CHAIN to assist the department to obtain an unqualified audit opinion.</li> <li>• The Office of the Auditor-General, Provincial Asset Management and the Provincial Accountant-General were invited to a presentation by the Consultants to ensure that they are in agreement with the processes and methodologies. However Provincial Treasury could not attend the presentation.</li> <li>• Asset Registers are maintained, reconciled and updated monthly.</li> </ul>
Irregular Expenditure	Department should compile and submit a comprehensive report on the accumulated R3 Billion irregular expenditure within 30 days of tabling of the annual report	<ul style="list-style-type: none"> <li>• The information was submitted to the Provincial Legislature.</li> </ul>



### 4.9. PRIOR MODIFICATION TO AUDIT REPORTS

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
<b>PROJECT 1: Immovable Assets</b>						
Immovable assets amounting to R141, 857,094 recorded in the asset register could not be physically verified. The assets could not be individually verified as the immovable assets were not componentised to disclose adequate descriptions, serial/identification numbers and locations	The department did not have sufficient time to obtain reports from prior years in order to retrieve the old records/batches relating to the immovable assets.	Obtain immovable asset register from Department of Public Works and reconcile with the WIP register to agree completed projects	Qualification	2012	100% - Task complete	Reconciliation between WIP register and Department of Public Works asset register completed.
		Meet with Public Works CFO to discuss methodology and requirements to transfer completed infrastructure projects and preparation of section 42 transfer letter.	Qualification	2012	100% - Task complete	Task completed
		Investigate 111 projects that could not be verified by Public Works due to unavailability of addresses. For completeness purposes include work done prior year of identifying all completed properties, clinics, Satellite clinics/EMS bases and EMS properties.	Qualification	2012	100% - Task complete	Task completed

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
Immovable assets are understated by R14, 095,746 as a result of completed infrastructure projects still being included in the immovable asset register of the department.	Insufficient time to review working paper files and schedules before submission to the AG.	All completed infrastructure projects to be transferred to the Department of Public Works.	Qualification	2012	100% - Task complete	Task completed
Value of immovable assets amounting to R825, 005,256 included in the immovable asset register and the work-in-progress register could not be confirmed because documentation to support the valuation could not be provided for audit purposes.	Insufficient time to review working paper files and schedules before submission to the AG.	Valuation methodology of projects to be determined and agreed with Public Works in the meeting to be held on the 5th September 2013.	Qualification	2012	100% - Task complete	Task completed.
<b>PROJECT 2: Movable Assets</b>						
Assets to the value of R32, 448,651 recorded in the asset register could not be physically verified. Alternative procedures could not be performed to confirm existence of these fixed assets.	Asset registers not updated throughout the year with acquisitions and disposal of assets.	Asset management policy and procedures has been developed and will be implemented in the 2013/14 financial year.	Qualification	2012	60% - Task partially completed	Policy Circulated to all Executive and Senior Managers. Circular issued and disseminated
		Asset management team will visit all districts to conduct training.	Qualification	2012	100% - Task complete	Road shows and presentation of the policy and procedures done to all Districts. District managers, CEO , all facility and Clinic Managers
		Asset registers will be updated. A template will be developed to reconcile the registers daily.	Qualification	2012	100% - Task complete	Reconciliation of the asset register is performed on a monthly basis



Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
The completeness of the asset register could not be verified as several assets were selected from their physical locations but could not be traced to the asset register	No dedicated asset management personnel	Service Provider to be appointed to perform comprehensive asset verification, update asset register, asset management software, valuation.			100% - Task complete	Service provider appointed.
Assets are overstated as a result of obsolete equipment and furniture being included in the asset register. These assets were not written off by the department	Officials at District Offices are not properly trained on asset management.	Comprehensive asset verification, update asset register, asset management software, valuation.  A list of all obsolete, damaged etc. movable assets will be prepared. This list with motivation will be submitted to the disposal committee to consider  A proper structure for asset management at HO to be established to support districts.  Application for funding by the Provincial Treasury has been made.	Qualification	2012	40% - Task commenced and progressing well	Physical verification of assets commenced on the 27 January and is commencing well. 6 sites are completed.
			Qualification	2012	60% - Task partially completed	A List of all obsolete, damaged, redundant equipment and furniture for four districts have been compiled, however during the verification this will be confirmed for completeness  6 asset controller posts are advertised.  Funds were allocated by the Provincial Treasury in the adjusted budget.

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
Movable tangible asset register is understated with R6,945,496 because donated assets were not recorded in the asset register	No gifts, donations and sponsorship policy in place	A Circular for procedures and processes to be followed for donations, gifts and sponsorship will be issued.	Qualification	2012	100% - Task complete	Circular has been issued and disseminated throughout the department
	Non - compliance with Treasury Regulation	Gift, donations and sponsorship policy has been developed and in draft this will deal with management of donations.	Qualification	2012	60% - Task partially completed	Policy in draft to be reviewed by the finance chief directorate.
		A donation register will be maintained and updated on a regular basis by asset management unit.	Qualification	2012	40% - Task commenced and progressing well	A circular was issued guiding the process of receiving, recording and reporting on donations. Donations register exists, however completeness thereof is a challenge due to the fact that systems are not fully functioning.
	No proper recording and reporting system in place	Donations register to be maintained where donations are recorded and reporting will be done on a monthly basis.	Qualification	2012	20% - Task commenced	Process of collecting all documentation and confirmations of donations from districts has been initiated.



Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
There is an unexplained difference amounting to R17,780,905 between amounts expensed for movable tangible assets in the Statement of Financial Performance, Trial Balance and asset register provided for audit purposes.	Asset management unit is not adequately staffed to assume all the functions and responsibilities in the asset management policy.	HO asset management unit to be capacitated to be able to perform reconciliations on a monthly basis.	Qualification	2012	60% - Task partially completed	Lack of resources at HO is a challenge, however the available staff have been trained on reconciliation and is done monthly  All errors are being journalised to correct. It is expected that the comprehensive asset verification will correct a number of errors raised by the AG.
	Reconciliation is not done monthly and reviewed by a senior person at asset management unit	Reconciliations between BAS and purchased assets on the asset register will be performed, differences investigated and misallocations corrected	Qualification	2012	100% - Task completed	Reconciliations are performed on a monthly basis by a senior manager and are reviewed by the CFO. Journals are prepared to correct misallocations.
Assets: Internal Control Deficiencies	Asset registers not updated throughout the financial year.	An asset strategy will be developed updated annually and draw information from the updated acquisition, maintenance and disposal plans	Qualification	2012	0% - No progress	The current asset management strategy will be reviewed by the service provider appointed. It is anticipated that this task will be completed in the new financial year.
		Confirming the correct classification of assets on the asset register will be done when reconciliation is performed	Qualification	2012	100% - Task done	Classification checked and where there are errors journals are processed to correct misclassification.

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
		A theft and losses register where all reported stolen or lost assets are or can be recorded will be maintained	Qualification	2012	100% - Task done	Theft and loss register template developed however no losses have been reported to asset management by loss control officer
		Asset Management unit will initiate a process of appointment of loss control officers. CEO's; District Managers and HO must have loss control officers.	Qualification	2012	60% - Task partially completed	Circular instructing institutional heads issued. Not all institutions have appointed loss control officers. HO needs to follow up and ensure its implementation.
<b>PROJECT 3: Intangible Assets</b>						
Sufficient appropriate evidence for intangible assets disclosed as R1, 456,000 in disclosure note 32 to the annual financial statements could not be obtained due to the department not providing an asset register for audit purposes. I was unable to confirm the intangible assets by alternative means.	Proper records or supporting documentation to prepare an intangible asset register are not maintained	The register for the intangible asset will be maintained and updated. BAS reports for the opening balances will be requested to trace payment details of the opening balance of intangible assets	Qualification	2012	60% - Task partially completed	Intangible asset register in place. Prior year BAS reports obtained from Provincial Treasury and started with the reconciliation of comparative figures. A request was given to document management to provide batches from 2004/05 to 2011/12 financial years. Software may be out dated. It will be recommended that this be written off to clear this balance and query.
		IT to put in place a system, processes and procedures for the procurement of software licences. Keep a record of all tangible assets bought.	Qualification	2012	0% - No progress	Various meetings were held with IT Chief Directorate. No systems in place yet.



Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
	Asset additions not reviewed by a supervisory official for accuracy and completeness.	A process or system of receiving assets (physical central receiving point or virtual receiving point), bar coding and recording of assets to be put in place at all Districts; Hospitals; CHC's; Clinics and HO. CEO's; District managers and provincial managers to take responsibility and accountability for assets bought.	Qualification	2012	60% - Task partially completed	All Districts were trained on the asset management procedures and processes. System of receiving assets has been communicated but not adequately implemented.
Intangible Assets Additions understated		The following plans will be developed and implemented: the acquisition plan, the operational and maintenance plan and the disposal plan.	Qualification	2012	0% - No progress	Process not started due to capacity. The tasks will commence in the new financial year.
Assets - Verified in incorrect locations	Officials move or exchange assets without signing any handing over certificates and notifying the asset management department.	Sub-Asset Records/ Inventory Lists will be strictly maintained and updated with new location and signed.	Qualification	2012	60% - Task partially completed	Sub-asset registers are kept and updated however a Service Provider has been appointed to perform comprehensive verification and the inventory lists will change. LOGIS movement form was introduced during the road show

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
<b>PROJECT 4: Irregular Expenditure</b>						
The irregular expenditure disclosed in note 26 to the financial statements was understated by R163 414 673 (2012: R37 905 927) due to payments made in contravention of numerous laws and regulations, and the approved delegations were not included in the irregular expenditure, as required by the Departmental financial reporting framework prescribed by the National Treasury, Chapter 8, Disclosure notes.	Non-compliance with Regulations, procedures and processes by the Department and not monitoring implementing Agents performance.	SCM to embark on a process to regularise all irregular contracts	Qualification	2011	20% - Task commenced	8 Contracts have been prioritised. Progress to date:- 1. Security services adjudicated but not awarded 2. Cell phone tender advertised closing 28/2/2014 3. Travel tender advertised closing 28/2/2014 The remainder of the prioritised contracts are either at specification stage or contracts are renewed
		Communicate to end users to provide with confirmation whether contract should continue			40% - Task commenced and progressing well	Meetings and discussions were held with the Manager of the CEO - KHC, District Manager - FBD and the Responsible Manager for Forensic & Pathology Services. Specifications are awaited from end users
		Engage on proper procurement /bidding processes to regularise contracts			60% - Task partially completed	Checklist introduced at Head office to prevent non-compliance to procurement processes. Director SCM to develop SCM compliance framework



Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
	Lack of systems to identify, record and report on irregular expenditure	Workshop irregular expenditure guide and procedures			60% - Task partially completed	Workshops for the district offices, Medical Depot and Kimberley Hospital have been conducted. Francis Baard district office workshop could not be conducted due to the District manager preventing training to take place. It is envisaged that this task will be complete by the 20February 2014
	Lack of systems to identify, record and report on irregular expenditure	Financial Accounting to provide district managers with the irregular expenditure template to complete, sign off and submit to provincial office with supporting batches on a monthly basis. Where there is no irregular expenditure district managers must submit blank signed copies of the registers. District managers must submit these registers on a monthly basis for reporting in terms of the PFMA.			100% - Task complete	Irregular expenditure register was introduced to districts, training provided and reporting requirements communicated, however districts do not comply with reporting requirements, registers are not submitted on a monthly basis as required. Namakwa district is the only district that submits but the information is not reviewed by the district manager. A second training will be conducted to ensure that the officials are able to detect and record the types of irregular expenditure

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
<p>In addition, AG could not obtain reasonable assurance on the completeness of the opening balance of irregular expenditure, because procurement and tender documentation amounting to R26 389 839, relating to prior financial years could not be provided for audit purposes. The entity's records did not permit the performance of alternative procedures. Consequently, I was unable to determine whether any further adjustments to the irregular expenditure were necessary.</p>		<p>Legacy documentation not provided to the AG to be searched and submitted to the AG. AG to provide detail of batches.</p>	<p>Qualification</p>	<p>2004</p>	<p>60% - Task partially completed</p>	<p>The batches to the value of R23 859 781.56 have been found and submitted to the Auditor General. Further attempts are being made to find the remaining batches amounting to R2 530 057.44. It is planned that the process will be complete by the 28/02/2014.</p>
		<p>Process of disciplinary hearings for officials responsible for the irregular expenditure to be initiated in conjunction with Labour relations.</p>			<p>20% - Task commenced</p>	<p>Processes to appoint disciplinary committee are being initiated. Names will be identified and presented to the Accounting Officer for approval</p>
		<p>Initiate a process to condone irregular expenditure</p>			<p>0% - No progress</p>	<p>The Provincial Treasury has been approached to assist the department with disciplinary processes as the department does not have capacity to deal with financial misconduct cases.</p>



Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
		Human Resources to prepare submissions for condonation of HR related irregular expenditure			0% - No progress	Process to condone HR irregular expenditure commenced, however on consultation with the DPSA who is the relevant authority to condone the department is not aware of the National Treasury practice note and it seems they do not have processes in place to condone irregular expenditure from other departments.
		Roll out procedure manual and guideline for irregular expenditure.			100% - Task complete	Procedures and guidelines have been rolled out at the districts and is part of the road shows
		Provide staff with delegations			100% - Task complete	Delegations circulated
		Finalise SOP between NCDoH and the Department of Public Works including Independent Development Trust (IDT)			100% - Task complete	Standard Operating Procedure's finalised

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
<b>PROJECT 5: Fruitless and wasteful Expenditure</b>						
The department did not have adequate systems to identify and record fruitless and wasteful expenditure, which resulted in disclosure note 27 to the financial statements being understated by R327 281(2012: R9 763), as required by the Departmental financial reporting framework prescribed by the National Treasury.	The department did not have a procedure in place to identify and record fruitless and wasteful expenditure.	Financial Accounting to provide district managers with the fruitless and wasteful expenditure template/register to complete, sign off and submit to provincial office with supporting batches on a monthly basis. Where there is no fruitless and wasteful expenditure district managers must submit blank signed copies of the registers. District managers must submit these registers on a monthly basis for reporting in terms of the PFMA.	Qualification	2012	100% - Task complete	Fruitless and wasteful expenditure register was introduced to districts, training provided and reporting requirements communicated, however districts do not comply with reporting requirements, registers are not submitted on a monthly basis as required. Namakwa district is the only district that submits but the information is not reviewed by the district manager. A second training will be conducted to ensure that the officials are able to detect and record the fruitless and wasteful expenditure



Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
In addition, the AG could not obtain sufficient appropriate audit evidence about the opening balance of fruitless and wasteful expenditure, because supporting documentation relating to prior financial years could not be provided for audit purposes. The entity's records did not permit the performance of alternative procedures. Consequently, the AG was unable to determine whether any further adjustments to the fruitless and wasteful expenditure were necessary.		Legacy documentation not provided to the AG to be searched and submitted to the AG. AG to provide detail of batches.	Qualification	2004	20% - Task commenced	Process to pull out documents has started and will be complete by the 28/02/2014
		Develop a standard operating procedure on the identification and recording of fruitless and wasteful expenditure. Conduct training on the identification, recording and accounting treatment of fruitless and wasteful expenditure.			40% - Task commenced and progressing well	SOP developed to be reviewed by the finance chief directorate. Training conducted during September 2013 at KH; Francis Baard; Siyanda District and Depot as part of road shows
		Communicate the standard operating procedures on fruitless and wasteful expenditure to all facilities.			40% - Task commenced and progressing well	Procedures and guide have been rolled out and workshopped at the districts and is part of the road shows

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
The department did not take any action against those who caused the fruitless and wasteful expenditure.	Failure by managers to take disciplinary action on cases of non-compliance or irregular expenditure.	Initiate a process of investigating fruitless and wasteful expenditure from prior years determine recovery and propose write off, while ensuring that preventative controls are implemented. Controls	Qualification	2011	0% - No progress	The Provincial Treasury has been approached to assist the department with disciplinary processes as the department does not have capacity to deal with financial misconduct cases.
<b>PROJECT 6: Receivables for Departmental Revenue</b>						
Department did not have adequate systems to record and account for receivables for departmental revenue disclosed as R56 815 000 (2012: R54 840 000) in disclosure note 25 to the financial statements.	Department did not have adequate systems to record and account for receivables.	Department to establish a project to relooking into the Nootroclin Billing system (module) to ascertain its capability to produce financial data for debtors.	Qualification	2012	20% - Task commenced	A committee constituted with Provincial Treasury, District and facility managers and Mindmatter has been formed. The committee will deal with revenue generation and collection issues, the aim being to increase revenue.  The department has a plan in place which must still be presented to the Executive Management Committee (EMC) for support and adoption as it has financial implications.  The project has not taken off, however Kimberley Hospital has developed a committee that deals with revenue and patient debt management matters



Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
		Conduct a benchmark exercise of patient billing and debtor systems in other provinces.			100% - Task complete	Research has been done through verbal communications with other health provincial and national departments, it has been discovered that all provinces experience more or less the same challenges in relation to patient billing and debt management as there is no uniformity in the debt management systems utilised.
		A process to address prior year comparatives to be initiated with the service provider Mindmatter assisting the department to deal with all the systems issues that resulted in the qualification on patient debtors			40% - Task commenced and progressing well	The service provider has allocated an accountant to assist the department deal with the previous year qualification. Billing adjustments have been analysed and sorted accordingly. Debtors Age analysis reports have been requested taking into account the credit balance and Work in progress. Outstanding work is on amounts received and is anticipated to be finished by 31st March 2014.

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
Unreconciled differences existed between the billing system and the annual financial statements.	Lack of proper debtor management system.	Irregular credit balances that result in a negative balance will be analysed and addressed.	Qualification	2013	60% - Task partially completed	Patient credit balances reported at year end are analysed by revenue management office, the cause and correction process has been identified. Awaiting approval to implement the changes on the financial system.
	Lack of personnel to perform billing and debt management at hospitals.	Meeting with the system administrators to resolve matters raised during the audit regarding the information presented			20% - Task commenced	Chief Executive Officers' were requested to provide facilities needs with regards to a complete revenue management process and there is currently no progress in this matter. Kimberley and Upington hospitals have done permanent appointments on their contract posts.
	Lack of accountability  Revenue management not a priority in hospitals.	Recalculation of the disclosure note for Receivables for departmental revenue to show true reflection and restate the reported figures.			40% - Task commenced and progressing well	The service provider has allocated an accountant to assist with the prior year audit qualification.



Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
<b>PROJECT 7: Employee related costs</b>						
Auditors were unable to obtain sufficient appropriate audit evidence for salary and wages of R164 980 852, social contributions of R27 009 867, and overtime of R76 867 931 (2012; R76 640 935) relating to employee-related cost disclosed in note 4, annual financial statements. Consequently, I was unable to confirm the employee-related cost by alternative means. I was unable to determine whether any further adjustments to the employee-related cost were necessary	Insufficient record keeping as management failed to prepare and submit the requested documents for audit purposes within the prescribed deadline.	Revisit the AG request for information relating to the cut-off letter and ensure that all the files are ready for submission.	Qualification	2011	100% - Task complete	A total number of 21 files were received for basic salaries as per AG's request. The information was verified against the AG's request for occurrence and working papers for the recalculations were compiled for accuracy. All the 9 files requested for appointments were verified against the AG's request and submitted to AG.
Due to the matters listed below, the auditors were unable to obtain sufficient appropriate audit evidence about employee-related cost disclosed in note 4 to the annual financial statements:	The department did not have a policy or procedure to deal with overtime especially commuted overtime. There was no evidence in the overtime files to confirm the occurrence	Finalise overtime policy and Standard Operating Procedures and table it to policy and planning for further discussion and inputs	Qualification	2012	100% - Task complete	Commuted overtime policy has been approved

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
<p>• Sufficient appropriate audit evidence of Overtime of R76 867 931. The entity's records did not permit the performance of alternative procedures. Consequently, I was unable to determine whether any further adjustments to the employee-related cost were necessary</p> <p>The department did not record all leave taken by employees accurately and in full at the end of the financial year, therefore leave entitlement is overstated with R4 187 381. In addition to that I could not obtain sufficient audit evidence of leave entitlement of R5 411 754. The entity's records did not permit the performance of alternative procedures. Consequently, I was unable to determine whether any further adjustments to the disclosure note 23 were necessary.</p>	<p>of commuted overtime hours worked for the employees as no authorised timesheets could be obtained to confirm the employees actually worked the required amount of hours:</p> <p>The department did not have an approved leave policy. There is no enough capacity at district levels to ensure that leave is captured timeously on the system and leave forms are submitted late to HR for capturing.</p>	<p>Perform leave audit to ensure that all the leave that relates to 2013/14 financial year is captured on the system to ensure completeness and accuracy of the disclosure note 23 to provide for adjustment of comparatives.</p>	<p>Qualification</p>	<p>2012</p>	<p>100% - Task complete</p>	<p>All the 25 files requested for leave have been submitted to AG after validation. The leave reconciliation was performed for these files and possible adjustment will be made.</p>



Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
<b>PROJECT 8: Accruals</b>						
The accruals disclosed in disclosure note 22 to the financial statements were understated by R11 544 149, and overstated for the prior year by R10 217 793, due to accruals identified during the audit that were incorrectly included in accruals in accordance with the Departmental financial reporting framework prescribed by the National Treasury.	Accruals registers are not reviewed for accuracy and completeness	Develop standard operating procedure on the monitoring and management of accruals.	Qualification	2012	100% Task completed	Due to lack of capacity SOP's could not be developed instead we developed systems description. SOP's will be developed in 2014/15 financial year.
	The department did not have officials to monitor accruals	Assign officials to collate and coordinate accruals from the districts and consolidate information in the accruals template/tool on a monthly basis.			100% Task completed	An official has been appointed to assign the responsibilities of monitoring of the accruals.
	Supplier reconciliation are not been performed	Reconciliation of supplier statements to be performed on a monthly basis to determine liability and all outstanding invoices per the reconciliation must be verified and included in accruals register.			100% Task completed	The department has developed a standard supplier reconciliations template. Reconciliation is done before payments are made to suppliers.  Third party confirmations are done regularly on the key accounts to confirm actual outstanding amounts.

Finding / Qualification	Root Cause	Activity To Correct	Nature Of Qualification	Financial Year	Progress %	Comments/ Narration
	Provincial office did not perform an active role at the districts.	The office of the Chief financial officer to conduct training on the monitoring and management of accruals at various facilities.			60% - Task partially completed.	Workshops have been conducted at the facilities except for the Frances Baard district. Workshop for the Frances Baard will be conducted on the 20th February 2014.



## 4.10. INTERNAL CONTROL UNIT

“The Audit and Internal Control unit primary objective was to facilitate in the process of achieving an improvement in the department’s audit opinion. The unit facilitated communication between the department and the Auditor General in order to provide a central point of contact for information requests and communications. The unit was also responsible to review all submissions to the auditors to ensure quality and consistency.

The unit also facilitated communication in the same manner as with the external auditors, between the department and the Shared Internal Audit for all internal audits conducted during the year.

Once the unit’s capacity is expanded, it will be able to expand its activities into regular reviews of systems and procedures (both financial and performance related) within the department. The unit has also been included in the Risk Management Committee in an advisory capacity.”

## 4.11. INTERNAL AUDIT AND AUDIT COMMITTEE'S

### **Key activities and objectives of the internal audit:**

The Executive Council of the Northern Cape Provincial Government has established a Shared Provincial Internal Audit Unit (PIAU) to provide internal audit services to all twelve (12) departments within the province. The shared PIAU is divided into four (4) clusters, Health being serviced by the PIAU - Health Cluster. The PIAU is an independent, objective assurance and consulting activity designed to add value and improve the client’s operations.

The following internal audit work was completed during the year under review:

- Information Technology Governance review
- Management Performance Assessment Tool certification
- Interim Financial Statements review
- Annual Financial Statements review
- Verification of BAS security
- District Health Services review related to inventory, moveable assets and patient fee income
- Conditional Grants
- Human Resource Management
- Audit of Performance Information
- Supply Chain Management
- Fraud Risk evaluation

The internal audit unit also attended and contributed to the departmental risk management committee meetings, quarterly departmental review sessions and ad hoc management meetings as and when requested.

### **Key activities and objectives of the audit committee:**

The Executive Council of the Northern Cape Provincial Government has established Cluster Audit Committees for the twelve (12) Provincial Departments. The Health Cluster Audit Committee deals with 3 departments including the Department of Health.

The Health Cluster Audit Committee assists the department by providing advice relating to the reporting process, the system of internal control, the risk management processes, the internal and external audit process and the departments processes for monitoring compliance with laws and regulations and the code of conduct.

The Audit Committee consists of the members listed below. It meets as frequent as mandated by the approved Audit Committee charter and as often as it deems necessary.

During the financial year under review, 4 meetings were convened as per its charter and one additional meeting to monitor progress on the implementation plan.

**Attendance of meetings was as follows:**

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Anushka Ramlall	PhD (International Finance, MBA (Finance Management), Post Grad Diploma (Financial Management), BCom/ Admin (Political Science)	External	n/a	27 September 2011	n/a	5
Frans van der Westhuizen	LLB, B. Iuris, Dip Iuris	External	n/a	27 September 2011	n/a	5
Bongani Ngqola	Post Grad Diploma (Business Management), CISA, Higher Diploma Compt Audit, B.Com (Information Systems), COBOL Entry Level Prog Certificate	External	n/a	27 September 2011	n/a	5



## 4.12. AUDIT COMMITTEE REPORT

### Audit Committee Report Department of Health

The Audit Committee (AC) extends its appreciation to the Member of the Executive Council, Head of Department, Chief Financial Officer and Departmental officials for maintaining a qualified audit opinion.

The AC notes with concern that the department received repeat qualifications in most areas previously qualified, repeat non-compliance matters as well as repeat performance information findings. The AC is equally concerned and dismayed that recommendations and measures suggested during the past 3 years were not implemented by the department.

#### 1. INTRODUCTION

The AC reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The AC also reports that it has adopted appropriate formal terms of reference as its AC Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Treasury Regulations, section 3.1.13 requires the AC to prepare a report to be included in the annual report of the department and to comment on,

- a) the effectiveness of internal control;
- b) the quality of in year management and monthly/quarterly reports submitted in terms of the Act and the Division of Revenue Act; and
- c) its evaluation of the annual financial statements.

King III also requires the AC to report to the executive on its compliance with its statutory duties, the independence of the external auditor; its view on the financial statements and accounting practices; and whether the internal financial controls are effective, and also recommend integrated report for approval by the board and provides details on its role, composition, number of meetings and activities.

#### 2. EXECUTIVE REPORTING SUMMARY

##### 2.1 MEETING THE PURPOSE OF AC

2.1.1 The AC was mandated to fulfil the following purposes;

- ✓ Ensuring the Department has and maintains effective, efficient and transparent systems of financial and risk management and internal control;
- ✓ Ensuring the enforcement of adequate systems and control process in the department for safeguarding of assets and the management of the revenue, expenditure and liabilities of the department;
- ✓ Ensuring the preparation of accurate financial reporting and monitoring compliance with all applicable legal requirements and accounting standards;
- ✓ Ensuring department's accountability and managing the associated risk in terms of management, assurance and reporting.

2.1.2 While carrying its mandate in ensuring achievement of the above-listed requirements to achieve its stated purpose, the AC of Health Department had encountered several weaknesses and challenges and thus reporting on them. Although, significant strides

have been made in the last two years, the Health Department is still struggling to achieve and maintain an effective system of internal controls. The following are the weaknesses encountered;

- ✓ The system of internal control is still not effective and efficient. There are still pockets of information that hasn't been transparent and therefore not obtainable for audit purpose by the external audit.
- ✓ Risk Management process is now established and operational but still incapacitated to carry its full mandate;
- ✓ There are significant weaknesses that have been identified during the AC's review of the draft Annual Financial Statements;
- ✓ Management oversight, although being addressed, still appears to be weak and problematic with accountability remaining poor.

2.1.3 In conclusion, Management of Health Department has remained with worse control environment. Accountability by certain executives within the department still remains weak.

## 2.2 AUTHORITY OF THE AC

2.2.1 The AC has for the past financial year ended 31 March 2014 maintained its authority. The AC still maintained;

- ✓ Unrestricted access to personnel and records; and was able to command the Department's resources that are necessary for carrying out its duties.
- ✓ The AC continued to make recommendations to the management of Health, however the recommendations were not implemented in time and are recorded as violations of AC instructions.

## 2.3 COMPOSITION OF THE COMMITTEE

2.3.1 As at the end of the financial year, the AC consisted of only 3 external members who just making quorum of 3 members as required by the Charter as 2 internal AC members were not replaced since resignation.

2.3.2 The request for filling of the two vacant posts has been made to the Provincial Treasury but these have not been filled.

2.3.3 The AC members are suitably skilled, experienced and have sufficient qualifications to fulfil their duties as AC members. The AC members have collectively demonstrated good understanding of;

- ✓ Corporate Governance; Risk Management & Performance Management;
- ✓ System of Internal Controls, Financial and Sustainability Reporting;
- ✓ Internal and External Audit processes;
- ✓ External Legislation, Regulations, Acts and Laws, including; PFMA, Treasury Regulations, Company Laws and;
- ✓ Information Technology.

2.3.4 The AC members have sufficiently, individually and collectively demonstrated independence, objectivity and integrity and have also demonstrated ethical and moral values while executing and discharging their duties.



## **2.4 MEETINGS**

### **2.4.1 Meeting Schedules**

Due to multiple and complex challenges inherent to the Department of Health, AC meetings have been scheduled to sit 6 times a year. The AC meetings were arranged to take place every second month. All meetings were attended as planned and all had their quorum fully constituted and were therefore valid.

### **2.4.2 Attendance and Quorum**

The meetings were all, with the exception of one meeting where an acting chair was assigned, chaired by the AC Chairperson.

All meetings were fully constituted based on the quorum of at least 3 members, two being external and one being internal member. The meetings always had 3 external audit members and made a full quorum.

### **2.4.3 Agenda, Minutes and AC Documentation Pack**

All meetings held had agenda and minutes were recorded. The Agenda and minutes formed part of the AC pack, which was distributed prior to the meeting dates.

### **2.4.4 Decisions**

All necessary decisions were made in the AC meetings. There were no exceptional cases or circumstances that necessitated voting process to arrive at a decision.

No matter was required to be referred to any stakeholder in relation to the decisions to be taken in the meetings. No resistance of the AC decisions was encountered except a lack of implementation of the decisions taken by the officials.

### **2.4.5 Reporting**

The AC has a reporting line to the Head of Treasury.

The AC has not reported anything to the stakeholders of the relevant areas such as the MEC of Health. There hasn't been any need for any reporting thus far to these stakeholders as the reporting issues were discussed with the chief internal audit executive outlining that the functional reporting line of the chief internal audit executive vest with the AC and the administrative reporting line vest with the Provincial Treasury.

## **2.5 ROLES AND RESPONSIBILITIES OF THE COMMITTEE**

During the AC meetings the AC reviewed per Treasury Regulations, section 27.1.8 the:

- ✓ effectiveness of internal control;
- ✓ effectiveness of internal audit;
- ✓ the risk areas of the entity's operations to be covered in the scope of internal and external audits;
- ✓ the adequacy, reliability and accuracy of financial information provided to management and other users of such information;
- ✓ any accounting and auditing concerns identified as a result of internal and external audits;
- ✓ the entity's compliance with legal and regulatory provisions;
- ✓ the activities of the internal audit function, including its annual work programme, co-ordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations.

**2.5.1 ANNUAL FINANCIAL STATEMENTS (AFS)**

The AC could reviewed an incomplete set of financial statements on 30 May 2014, prior to them being submitted to the Office of the Auditor-General. The committee then convened again on 19 June 2014 and found the following:

- ✓ The AFS submitted to the AC were not final and were still in draft and therefore could not be approved by the AC;
- ✓ All disclosure notes were not yet finalised and not appropriately and sufficiently explained;
- ✓ Internal Auditors reviewed the AFS, identified and reported a number of exceptions in relation to the compliance with the National Treasury Framework in relation to AFS preparations and reporting;
- ✓ There were significant variances in the financial statements when compared to the previous year.

**2.5.2 QUARTERLY REPORTING**

The AC had been provided with the quarterly reporting for review and has reviewed the Interim Financial Statements for the period ending 30 September 2013. The department did however not always provide reports on all requested agenda items.

**2.5.3 MANAGEMENT PERFORMANCE**

Recommendations made by the AC have not been effectively and timeously implemented. This was mainly due to lack of resources together with poor skills as well as lack of accountability. The Chief Financial Officer was suspended prior to the submission of the annual financial statements. At the time of this report, a departmental investigation into the allegations related to the suspension, has not been completed.

**2.5.4 INTERNAL AUDIT PERFORMANCE**

The internal audit unit was formally assessed by the Auditor-General in March to May 2014. For the second year the Auditor-General did not report any findings related to the internal audit unit. The internal audit unit executed 100% of the audit plan for the year.

**2.5.5 EXTERNAL AUDIT**

AC has reviewed and approved the External Audit Strategy, including the terms, nature and scope of the audit and the audit fees as required by the AC Charter.

AC has reviewed the overall audit roles to ensure the avoidance of the duplication of work by both internal and external auditors. The AC adopted a Combined Assurance Plan which is refined annually.

AC has determined and assisted in the significant difference of opinion between Management and Auditors regarding issues of accounting and financial reporting.



### **Auditor-General's Report**

The AC concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be read together with the report of the Auditor-General.

**Dr Anushka Ramlall**

**Chairperson of the AC – Department of Health**

**31 July 2014**

## 5. PART D: HUMAN RESOURCE MANAGEMENT

### 5.1. INTRODUCTION

- The status of human resources in the department.

The Department is currently reviewing the Organisational Structure to improve service delivery. Human Resource has been strengthened through the appointment of additional staff in the Human Resource Development and Compliance units. This is aimed at improved functioning and better institutional support.

Human Resource Development has been divided into sub-directorates, namely Skills Development and Bursaries. This change improved compliance in the submission rate of strategic documents such as the Work Skills Plan (WSP) and Human Resource Implementation Plan.

The existence of the Compliance Unit continues to be useful in dealing with compliance issues raised by Auditor General of South Africa (AGSA). There has been significant gains observed since the 2012/13 audit investigation, marked by an improved submission rate and quality of the documents submitted for Audit processes. However, a need exist to increase capacity of the unit and devolve the function to Districts.

- Human Resource priorities for the year under review and impact of these.

Human Resource Management has set two priorities for the year 2013/2014:

- Improve Performance Management and Development Systems and processes
- Review and align the Provincial Human Resource Plan with the service delivery platform.

There is a steady improvement in compliance levels in respect of the implementation of the EPMDS policy within the department. The department has an approved HR Plan for the MTEF 2012/13 – 20114/15 periods with adjustment being made annually.

- Workforce planning and key strategies to attract and recruit a skilled and capable workforce.

The Department has an approved Retention Policy which aims to retain critical and scarce skilled employees. Key matters within the policy include succession planning and development to retain employees. The department is awarding bursaries to increase the number of health professionals in areas of speciality.

- Employee performance management.

The Employee Performance Management and Development System (EPMDS) has been designed as a system to assist with performance management of officials on salary levels 1 to 12 and currently inclusion of senior managers has come to the forth. The EPMDS provides a standardised framework for employee performance on salary levels 1 to 12 in the department.

The institutional framework determines responsibilities for specific aspects of the EPMDS. With the Strategic Plan as basis, the department is able to identify high-level priorities and specific objectives to be achieved by business units. However, all the work done in the department is not captured in a strategic plan, which means that performance agreements for employees whose key responsibility areas and activities are not cover in the strategic or operational plan, must reflect their own KPAs and priorities. Performance Agreements enable the department to assign specific performance objectives and targets to employees. This also enables employees in the department to participate meaningfully in the management of their own performance.

Another key requirement for the successful implementation of the EPMDS is training on the system. Managers, supervisors and employees must be trained in the mechanics of the system and areas such as communication, problem-solving and conflict resolution in order to manage the system more effectively. The training of supervisors in particular is of the utmost importance, and this should result in supervisors knowing how to implement the system, ensuring that employees receive adequate training and possess sufficient information to be able to fully participate in the processes. This must be done with the support and co-operation of the HRD unit in the Department



Each district manages its performance management system and it is coordinated at provincial level. The level of submission of these documents ought to be on a quarterly basis and communication to each directorate/facility or district then becomes paramount to the success of such process

The challenge then becomes inability of managers to ensure that officials comply accordingly. The training of officials has its short comings as managers do not identify the training interventions to develop subordinates.

Performance Agreement	Job Description	Work plan	Q1	Q2	Q3	Q4	AA	Calculator	Acceptance of documents by moderating committees for its decision
Each financial year officials have to sign Performance Agreement with their relevant Manager	The description will have maximum of 7 KPA minimum of 2 Key Performance Agreements (KPA's)	The breakdown of what is expected from the officials should be compiled in line with the framework of his /her duties	Submission are due by 5th July each financial year	Submission are due by 5th October each financial year	Submission are due by 5th January each financial year	Submission are due by 5th April each financial year	Submission are due by 5th April each financial year	Agreed upon score by supervisor and employee	The committee determines what incentive to award or what intervention to bring forth depending on the circumstances of the employee as per inputs from the manager

**Objectives:**

In order to achieve individual excellence and achievement, the objectives for Performance management is to:

- establish a performance and learning culture in the Public Service;
- improve service delivery;
- ensure that all jobholders know and understand what is expected of them;
- promote interaction on performance between jobholders and their supervisors;
- identify, manage and promote jobholders' development needs;
- evaluate performance fairly and objectively;
- recognise categories of performance that are fully effective and better; and
- manage categories of performance that are not fully effective and lower.

**Performance Monitoring:**

- Performance at the individual level must be continuously monitored to enable the
- Identification of performance barriers and changes and to address development and improvement needs as they arise, as well as to:
  - ✓ determine progress and/or identify obstacles in achieving objectives and targets;
  - ✓ enable supervisors and jobholders to deal with performance-related problems;
  - ✓ identify and provide the support needed;
  - ✓ modify objectives and targets.
  - ✓ ensure continuous learning and development

**Employee Wellness Programmes.**

The Employee Health and Wellness unit has control over Wellness Management within the Department. However, it is not fully functional due to infrastructure challenges. The role of Wellness Management is to provide Individual and Organisation Wellness which focus on improving work life balance.

- Highlight achievements and challenges faced by the department, as well as future human resource plans/ goals
  - ✓ Eight (8) Human Resource Management Policies approved.
  - ✓ One hundred and twelve (112) Financial Management brochures have been distributed to various units within the Department.
  - ✓ Brochures on Sexual Harassment and Conflict management in the workplace have been developed. Awareness has been raised on the importance of HIV Counselling and Testing (HCT) testing.
  - ✓ Sixty Two (62) Nursing professionals were awarded internal bursaries to pursue Post basic nursing programmes.
  - ✓ Ninety six (96) new bursaries were awarded to students.
  - ✓ Thirty four (34) prospective medical students were recruited for the Cuban Programme.
  - ✓ Work place experience opportunities has been created for one hundred and fifty nine (159) Interns/ unemployed graduates in the following areas; Human Resource Management, Information Technology and Finance.



<b>Challenges and Concerns</b>	<b>Proposed corrective action</b>
<ul style="list-style-type: none"><li>• No capped amount of bursaries</li></ul>	<ul style="list-style-type: none"><li>• Bursaries to be awarded per capped amount</li></ul>
<ul style="list-style-type: none"><li>• Conditions of Service are only receiving documents after the employee has already exited the Department, which delay the leave gratuity and pension payout</li></ul>	<ul style="list-style-type: none"><li>• Once the employee gives notification of termination, then the leave audit and exit documents should be finalised</li></ul>
<ul style="list-style-type: none"><li>• Employee Health and Wellness Infrastructure remains a concern for future implementation of the Programme</li></ul>	<ul style="list-style-type: none"><li>• Submission of motivation has been made to the Executive Management Committee to renovate houses 6-12 in Memorial Road</li></ul>
<ul style="list-style-type: none"><li>• Decentralizing of Human Resource functions remains a concern as Districts lacks capacity</li></ul>	<ul style="list-style-type: none"><li>• District Health Services to budget and expedite the recruitment process</li></ul>

### **Future Human Resource Plans/ goals**

- Review and align the Provincial Human Resource Plan with service delivery platform
- Improve Performance Management and Development Systems and processes

## 5.2. HUMAN RESOURCES OVERSIGHT STATISTICS

### 5.2.1 Personnel related expenditure

TABLE 3.1.1 – Personnel expenditure by programme for the period 1 April 2013 and 31 March 2014

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)
Administration	180 986	89 698	0	0	49.6	13
Central hospital services	730 684	484 441	0	0	66.3	72
District health services	1 516 770	906 878	0	0	59.8	135
Emergency medical services	199 375	133 936	0	0	67.2	20
Health care support services	33 795	17 663	0	0	52.3	3
Health facilities management	442 403	3 334	0	0	0.8	1
Health sciences	64 984	46 317	0	0	71.3	7
Provincial hospital services	201 037	140 461	0	0	69.9	21
Z=Total as on Financial Systems (BAS)	3 404 265	1 822 728	0	0	53.5	271



**TABLE 3.1.2 Personnel costs by salary bands for the period 1 April 2013 and 31 March 2014**

<b>Salary Bands</b>	<b>Compensation of Employees Cost including Transfers (R'000)</b>	<b>Percentage of Total Personnel Cost for Department</b>	<b>Average Compensation Cost per Employee (R)</b>	<b>Number of Employees</b>
Lower skilled (Levels 1-2)	1 221	0.1	174 429	7
Skilled (Levels 3-5)	492 656	27.2	145 069	3396
Highly skilled production (Levels 6-8)	381 744	21.1	254 157	1502
Highly skilled supervision (Levels 9-12)	625 552	34.5	492 949	1269
Senior management (Levels 13-16)	102 847	5.7	1 224 369	84
Contract (Levels 3-5)	28 071	1.5	203 413	138
Contract (Levels 6-8)	25 815	1.4	211 598	122
Contract (Levels 9-12)	96 761	5.3	491 173	197
Contract (Levels 13-16)	20 258	1.1	1 266 125	16
Periodical Remuneration	2 875	0.2	261 364	11
Abnormal Appointment	20 172	1.1	13 751	1467
<b>TOTAL</b>	<b>1797972</b>	<b>99.3</b>	<b>219024</b>	<b>8209</b>

TABLE 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme for the period 1 April 2013 and 31 March 2014

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)
P1 administration	70309	76.8	442	0.5	1652	1.8	2894	3.2	91593
P2 district health services	659894	72.4	21892	2.4	28876	3.2	38239	4.2	911648
P3 emergency medical services	91517	68	7121	5.3	5547	4.1	8370	6.2	134558
P4 provincial hospital services	104273	72	10485	7.2	4166	2.9	5035	3.5	144794
P5 central hospital services	336440	70.1	58578	12.2	10194	2.1	17051	3.6	479719
P6 health sciences	18417	70.8	3044	11.7	258	1	544	2.1	25997
P7 health care support service	12254	70.3	23	0.1	1013	5.8	1268	7.3	17430
P8 health facilities management	2724	49.2	0	0	25	0.5	65	1.2	5540
Unknown	134	89.3	10	6.7	0	0	0	0	150
<b>TOTAL</b>	<b>1295962</b>	<b>71.5</b>	<b>101595</b>	<b>5.6</b>	<b>51731</b>	<b>2.9</b>	<b>73466</b>	<b>4.1</b>	<b>1811429</b>



**TABLE 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary band for the period 1 April 2013 and 31 March 2014**

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
Lower skilled (Levels 1-2)	757	62	2	0.2	48	3.9	112	9.2
Skilled (Levels 3-5)	334740	67.7	9538	1.9	30993	6.3	38254	7.7
Highly skilled production (Levels 6-8)	274406	71.5	6015	1.6	12374	3.2	19435	5.1
Highly skilled supervision (Levels 9-12)	452463	71.6	43789	6.9	7949	1.3	14754	2.3
Senior management (Levels 13-16)	71770	68	17706	16.8	332	0.3	762	0.7
Contract (Levels 3-5)	26792	95.3	628	2.2	0	0	0	0
Contract (Levels 6-8)	24517	94.8	143	0.6	36	0.1	73	0.3
Contract (Levels 9-12)	76174	78.5	18375	18.9	0	0	27	0
Contract (Levels 13-16)	14174	68.8	5399	26.2	0	0	49	0.2
Periodical Remuneration	0	0	0	0	0	0	0	0
Abnormal Appointment	20171	99.2	0	0	0	0	0	0
<b>TOTAL</b>	<b>1295964</b>	<b>71.5</b>	<b>101595</b>	<b>5.6</b>	<b>51732</b>	<b>2.9</b>	<b>73466</b>	<b>4.1</b>

## 5.2.2 Employment and Vacancies

**TABLE 3.2.1 – Employment and vacancies by programme as on 31 March 2014**

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
P1 administration, Permanent	426	252	40.8	5
P2 district health services, Permanent	4482	3440	23.2	12
P2 district health services, Temporary	46	47	-2.2	0
P3 emergency medical services, Permanent	896	701	21.8	0
P3 emergency medical services, Temporary	4	4	0	0
P4 provincial hospital services, Permanent	818	669	18.2	0
P5 central hospital services, Permanent	1639	1437	12.3	0
P5 central hospital services, Temporary	9	18	-100	0
P6 health sciences, Permanent	70	47	32.9	0
P7 health care support service, Permanent	128	103	19.5	0
Pg8 health facilities management, Permanent	17	13	23.5	3
<b>TOTAL</b>	<b>8535</b>	<b>6731</b>	<b>21.1</b>	<b>20</b>

**TABLE 3.2.2 Employment and vacancies by salary band as on 31 March 2014**

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2), Permanent	22	8	63.6	1
Lower skilled (Levels 1-2), Temporary	11	6	-50	0
Skilled (Levels 3-5), Permanent	4362	3385	22.4	0
Skilled (Levels 3-5), Temporary	8	9	-12.5	0
Highly skilled production (Levels 6-8), Permanent	1855	1482	20.1	0
Highly skilled production (Levels 6-8), Temporary	13	18	-38.5	0
Highly skilled supervision (Levels 9-12), Permanent	1651	1236	0	0
Highly skilled supervision (Levels 9-12), Temporary	28	30	-7.1	0
Senior management (Levels 13-16), Permanent	106	78	26.4	0



Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Senior management (Levels 13-16), Temporary	6	6	0	0
Contract (Levels 3-5), Permanent	138	138	0	7
Contract (Levels 6-8), Permanent	122	122	0	3
Contract (Levels 9-12), Permanent	197	197	0	8
Contract (Levels 13-16), Permanent	16	16	0	1
<b>TOTAL</b>	<b>8535</b>	<b>6731</b>	<b>2.1</b>	<b>20</b>

**TABLE 3.2.3 – Employment and vacancies by critical occupations as on 31 March 2014**

Critical Occupations	Number of Posts on approved establishment	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Emergency services related, Permanent	49	32	34.7	0
Medical practitioners, Permanent	463	382	17.5	1
Medical practitioners, Temporary	41	45	-9.8	0
Medical specialists, Permanent	25	15	40	0
Medical specialists, Temporary	7	13	-85.7	0
Pharmaceutical assistants, Permanent	43	37	14	0
Pharmacists, Permanent	192	133	30.7	3
Professional nurse, Permanent	1680	1340	20	2
Psychologists and vocational counselors, Permanent	20	15	26	0
<b>TOTAL</b>	<b>2520</b>	<b>2012</b>	<b>20.1</b>	<b>7</b>

### 5.2.3. Filling of SMS Posts

**TABLE 3.3.1 SMS post information as on 31 March 2014**

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	-	-	-	-	-
Salary Level 16	1	1	100%	-	-
Salary Level 15	1	1	100%	-	-
Salary Level 14	10	9	90%	1	10%
Salary Level 13	35	26	74%	9	26%
Total	47	37	79%	10	21%

TABLE 3.3.2 SMS post information as on 30 September 2013

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	-	-	-	-	-
Salary Level 16	1	7	100%	-	-
Salary Level 15	1	7	100%	-	-
Salary Level 14	10	8	80%	2	20%
Salary Level 13	35	24	69%	11	31%
<b>Total</b>	<b>47</b>	<b>34</b>	<b>72%</b>	<b>13</b>	<b>28%</b>

TABLE 3.3.3 Advertising and filling of SMS posts for the period 1 April 2013 and 31 March 2014

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	-	-	-	-	-
Salary Level 16	-	-	-	-	-
Salary Level 15	-	-	-	-	-
Salary Level 14	1	1	100%	-	-
Salary Level 13	2	1	50%	1	50%
Total	3	2	66.6%	1	50%

Table 3.3.4 reasons for not having complied with the filling of funded vacant SMS- Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2013 and 31 March 2014

**Reasons for vacancies not advertised within six months**

Review of the organizational structure and alignment of core functions/grouping of related core functions for enhancement of service delivery

**Reasons for vacancies not filled within six months**

Review of the organizational structure and alignment of core functions/grouping of related core functions for enhancement of service delivery

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2013 and 31 March 2014

**Reasons for vacancies not advertised within six months**

Not applicable in view of the above mentioned process

**Reasons for vacancies not advertised within six months**

Not applicable in view of the above mentioned process

### 5.2.4. Job evaluation

TABLE 3.4.1 Job Evaluation by Salary band for the period 1 April 2013 and 31 March 2014

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	26	0	0	0	0	0	0
Contract (Levels 3-5)	138	0	0	6	0	0	0
Contract (Levels 6-8)	122	0	0	0	0	0	0
Contract (Levels 9-12)	197	0	0	0	0	0	0
Contract (Band A)	12	0	0	0	0	0	0
Contract (Band B)	3	0	0	0	0	0	0
Contract (Band C)	1	0	0	0	0	0	0
Skilled (Levels 3-5)	4370	0	0	255	0	0	0
Highly skilled production (Levels 6-8)	1868	0	0	2	0	0	0
Highly skilled supervision (Levels 9-12)	1686	0	0	0	0	0	0
Senior Management Service Band A	63	0	0	0	0	0	0
Senior Management Service Band B	15	0	0	0	0	0	0
Senior Management Service Band C	32	0	0	0	0	0	0
Senior Management Service Band D	2	0	0	0	0	0	0
<b>TOTAL</b>	<b>8535</b>	<b>0</b>	<b>0</b>	<b>263</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TABLE 3.4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded for the period 1 April 2013 and 31 March 2014**

Beneficiary	African	Asian	Coloured	White	Total
Female	98	0	67	3	168
Male	55	0	38	2	95
<b>Total</b>	<b>153</b>	<b>0</b>	<b>105</b>	<b>5</b>	<b>263</b>
Employees with a disability					0

**TABLE 3.4.3 – Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2013 and 31 March 2014**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Deputy Director	2	11	12	Recruitment and matching of salary
Assistant Director	2	7	9	Recruitment and revised responsibilities
		9	9 with notches	Transfer in, matching of salary
Director	1	13	13 notch 2	Recruitment on contract
Director	1	13	14	Recruitment on contract
Total number of employees whose salaries exceeded the level determined by job evaluation				6
Percentage of total employed				0.09

**TABLE 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2013 and 31 March 2014**

Beneficiary	African	Asian	Coloured	White	Total
Female	4	0	0	0	0
Male	2	0	0	0	0
<b>Total</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Employees with a disability	0	0	0	0	0

**Notes**

If there were no cases where the salary level were higher than those determined by job evaluation, keep the heading and replace the table with the following:

Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2013/14	-
------------------------------------------------------------------------------------------------------	---



## 5.2.5. Employment changes

**Table 3.5.1 – Annual turnover rates by salary band for the period 1 April 2013 and 31 March 2014**

Salary Band	Number of Employees at Beginning of period April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate
Lower skilled (Levels 1-2)	17	0	1	5.88
Skilled (Levels 3-5)	3214	327	167	15.37
Highly skilled production (Levels 6-8)	1440	118	137	17.70
Highly skilled supervision (Levels 9-12)	1195	72	124	8.10
Senior Management Service Band A	74	1	5	8.10
Senior Management Service Band B	15	2	1	20
Senior Management Service Band C	19	0	2	10.52
Senior Management Service Band D	1	0	0	0
Contracts	513	258	212	91.61
<b>TOTAL</b>	<b>6488</b>	<b>778</b>	<b>649</b>	<b>21.99</b>

**TABLE 3.5.2 – Annual turnover rates by critical occupation for the period 1 April 2013 and 31 March 2014**

Critical Occupation	Number of employees at beginning of period April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate
Emergency services related	676	37	88	13.01
Medical practitioners	413	134	103	24.93
Medical specialists	19	1	3	15.78
Pharmacists and related personnel	117	40	33	28.20
Professional nurse	1325	112	129	9.73
Psychologists and vocational Counselors	10	4	0	0
<b>TOTAL</b>	<b>2560</b>	<b>328</b>	<b>326</b>	<b>12.73</b>

Table 3.5.3 – Reasons why staff left the department for the period 1 April 2013 and 31 March 2014

Termination Type	Number	% of total resignation
Death, Permanent	37	5.7
Resignation, Permanent	240	37
Resignation, Temporary	15	2.3
Expiry of contract, Permanent	215	33.1
Expiry of contract, Temporary	8	1.2
Discharged due to ill health, Permanent	5	0.8
Dismissal-misconduct, Permanent	14	2.2
Retirement, Permanent	115	17.7
<b>TOTAL</b>	<b>649</b>	<b>100</b>

Table 3.5.4 Promotions by critical occupation for the period 1 April 2013 and 31 March 2014

Occupation	Employees as at 1 April 2013	Promotions to another salary level	Salary Level Promotions as a % of Employees by occupation	Progressions to another Notch within a Salary Level	Notch progressions as a % of Employees by occupation
Emergency services related	676	0	0	20	2.95
Medical practitioners	413	12	2.9	106	25.7
Medical specialist	19	2	10.5	7	36.8
Pharmacists and related personnel	117	7	6	40	34.2
Professional nurses	1325	40	3	569	42.9
Psychologist and vocational Counselors	10	1	10	8	80
<b>TOTAL</b>	<b>2560</b>	<b>62</b>	<b>4.55</b>	<b>750</b>	<b>55.14</b>

Table 3.5.5 – Promotions by salary band for the period 1 April 2013 and 31 March 2014

Salary Band	Employees 1 April 2013	Promotions to another Salary Level	Salary Level Promotions as a % of Employees by salary level	Progressions to another Notch within a Salary Level	Notch progressions as a % of Employees by salary band
Lower skilled (Levels 1-2)	17	0	0	0	0
Skilled (Levels 3-5)	3214	9	0.28	1541	47.94
Highly skilled production (Levels 6-8)	1440	17	1.18	600	41.66
Highly skilled supervision (Levels 9-12)	1195	72	6.02	531	44.43
Senior management (admin and medical) (Levels 13-16)	109	10	9.17	56	51.37
<b>TOTAL</b>	<b>5975</b>	<b>108</b>	<b>1.80</b>	<b>2728</b>	<b>45.65</b>

## 5.2.6 Employment Equity

The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

**Table 3.6.1 – Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2014**

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	9	1	0	10	1	6	1	0	7	0	18
Professionals, Permanent	90	61	36	187	147	85	99	32	216	173	723
Professionals, Temporary	2	7	0	9	37	0	0	1	1	12	59
Technicians and associate professionals, Permanent	248	95	2	345	16	689	707	11	1407	300	2068
Technicians and associate professionals, Temporary	0	0	0	0	0	0	0	0	0	7	7
Clerks, Permanent	149	87	0	236	3	270	142	2	414	38	691
Service and sales workers, Permanent	269	270	3	542	22	622	584	0	1206	51	1821
Craft and related trades workers, Permanent	2	15	0	17	4	0	0	0	0	0	21
Plant and machine operators and assemblers, Permanent	32	21	0	53	1	2	0	0	2	0	56
Elementary occupations, Permanent	286	156	0	442	3	473	332	0	805	7	1257
Elementary occupations, Temporary	0	1	0	1	0	0	2	0	2	0	3
Other, Permanent	2	1	0	3	0	0	4	0	4	0	7
<b>TOTAL</b>	<b>1089</b>	<b>715</b>	<b>41</b>	<b>1845</b>	<b>234</b>	<b>2147</b>	<b>1871</b>	<b>46</b>	<b>4064</b>	<b>588</b>	<b>6731</b>

Table 3.6.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2014

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	7	1	2	10	10	1	0	0	1	3	24
Senior Management, Permanent	15	4	6	25	13	9	1	1	11	5	54
Senior Management, Temporary	0	0	0	0	5	0	0	0	0	1	6
Professionally qualified and experienced specialists and mid-management, Permanent	133	80	16	229	86	333	359	14	706	215	1236
Professionally qualified and experienced specialists and mid-management, Temporary	2	3	0	5	20	0	0	1	1	4	30
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	160	107	2	269	20	459	525	4	988	205	1482
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	3	0	3	5	0	0	0	0	10	18
Semi-skilled and discretionary decision making, Permanent	698	470	1	1169	19	1254	889	1	2144	53	3385
Semi-skilled and discretionary decision making, Temporary	0	0	0	0	4	0	1	0	1	4	9



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
Unskilled and defined decision making, Permanent	2	1	0	3	0	0	5	0	5	0	8
Unskilled and defined decision making, Temporary	0	2	0	2	3	0	1	0	1	0	6
Contract (Top Management), Permanent	0	0	0	0	1	0	0	0	0	0	1
Contract (Senior Management), Permanent	2	0	2	4	6	0	1	0	1	4	15
Contract (Professionally qualified), Permanent	20	13	12	45	41	20	21	21	62	49	197
Contract (Skilled technical), Permanent	11	7	0	18	1	24	40	4	68	35	122
Contract (Semi-skilled), Permanent	39	24	0	63	0	47	28	0	75	0	138
<b>TOTAL</b>	<b>1089</b>	<b>715</b>	<b>41</b>	<b>1845</b>	<b>234</b>	<b>2147</b>	<b>1871</b>	<b>46</b>	<b>4064</b>	<b>588</b>	<b>6731</b>

**Table 3.6.3 – Recruitment for the period 1 April 2013 and 31 March 2014**

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	1	0	1	2	1	0	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management, Permanent	16	10	1	27	8	16	9	2	27	10	72

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
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	24	3	0	27	2	52	27	0	79	10	118
Semi-skilled and discretionary decision making, Permanent	40	35	0	75	0	135	111	1	247	5	327
Contract (Senior Management), Permanent	0	0	0	0	1	1	0	0	1	0	2
Contract (Professionally qualified), Permanent	10	9	10	29	37	13	8	20	41	35	142
Contract (Skilled technical), Permanent	6	7	0	13	0	19	33	4	56	32	101
Contract (Semi-skilled), Permanent	3	2	0	5	0	5	3	0	8	0	13
<b>TOTAL</b>	<b>100</b>	<b>66</b>	<b>12</b>	<b>178</b>	<b>49</b>	<b>241</b>	<b>191</b>	<b>27</b>	<b>459</b>	<b>92</b>	<b>778</b>

Table 3.6.4 Promotions for the period 1 April 2013 to 31 March 2014

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	0	4	5	9	0	0	0	0	4	18
Senior Management, Permanent	10	3	6	19	9	7	1	3	11	8	47
Senior Management, Temporary	0	0	0	0	0	0	0	0	0	1	1
Professionally qualified and experienced specialists and mid-management, Permanent	44	25	11	80	27	162	224	6	392	100	599



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	3	0	0	0	0	1	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	45	56	3	104	7	165	240	2	407	76	594
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	0	0	0	0	0	3	3
Semi-skilled and discretionary decision making, Permanent	298	212	0	510	5	545	465	0	1010	24	1549
Semi-skilled and discretionary decision making, Temporary	0	0	0	0	0	0	1	0	1	0	1
Contract (Senior Management), Permanent	1	0	2	3	2	2	0	0	2	7	14
Contract (Professionally qualified), Permanent	6	2	0	8	6	2	7	2	11	9	34
Contract (Skilled technical), Permanent	0	0	0	0	0	0	0	0	0	1	1
Contract (Semi-skilled), Permanent	0	1	0	1	0	2	0	0	2	0	3
<b>TOTAL</b>	<b>405</b>	<b>299</b>	<b>26</b>	<b>730</b>	<b>68</b>	<b>885</b>	<b>938</b>	<b>13</b>	<b>1836</b>	<b>234</b>	<b>2868</b>

Table 3.6.5 – Terminations for the period 1 April 2013 to 31 March 2014

Occupational Bands	Male					Female					Total
	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	
Top Management, Permanent	0	1	0	1	1	0	0	0	0	0	2
Senior Management, Permanent	0	0	0	0	1	1	0	0	1	0	2
Senior Management, Temporary	0	0	0	0	4	0	0	0	0	0	4
Professionally qualified and experienced specialists and mid-management, Permanent	13	10	1	24	14	26	1	29	56	20	114
Professionally qualified and experienced specialists and mid-management, Temporary	0	1	1	2	6	0	0	0	1	1	10
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	18	5	0	23	2	41	1	44	86	21	132
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	2	0	2	1	1	0	0	1	1	5
Semi-skilled and discretionary decision making, Permanent	36	28	1	65	1	51	0	39	90	8	164
Semi-skilled and discretionary decision making, Temporary	1	1	0	2	1	0	0	0	0	0	3



Occupational Bands	Male					Female					Total
	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	
Unskilled and defined decision making, Temporary	0	0	0	0	1	0	0	0	0	0	1
Contract (Senior Management), Permanent	1	0	0	1	1	1	0	0	1	0	3
Contract (Professionally qualified), Permanent	5	4	4	13	16	9	4	16	29	14	72
Contract (Skilled technical), Permanent	5	3	0	8	2	14	11	0	25	11	46
Contract (Semi-skilled), Permanent	22	24	0	46	0	29	16	0	45	0	91
<b>TOTAL</b>	<b>101</b>	<b>79</b>	<b>7</b>	<b>187</b>	<b>51</b>	<b>173</b>	<b>143</b>	<b>19</b>	<b>335</b>	<b>76</b>	<b>649</b>

Table 3.6.6 Disciplinary action for the period 1 April 2013 to 31 March 2014

Disciplinary action	Male					Female					Total
	African	Coloured	Indian	White		African	Coloured	Indian	White		
Abuse of sick leave	1	1									
Dishonesty	1										
Late coming						1					
Assault	1										
Gross insubordination		1									
Insolence	2	1				1	1				
Intentional or negligent damage to the employ or client of the employer, co-worker	4	1				1					
Intoxication	2	1				1					

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Gross absenteeism	8	2		1	2	1			
Insubordination	2				1				
Abuse of government vehicle	2	1			1				
Gross negligence		1			1				
Dereliction of duties	1	4		1	2	1			
Fraud									
RWOPS	1								
Misrepresentation	1	1			1				
Negligence	3	1		2					
Abuse of State Property	3	2		1					
Bringing the Name of the Department into Disrepute	1	2			1	1		1	
Absenteeism	7				2				
Fight	2					2			
Theft	2	1				1			
<b>TOTAL</b>	<b>44</b>	<b>20</b>	<b>0</b>	<b>5</b>	<b>15</b>	<b>7</b>		<b>1</b>	

Table 3.6.7 – Skills development for the period 1 April 2013 to 31 March 2014

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	8	8	0	2	7	7	0	2	34
Professionals	325	310	7	79	266	254	5	65	1311
Technicians and associate professionals	26	25	1	5	21	21	1	5	106
Clerks	29	27	1	7	23	22	1	6	116
Service and sales workers	0	0	0	0	0	0	0	0	0



Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>388</b>	<b>370</b>	<b>9</b>	<b>93</b>	<b>317</b>	<b>304</b>	<b>7</b>	<b>77</b>	<b>1567</b>
Employees with disabilities	1	3	0	0	2	4	0	2	12

### 5.2.7. Signing of Performance Agreements by SMS Members

Table 3.7.1. Signing of Performance Agreements by SMS members as on 31 May 2013

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	0	1	1	2.63%
Salary Level 16	0	0	0	%
Salary Level 15	0	0	0	%
Salary Level 14	0	11	11	28.95%
Salary Level 13	0	26	19	50%
<b>Total</b>	<b>0</b>	<b>38</b>	<b>31</b>	<b>81.58%</b>

**Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2013**

Reasons
Three (3) SMS members did not submit their performance agreements.
Four (4) SMS members has not yet finalized the signing of their performance agreements

**Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2014**

Reasons
None

### 5.2.8. Performance Rewards

**TABLE 3.8.1 Performance Rewards by race, gender, and disability for the period 1 April 2013 to 31 March 2014**

Race and Gender	Beneficiary Profile			Cost	
	Number of Beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average Cost per employee
African	1100	3230	45.89%	R3 493 533	R3175.93
Male	307	1085	12.8%	R706 044	R2299
Female	793	2145	33.08%	R2 787 489	R3515
Asian	0	87	0	0	0
Male	0	41	0	0	0
Female	0	46	0	0	0
Coloured	1105	2584	46.09%	R4 345 974	R3898.74
Male	241	713	10.05%	R577 413	R2395.90
Female	864	1871	36.04%	R3 768 561	R4361.76
White	192	820	8%	R1 194 123	R6219.39
Male	24	233	1%	R158 445	R6601
Female	168	587	7%	R1 035 678	R6164
Employees with a disability	0	10	0	0	0
<b>Total</b>	<b>2397</b>	<b>6731</b>	<b>100%</b>	<b>R9 033 630</b>	<b>R3768.72</b>

NB: There is a discrepancy between the PERSAL and Vulindlela System due to systems update delayed and therefore the reports are not aligned.



**TABLE 3.8.2 Performance Rewards by salary bands for personnel below Senior Management Service for the period 1 April 2013 to 31 March 2014**

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	0	0	0%	0	0	0%
Skilled (Levels 3-5)	1313	1313	54.77%	2206086	1680.18	24.42%
Highly skilled production (Levels 6-8)	622	622	25.95%	2583846	4154.09	28.60%
Highly skilled supervision (Levels 9-12)	462	462	19.27%	4243698	9185.49	46.97%
<b>Total</b>	<b>2397</b>	<b>2397</b>		<b>9033630</b>		

**TABLE 3.8.3 – Performance Rewards by critical occupations for the period 1 April 2013 to 31 March 2014**

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Prof Nurses	548	1338	16.8%	4600362	8394.82
Medical Officers	5	426	0.2%	43671	8734.20
Medical Specialist	1	28	0.0%	7056	7056
Pharmacists	6	132	0.2%	46038	7673
<b>Total</b>	<b>560</b>	<b>3262</b>	<b>17.2%</b>	<b>4697127</b>	<b>8387.72</b>

**TABLE 3.8.4 Performance related rewards (cash bonus), by salary band, for Senior Management Service for the period 1 April 2013 to 31 March 2014**

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	0	0	0%	0	0	0%
Band B	0	0	0%	0	0	0%
Band C	0	0	0%	0	0	0%
Band D	0	0	0%	0	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0%</b>

NB: No performance related rewards (cash bonus) were paid to Senior Management Services.

## 5.2.9. Foreign Workers

TABLE 3.9.2 Foreign Worker by major occupation for the period 1 April 2013 and 31 March 2014

Major Occupation	1 April 2013		31 March 2013		Change	
	Number	% of Total	Number	% of Total	Number	% change
Elementary occupations	2	3.27	2	2.98	0	0
Professionals and managers	58	95.08	64	95.52	11	100
Technicians and associated professionals	1	1.63	1	1.49	0	0
<b>TOTAL</b>	<b>61</b>	<b>100</b>	<b>67</b>	<b>100</b>	<b>11</b>	<b>100</b>

## 5.2.10. Leave Utilisation

TABLE 3.10.1 Sick leave for the period 1 January 2013 to 31 December 2013

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	39	89.7	6	0.1	7	11
Skilled (Levels 3-5)	23735.5	89.7	2420	50.7	10	8 653
Highly skilled production (Levels 6-8)	11371	88	1194	25	10	7 689
Highly skilled supervision (Levels 9-12)	8754.5	87.9	927	19.4	9	11 317
Senior management (Levels 13-16)	298	86.6	35	0.7	9	1 096
Contract (Levels 3-5)	370.5	87.7	74	1.6	5	144
Contract (Levels 6-8)	228.5	84.9	42	0.9	5	149
Contract (Levels 9-12)	284	71.8	64	1.3	4	387
Contract (Levels 13-16)	39	69.2	7	0.1	6	126
Not Available	1	0	1	0	1	1
<b>TOTAL</b>	<b>45121</b>	<b>88.7</b>	<b>4770</b>	<b>100</b>	<b>9</b>	<b>29573</b>

**TABLE 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2013 to 31 December 2013**

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
Skilled (Levels 3-5)	1733	100	33	48.5	53	624	1733	68
Highly skilled production (Levels 6-8)	1290	100	21	30.9	61	874	1290	68
Highly skilled supervision (Levels 9-12)	1345	100	14	20.6	96	1 616	1345	68
<b>TOTAL</b>	<b>4368</b>	<b>100</b>	<b>68</b>	<b>100</b>	<b>64</b>	<b>3114</b>	<b>4368</b>	<b>68</b>

**TABLE 3.10.3 Annual Leave for the period 1 January 2013 to 31 December 2013**

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	35	7	5
Skilled (Levels 3-5)	70206.21	22	3172
Highly skilled production (Levels 6-8)	35107.84	23	1497
Highly skilled supervision (Levels 9-12)	30588.36	23	1311
Senior management (Levels 13-16)	1781	23	79
Contract (Levels 3-5)	1527.92	11	137
Contract (Levels 6-8)	1091.92	17	63
Contract (Levels 9-12)	2130	16	135
Contract (Levels 13-16)	407	24	17
<b>TOTAL</b>	<b>142875.25</b>	<b>22</b>	<b>6416</b>

TABLE 3.10.4 Capped leave for the period 1 January 2013 to 31 December 2013

Salary Band	Total days of capped leave taken	Average number of days taken per employee	Number of Employees who took Capped leave	Average capped leave per employee as at 31 December 2013
Skilled (Levels 3-5)	78	3	27	21
Highly skilled production (Levels 6-8)	168	4	38	34
Highly skilled supervision (Levels 9-12)	259	6	41	36
<b>TOTAL</b>	<b>505</b>	<b>5</b>	<b>106</b>	<b>28</b>

TABLE 3.10.5 Leave payouts for the period 1 January 2013 to 31 December 2013

The following table summarises payments made to employees as a result of leave that was not taken.

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2013/14 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave payouts on termination of service for 2013/14	5 519	273	20216
Current leave payout on termination of service for 2013/14	845	94	8989
<b>Total</b>	<b>6364</b>	<b>367</b>	<b>17341</b>

### 5.2.11. HIV and AIDS & Health Promotion Programmes

TABLE 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Employees in clinical areas, i.e. doctors, nurses, medical students, general workers and paramedics are more at risk of contracting HIV and related diseases.	<ul style="list-style-type: none"> <li>• Protective Clothing Policy and Infection Control Policy was developed.</li> <li>• The HIV and AIDS, STI and TB policy within the Department identifies the prevention of occupational exposure to potentially infectious blood and blood products as a key focus area.</li> <li>• Protocols are in place on infection control measures</li> <li>• Implementation of targeted awareness and education initiatives.</li> <li>• Implemented strategies for mainstreaming HIV and AIDS and human rights issues.</li> <li>• Implemented initiatives to reduce alcohol and substance abuse amongst employees.</li> </ul>



**TABLE 3.11.2 – Details of Health Promotion and HIV and AIDS Programmes (tick the applicable boxes and provide the 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.	✓		Mrs Faas Director Human Resource Management
2. Does the Department have a dedicated Unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		Employee Health and Wellness Component within the Directorate Ms de Freitas Admin Support – Mr. Hoffman  Institution and District level: Kimberley Hospital Frances Baard  Budget Allocated: EHW Programmes
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	✓		Presently Employee Health and Wellness is offered in the following categories: Counseling, HCT , financial skills
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		✓	-
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.		✓	Presently HIV/AIDS, STIs and TB in the Workplace Policy is in the consultative process
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	✓		Drafted HIV/AIDS, STIs and TB in the Workplace Policy
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	✓		-

Question	Yes	No	Details, if yes
8. Has the Department developed measures/ indicators to monitor & evaluate the impact of its Health Promotion Programme? If so, list these measures/indicators.		✓	<p>The Department has an annual monitoring and evaluation tool for the Workplace HIV and AIDS Programme.</p> <p>Monthly statistics, quarterly reports and annual reports provided by HCT service providers serve as a means to monitor and evaluate the effectiveness of this programme.</p> <p>Quarterly and annual reports provided by the EHW Unit serve as a means to monitor and evaluate the effectiveness of this programme.</p> <p>The following HR indicators have also been developed:</p> <ul style="list-style-type: none"> <li>• Absenteeism due to sick leave -</li> <li>• To report on the number of days an employee takes sick leave before the completion of a sick leave cycle.</li> <li>• Employee utilisation of EHW</li> </ul> <p>- To report on the utilisation of the EHW programme in terms of the type of service, individual or group interventions.</p> <ul style="list-style-type: none"> <li>• Number of injuries on duty (Compensation for Occupational Injuries and Diseases Act (COIDA)) cases</li> </ul>

### 5.2.12. Labour relations

The following collective agreements were entered into with trade unions within the department.

**TABLE 3.12.1 Collective agreements for the period 1 January 2013 and 31 March 2014**

<b>Total number of collective agreements</b>	<b>None</b>
----------------------------------------------	-------------

- Collective Agreements are signed nationally and implemented provincially.

**TABLE 3.12.2 – Misconduct and disciplinary hearings finalised for the period 1 April 2013 and 31 March 2014**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	5	9%
Verbal warning	2	4%
Written warning	2	4%
Final written warning	20	37%
Suspended without pay	3	6%
Fine	0	0%
Demotion	0	0%



Outcomes of disciplinary hearings	Number	% of total
Dismissal (Discharge for operational requirements)	4	7%
Transfer Out	5	9%
Case withdrawn	8	15%
Resignations	5	9%
<b>Total</b>	<b>54</b>	<b>100%</b>

If there were no agreements, keep the heading and replace the table with the following:

Total number of Disciplinary hearings finalised	None

**TABLE 3.12.3 – Types of misconduct addressed at disciplinary hearings for the period 1 April 2013 and 31 March 2014**

Type of misconduct	Number	% of total
Abuse of sick leave	2	2.1%
Dishonesty	1	1.0%
Late coming	1	1.0%
Assault	1	5.4%
Gross insubordination	1	7%
Insolence	5	4%
Intentional or negligent damage to the employ or client of the employer, co-worker	6	15.2%
Intoxication	4	3%
Gross absenteeism	14	4%
Insubordination	3	2%
Abuse of government vehicle	4	10%
Gross negligence	2	4.3%
Dereliction of duties	9	1.0%
fraud	0	0
RWOPS	1	1.0%
Misrepresentation	3	1.1%
Negligence	6	3%
Abuse of State Property	6	7%
Bringing the Name of the Department into Disrepute	6	7%
Absenteeism	9	7%
Fight	4	10%
Theft	4	4%
<b>Total</b>	<b>92</b>	<b>100%</b>

**TABLE 3.12.4 – Grievances lodged for the period 1 April 2013 and 31 March 2014**

	Number	% of Total
Number of grievances resolved	23	33%
Number of grievances not resolved	46	67%
<b>Total number of grievances lodged</b>	<b>69</b>	<b>100%</b>

**TABLE 3.12.5 – Disputes lodged with Councils for the period 1 April 2013 and 31 March 2014**

	Number	% of Total
Number of disputes upheld	10	62.5%
Number of disputes dismissed	6	37.5%
<b>Total number of disputes lodged</b>	<b>16</b>	<b>100%</b>

**TABLE 3.13.6 – Strike actions for the period 1 April 2013 and 31 March 2014**

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

**TABLE 3.12.7 – Precautionary suspensions for the period 1 April 2013 and 31 March 2014**

Number of people suspended	5
Number of people who's suspension exceeded 30 days	5
Average number of days suspended	204
Cost of suspensions (R'000)	R911 894.50

### 5.2.13. Skills development

**Table 3.13.1 Training needs identified for the period 1 April 2013 and 31 March 2014**

Occupational Categories	Gender	Number of employees as at 1 April 2013	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	41		Short courses		<b>41</b>
	Male	49		Short courses		<b>49</b>
Professionals	Female	64		Short courses		<b>64</b>
	Male	77		Short courses		<b>77</b>
Technicians and associate professionals	Female	48		Skills Programme		<b>48</b>
	Male	58		Skills Programme		<b>58</b>
Clerks	Female	76		Skills programme		<b>76</b>
	Male	94		Skills programme		<b>94</b>
Service and sales workers	Female					
	Male					
Skilled agriculture and fishery workers	Female					
	Male					
Craft and related trades workers	Female					
	Male					
Plant and machine operators and assemblers	Female					
	Male					



Occupational Categories	Gender	Number of employees as at 1 April 2013	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Elementary occupations	Female					
	Male					
Sub Total	Female	229		Short courses		<b>229</b>
	Male	278		Short courses		<b>278</b>
<b>Total</b>		<b>507</b>		<b>Skills Programmes and short courses</b>		<b>507</b>

**Table 3.13.2 Training provided for the period 1 April 2013 and 31 March 2014**

Occupational Categories	Gender	Number of employees as at 1 April 2013	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	16		Short courses		16
	Male	19		Short courses		19
Professionals	Female	580		Short courses		580
	Male	721		Short courses		721
Technicians and associate professionals	Female	48		Skills Programme		48
	Male	58		Skills Programme		58
Clerks	Female	52		Skills Programme		52
	Male	64		Skills Programme		64
Service and sales workers	Female	0		-		0
	Male	0		-		0
Skilled agriculture and fishery workers	Female	0		-		0
	Male	0		-		0
Craft and related trades workers	Female	0		-		0
	Male	0		-		0
Plant and machine operators and assemblers	Female	0		-		0
	Male	0		-		0
Elementary occupations	Female	0		-		0
	Male	0		-		0
Sub Total	Female	696		Skills programme and Short courses		696
	Male	871		Skills programme and Short courses		871
<b>Total</b>		<b>1567</b>		<b>Skills programme and Short courses</b>		<b>1567</b>

### 5.2.14. Injury on duty

**TABLE 3.14.1 Injury on duty for the period 1 April 2013 and 31 March 2014**

Nature of injury on duty	Number	% of total
Required basic medical attention only	48	48.5%
Temporary Total Disablement	50	50.5%
Permanent Disablement	1	1%
Fatal	0	0%
<b>Total</b>	<b>99</b>	<b>100%</b>

### 5.2.15 Utilisation of consultants

**Table 3.15.1 – Report on consultant appointments using appropriated funds for the period 1 April 2013 and 31 March 2014**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Tat I-CHAIN (Asset Verification)	1 Company (48 resources) worked on the project.  Project Directors - 1 Project Manager – 1 Team Leaders - 6 Verifiers – 33 Data Cleaners – 3 FMV Specialists – 2 Reconciliation Specialist – 1 Training & Support Manager - 1	As per the SLA under Project Time Frames, the project date commencement is the  28/10/2013 – estimated completion date End of May 2014	R8 892 000.00  Including VAT

**Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 2014 and 31 March 2014**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Asset Verification/Developing of asset register	51%  (i-Chain is a 51% majority owned BBBEE company)	HDI – 6  Non-HDI - 4	Data Cleaners – 3  Team Leaders – 4  Training & Support Manager – 1  Project Director – 1  Verifiers – 33



**Table 3.15.3 – Report on consultant appointments using Donor funds for the period 1 April 2013 and 31 March 2014**

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
None	None	None	None

**Table 3.15.4 – Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2013 and 31 March 2014**

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Not applicable	Not applicable	Not applicable	Not applicable

## 5.2.16. Severance Packages

**Table 3.16.1 Granting of employees initiated severance packages for the period 1 April 2013 and 31 March 2014**

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (levels 1-2)	0	0	0	0
Skilled Levels 3-5	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision (Levels 9-12)	0	0	0	0
Senior Management (Levels 13 – 16)	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 6. PART E: FINANCIAL INFORMATION

### 6.1. REPORT OF THE AUDITOR GENERAL

#### REPORT OF THE AUDITOR-GENERAL TO THE NORTHERN CAPE PROVINCIAL LEGISLATURE ON VOTE NO. 10: DEPARTMENT OF HEALTH

##### REPORT ON THE FINANCIAL STATEMENTS

###### Introduction

1. I have audited the financial statements of the Department of Health set out on pages 216 to 305, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

###### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

###### Auditor-General's responsibility

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



## **Basis for qualified opinion**

### **Immovable tangible capital assets**

6. I was unable to obtain sufficient appropriate audit evidence for immovable assets, as disclosed in note 32 to the financial statements, due to the department not providing supporting documentation for audit purposes. I was unable to confirm the value by alternative means. Consequently, I was unable to determine whether any adjustment to the disposals of immovable assets stated at R1 717 694 000 and the closing balance stated at R103 435 000 (2013: R689 172 000) in the financial statements was necessary.

### **Movable tangible capital assets**

7. Movable tangible assets disclosed in note 30 to the financial statements were overstated by R20 705 583, due to obsolete movable capital assets not written off by the department. The department did not account for movable capital assets in accordance with the Modified Cash Standard prescribed by the National Treasury. In addition, I was unable to obtain sufficient appropriate audit evidence for the amounts disclosed in note 30 to the financial statements, due to the department providing an inaccurate asset register for audit purposes. I could not confirm the movable tangible capital assets by alternative means. Consequently, I was unable to determine whether any further adjustments to the movable major and minor tangible capital assets stated at R826 616 000 (2013: R685 601 000) in the financial statements were necessary.

### **Intangible capital assets**

8. Intangible capital assets disclosed in note 31 to the financial statements were understated by R23 387 394, because intangible capital assets were not recorded in the intangible asset register. The department did not account for intangible capital assets in accordance with the Modified Cash Standard prescribed by the National Treasury. In addition, I was unable to obtain sufficient appropriate audit evidence for the amounts disclosed in note 31 to the financial statements, due to the department providing an inaccurate asset register. I could not confirm intangible capital assets by alternative means. Consequently, I was unable to determine whether any further adjustments to the intangible capital assets stated at R3 695 000 (2013: R1 474 000) in the financial statements were necessary.

### **Commitments**

9. The commitments disclosed in note 20 to the financial statements were understated by R145 448 106 (2013: R39 213 085), due to commitments not disclosed in accordance with the Modified Cash Standard prescribed by the National Treasury. In addition, I was unable to obtain sufficient appropriate audit evidence for bursary commitments of R8 666 380 included in the amount disclosed in note 20. I could not confirm this by alternative means. Consequently, I was unable to determine whether any further adjustments to the bursary commitments included in the amount disclosed were necessary.

### **Accruals**

10. The accruals disclosed in note 21 to the financial statements were understated by R121 448 403 (2013: R117 968 929), due to accruals not disclosed in accordance with the Modified Cash Standard prescribed by the National Treasury.

**Irregular expenditure**

11. The irregular expenditure disclosed in note 25 to the financial statements was understated by R431 050 167 (2013: overstated by R636 576), due to payments made in contravention of numerous laws and regulations. The approved delegations were also not included in the irregular expenditure, as required by the Modified Cash Standard prescribed by the National Treasury.

**Fruitless and wasteful expenditure**

12. The department did not have an adequate system to identify and record fruitless and wasteful expenditure, as required by the Modified Cash Standard prescribed by the National Treasury, which resulted in note 26 to the financial statements being understated by R6 734 410 (2013: R203 289).

**Accrued departmental revenue**

13. The accrued departmental revenue disclosed in note 24 to the financial statements was understated by R5 326 198. In addition, the weaknesses in the system, the misstatements and the limitations placed on the scope of the work performed during the audit prevented me from determining the extent of the error or to perform alternative procedures. Consequently, I was unable to determine whether any further adjustment relating to the accrued departmental revenue stated at R67 042 000 in the financial statements was necessary.

**Employee-related cost**

14. The employee related cost as disclosed in note 4 to the financial statements was misstated as follows: overtime was overstated by R1 543 891 and allowances were overstated by R8 274 301, due to the department not having adequate controls over employee cost. There was also a consequential impact on receivables, because the overpayments needed to be recovered from employees. In addition, I was unable to obtain sufficient appropriate audit evidence for overtime of R101 690 512 (2013: R89 169 279) included in the amount disclosed in note 4, and I could not confirm this by alternative means. Consequently, I was unable to determine whether any further adjustments to the overtime included in the amount disclosed were necessary.

**Qualified opinion**

15. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Department of Health as at 31 March 2014 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard prescribed by the National Treasury and the requirements of the PFMA and DoRA.

**Emphasis of matters**

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

**Significant uncertainties**

17. With reference to note 19 to the financial statements, the department is the defendant and the claimant in several lawsuits. The ultimate outcome of the matters cannot currently be determined, and no provision for any liability or asset that may result has been made in the financial statements.



### **Restatement of corresponding figures**

18. As disclosed in the financial statements, the corresponding figures for 31 March 2013 have been restated as a result of errors discovered during the prior year's audit in the financial statements of the department at, and for the year ended, 31 March 2013.

### **Material losses and impairments**

19. As disclosed in note 24.1 to the financial statements, material losses of R15 889 000 (2013: R9 261 000) were reported by the department as a result of the write-off of irrecoverable patient debts, while further losses were incurred as a result of the impairment of patient debts of R46 185 000 (2013: R34 960 000), as disclosed in note 29 to the financial statements.

### **Additional matters**

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

### **Material inconsistencies in other information included in the annual report**

21. I have not obtained the other information included in the annual report. Consequently, I have not been able to identify whether the other information to be included in the annual report contains any material inconsistencies with the information in the financial statements.

### **Unaudited supplementary schedules**

22. The supplementary information set out in schedules 1A to 7 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

23. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### **Predetermined objectives**

24. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2014:

- Programme 2: district health services, on pages 42 to 65
- Programme 4: provincial hospital services, on pages 68 to 77
- Programme 5: provincial tertiary hospital services, on pages 78 to 84

25. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

26. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information* (FMPPI).

27. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

28. The material findings in respect of the selected programmes are as follows:

**Programme 2: district health services**

**Usefulness of reported performance information**

29. Treasury regulation 5.2.4 requires the annual performance plan to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 54% of the reported objectives were not consistent with those in the approved annual performance plan. This was due to a lack of review of the annual performance plan and annual performance report.

30. The FMPPI requires the following:

- Performance targets must be measurable. I could not measure the required performance for 47% of the targets.
- Performance indicators must be well defined by having clear data definitions so that data can be collected consistently and is easy to understand and use. A total of 57% of the indicators were not well defined.

31. This was due to a lack of proper technical indicator descriptions.

**Reliability of reported performance information**

32. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to limitations placed on the scope of my work, as the department could not provide sufficient appropriate evidence in support of the reported performance information. In addition, the variances reported could not be corroborated with supporting evidence.

**Programme 4: provincial hospital services**

**Usefulness of reported performance information**

33. Treasury regulation 5.2.4 requires the annual performance plan to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 49% of the reported objectives were not consistent with those in the approved annual performance plan. This was due to a lack of review of the annual performance plan and annual performance report.



34. Treasury regulation 5.1.1 requires the executive authority to approve the annual performance plan. Therefore, if this plan is changed in the year due to significant policy or mandate changes, the executive authority must also approve the updated plan. Material changes were made to objectives reported in the annual performance report without these changes being approved. This was due to a lack of review of the annual performance plan and annual performance report.

35. The FMPPI requires the following:

- Performance targets must be measurable. I could not measure the required performance for 63% of the targets.
- Performance indicators must be well defined by having clear data definitions so that data can be collected consistently and is easy to understand and use. A total of 84% of the indicators were not well defined.
- Performance indicators must be verifiable, meaning that it must be possible to validate the processes and systems that produced the indicator. A total of 23% of the indicators were not verifiable.

36. This was due to a lack of proper technical indicator descriptions.

#### **Reliability of reported performance information**

37. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to limitations placed on the scope of my work, as the department could not provide sufficient appropriate evidence in support of the reported performance information. In addition, the variances reported could not be corroborated with supporting evidence.

#### **Programme 5: provincial tertiary hospital services**

##### **Usefulness of reported performance information**

38. Treasury regulation 5.2.4 requires the annual performance plan to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 60% of the reported objectives were not consistent with those in the approved annual performance plan. This was due to a lack of review of the annual performance plan and annual performance report.

39. The FMPPI requires the following:

- Performance targets must be measurable. I could not measure the required performance for 35% of the targets.
- Performance indicators must be well defined by having clear data definitions so that data can be collected consistently and is easy to understand and use. A total of 90% of the indicators were not well defined.

- Performance indicators must be verifiable, meaning that it must be possible to validate the processes and systems that produced the indicator. A total of 25% of the indicators were not verifiable.

40. This was due to a lack of proper technical indicator descriptions.

#### **Reliability of reported performance information**

41. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of the reported performance information. This was due to limitations placed on the scope of my work, as the department could not provide sufficient appropriate evidence in support of the reported performance information. In addition, the variances reported could not be corroborated with supporting evidence.

#### **Additional matter**

42. I draw attention to the following matter:

#### **Achievement of planned targets**

43. Refer to the annual performance report on pages 42 to 84 for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information for the selected programmes reported in paragraphs 29 to 41 of this report.

#### **Compliance with legislation**

44. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

#### **Procurement and contract management**

45. Goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by treasury regulation 16A6.1.

46. Goods and services with a transaction value above R500 000 were procured without inviting competitive bids, as required by treasury regulation 16A6.1. Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of treasury regulation 16A6.4.

47. Sufficient appropriate audit evidence could not be obtained that goods and services with a transaction value above R500 000 were procured by means of inviting competitive bids or that the accounting officer only approved deviations if it was impractical to invite competitive bids, as required by treasury regulation 16A6.1 and 16A6.4.

48. Invitations for competitive bidding were not always advertised in at least the *Government tender bulletin*, as required by treasury regulation 16A6.3(c).

49. Invitations for competitive bidding were not always advertised for the required minimum period of 21 days, as required by treasury regulation 16A6.3(c).



50. Sufficient appropriate audit evidence could not be obtained that bids were adjudicated by committees composed in accordance with the policies of the department, as required by treasury regulation 16A6.2 (a), (b) and (c).
51. Sufficient appropriate audit evidence could not be obtained that awards were only made to suppliers who submitted a declaration of past supply chain practices, such as fraud, abuse of the SCM system and non-performance, as required by treasury regulation 16A9.2.
52. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to suppliers whose tax matters had been declared by the South African Revenue Service to be in order, as required by treasury regulation 16A9.1 (d) and the *Preferential procurement regulations*.
53. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders based on points given for criteria that were stipulated in the original invitation for bidding and quotations, as required by the *Supply chain management regulations*, treasury regulation 16A6.3 (a) and the *Preferential procurement regulations*.
54. Sufficient appropriate audit evidence could not be obtained that the preference point system was applied in all procurement of goods and services above R30 000, as required by section 2(a) of the Preferential Procurement Policy Framework Act of South Africa, 2000 (Act No. 5 of 2000) (PPPFA) and treasury regulation 16A6.3(b).
55. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders that scored the highest points in the evaluation process, as required by section 2(1)(f) of the PPPFA and the *Preferential procurement regulations*.
56. Contracts and quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, contrary to treasury regulation 16A8.3.
57. Persons in the service of the department who had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by treasury regulation 16A8.4 and public service regulation 3C.
58. Persons in the service of the department whose close family members, partners or associates had a private or business interest in contracts awarded by the department failed to disclose such interest, as required by treasury regulation 16A8.4.
59. Measures for combating the abuse of the supply chain management system were not implemented as required by treasury regulation 16A9.1, in that contracts were not cancelled after it had been discovered that corrupt or fraudulent acts were committed during the procurement process.

### **Budget**

60. Effective and appropriate steps were not taken to prevent the overspending of the budget, as required by section 39(2)(a) of the PFMA.

### **Annual financial statements**

61. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and were not supported by full and proper records, as required by section 40(1)(a) and (b) of the PFMA.

62. Some material misstatements of the appropriation statement, statement of financial performance, statement of financial position, notes to the annual financial statements and annexures to the annual financial statements identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records provided, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

#### **Expenditure management**

63. Effective steps were not taken to prevent unauthorised, irregular as well as fruitless and wasteful expenditure, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

64. Money was spent without the approval of a properly authorised official, as required by treasury regulation 8.2.1 and 8.2.2.

65. Contractual obligations and money owed by the department were not settled within 30 days or an agreed period, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3.

#### **Transfer of funds**

66. HIV/Aids grants were not transferred to entities in accordance with section 16(2) of DoRA, as the following non-compliance was identified:

- The receiving officer transferred HIV/Aids grants to other entities for the performance of a function envisaged in terms of the allocation, and the receiving officer did not enter into a payment schedule approved by the National Treasury with the entity that would be performing the function.

67. Funds were transferred to entities without obtaining written assurance that the entity had implemented effective, efficient and transparent financial management and internal control systems, as required by section 38(1)(j) of the PFMA.

68. Appropriate measures were not maintained to ensure that transfers and subsidies to entities were applied for their intended purposes, as required by treasury regulation 8.4.1.

#### **Conditional grants received**

69. Performance in respect of programmes funded by the allocation was not evaluated by the department, as required by section 11(6)(a) of DoRA.

#### **Revenue management**

70. Appropriate processes were not developed and implemented to provide for the identification, collection, recording, reconciliation and safeguarding of information about revenue, as required by treasury regulation 7.2.1.

71. Effective and appropriate steps were not taken to collect all money due to the department, as required by section 38(1)(c)(i) of the PFMA and treasury regulations 11.2.1, 15.10.1.2(a) and 15.10.1.2(e).

72. Bad debt that did not comply with the requirements of the department's write-off policy was written off, contrary to treasury regulation 11.4.2.



73. Interest was not charged on debts, as required by treasury regulation 11.5.1.

#### **Asset management**

74. Proper control systems to safeguard and maintain assets were not implemented, as required by section 38(1)(d) of the PFMA and treasury regulation 10.1.1(a).

#### **Liability management**

75. Existing credit cards were not used for their permitted purposes in terms of treasury regulation 15.10.3.6; and were not cancelled in terms of treasury regulation 15.10.3.4.

#### **Consequence management**

76. Effective and appropriate disciplinary steps were not taken against officials who made unauthorised, irregular as well as fruitless and wasteful expenditure, as required by section 38(1)(h)(iii) of the PFMA and treasury regulation 9.1.3.

#### **Human resource management and compensation**

77. Sufficient appropriate audit evidence could not be obtained that appointments were only made in posts that were approved and funded, as required by public service regulation 1/III/F.1(a) and (d).

78. Persons were appointed that did not meet the requirements of the job without approval of the deviation, in contravention of section 11(2) of the Public Service Act of South Africa, 1994 (Act No. 103 of 1994) (PSA) and public service regulation 1/VII/D.5-8.

79. Sufficient appropriate audit evidence could not be obtained that appointments were approved by an authorised official, as required by public service regulation 1/VII/D7 and 8.

80. Employees were appointed without following a proper process to verify the claims made in their applications, in contravention of public service regulation 1/VII/D.8.

81. Sufficient appropriate audit evidence could not be obtained that the appointment of employees at salaries higher than the minimum of the salary range was properly justified, as required by section 37(2)(a) of the PSA and public service regulation 1/V/C3.

82. Funded vacant posts were not filled within 12 months, as required by public service regulation 1/VII/C.1A.2.

#### **Strategic planning and performance management**

83. Effective, efficient and transparent systems of risk management and internal control with respect to performance information and management were not maintained, as required by section 38(1)(a)(i) of the PFMA.

#### **Service delivery – health**

84. Sufficient appropriate evidence could not be obtained to confirm that the allocation of the comprehensive HIV/Aids grant was utilised for purposes stipulated in the grant framework, as required by section 16(1) of DoRA.

85. Sufficient appropriate audit evidence could not be obtained to confirm that transfers of the comprehensive HIV/Aids grant to entities were approved in the budget and grant framework and approved by the National Treasury, as required by section 16(2) of DoRA.
86. Sufficient appropriate audit evidence could not be obtained to confirm that transfers of the hospital revitalisation grant to entities were approved in the budget and grant framework and approved by the National Treasury, as required by section 16(2) of DoRA.

### **Internal control**

87. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on non-compliance with legislation included in this report.

### **Leadership**

88. The leadership of the department did not exercise oversight responsibility to ensure that proper internal control procedures were developed and implemented to enable the department to produce accurate and complete annual financial statements and a report on predetermined objectives.
89. The leadership did not oversee performance reporting, compliance with laws and regulations and internal control. The leadership did not receive any positive or negative reporting on compliance with laws and regulations.
90. The leadership did not communicate and enforce management assertions (relating to completeness and accuracy) related to the disclosures in the financial statements and report on predetermined objectives of the department.
91. Job descriptions and performance agreements did not specifically include measures on compliance with the policies, procedures and regulations related to an individual's area of responsibility. The performance management system of the department was not utilised to hold officials accountable for not adhering to departmental policies, procedures and regulations.
92. Action plans developed and presented to the standing committee on public accounts on the previous year's audit outcome were not implemented as planned, and were not monitored and tracked by the leadership of the department.
93. An environment that was conducive to good accountability and service delivery through positive attitude, integrity, competence and ethical behaviour had not been established within the department. Management's philosophy, operating style and, especially, lack of communication did not promote effective control.
94. Most of the systems of the department were not documented in policy and procedure manuals that were approved, while the results of the monitoring process were not routinely communicated to all managers and staff.

### **Financial and performance management**

95. The department failed to properly analyse the control weaknesses and implement appropriate follow-up actions that adequately addressed the root causes. This resulted in the audit findings from the prior year being repeated in the current year.



96. The department did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information was accessible and available to support financial and performance reporting.
97. The department did not review and monitor compliance with applicable laws and regulations. The department did not have a delegated employee trained in the necessary technical skills to address and monitor new legislative changes affecting the department.
98. The department did not have proper record keeping and record management processes to ensure that the documentation supporting the amounts and disclosures in the financial statements was properly filed and easily retrievable. Although an official was tasked with record management responsibilities, information requested for audit purposes was not readily available, as significant delays were experienced throughout the audit process. In some cases, the documentation was not received at all, which resulted in a limitation of scope being placed on the audit. Although progress has been made with regard to obtaining outstanding information relating to prior years, the department underestimated the capacity and resources required to maintain systems of record management. Record management and maintenance disciplines should be refined and included in the daily key controls, and reviewed and monitored by the appropriate level of management.
99. The department did not have adequate financial systems to ensure compliance with the accrual basis of accounting. As a result, information relating to the disclosure notes to the financial statements was not identified and captured in a form and time frame to support financial and performance reporting.
100. Senior management did not adequately review actual performance against reported predetermined objectives. This resulted in reasons not being documented where the targets were not achieved. Furthermore, senior management did not implement controls to ensure that the quarterly results agreed to actual annual performance results.

## **OTHER REPORTS**

### **Performance audits**

#### **Performance audit of the use of consultants**

101. The report of the Auditor-General of South Africa on a performance audit of the use of consultants at the department was tabled during the 2013-14 financial year. The department was selected for audit based on my assessment of possible weaknesses in the use of consultants as well as spending trends. The report can be accessed on the website of the Auditor-General of South Africa at <http://www.agsa.co.za/Documents/Specialauditreports/Performanceauditreports.aspx>.

#### **Performance audit of the readiness of government to report on its performance**

102. The report of the Auditor-General of South Africa on the readiness of government to report on its performance will be tabled during 2014. The department was one of the 61 institutions audited during this audit. The performance audit focused on the following:
  - The systems and processes that government departments have put in place to report on their performance.

- The performance reporting guidance and oversight government departments have received.

### Investigations

103. An investigation by the South African Police Service and the Public Protector is still in progress relating to vehicle parts stolen from the department's ambulances.
104. The select committee on social services requested the department to commission an investigation into grant spending at the North West and the Northern Cape health departments. The investigation was still in progress at the date of this report.

*Auditor - General*

Kimberley

31 July 2014



A U D I T O R - G E N E R A L  
S O U T H A F R I C A  
*Auditing to build public confidence*



## 6.2. ANNUAL FINANCIAL STATEMENTS

### (NORTHERN CAPE DEPARTMENT OF HEALTH) VOTE 10

#### REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2014

Report by the Accounting Officer to the Executive Authority and Provincial Legislature of the Republic of South Africa.

#### 1. Overview of the financial results of the department

##### 1.1 Important policy decisions and strategic issues facing the department

The key policy and strategic issue in 2013/14 financial year for the Department was the process of strengthening or overhauling the health system through strengthening with the Re-Engineering of Primary Health Care (PHC) principles. This was important to support the National Health Insurance (NHI) initiatives as well as to support and strengthen the District Health System which is in line with the National Health Act. A process is underway to roll out this initiative to other districts in the Province and build capacity; however available resources are a challenge which then requires important policy and strategic decisions.

The Province has an unacceptably high maternal and child mortality rates; prevalence of HIV and AIDS and the burden of diseases from Tuberculosis still pose a significant challenge in the province. In line with the 10 Point Plan for the transformation of the public health sector, evidence based resource allocation as well as outcome-based approach could decrease diseases pattern and the attainment of Government's vision for a Long and Healthy Life for all South Africans.

The Ministerial Non-negotiable items provides an opportunity for the significant improvement in the provision of quality of services at facilities. However, inadequate financial resource allocation to the department continues to impact on service delivery. The department consequently takes strategic decisions for efficiency savings and reprioritise funds to priority areas.

The impact of spending pressures experienced by the department over the past years suggests that there is a need to limit the provision of services or expenditures may exceed the respective allocated budgets. The department needs to show its service delivery costs to the Provincial Treasury and National Department Health to secure adequate budget. But, this needs it to generate evidence on the cost of service delivery to department to review and adjust its budget allocation. For instance, last year there were over-expenditure on medicines, medical waste, security services and children's vaccines and the under-expenditure on infection control, blood supply and services, laundry services, infrastructure maintenance, ARVs, AIDS Objective and TB programmes.

With regard to improving the efficiency and effectiveness of the healthcare system in the province, the health service delivery programme should be based on preventative Primary Health Care and not curative. Meaning prevention of diseases and promotion of health should be the core element in the department. Hence, the construction of Hospitals and these type of services need adequate attention in terms of the policy and the availability of resources. Hospitals are core drivers of cost and their plan were integrated with other programmes.

Much has been done to improve this situation, for instance; bid committees in place, contracts reviewed, new appointments in supply chain management and finance, regular meetings with the Office of the Auditor General, Audit rectification plans was implemented, job descriptions were revised; mentioned are just some of the improvements that have been implemented.

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The department has a poor information communication strategy in place, which requires important policy decisions and strategic guidance to lead to more efficient and effective ways of generating health related information and utilising this data for policy development and planning of targets in Annual Performance Plan as well as monitoring and evaluation of progress towards the desired goals.

Human Resources Planning is not yet completed. This is crucial for medium-to-long-term human resources planning in the Department. The Department needs to speed up the process to get approval of the organisational structure by the Department of Public Service and Administration (DPSA).

System challenges and lack of capacity in these areas are key elements that contributed towards the poor performance in the Department. This be difficult to attain.

Finally, the department must work on the issues highlighted as a weakness by the Public Services Commission's report, the Auditor General's report and Management Performance Assessment Tool (MPAT). Most of the issues raised in these areas are based on the policies and standard procedures. This it is critical for the department to put the necessary internal control measures in place and continuously endeavour to substantially improve its performances.

**1.2 Important strategic issues facing the department**

- *Service delivery:* Achieving the Millennium Development Goals and other service delivery commitments within the context of limited resources and an under-funded health sector.
- *Quality:* Improving clients' experience and the quality of service delivery, including decreasing waiting times, improving clinical outcomes, staffing levels, supplies of medication and response times to emergencies.
- *Management and compliance:* The need to strengthen management systems including monitoring, reporting, accountability and addressing the Auditor-General's findings.
- *Financial austerity:* Addressing over expenditure, accruals and restricted cash flow.
- *Human resources:* Addressing the shortage of skills of doctors, nurses, pharmacists, other allied personnel, emergency services, and appropriate skills in finance, human resources and management; and improving communication, staff attitudes, and the implementation of the Batho-Pele Principles.
- *Infrastructure:* The health sector also faces the problem of facilities that require significant upgrading in terms of maintenance, medical equipment, IT infrastructure and management information systems.



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**1.3 Significant events that have taken place during the year**

The following workshops and campaigns were held in several towns in the provinces:

- Intensified Case Finding (ICF) workshops
- International Men's Day
- World Aids Day
- ICF Mop-up
- Karma / Sexually Transmitted Illnesses (STI) Condom Awareness
- Community Dialogue
- HTA Site Launch
- Intensified Case Findings / WTBD
- TB / HIV Intensified Case Findings
- World TB Day
- Launch of Human Papilloma Virus (HPV) vaccination campaign
- Opening of new Novalspond Clinic and
- Opening of Dr Harry Surtie Regional Hospital (formerly "Gordonia District Hospital)

These campaigns were successful and will have significant impact on service delivery.

**1.4 Departmental Receipts**

The department derives 90% of its revenue from patient fees and these are based on determined tariffs set by the Minister of Health. Tariffs in the current financial year were increased by 5% and so was the revenue target. Revenue collection target did not materialise as planned resulting in an under collection of R7.461 million a increase of 3% compared to the previous financial year. Below is the financial performance on revenue generation:

Departmental receipts	2013/14			2012/13		
	Budget	Actual Amount Collected	(Over)/ Under Collection	Budget	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	45,586	35,321	(10,265)	41,206	35,691	(5,515)
Sales of capital assets	1,314	1,748	434	1,248	1,989	741
Market establishment rental dwelling	3,695	4,352	657	5,594	4,416	(1,178)
Transactions in financial assets and liabilities	-	1,713	1,713	-	231	231
<b>Total</b>	<b>50,595</b>	<b>43,134</b>	<b>(7,461)</b>	<b>48,048</b>	<b>42,323</b>	<b>(5,721)</b>

**Reason for the under collection of revenue**

The under collection resulted from lack of dedicated personnel in revenue management at specific health facilities, lack of computer system connectivity in most health facilities and internal control deficiency to classify patients properly in order to maximise revenue. These result in the lost opportunity to collect revenue from private paying patients.

The department introduced access to electronic data interface (EDI) connection with the medical aid schemes; this system guarantees speedy submission of claims. The department further

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introduced speed points which will be fully operational in the next financial year; created and funded posts at provincial office to monitor and provide support to debt collecting health facilities. A process of analysing targets with Provincial Treasury to ensure credibility of targets has been started. Road Accident Fund claims are monitored reconciled and followed up.

### 1.5 Programme Expenditure

During the year under review the department was allocated an adjusted budget of R3.476 billion, which included an adjustment to the Health facilities conditional grant, roll-overs and other adjustments. At the end of the financial year the department had spent R3.401 billion resulting in an under-expenditure of R75.187 million. A request to rollover unspent funds has been submitted to the Provincial Treasury.

The table below shows budget and expenditure by programme for the financial years 2012/13 and 2013/14. Detailed performance by Programme is shown in the Appropriation Statement in the Annual Financial Statements.

Programme Name	2013/14			2012/13		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	167,616	171,648	(4,032)	167,345	152,902	14,443
District Health Services	1,538,255	1,516,282	21,973	1,357,522	1,321,687	35,835
Emergency Medical Services	231,955	199,910	32,045	226,202	207,226	18,976
Provincial Hospital Services	214,569	201,082	13,487	170,082	164,696	5,386
Central Hospital Services	719,640	739,655	(20,015)	724,152	729,538	(5,386)
Health Sciences	88,845	86,012	2,833	92,399	86,784	5,615
Health Care Support Services	34,199	33,852	347	29,986	24,119	5,866
Health Facilities Management	481,909	453,360	28,549	479,545	479,545	-
<b>Total</b>	<b>3,476,988</b>	<b>3,401,801</b>	<b>75,187</b>	<b>3,247,233</b>	<b>3,166,498</b>	<b>80,735</b>

#### Reason for the (over)/under expenditure by Programme:

##### Programme 1: Health Administration

This programme over spent in the year under review as a result of settlement of medico-legal claims.

##### Programme 2: District Health Services

The understanding results from delays in approval amendment to original business plan for Comprehensive HIV/AIDS Grant during the year.



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The department had committed funds towards procurement of capital medical equipment and office equipment.

**Programme 3: Emergency Medical Services**

The under spending was caused by delays in the implementation of the procurement plan of the emergency medical services programme. Funds have been committed for the procurement of emergency vehicles.

**Programme 4: Provincial Hospital Services**

The programme underspend on goods & services due to delays in procurement process caused by implementation of LOGIS procurement system at new Dr Harry Surtie Regional Hospital (formerly known as "Gordonia District Hospital") in Upington.

**Programme 5: Provincial Tertiary Service**

The over spending on the programme is as a result of pressure on the overall goods & services such as inventory Medical supplies and medicines. The hospital incurred expenditure on medico-legal claims. Kimberley Hospital renders secondary and tertiary hospital services for the entire Northern Cape Province. It is also a referral hospital. The tertiary service packages offered by the hospital are not adequately funded and this situation is exacerbated by the number of patients referred to the hospital from the districts.

**Programme 6: Health Sciences & Training**

The under spending is due to delays in the appointment of 10 clinical tutors and delays in making ready the identified premises for the nursing college activities. Dedicated officials have been assigned to accelerate the activities of maintenance and upgrading of new premises, however there were challenges affecting the availability of identified premises.

The department had committed funds towards supply & erection of park homes for nursing students in Frances Baard District.

**Programme 8: Health Facilities Development and Maintenance**

The under spending was caused by the delays in finalising tender processes with the implementing agents. Although the implementing agents are constantly monitored for adherence to the service level agreements (SLA), the department could not spend all funds allocated.

The department had committed funds from Health Infrastructure Grant towards refurbishment of Galeshewe Day Hospital, Sutherland CHC and Fraserburg CHC. The department had further committed funds from Hospital Revitalisation Grant towards supply & installation of new Standby Generators at various facilities and installation of fence and gate at Galeshewe Day Hospital.

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**1.6 Virements/Roll overs**

Attached below is a table detailing the virements applied per main division within the vote and the reasons for the funds shift. These virements and shifts were approved by the Accounting Officer and those that require approval of the Provincial Treasury were submitted for approval.

Description	Virements R'000	Reason for the virement
<b>1. ADMINISTRATION</b>	<b>11 537</b>	
Goods & Services	5 699	This programme over spent its goods & services budget as a result of accounts paid centrally such as telephone costs, specific operating leases, legal fees and audit fees. The virement to mitigate this situation was done from programme 2.
Machinery & equipment	4 601	The budget pressure on leasing of medical equipment and replacing old computer equipment led this programme to over spend on machinery & equipment. The virement to mitigate this situation was done from programme 3.
Buildings & other fixed structures	1 211	This programme over spent its buildings & other fixed structures budget as a result of upgrading office space. The virement to mitigate this situation was done from programme 8.
Households	26	This programme over spent its households as a result of unexpected personnel exits. The virement to mitigate this situation was done from programme 3.
<b>2. DISTRICT HEALTH SERVICES</b>	<b>(9 249)</b>	
Goods & Services	(11 346)	This programme under spent its goods & services budget as a result of delays in approval of amendments to original business plan for Comprehensive HIV/AIDS Grant. This under spend amount was moved to programme 1, 5 and 8.
Non-Profit Institutions	(35)	This programme under spent its non-profit institutions budget as a result of delays in approval of amendments to original business plan for Comprehensive HIV/AIDS Grant. This under spend amount was moved to programme 5.
Buildings & other fixed structures	2 132	This programme over spent its buildings & other fixed structures budget as a result of upgrading to existing health facilities. The virement to mitigate this situation was done from programme 8.
<b>3. EMERGENCY MEDICAL SERVICES</b>	<b>153</b>	
Compensation of employees	7 663	This programme over spent its COE budget as a result of implementation of "Danger allowance for identified Emergency Medical Service categories" in terms of



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Description	Virements R'000	Reason for the virement
		PHSDSBC Resolution 1 of 2013. The virement is to mitigate this situation was done from programme 4.
Households	(26)	This programme under spent its households as a result of unexpected personnel exits. This under spend amount was moved to programme 2.
Machinery & equipment	(7 484)	This programme under spent its machinery & equipment as a result of lack of cash flow in the last quarter of the year and payments were restricted to Conditional Grants only. This under spend amount was moved to programme 1 and 5.
<b>4. PROVINCIAL HOSPITAL SERVICES</b>	<b>(18 658)</b>	
Compensation of Employees	(7 663)	This programme under spent its COE budget as a result of delays in recruitment process and difficulty to attract health professionals. This under spend amount was moved to programme 3.
Goods & Services	(10 995)	This programme under spent its goods & services due to delays in procurement process caused by implementation of LOGIS procurement system in new Dr Harry Surtie Regional Hospital. This under spend amount was moved to programme 5.
<b>5. CENTRAL HOSPITAL SERVICES</b>	<b>30 254</b>	
Goods & Services	20 444	The pressure on goods and services, particularly in medical supplies, pharmaceuticals, blood products, patient catering and laboratory services, led this programme to over spend its goods and services allocation. The virement is to mitigate this situation was done from programmes 2, 4 and 6.
Households	35	This programme over spent its households as a result of unexpected personnel exits. The virement is to mitigate this situation was done from programme 2.
Buildings & other fixed structures	6 070	The budget pressure on upgrading of high care unit, led this programme to over spend on buildings & other fixed structures. The virement is to mitigate this situation was done from programmes 8.
Machinery & equipment	3 705	The budget pressure on leasing of medical equipment and replacing old computer equipment led this programme to over spend on machinery & equipment. The virement is to mitigate this situation was done from programmes 3 and 8.
<b>6. HEALTH SCIENCES &amp; TRAINING</b>	<b>(7 499)</b>	
Compensation of Employees	(5 398)	This programme under spent its COE budget as a result of delays in recruitment process and difficulty to attract health professionals. This under spend amount was moved to programme 5.
Machinery & equipment	(2 101)	This programme under spent its machinery &

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Description	Virements R'000	Reason for the virement
		equipment due to delays in making ready the identified premises for the nursing college, the funding was to be used for classroom furniture. This under spend amount was moved to programme 5.
<b>7. HEALTH CARE SUPPORT SERVICES</b>	<b>11</b>	
Buildings & other fixed structures	11	The budget pressure result from additional cost of upgrading existing premises. The virement is to mitigate this situation was done from programmes 8.
<b>8. HEALTH FACILITIES MANAGEMENT</b>	<b>(6 549)</b>	
Goods & Services	1 596	The pressure on goods and services, particularly in unplanned maintenance & repairs, led this programme to over spend its goods and services allocation. The virement is to mitigate this situation was done from programmes 2.
Buildings & other fixed structures	(8 145)	This programme under spent its buildings & other fixed structures due to delays in finalising tender processes with the implementing agents. This under spend amount was moved to programme 2, 5 and 7.

### 1.7 Unauthorised Expenditure

The department has for the year under review incurred unauthorised expenditure of R26.506 million, 0.01% of the final appropriation. This is mainly as a result of over expenditure on Programme 5: Central Hospital Services. Unauthorised expenditure as disclosed in the disclosure notes to the financial statements amounts to R145.220 million compared to R506.632 million from the previous financial year. The Provincial Legislature approved unauthorised expenditure of R387.918 million with funding through the Finance Bill.

A Departmental Budget Committee has been established and is chaired by the Accounting Officer. Programme managers have been appointed in writing and play a pivotal role in controlling expenditure within their programmes. Expenditure trends are discussed and variances between budget and expenditure are explained by programme managers.

### 1.8 Fruitless and wasteful Expenditure

Fruitless and wasteful expenditure as at the end of the financial year is R12.684 million and is mainly as a result of R10.705 million settlement of medico-legal and civil claims against the department, and the remaining is interest incurred on overdue accounts.

The department assigned an official to monitor the processing of payments to avoid late payments. The department developed monitoring tools for the processing of payments which clearly outlines the ageing of payments. All finance personnel were trained on how to use the monitoring recording and reporting using the tool. The department appointed additional people in



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the Supply Chain Management unit and has advertised the vacant positions; this will address the delay in the processing of payments.

The department further re-engineered the Adverse Events Committee to investigate possible negligence on medico-legal cases and recommend disciplinary measures.

**1.9 Irregular Expenditure**

Irregular expenditure amounting to R679.867 million was incurred during the current year as a result of not following proper procurement processes. Cumulatively, irregular expenditure amounts to R3.544 billion; the reason for the increase is that the department had not condoned the irregular expenditure.

The department had provided training workshops on supply chain management policy and standard operating procedures during the year under review. The department will further initiate disciplinary processes against officials who caused irregular expenditure in terms of the law and as recommended by SCOPA.

**2 Service rendered by the department**

The department provides health care services to the community of the province. The department operates 8 programmes. The core services and activities of these programmes are spread out within four main branches, namely:

- District Health Services – Programme 2
- Emergency Medical Services – Programme 3
- Provincial Health Services – Programme 4
- Central Hospital Services – Programme 5

The remaining programmes offer the necessary support in the rendering of health care.

**2.1 The following services are rendered by the department:**

- Primary Health Care Services through the implementation of the District Health Services;
- Emergency medical rescue services to all people in the province;
- The provision of hospital and specialised services in collaboration with Health Science faculties of various higher of learning within the province;
- Specialised services such as clinical orthotic and prosthetic services;
- Training of all health professionals employed by the Department;
- New health facilities and revitalisation of dilapidated facilities;

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- Health Facilities Management provides maintenance, infrastructure planning and construction of new clinics and Hospitals, rehabilitation of existing hospitals and clinics and the replacement and maintenance of Capital equipment.

- **Tariff policy**

The tariffs charged by the department on patient fees are based on the national tariffs as approved by the Minister. These tariffs are uniform throughout the country and are compiled by the national task team, representative of all the provinces. Tariffs charged to the public patients are determined according to their scale of income.

Tariffs with regard to other sources of income, such as parking are determined by using guidelines issued by relevant national departments from time to time.

- **Free services**

There are certain circumstances under which patients will receive services free of charge independently of their classification as full paying or subsidized patients. Such circumstances include infectious, formidable diseases, pregnant women and children. Also patients classified under H0 category receive free services. It was not possible to quantify the cost of the free services rendered.

**2. Public Private Partnerships**

The department does not have PPP's neither has it entered in new PPP's in the year under review.

**3. Corporate governance arrangements**

- **Internal Audit**

The internal audit function is provided by Shared Internal Audit established at Provincial level. This function is provided under the direction and control of the Audit Committee in compliance with regulations and instructions in terms of section 39(1)(a) of the PFMA and section 76 and 77 of the Treasury Regulations and King III report on corporate governance, whereby it provides assurance on the effectiveness and efficiency of internal controls, risk management and governance processes. The unit performs its activities in line with an approved risk-based annual internal audit plan.

- **Risk Management**

The department identified strategic and operational risks, which are aligned to the strategic objectives of the department. These risks were evaluated in terms of impact towards the attainment of the set objectives and their likelihood. The relevant controls have been identified and still to be implemented to address those risks thus included delegations, segregation of duties, reconciliation, conflict of interest process etc. The department has developed a reporting systems that enables it to monitor changes in department risk profile and gain an assurance that risk management systems are effective, although the implementation remains a challenge. Furthermore, the Executive Management Committee provides risk management oversight.



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- **Audit Committee**

Throughout the year under review, the Audit Committee operated in terms of an approved Audit Committee Charter, which was the Committee's approved terms of reference. The committee comprises of three external members and internal audit committee members, all of whom are not employed by the department.

The members of the Audit Committee are independent of the operating activities of the department. Further information relating to the Audit Committee, as required by the PFMA and Treasury Regulations is included in the Audit Committee's Report, which is incorporated in the annual report of the department.

**4. Discontinued activities/activities to be discontinued**

There were no discontinued activities or activities planned to be discontinued.

**5. New/proposed activities**

There were no new or proposed activities during the year under review.

- **Supply Chain Management**

There was no unsolicited bids concluded during the year under review. There are capacity constraints in supply chain management and asset management units, however funding was sourced from Provincial Treasury to address capacity and structural problems. The recruitment processes have been initiated to appoint skilled workforce.

**6. Gifts and Donations received in kind from non- related parties.**

- **Finsch Diamond Mines & Idwala Lime and PPC Lime**

Finsch Diamond Mines & Idwala Lime and PPC Lime are mines that operate in the Kgatelopele Local Municipality area. As part of their social responsibility, the mines are assisting the department by providing mobile clinic to access rural areas in order to render basic health services to the lime acres and Danielskuil.

- **Kolomela Mines (Sishen Iron Ore Company (Pty) LTD)**

Sishen Iron Ore Company (SIOC) is a mining company which conducts extensive mining operations near the town of Kathu in the Northern Cape. As part of its social and labour plan, SIOC has been involved in a variety of social and upliftment projects in the area both in local and rural communities.

A partnership between the department and SIOC has been maintained to deliver health services in the John Taolo Gaetsewe District Municipality and Joe Morolong Municipality. The Batho Pele Health Project is a joint venture between the department and SIOC to alleviate the urgent need for medical services in the areas by means of supplying vehicles, staff and the rendering of a variety of services at mobile health units.

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**7. Inventory**

Inventory at the end of the year is valued at cost on a First-in-First-Out (FIFO) basis. The closing stock figures represent mainly pharmaceutical inventory counted at the depot, hospitals and clinics. At the end of the financial year the value of inventory held by the department decreased by R7.410 million from R55.762 million, when compared to R48.352 million for the year under review.

In order for the department to comply with the disclosure requirements integrated inventory management system is required. Currently, the department does not have an integrated inventory management system and inventory is maintained in NootroDepot inventory system at the depot and manual systems at the hospitals, community health centres and clinics.

It is often difficult to account for medicines issued within the institutions, due to lack of systems and poor recording. The risk of human error is high and internal controls are weak in some facilities, this impact on the completeness and accuracy of figures disclosed in Annexure on inventory to the annual financial statements.

With regard to inventory in the stores, the inventory count was not performed at year end, due to lack of dedicated inventory controllers at the institutions.

**8. Events after the reporting date**

No reportable events after the reporting were identified.

**9. Information on predetermined objectives**

The process followed by the department in collecting and verifying data starts when a patient visits a healthcare centre. The patient interaction at the health facility is the foundation for effective and efficient routine health information management. Routine monthly District Health Information System (DHIS) data management at facility level includes data collection, collation, validation, capturing, export, import, dissemination, analysis, interpretation, reporting, feedback and use. A patient file is opened at a facility stating the nature illness of a patient.

Data is collected daily using the tally sheet or daily register then collated and verified at facility level by the facility manager. At the facility level, data is pre-dominantly collected and stored in patient folders, registers and tick sheets. The facility users the monthly input form to collate their facility's data. The data gets captured on the DHIS system by the District Information Officer, verified and validated using the build in validation rules on the system. If the District Information Officer picks up any discrepancies on the data, the facility manager or data capturer is notified and consulted to correct the discrepancies. The District Manager verifies the data before submitting it to the provincial office. The Provincial Information Office on a monthly basis provided feedback to the Programme Managers and District Information Officer on the quality of data / information received.

District Information Officer in return provides feedback to the facility managers / data capturers on a quarterly basis. Every quarter the Provincial Health Information Unit conducts data quality audits into the districts to verify the quality of data and corrective actions are taken. Each



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Provincial Programme Manager quality assure and verify performance information with the aim to provide a status of the sub-programme to Policy and Planning and determine areas for corrective action measures to implement at district level. Sub-Programmes present performance information to Policy and Planning according to a fixed schedule. Business processes are used to identify sources of evidence for departmental indicators. Policy and Planning creates portfolio of evidence per key performance indicator of programmes. Programme Managers submit signed memo to Policy and Planning identifying evidence of indicators that are available at facilities for audit purpose.

The Department conducts District and Provincial Reviews on a quarterly basis in order to monitor progress that has been made in implementation of the Strategic Plan and Annual Performance Plan. These sessions assist the department in identifying early warning signs on poor performance; furthermore programmes develop action plans on indicators that have not been achieved. Minutes and resolutions taken during proceedings are implemented and reported to different forums by programmes.

The Department submits performance reports on a quarterly basis to the National Department of Health and Provincial Treasury, through the Quarterly Reporting System (QRS). The system utilizes customized performance indicators that have been identified from different budget programmes. These indicators are published by National Treasury on a quarterly basis on its website. The Department also uses an internal monitoring tool, which is the Quarterly Performance Report (QPR), to monitor the other performance indicators. At the end of the financial year an annual report is consolidated to account how the budget was implemented and the state of the Department's financial management systems.

Analysis performance reports are consolidated in each quarter and shared with all relevant managers on strategies to overcome areas of underperformance. These analyses require programmes to develop risk improvement plans on how to mitigate risks of not achieving planned targets. They are also accountable to provide means of evidence for Performance achieved.

**10. SCOPA Resolutions**

The table shows SCOPA resolutions and progress made in implementing the resolutions.

Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
Internal Control Measures	The Accounting Officer should review and monitor internal control measures to ensure supply chain management policies are implemented.	<ul style="list-style-type: none"> <li>An audit rectification plan was developed and implemented by the Chief Financial Officer for all Directorates.</li> <li>The rectification plan consists of all classes of transactions and balances as well as disclosure notes that required urgent interventions through implementation of controls.</li> </ul>
Irregular and wasteful expenditure	Department should put preventative measures in place to circumvent irregular and wasteful expenditure.	<ul style="list-style-type: none"> <li>The Major cause of fruitless and wasteful expenditure is interest on late payment and Medico legal claims.</li> <li>The Department assigned an official to</li> </ul>

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Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
		<p>monitor the processing of payments to avoid late payments.</p> <ul style="list-style-type: none"> <li>• The Department developed monitoring tools for the processing of payments which clearly outlines the ageing of payments.</li> <li>• All facilities have been trained on how to use the monitoring recording and reporting using the tool.</li> <li>• The department appointed additional people in the Supply Chain Management unit and has advertised the vacant positions; this will address the delay in the processing of payments</li> </ul>
Consultants	Department should reduce reliance on consultants and the contract must compile them to transfer skills to the departmental employees.	<ul style="list-style-type: none"> <li>• The department made use of the consultants as a result of technical skills which were needed.</li> </ul>
Planning / Targets	Department should ensure adequate planning is done when strategic plan is compiled by setting targets that are SMART.	<ul style="list-style-type: none"> <li>• Target setting workshops conducted with all programmes on development of SMART indicators during the development of APP 2014/15 and draft Strategic Plan 2015-2020.</li> </ul>
Asset Management System	Department should review and monitor the asset management system to ensure that all assets are properly recorded and accounted for.	<ul style="list-style-type: none"> <li>• An Audit Rectification plan was developed and implemented by the Chief Financial Officer for all Directorates.</li> <li>• Asset Management Project Plan was developed. A number of objectives have been identified for this projects, the most important being the pursuit to obtain an unqualified opinion for the movable assets of the department.</li> <li>• During July and August 2013, Asset Management Unit embarked on Road Shows to all Districts on asset Management. The target was CEOs, District Managers, Facility Managers, Finance Managers and Controllers.</li> <li>• The Road shows included a presentation on audit reports, draft asset management policies, procedures and processes.</li> <li>• An Asset Management Policy was submitted to Policy and Planning in September 2013 for review. Policy and Planning circulated the policy for inputs to all Senior Managers of the department in October 2013.</li> <li>• Memos were issued to all Districts to appoint Asset and Loss Control Officers in September 2013.</li> <li>• A Circular on the granting and acceptance</li> </ul>



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Reference to previous audit report and SCOPA resolutions	Subject	Findings on progress
		<p>of gifts, donations and sponsorships was issued on the 3 September. 2013.</p> <ul style="list-style-type: none"> <li>• A Circular on Asset Management was issued on 11 November 2013 and Circulated to all employees of the department. The Circular was informing the department about a complete asset verification to take place in order clear the qualification of assets that could not be verified.</li> <li>• The department operated with only two employees to perform all the functions of asset management. The department has more than 200 000 assets to verify.</li> <li>• To assist the department with the challenge of capacity, the department appointed Asset Management Consultants: TAT I-CHAIN Technologies (Pty) Ltd to assist the department to obtain an unqualified audit opinion.</li> <li>• The Office of the Auditor-General, Provincial Asset Management and the Provincial Accountant-General were invited to a presentation by the Consultants to ensure that they are in agreement with the processes and methodologies. However Provincial Treasury could not attend the presentation.</li> <li>• Asset Registers are maintained, reconciled and updated monthly.</li> </ul>
Irregular Expenditure	Department should compile and submit a comprehensive report on the accumulated R3 Billion irregular expenditure within 30 days of tabling of the annual report	<ul style="list-style-type: none"> <li>• The information was submitted to the Provincial Legislature.</li> </ul>

**11. Prior modifications to audit reports**

The accounting officer implemented the Audit Rectification Plan to improve current and future audit outcomes of the department. Each manager within his/her respective areas of responsibilities populated the required actions to complete the audit outcomes improvement action plan against the root causes of audit findings. The information include:

- A description of actions that have been taken or needed to address the concerns raised;
- The person(s) responsible to implement the action(s); and
- The expected timeframe to complete the action is indicated to monitor progress.

The audit outcome of the previous financial year was qualified audit opinion with emphasis paragraphs. The department worked closely with the Audit Committee to develop and implement

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eight (8) focus projects on Audit Rectification Plan. A brief discussion on mechanisms put in place by the Accounting Officer to resolve the matters that gave rise to a qualification, follows below:

- **Immovable assets**

Immovable assets recorded in the asset register could not be physically verified. The assets could not be individually verified as the immovable assets were not componentised to disclose adequate descriptions, identification numbers and locations, and also documentation to support the valuation could not be provided for audit purposes.

The department did not have sufficient time to obtain reports from prior years; review working paper files and schedules in order to retrieve the payment records relating to the immovable assets.

The reconciliation between work-in-progress register and Department of Public Works asset register was completed and resolved.

- **Movable tangible assets**

Assets recorded in the asset register could not be physically verified. The completeness of the asset register could not be verified as several assets were selected from their physical locations but could not be traced to the asset register. Assets that are obsolete or damaged were included in the asset register and not written off as required.

Asset registers were not updated throughout the year with acquisitions and disposal of assets. No dedicated asset management personnel. Officials at District Offices were not properly trained on asset management. There was no approved policy, recording and reporting system in place for gifts, donations and sponsorship.

The department developed an asset management policy, and further appointed the consultants named TAT I-CHAIN Technologies (Pty) Ltd to perform full scale verification of movable tangible and intangible assets. The asset management project provided job opportunities, in which fifty (50) persons were recruited, trained and formed part of the asset management teams. The physical verification and the reconciliation phase were completed and the differences are still being investigated at the time of reporting. Further information is provided in the SCOPA resolutions.

- **Intangible assets**

Sufficient appropriate evidence for intangible assets disclosed in the annual financial statements could not be obtained due to the department not providing an asset register for audit purposes.

Proper records or supporting documentation to prepare an intangible asset register were not maintained. Asset additions were not reviewed by a supervisory official for accuracy and completeness. Officials move or exchange assets without signing any handing over certificates and notifying the asset management department.



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The department appointed the Consultants to perform verification of movable tangible and intangible assets. The asset management project provided job opportunities, in which 50 persons were recruited and trained. The physical verification and the reconciliation phase were completed and the differences are still being investigated at the time of reporting.

- **Irregular expenditure**

The irregular expenditure disclosed was understated due to payments made in contravention of numerous laws and regulations, and the approved delegations were not included in the irregular expenditure.

Non-compliance with regulations, procedures and processes by the department and not monitoring implementing agents performance. There was lack of systems to identify, record and report on irregular expenditure

The department assigned an official to monitor the processing of payments to avoid late payments. The department developed monitoring tools for the processing of payments which clearly outlines the ageing of payments. All finance personnel were trained on how to use the monitoring recording and reporting using the tool. The department appointed additional people in the Supply Chain Management unit and has advertised the vacant positions; this will address the delay in the processing of payments.

- **Fruitless and wasteful expenditure**

The main cause of fruitless and wasteful expenditure is Medico legal claims and interest on long overdue accounts. The department did not have adequate systems to identify and record fruitless and wasteful expenditure.

The department assigned an official to monitor the processing of payments to avoid late payments. The department developed monitoring tools for the processing of payments which clearly outlines the ageing of payments. All finance personnel were trained on how to use the monitoring recording and reporting using the tool. The department appointed additional people in the Supply Chain Management unit and has advertised the vacant positions; this will address the delay in the processing of payments.

The department further re-engineered the Adverse Events Committee to investigate possible negligence on medico-legal cases and recommend disciplinary measures.

- **Receivables for Departmental Revenue**

Department did not have adequate systems to record and account for receivables for departmental revenue. Unreconciled differences existed between the billing system and the annual financial statements.

Revenue management was not seen as a priority by hospital management. Department did not have adequate systems to record and account for receivables. Lack of dedicated personnel to perform billing and debt management at hospitals.

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The management was sensitised about the importance of revenue generation. Specific officials were assigned the responsibility of revenue management.

- **Employee related costs**

A number personnel files were not submitted for audit purposes. The department could not provide evidence for payment of commuted overtime.

There was no policy or procedure to deal with commuted overtime. There was no evidence in the overtime files to confirm the occurrence of commuted overtime hours worked for the employees as no authorised timesheets could be obtained to confirm the employees actually worked the required amount of hours.

Those specific personnel files were later recovered and made available for audit purposes. A policy on Commuted overtime has been developed, approved by the Accounting Officer. The Department further relied on the prescripts on overtime by the DPSA.

- **Accruals**

The accruals reported were not accurately recorded, due to the fact that accruals registers are not reviewed for accuracy and completeness, there was no dedicated officials to monitor accruals, and supplier statements were reconciled to departmental records.

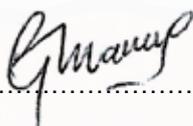
The department assigned officials to monitor the accruals to avoid long overdue accounts. The department developed monitoring tools for the accruals which clearly outlines the ageing thereof. All finance personnel were trained on how to use the monitoring recording and reporting using the tool. The department appointed additional people in the Supply Chain Management unit and has advertised the vacant positions; this will address the delay in the processing of payments.

**12. Interim Financial Statements**

The department prepared interim Financial Statements for the four (4) quarters of the financial year and submitted to the Provincial Treasury. The department has improved the accuracy of the information which has been a challenge since the department lacks integrated systems to collect financial information.

**13. Approval**

The Annual Financial Statements set out on pages 193 to 299 have been approved by the Accounting Officer.



Ms G.E MATLAOPANE

ACCOUNTING OFFICER

31 MAY 2014



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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

APPROPRIATION STATEMENT	Appropriation per programme									
	2013/14					2012/13				
	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
<b>1. ADMINISTRATION</b>										
Current payment	154,986	-	5,699	160,685	161,108	(423)	100.3%	163,727	147,844	
Transfers and subsidies	189	-	26	215	3,823	(3,608)	1,778.1%	141	1,581	
Payment for capital assets	904	-	5,812	6,716	6,717	(1)	100%	3,477	3,477	
Payment for financial assets										
	156,079	-	11,537	167,616	171,648	(4,032)		167,345	152,902	
<b>2. DISTRICT HEALTH SERVICES</b>										
Current payment	1,449,388	(1,420)	(11,346)	1,436,622	1,436,719	(97)	100%	1,279,766	1,258,849	
Transfers and subsidies	50,871	1,324	(35)	52,160	49,796	2,364	95.5%	61,782	53,661	
Payment for capital assets	47,245	96	2,132	49,473	29,767	19,706	60.2%	15,974	9,177	
Payment for financial assets										
	1,547,504	-	(9,249)	1,538,255	1,516,282	21,973		1,357,522	1,321,687	
<b>3. EMERGENCY MEDICAL SERVICES</b>										
Current payment	183,363	-	7,663	191,026	191,236	(210)	100.1%	180,194	180,407	
Transfers and subsidies	332	-	(26)	306	306	-	100%	258	258	
Payment for capital assets	48,107	-	(7,484)	40,623	8,368	32,255	20.6%	45,750	26,561	
Payment for financial assets										
	231,802	-	153	231,955	199,910	32,045		226,202	207,226	

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APPROPRIATION STATEMENT  
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APPROPRIATION STATEMENT	Appropriation per programme									
	2013/14					2012/13				
	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
<b>4. PROVINCIAL HOSPITAL SERVICES</b>										
Current payment	231,595	(3,188)	(18,658)	209,749	197,048	12,701	93.9%	168,325	163,063	
Transfers and subsidies	930	-	-	930	144	786	15.5%	-	-	
Payment for capital assets	702	3,188	-	3,890	3,890	-	100%	1,757	1,633	
Payment for financial assets	233,227	-	(18,658)	214,569	201,082	13,487		170,082	164,696	
<b>5. CENTRAL HOSPITAL SERVICES</b>										
Current payment	668,397	-	20,444	688,841	701,498	(12,657)	101.8%	690,504	695,766	
Transfers and subsidies	1,770	-	35	1,805	9,163	(7,358)	507.6%	2,457	2,457	
Payment for capital assets	19,219	-	9,775	28,994	28,994	-	100%	31,191	31,315	
Payment for financial assets	689,386	-	30,254	719,640	739,655	(20,015)		724,152	729,538	
<b>6. HEALTH SCIENCES</b>										
Current payment	89,951	(21,001)	(5,398)	63,552	63,369	183	99.7%	89,899	85,141	
Transfers and subsidies	74	21,001	-	21,075	21,076	(1)	100%	-	18	
Payment for capital assets	6,319	-	(2,101)	4,218	1,567	2,651	37.2%	3,197	1,625	
Payment for financial assets	96,344	-	(7,499)	88,845	86,012	2,833		92,399	86,784	



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APPROPRIATION STATEMENT  
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APPROPRIATION STATEMENT	Appropriation per programme							2012/13	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>7. HEALTH CARE SUPPORT SERVICES</b>									
Current payment	33,888	-	-	33,888	33,408	480	98.6%	22,829	16,962
Transfers and subsidies	-	-	-	-	133	(133)	-	-	-
Payment for capital assets	300	-	11	311	311	-	100%	7,157	7,157
Payment for financial assets	34,188	-	11	34,199	33,852	347		29,986	24,119
<b>8. HEALTH FACILITIES MANAGEMENT</b>									
Current payment	28,009	-	1,596	29,605	29,710	(105)	100.4%	8,351	8,351
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	460,449	-	(8,145)	452,304	423,650	28,654	93.7%	471,194	471,194
Payment for financial assets	488,458	-	(6,549)	481,909	453,360	28,549		479,545	479,545
<b>TOTAL</b>	<b>3,476,988</b>	<b>-</b>	<b>-</b>	<b>3,476,988</b>	<b>3,401,801</b>	<b>75,187</b>	<b>97.8%</b>	<b>3,247,233</b>	<b>3,166,498</b>

(NORTHERN CAPE DEPARTMENT OF HEALTH)  
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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

	2013/14		2012/13	
	Final Appropriation	Actual Expenditure	Final Appropriation	Actual Expenditure
<b>TOTAL (brought forward)</b>	<b>3,476,988</b>	<b>3,401,801</b>	<b>3,247,233</b>	<b>3,166,498</b>
Reconciliation with statement of financial performance				
<b>ADD</b>				
Departmental receipts	-		-	
Direct Exchequer receipts	-		-	
Aid assistance	69		4,862	
<b>Actual amounts per statement of financial performance (total revenue)</b>	<b>3,477,057</b>		<b>3,252,095</b>	
<b>ADD</b>				
Aid assistance		1,083		7,804
Direct Exchequer payments		-		-
Prior year unauthorised expenditure approved without funding		-		-
<b>Actual amounts per statement of financial performance (total expenditure)</b>		<b>3,402,884</b>		<b>3,174,302</b>



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for the year ended 31 March 2014

		Appropriation per economic classification							2012/13	
		2013/14							Final Appropriation	Actual expenditure
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	R'000	R'000	
<b>Current payments</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>	
Compensation of employees	1,805,172	(13,413)	(5,398)	1,786,361	1,786,195	166	100%	1,579,161	1,578,733	
Goods and services	1,034,405	(12,002)	5,398	1,027,801	1,026,321	1,480	99.9%	1,024,407	977,272	
Interest and rent on land	-	-	-	-	1,584	(1,584)	-	-	380	
<b>Transfers and subsidies</b>										
Provinces and municipalities	7,819	(126)	-	7,693	5,296	2,397	68.8%	12,810	4,879	
Non-profit institutions	41,472	136	(35)	41,573	41,626	(53)	100.1%	48,517	48,517	
Households	4,875	22,122	35	27,032	37,518	(10,486)	138.8%	3,338	4,578	
<b>Payments for capital assets</b>										
Buildings and other fixed structures	437,255	(11,302)	(853)	425,100	396,446	28,654	93.3%	472,691	473,603	
Machinery and equipment	145,990	14,213	715	160,918	106,306	54,612	66.1%	106,249	78,476	
Software and other intangible assets	-	372	138	510	509	1	99.8%	60	60	
<b>Payments for financial assets</b>										
<b>Total</b>	<b>3,476,988</b>	<b>-</b>	<b>-</b>	<b>3,476,988</b>	<b>3,401,801</b>	<b>75,187</b>	<b>97.8%</b>	<b>3,247,233</b>	<b>3,166,498</b>	

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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Detail per programme 1 – ADMINISTRATION  
For the year ended 31 March 2014

Detail per sub-programme	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>1.1 OFFICE OF MEC</b>									
Current payment	8,404	(2,747)	-	5,657	5,748	(91)	101.6%	8,280	8,281
Transfers and subsidies	100	(70)	-	30	30	-	100%	57	148
Payment for capital assets	-	-	19	19	19	-	100%	31	31
Payment for financial assets									
<b>1.2 MANAGEMENT</b>									
Current payment	146,582	2,747	5,699	155,028	155,360	(332)	100.2%	155,447	139,563
Transfers and subsidies	89	70	26	185	3,793	(3,608)	2,050.3%	84	1,433
Payment for capital assets	904	-	5,793	6,697	6,698	(1)	100%	3,446	3,446
Payment for financial assets									
<b>Total</b>	<b>156,079</b>	<b>-</b>	<b>11,537</b>	<b>167,616</b>	<b>171,648</b>	<b>(4,032)</b>	<b>102.4%</b>	<b>167,345</b>	<b>152,902</b>



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for the year ended 31 March 2014

Programme 1: Economic classification	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	90,051	(1,130)	-	88,921	88,921	-	100%	66,614	66,614
Goods and services	64,935	1,130	5,699	71,764	72,014	(250)	100.3%	97,113	81,112
Interest and rent on land	-	-	-	-	173	(173)	-	-	117
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	-	-	26	26	-	26	-	-	219
Non-profit institutions	100	(100)	-	-	-	-	-	-	-
Households	89	100	-	189	3,824	(3,635)	2,023.3%	141	1,363
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	-	1,211	1,211	1,211	-	100%	-	-
Machinery and equipment	904	-	4,463	5,367	5,368	(1)	100%	3,477	3,477
Software and other intangible assets	-	-	138	138	137	1	99.3%	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>156,079</b>	<b>-</b>	<b>11,537</b>	<b>167,616</b>	<b>171,648</b>	<b>(4,032)</b>	<b>102.4%</b>	<b>167,345</b>	<b>152,902</b>

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for the year ended 31 March 2014

Detail per programme 2 – DISTRICT HEALTH SERVICES

For the year ended 31 March 2014

Programme 2: Detail per sub-programme	2012/13						2011/12		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2.1 DISTRICT MANAGEMENT</b>									
Current payment	102,572	18,777	-	121,349	121,350	(1)	100%	116,949	116,949
Transfers and subsidies	23	195	-	218	218	-	100%	153	153
Payment for capital assets	332	2,720	-	3,052	3,053	(1)	100%	55	55
Payment for financial assets									
<b>2.2 COMMUNITY HEALTH CLINIC SERVICES</b>									
Current payment	314,192	3,237	-	317,429	317,486	(57)	100%	335,799	335,470
Transfers and subsidies	7,558	24	-	7,582	5,218	2,364	68.8%	13,172	5,022
Payment for capital assets	1,107	3,172	-	4,279	4,279	-	100%	1,165	1,165
Payment for financial assets									
<b>2.3 COMMUNITY HEALTH CENTRES</b>									
Current payment	227,604	(19,440)	-	208,164	204,547	(383)	100.2%	184,887	184,888
Transfers and subsidies	66	1,164	-	1,230	1,230	-	100%	219	219
Payment for capital assets	2,216	324	1,203	3,743	3,743	-	100%	499	238
Payment for financial assets									



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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Programme 2: Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2.4 OTHER COMMUNITY SERVICES</b>									
Current payment	78,846	12,193	(467)	90,572	90,598	(26)	100%	48,792	48,792
Transfers and subsidies	776	2,139	-	2,915	2,915	-	100%	3,291	3,291
Payment for capital assets	-	-	692	692	692	-	100%	182	182
Payment for financial assets									
<b>2.5 HIV/AIDS</b>									
Current payment	286,430	(1,004)	(2)	285,424	284,447	977	99.7%	205,524	186,836
Transfers and subsidies	40,596	(1,979)	-	38,617	68,617	-	100%	44,197	44,226
Payment for capital assets	27,112	-	-	27,112	8,482	18,630	31.3%	3,000	549
Payment for financial assets									
<b>2.6 NUTRITION</b>									
Current payment	3,429	(265)	-	3,164	3,164	-	100%	3,015	3,015
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	66	-	237	303	303	-	100%	63	15
Payment for financial assets									

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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Programme 2: Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>2.7 CORONER SERVICES</b>									
Current payment	26,188	670	-	26,858	26,905	(47)	100.2%	24,342	24,344
Transfers and subsidies	24	(10)	-	14	14	-	100%	15	15
Payment for capital assets	1,360	(23)	-	1,337	260	1,077	19.4%	1,938	1,256
Payment for financial assets									
<b>2.8 DISTRICT HOSPITALS</b>									
Current payment	410,127	(15,588)	(10,877)	383,662	384,222	(560)	100.1%	360,458	358,555
Transfers and subsidies	1,828	(209)	(35)	1,584	1,584	-	100%	735	735
Payment for capital assets	15,052	(6,097)	-	8,955	8,955	-	100%	9,072	5,717
Payment for financial assets									
<b>Total</b>	<b>1,547,504</b>	<b>-</b>	<b>(9,249)</b>	<b>1,538,255</b>	<b>1,516,282</b>	<b>21,973</b>	<b>98.6%</b>	<b>1,357,522</b>	<b>1,321,687</b>



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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Programme 2: Economic classification	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	886,089	1,695	-	887,784	901,504	(13,720)	101.5%	801,953	801,953
Goods and services	563,299	(3,085)	(11,346)	548,868	534,141	14,727	97.3%	477,786	456,848
Interest and rent on land	-	-	-	-	1,077	(1,077)	-	-	50
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	7,504	-	-	7,504	5,133	2,371	68.4%	12,608	4,458
Non-profit institutions	40,768	236	(35)	40,969	41,004	(35)	100.1%	47,478	47,478
Households	2,599	1,059	-	3,658	3,658	-	100%	1,723	1,723
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	(556)	-	(556)	(556)	-	100%	175	175
Machinery and equipment	47,245	344	2,132	49,721	30,014	19,707	60.4%	15,799	9,002
Software and other intangible assets	-	307	-	307	307	-	100%	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>1,547,504</b>	<b>-</b>	<b>(9,249)</b>	<b>1,538,255</b>	<b>1,516,282</b>	<b>21,973</b>	<b>98.6%</b>	<b>1,357,522</b>	<b>1,321,687</b>

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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Detail per programme 3 – EMERGENCY MEDICAL SERVICES

For the year ended 31 March 2014

Programme 3: Detail per sub-programme	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>3.1 EMERGENCY TRANSPORT</b>									
Current payment	183,363	-	7,663	191,026	191,236	(210)	100.1%	180,194	180,407
Transfers and subsidies	332	-	(26)	306	306	-	100%	258	258
Payment for capital assets	48,107	-	(7,484)	40,623	8,368	32,255	20.6%	45,750	26,561
Payment for financial assets								-	-
<b>Total</b>	<b>231,802</b>	<b>-</b>	<b>153</b>	<b>231,955</b>	<b>199,910</b>	<b>32,045</b>	<b>86.2%</b>	<b>226,202</b>	<b>207,226</b>



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for the year ended 31 March 2014

Programme 3: Economic classification	2013/14					2012/13			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	123,324	-	7,663	130,987	133,777	(2,790)	102.1%	112,682	112,681
Goods and services	60,039	-	-	60,039	57,249	2,790	95.4%	67,512	67,513
Interest and rent on land	-	-	-	-	210	(210)	-	-	213
<b>Transfers and subsidies to:</b>									
Provinces and municipalities	315	(126)	(26)	163	163	-	100%	202	202
Households	17	126	-	143	143	-	100%	56	56
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	5,386	-	5,386	5,386	-	100%	-	-
Machinery and equipment	48,107	(5,451)	(7,484)	35,172	2,917	32,255	8.3%	45,750	26,561
Software and other intangible assets	-	65	-	65	65	-	100%	-	-
<b>Payments for financial assets</b>									
<b>Total</b>	<b>231,802</b>	<b>-</b>	<b>153</b>	<b>231,955</b>	<b>199,910</b>	<b>32,045</b>	<b>86.2%</b>	<b>226,202</b>	<b>207,226</b>

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for the year ended 31 March 2014

Detail per programme 4 – PROVINCIAL HOSPITAL SERVICES  
For the year ended 31 March 2014

Programme 4: Detail per sub-programme	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>4.1 GENERAL HOSPITALS</b>									
Current payment	171,743	-	(10,995)	160,748	149,361	11,387	92.9%	129,828	124,566
Transfers and subsidies	446	-	-	446	63	383	14.1%	-	-
Payment for capital assets	552	(352)	-	200	200	-	100%	1,091	967
Payment for financial assets									
<b>4.2 TB HOSPITALS</b>									
Current payment	17,783	(5,325)	(7,663)	4,795	3,467	1,328	72.3%	11,543	11,543
Transfers and subsidies	195	-	-	195	-	195	-	-	-
Payment for capital assets	150	2,677	-	2,827	2,827	-	100%	500	500
Payment for financial assets									
<b>4.3 PSYCHIATRIC HOSPITAL</b>									
Current payment	42,069	2,137	-	44,206	44,220	(14)	100%	26,954	26,954
Transfers and subsidies	289	-	-	289	81	208	28%	-	-
Payment for capital assets	-	863	-	863	863	-	100%	166	166
Payment for financial assets									
<b>Total</b>	<b>233,227</b>	<b>-</b>	<b>(18,658)</b>	<b>214,569</b>	<b>201,082</b>	<b>13,487</b>	<b>93.7%</b>	<b>170,082</b>	<b>164,696</b>



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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Programme 4: Economic classification	2013/14					2012/13			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	151,536	(3,024)	(7,663)	140,849	140,251	598	99.6%	114,619	110,713
Goods and services	80,059	-	(10,995)	69,054	56,782	12,282	82.2%	53,706	52,350
Interest and rent on land	-	-	-	-	15	(15)	-	-	-
<b>Transfers and subsidies to:</b>									
Households	930	(164)	-	766	144	622	18.8%	-	-
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	2,826	-	2,826	2,826	-	100%	-	-
Machinery and equipment	702	362	-	1,064	1,064	-	100%	1,757	1,633
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total</b>	<b>233,227</b>	<b>-</b>	<b>(18,658)</b>	<b>214,569</b>	<b>201,082</b>	<b>13,487</b>	<b>93.7%</b>	<b>170,082</b>	<b>164,696</b>

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Detail per programme 5 – CENTRAL HOSPITAL SERVICES  
For the year ended 31 March 2014

Programme 5: Detail per sub-programme	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>5.1 PROVINCIAL TERTIARY HOSPITAL SERVICES</b>									
Current payment	668,397	-	20,444	688,841	701,498	(12,657)	101.8%	690,504	695,766
Transfers and subsidies	1,770	-	35	1,805	9,163	(7,358)	507.6%	2,457	2,457
Payment for capital assets	19,219	-	9,775	28,994	28,994	-	100%	31,191	31,315
Payment for financial assets									
<b>Total</b>	<b>689,386</b>	<b>-</b>	<b>30,254</b>	<b>719,640</b>	<b>739,655</b>	<b>(20,015)</b>	<b>102.8%</b>	<b>724,152</b>	<b>729,538</b>



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Programme 5: Economic classification	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	491,838	-	-	491,838	475,616	16,222	96.7%	439,630	443,536
Goods and services	176,559	-	20,444	197,003	225,882	(28,879)	114.7%	250,874	252,230
<b>Transfers and subsidies to:</b>									
Non-profit institutions	604	-	-	604	622	(18)	103%	1,039	1,039
Households	1,166	-	35	1,201	8,541	(7,340)	711.2%	1,418	1,418
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	-	6,070	6,070	6,070	-	100%	-	-
Machinery and equipment	19,219	-	3,705	22,924	22,924	-	100%	31,131	31,255
Software and other intangible assets	-	-	-	-	-	-	-	60	60
<b>Payments for financial assets</b>									
<b>Total</b>	<b>689,386</b>	<b>-</b>	<b>30,254</b>	<b>719,640</b>	<b>739,655</b>	<b>(20,015)</b>	<b>102.8%</b>	<b>724,152</b>	<b>729,538</b>

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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Detail per programme 6 – HEALTH SCIENCES  
For the year ended 31 March 2013

Programme 6: Detail per sub-programme	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>6.1 NURSING TRAINING COLLEGE</b>									
Current payment	48,783	(4,674)	-	44,109	44,110	(1)	100%	19,449	14,434
Transfers and subsidies	74	23	-	97	96	1	99%	-	18
Payment for capital assets	6,319	(676)	(2,101)	3,542	892	2,650	25.2%	2,500	928
Payment for financial assets	-	-	-	-	-	-	-	(697)	-
<b>6.2 OTHER TRAINING</b>									
Current payment	19,368	(8,211)	(5,398)	5,759	5,755	4	99.9%	39,138	39,394
Transfers and subsidies	-	-	-	-	1	(1)	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>6.3 PRIMARY HEALTH CARE TRAINING</b>									
Current payment	1,284	(803)	-	481	297	184	61.7%	36	36
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-



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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Programme 6: Detail per sub-programme	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>6.4 BURSARIES</b>									
Current payment	20,516	(7,313)	-	13,203	13,207	(4)	100%	31,276	31,277
Transfers and subsidies	-	20,978	-	20,978	20,979	(1)	100%	-	-
Payment for capital assets	-	676	-	676	675	1	99.9%	697	697
Payment for financial assets									
<b>Total</b>	<b>96,344</b>	<b>-</b>	<b>(7,499)</b>	<b>88,845</b>	<b>86,012</b>	<b>2,833</b>	<b>96.8%</b>	<b>92,399</b>	<b>86,784</b>

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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Programme 6: Economic classification	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	39,764	(8,926)	(5,398)	25,440	25,253	187	99.3%	32,834	32,901
Goods and services	50,187	(12,075)	-	38,112	38,113	(1)	100%	57,065	52,240
Interest and rent on land	-	-	-	-	4	(4)	-	-	-
<b>Transfers and subsidies to:</b>									
Households	74	21,001	-	21,075	21,075	-	100%	-	18
<b>Payment for capital assets</b>									
Machinery and equipment	6,319	-	(2,101)	4,218	1,567	2,651	37.2%	2,500	713
<b>Payments for financial assets</b>									
<b>Total</b>	<b>96,344</b>	<b>-</b>	<b>(7,499)</b>	<b>88,845</b>	<b>86,012</b>	<b>2,833</b>	<b>96.8%</b>	<b>92,399</b>	<b>86,784</b>



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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Detail per programme 7 – HEALTH CARE SUPPORT SERVICES  
For the year ended 31 March 2014

Programme 7: Detail per sub-programme	2013/14					2012/13			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>7.1 ENGINEERING</b>									
Current payment	20,304	(2,058)	-	18,246	18,246	-	100%	9,639	4,464
Transfers and subsidies	-	-	-	-	104	(104)	-	-	-
Payment for capital assets	-	158	11	169	169	-	100%	6,776	6,776
Payment for financial assets									
<b>7.2 LAUNDRIES</b>									
Current payment	5,936	3,596	-	9,532	10,446	(914)	109.6%	6,813	6,813
Transfers and subsidies	-	-	-	-	29	(29)	-	-	-
Payment for capital assets	-	8	-	8	8	-	100%	264	264
Payment for financial assets									
<b>7.3 ORTHOTIC AND PROSTHETIC SERVICES</b>									
Current payment	7,648	(1,538)	-	6,110	4,716	1,394	77.2%	6,377	5,685
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	300	(166)	-	134	134	-	100%	117	117
Payment for financial assets									
<b>Total</b>	<b>34,188</b>	<b>-</b>	<b>11</b>	<b>34,199</b>	<b>33,852</b>	<b>347</b>	<b>99%</b>	<b>29,986</b>	<b>24,119</b>

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Programme 7: Economic classification	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	17,199	-	-	17,199	17,530	(331)	101.9%	7,059	6,565
Goods and services	16,689	-	-	16,689	15,878	811	95.1%	15,770	10,397
Interest and rent on land									
<b>Transfers and subsidies to:</b>									
Households	-	-	-	-	133	(133)	-	-	-
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	106	11	117	117	-	100%	6,776	6,776
Machinery and equipment	300	(106)	-	194	194	-	100%	381	381
<b>Payments for financial assets</b>									
<b>Total</b>	<b>34,188</b>	<b>-</b>	<b>11</b>	<b>34,199</b>	<b>33,852</b>	<b>347</b>	<b>99%</b>	<b>29,986</b>	<b>24,119</b>



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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Detail per programme 8 – HEALTH FACILITIES MANAGEMENT  
For the year ended 31 March 2014

Programme 8: Detail per sub-programme	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>8.1 DISTRICT HEALTH SERVICES</b>									
Current payment	20,936	(10,623)	-	10,313	10,328	(15)	100.1%	3,533	3,533
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	412,822	(99,535)	(8,145)	305,142	276,488	28,654	90.6%	374,597	374,597
Payment for financial assets									
<b>8.2 PROVINCIAL HEALTH SERVICES</b>									
Current payment	7,073	10,623	1,596	19,292	19,382	(90)	100.5%	4,818	4,818
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	47,627	99,535	-	147,162	147,162	-	100%	96,597	96,597
Payment for financial assets									
<b>Total</b>	<b>488,458</b>	<b>-</b>	<b>(6,549)</b>	<b>481,909</b>	<b>453,360</b>	<b>28,549</b>	<b>94.1%</b>	<b>479,545</b>	<b>479,545</b>

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APPROPRIATION STATEMENT  
for the year ended 31 March 2014

Programme 8: Economic classification	2013/14						2012/13		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>									
Compensation of employees	5,371	(2,028)	-	3,343	3,343	-	100%	3,770	3,770
Goods and services	22,638	2,028	1,596	26,262	26,262	-	100%	4,581	4,581
Interest and rent on land	-	-	-	-	105	(105)	-	-	-
<b>Transfers and subsidies to:</b>									
	-	-	-	-	-	-	-	-	-
<b>Payment for capital assets</b>									
Buildings and other fixed structures	437,255	(19,064)	(8,145)	410,046	381,392	28,654	93%	465,740	465,740
Machinery and equipment	23,194	19,064	-	42,258	42,258	-	100%	5,454	5,454
<b>Payments for financial assets</b>									
<b>Total</b>	<b>488,458</b>	<b>-</b>	<b>(6,549)</b>	<b>481,909</b>	<b>453,360</b>	<b>28,549</b>	<b>94.1%</b>	<b>479,545</b>	<b>479,545</b>



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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

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

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

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

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

**3. Detail on payments for financial assets**

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

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

<b>4.1 Per programme</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance R'000</b>	<b>Variance as a % of Final Appropriation</b>
Administration	167,616	171,648	(4,032)	(2%)
District Health Services	1,538,255	1,516,282	21,973	1%
Emergency Medical Services	231,955	199,910	32,045	14%
Provincial Hospital Services	214,569	201,082	13,487	6%
Central Hospital Services	719,640	739,655	(20,015)	(3%)
Health Sciences	88,845	86,012	2,833	3%
Health Care Support Services	34,199	33,852	347	1%
Health Facilities Management	481,909	453,360	28,549	6%

**Explanation of variances**

**Administration – (R4,032 million)**

The overspending results from settlements of claims against the state due to medico-legal cases.

**District Health Services – R21,973 million**

The understanding results from delays in approving the amendment to the original business plan for Comprehensive HIV/AIDS Grant during the year.

The department had committed funds towards procurement of capital medical equipment and office equipment.

**Emergency Medical Services – R32,045 million**

The under spending was caused by delays in the implementation of the procurement plan of the emergency medical services programme. Funds have been committed for the procurement of emergency vehicles

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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

**Provincial Hospital Services – R13,487 million**

The programme underspends on goods & services due to delays in procurement process caused by implementation of LOGIS procurement system at Dr Harry Surtie Regional Hospital (formerly known as “Gordonia District Hospital”).

**Central Hospital Services – (R20,015 million)**

The overspending results from pressure on the overall goods & services and settlements of claims against the state due to medico-legal cases. Kimberley Hospital renders secondary and tertiary hospital services in the Frances Baard district, while the funding for tertiary services are not fully funded.

**Health Sciences – R2,833 million**

The under spending results from delays in renovations to the identified premises for the nursing college. Dedicated officials have been assigned to accelerate the activities of maintenance and upgrading of new premises, however there were challenges affecting the availability of identified premises.

The department had committed funds towards supply & erection of park homes for nursing students in Frances Baard District.

**Health Facilities Management – R28,549 million**

The underspending was caused by the delays in finalising contract processes with the implementing agents. Although the implementing agents are constantly monitored for adherence to the service level agreements (SLA), the department could not spend all funds allocated.

The department had committed funds from Health Infrastructure Grant towards refurbishment of Galeshewe Day Hospital, Sutherland CHC and Fraserburg CHC. The department had further committed funds from Hospital Revitalisation Grant towards supply & installation of new Standby Generators (Kakamas Hospital, Pofadder CHC, Jan Kempdorp Hospital, Southerland CHC, West End Hospital) and installation of fence and gate at Galeshewe Day Hospital



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**NOTES TO THE APPROPRIATION STATEMENT**  
**for the year ended 31 March 2014**

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Current payments</b>				
Compensation of employees	1,786,361	1,786,195	166	0%
Goods and services	1,027,801	1,026,321	1,480	0%
Interest and rent on land	-	1,584	(1,584)	0%
<b>Transfers and subsidies</b>				
Provinces and municipalities	7,693	5,296	2,397	31%
Non-profit institutions	41,573	41,626	(53)	0%
Households	27,032	37,518	(10,486)	(39%)
<b>Payments for capital assets</b>				
Buildings and other fixed structures	425,100	396,446	28,654	7%
Machinery and equipment	160,918	106,306	54,612	34%
Intangible assets	510	509	1	0%
<b>Payments for financial assets</b>	-	-	-	-

**Explanation of variances**

**Provinces & Municipalities - R2,397 million**

The underspending on this item was caused mainly by the delay in the development of the Memorandum of Understanding between Municipalities and the Department. This was exacerbated by the confirmation of personnel numbers at municipal clinics.

**Households – (R10,475 million)**

The overspending is mainly due settlement of medico-legal and civil claims against the Department.

**Buildings & Other Fixed Structures - R28,654 million**

The underspending was caused by the delays in finalising contract processes with the implementing agents. Although the implementing agents are constantly monitored for adherence to the service level agreements (SLA), the department could not spend all funds allocated.

**Machinery & Equipment – R54,612 million**

The underspending is caused mainly by delays as highlighted below;

- Approving the amendment to the original business plan for Comprehensive HIV/AIDS Grant during the year
- The implementation of the procurement plan of the emergency medical services programme.

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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

- Finalisation of contract processes with the implementing agents. Although the implementing agents are constantly monitored for adherence to the service level agreements (SLA), the department could not spend all funds allocated.

4.3 Per conditional grant	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation R'000
<b>Health</b>				
National Tertiary Services Grant	282,618	282,616	2	0%
Comprehensive HIV/AIDS Grant	321,150	302,259	18,891	6%
Hospital Revitalisation Grant	388,274	378,839	9,435	2%
Health Professions Training & Development Grant	72,356	77,395	(5,039)	(7%)
Health Infrastructure Grant	90,154	71,660	18,494	21%
National Health Insurance Grant	6,428	6,528	(100)	(2%)
Nursing Colleges & Schools Grant	5,103	2,453	2,650	52%
EPWP Integrated Grant	3,330	2,605	725	22%
EPWP Incentive Grant	9,516	8,798	718	8%

**Explanation of variances**

**Comprehensive HIV & AIDS Grant – R18,891 million**

The underspending results from delays in approving the amendment to the original business plan for Comprehensive HIV/AIDS Grant during the year.

The department had committed funds towards procurement of capital medical equipment and office equipment

**Hospital Revitalisation Grant (R9,435 million)**

The underspending was caused by the delays in finalising contract processes with the implementing agents. Although the implementing agents are constantly monitored for adherence to the service level agreements (SLA), the department could not spend all funds allocated.

The department had committed funds from Hospital Revitalisation Grant towards supply & installation of new Standby Generators (Kakamas Hospital, Pofadder CHC, Jan Kempdorp Hospital, Southerland CHC, West End Hospital) and installation of fence and gate at Galeshewe Day Hospital

**Health Professions Training & Development Grant – (R5,039 million)**

The overspending is as a result of the additional intake of students in January.



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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

**Health Infrastructure Grant – R18,494 million**

The underspending was caused by the delays in finalising contract processes with the implementing agents. Although the implementing agents are constantly monitored for adherence to the service level agreements (SLA), the department could not spend all funds allocated.

The department had committed funds from Health Infrastructure Grant towards refurbishment of Galeshewe Day Hospital, Sutherland CHC and Fraserburg CHC.

**Nursing Colleges & Schools Grant – R2,650 million**

The under spending was caused by delays in renovations to the identified premises for the nursing college. Dedicated officials have been assigned to accelerate the activities of maintenance and upgrading of new premises, however there were challenges affecting the availability of identified premises.

The department had committed funds towards supply & erection of park homes for nursing students in Frances Baard District.

**EPWP Integrated Grant – R0,725 million**

The underspending was caused by the delays in finalising contract processes with the implementing agents. Although the implementing agents are constantly monitored for adherence to the service level agreements (SLA), the department could not spend all funds allocated.

**EPWP Incentive Grant – R0,718 million**

The delay in the implementation of the business plan resulted in underspending on this grant. This was experienced in the area of compensation of employees and training,

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**STATEMENT OF FINANCIAL PERFORMANCE**  
*for the year ended 31 March 2014*

	Note	2013/14 R'000	2012/13 R'000
<b>REVENUE</b>			
Annual appropriation	1	3,476,988	3,247,233
Aid assistance	3	69	4,862
<b>TOTAL REVENUE</b>		<b>3,477,057</b>	<b>3,252,095</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	1,786,195	1,578,733
Goods and services	5	1,032,701	977,272
Interest and rent on land	6	1,584	380
Aid assistance	3	1,083	7,804
<b>Total current expenditure</b>		<b>2,821,563</b>	<b>2,564,189</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	84,440	57,974
<b>Total transfers and subsidies</b>		<b>84,440</b>	<b>57,974</b>
<b>Expenditure for capital assets</b>			
Tangible assets	8	496,371	552,079
Intangible assets	8	510	60
<b>Total expenditure for capital assets</b>		<b>496,881</b>	<b>552,139</b>
<b>TOTAL EXPENDITURE</b>		<b>3,402,884</b>	<b>3,174,302</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>74,173</b>	<b>77,793</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		<b>75,187</b>	<b>80,735</b>
Annual appropriation		24,272	54,856
Conditional grants		50,915	25,879
Aid assistance	3	(1,014)	(2,942)
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>74,173</b>	<b>77,793</b>



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**STATEMENT OF FINANCIAL POSITION  
as at 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>Current assets</b>		<b>159,313</b>	<b>517,456</b>
Unauthorised expenditure	<u>9</u>	145,220	506,632
Cash and cash equivalents	<u>10</u>	8	1
Prepayments and advances	<u>11</u>	802	576
Receivables	<u>12</u>	12,526	10,247
Aid assistance receivable	<u>3</u>	757	
		<b>159,313</b>	<b>517,456</b>
<b>TOTAL ASSETS</b>			
<b>Current liabilities</b>		<b>158,935</b>	<b>517,053</b>
Voted funds to be surrendered to the Revenue Fund	<u>13</u>	101,693	164,786
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>14</u>	7,302	4,114
Bank overdraft	<u>15</u>	47,296	344,933
Payables	<u>16</u>	296	615
Aid assistance unutilised	<u>3</u>	2,348	2,605
		<b>158,935</b>	<b>517,053</b>
<b>TOTAL LIABILITIES</b>			
<b>NET ASSETS</b>		<b>378</b>	<b>403</b>
<b>Represented by:</b>			
Recoverable revenue		378	403
<b>TOTAL</b>		<b>378</b>	<b>403</b>

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**STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2014**

	<i>Note</i>	2013/14 R'000	2012/13 R'000
<b>Recoverable revenue</b>			
Opening balance		403	331
Transfers:		<b>(25)</b>	<b>72</b>
Irrecoverable amounts written off		-	-
Debts revised		-	-
Debts recovered (included in departmental receipts)		(28)	105
Debts raised		3	(33)
Closing balance		378	403
<b>TOTAL</b>		<b><u>378</u></b>	<b><u>403</u></b>



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**CASH FLOW STATEMENT  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>3,518,445</b>	<b>3,292,429</b>
Annual appropriated funds received	<u>1.1</u>	3,476,988	3,247,233
Departmental revenue received	<u>2</u>	41,388	40,334
Aid assistance received	<u>3</u>	69	4,862
Net (increase)/decrease in working capital		358,588	(4,679)
Surrendered to Revenue Fund		(204,761)	(43,189)
Current payments		(2,793,473)	(2,561,715)
Interest paid	<u>6</u>	(1,584)	(380)
Payments for financial assets			-
Transfers and subsidies paid		(84,440)	(57,974)
<b>Net cash flow available from operating activities</b>	<u>17</u>	<b>792,775</b>	<b>624,492</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	<u>8</u>	(496,881)	(552,139)
Proceeds from sale of capital assets	<u>2.2</u>	1,775	1,989
(Increase)/decrease in other financial assets		-	-
<b>Net cash flows from investing activities</b>		<b>496,105</b>	<b>(550,150)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets		(25)	72
Increase/(decrease) in non-current payables			
<b>Net cash flows from financing activities</b>		<b>(25)</b>	<b>72</b>
Net increase/(decrease) in cash and cash equivalents		297,644	74,414
Cash and cash equivalents at beginning of period		(344,932)	(419,346)
<b>Cash and cash equivalents at end of period</b>	<u>18</u>	<b>(47,288)</b>	<b>(344,932)</b>

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**ACCOUNTING POLICIES**  
**for the year ended 31 March 2014**

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

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 (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

**1 Basis of preparation**

The financial statements have been prepared in accordance with the Modified Cash Standard.

**2 Going concern**

The financial statements have been prepared on a going concern basis.

**3 Presentation currency**

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

**4 Rounding**

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

**5 Foreign currency translation**

Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange rates prevailing at the date of payment / receipt.

**6 Current year comparison with budget**

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

**7 Revenue**

**7.1 Appropriated funds**

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).



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

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

**7.2 Departmental revenue**

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

**7.3 Accrued departmental revenue**

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

**8 Expenditure**

**8.1 Compensation of employees**

**8.1.1 Salaries and wages**

Salaries and wages are recognised in the statement of financial performance on the date of payment.

**8.1.2 Social contributions**

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

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**8.2 Other expenditure**

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

**8.3 Accrued expenditure payable**

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.

Accrued expenditure payable is measured at cost.

**8.4 Leases**

**8.4.1 Operating leases**

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

**8.4.2 Finance leases**

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

**9 Aid Assistance**

**9.1 Aid assistance received**

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.



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Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

**9.2 Aid assistance paid**

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

**10 Cash and cash equivalents**

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

**11 Prepayments and advances**

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

Prepayments and advances are expensed upon the processing of a valid claim.

**12 Loans and receivables**

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

**13 Investments**

Investments are recognised in the statement of financial position at cost.

**14 Impairment of financial assets**

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

**15 Payables**

Loans and receivables are recognised in the statement of financial position at cost.

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**16 Capital Assets**

**16.1 Immovable capital assets**

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

**16.2 Movable capital assets**

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

**16.3 Intangible assets**

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.



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Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

**17 Provisions and Contingents**

**17.1 Provisions**

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

**17.2 Contingent liabilities**

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably

**17.3 Contingent assets**

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department

**17.4 Commitments**

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash

**18 Unauthorised expenditure**

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

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- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

**19 Fruitless and wasteful expenditure**

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

**20 Irregular expenditure**

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority or transferred to receivables for recovery.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

**21 Changes in accounting estimates**

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. In addition, management is required to exercise its judgment in the process of applying the department's accounting policies. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. The following assumptions were used:

**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.



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**Professional fees for Infrastructure planning**

The professional fees on outsourced consultants and professional services for Infrastructure planning which are included in the contractual commitments are determined as a percentage of tender amount based on historic information of infrastructure projects.

**22 Prior period errors**

When the presentation or classification of items in the annual Financial Statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed.

Where accounting errors have been identified in the current period, the correction is made retrospectively as far as is practicable, and the prior period comparatives are restated accordingly. Where there has been a change in accounting policy in the current period, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

**23 Non-adjusting events after the reporting date**

The department considers events that occur after the reporting date for inclusion in the Annual Financial Statements. Events that occur between the reporting date and the date on which the audit of the financial statements is completed are considered for inclusion in the Annual Financial Statements.

The department considers two types of events that can occur after the reporting date, namely those that:

- a) provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date), and
- b) Were indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

All adjusting events are taken into account in the financial statements as the necessary adjustments are made to the financial statements. Where non-adjusting events after the reporting date are of such importance that non-disclosure would affect the ability of the users of the financial statements to make proper evaluations and decisions, the department discloses the following information for each significant category of non-adjusting event after the reporting date:

- a) The nature of the event.
- b) An estimate of its financial effect or a statement that such an estimate cannot be made.

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**24 Agent-Principal arrangements**

The department participates in the agent-principal arrangements with the Department of Public Works (DPW) as implementing agents for infrastructure projects. The department submits its infrastructure plans to the DPW for procurement of services and implementation of such infrastructure projects. The terms and conditions do not attract any financial liability, except the actual cost of the project.

However, the other service providers outside of the public sector domain are appointed as the alternative implementing agent, charges specific percent of the actual cost of project as management fee.



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**1. Annual Appropriation**

**1.1 Annual Appropriation**

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

	2013/14		2012/13
	Final Appropriation	Actual Funds Received	Funds not requested/ not received Appropriation received
	R'000	R'000	R'000
Administration	167,616	167,616	167,345
District Health Services	1,538,255	1,538,255	1,357,522
Emergency Medical Services	231,955	231,955	226,202
Provincial Hospital Services	214,569	214,569	164,696
Central Hospital Services	719,640	719,640	729,538
Health Sciences	88,845	88,845	92,399
Health Care Support Services	34,199	34,199	29,986
Health Facilities Management	481,909	481,909	479,545
<b>Total</b>	<b><u>3,476,988</u></b>	<b><u>3,476,988</u></b>	<b><u>3,247,233</u></b>

**1.2 Conditional grants**

	<i>Note</i>	2013/14	2012/13
		R'000	R'000
Total grants received	46	<u>1,178,929</u>	<u>1,084,279</u>
Provincial grants included in Total Grants received		<u>-</u>	<u>-</u>

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**2. Departmental revenue**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Sales of goods and services other than capital assets	2.1	39,673	40,107
Sales of capital assets	2.2	1,775	1,989
Transactions in financial assets and liabilities	2.3	1,715	227
Total revenue collected		<b>43,163</b>	<b>42,323</b>
Less: Own revenue included in appropriation	14	43,163	42,323
<b>Departmental revenue collected</b>		<b>-</b>	<b>-</b>

**2.1 Sales of goods and services other than capital assets**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Sales of goods and services produced by the department	2		40,107
Sales by market establishment		4,335	4,417
Administrative fees		1,776	1,620
Other sales		33,562	34,070
Sales of scrap, waste and other used current goods			
<b>Total</b>		<b>39,673</b>	<b>40,107</b>

**2.2 Sale of capital assets**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
<b>Tangible assets</b>	2	<b>1,775</b>	<b>1,989</b>
Machinery and equipment	30	1,775	1,989
<b>Total</b>		<b>1,775</b>	<b>1,989</b>

**2.3 Transactions in financial assets and liabilities**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Other Receipts including Recoverable Revenue	2	1,715	227
<b>Total</b>		<b>1,715</b>	<b>227</b>



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**3. Aid assistance**

**3.1 Aid assistance received in cash from other sources**

	2013/14 R'000	2012/13 R'000
<b>Local</b>		
Opening Balance	(184)	1,157
Revenue	69	575
Expenditure	<b>(642)</b>	<b>(1,916)</b>
Current	(642)	(1,916)
<b>Closing Balance</b>	<b>(757)</b>	<b>(184)</b>
<b>Foreign</b>		
Opening Balance	2,789	4,390
Revenue	-	4,287
Expenditure	<b>(441)</b>	<b>(5,888)</b>
Current	(441)	(5,888)
<b>Closing Balance</b>	<b>2,348</b>	<b>2,789</b>

**3.2 Total assistance**

	2013/14 R'000	2012/13 R'000
Opening Balance	2,605	5,547
Revenue	69	4,862
Expenditure	<b>(1,083)</b>	<b>(7,804)</b>
Current	(1,083)	(7,804)
<b>Closing Balance</b>	<b>1,591</b>	<b>2,605</b>

**3.3 Analysis of balance**

	2013/14 R'000	2012/13 R'000
Aid assistance receivable	<b>(757)</b>	-
Other sources	(757)	-
Aid assistance unutilised	<b>2,348</b>	<b>2,605</b>
Other sources	2,348	2,605
<b>Closing balance</b>	<b>1,591</b>	<b>2,605</b>

Note

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**4. Compensation of employees**

**4.1 Salaries and Wages**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Basic salary		1,198,656	1,050,945
Performance award		70	1,427
Service Based		-	1,391
Compensative/circumstantial		139,152	36,046
Periodic payments		410	673
Other non-pensionable allowances		236,558	295,324
<b>Total</b>		<b><u>1,574,846</u></b>	<b><u>1,385,806</u></b>

**4.2 Social contributions**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
<b>Employer contributions</b>			
Pension		137,601	122,494
Medical		73,514	70,244
UIF		2	-
Bargaining council		232	189
<b>Total</b>		<b><u>211,349</u></b>	<b><u>192,927</u></b>

**Total compensation of employees**

**1,786,195**      **1,578,733**

Average number of employees

6,731      6,455

**5. Goods and services**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Administrative fees		2,892	5,590
Advertising		6,330	4,289
Capital assets less than R5 000	5.1	24,627	12,127
Bursaries (employees)		849	413
Catering		5,653	3,569
Communication		18,192	18,623
Computer services	5.2	20,808	26,610
Consultants, contractors and agency/outsourced	5.3	251,582	255,636



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services			
Entertainment		297	347
Audit cost – external	5.4	10,737	9,055
Fleet services		55,939	41,674
Inventory	5.5	371,403	331,636
Consumables	5.6	40,866	-
Operating leases		51,462	53,948
Property payments	5.7	102,426	97,732
Transport provided as part of the departmental activities		3,029	1,111
Travel and subsistence	5.8	46,184	46,895
Venues and facilities		2,628	3,070
Training and development		10,716	23,225
Other operating expenditure	5.9	5,081	7,351
<b>Total</b>		<b>1,032,701</b>	<b>977,272</b>

**5.1 Capital assets less than R5 000**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>	5	<b>23,019</b>	<b>12,109</b>
Machinery and equipment		23,019	12,109
<b>Intangible assets</b>		1,608	18
<b>Total</b>		<b>24,627</b>	<b>12,127</b>

**5.2 Computer services**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
SITA computer services	5	4,402	6,441
External computer service providers		16,406	20,169
<b>Total</b>		<b>20,808</b>	<b>26,610</b>

**5.3 Consultants, contractors and agency/outsourced services**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Business and advisory services	5	4,587	27,724
Laboratory services		98,113	91,222
Legal costs		4,718	3,809
Contractors		64,051	6,285
Agency and support/outsourced services		73,733	126,596
<b>Total</b>		<b>245,202</b>	<b>255,636</b>

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**5.4 Audit cost – External**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
	5	<b>R'000</b>	<b>R'000</b>
Regularity audits		10,737	9,055
<b>Total</b>		<b>10,737</b>	<b>9,055</b>

**5.5 Inventory**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
	5	<b>R'000</b>	<b>R'000</b>
Clothing material and accessories		1,280	-
Farming supplies		69	-
Food and food supplies		18,668	19,955
Fuel, oil and gas		15,502	31,729
Materials and supplies		3,450	5,070
Medical supplies		110,903	253,411
Medicine		221,531	21,471
<b>Total</b>		<b>371,403</b>	<b>331,636</b>

The comparative figures have been restated to better reflect the fair presentation of financial statements, where consumables are classified separate from inventory.

**5.6 Consumables**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
	5	<b>R'000</b>	<b>R'000</b>
Consumable supplies		28,504	25,176
Uniform and clothing		6,317	7,185
Household supplies		18,702	14,612
Building material and supplies		70	-
Communication accessories		2	-
IT consumables		733	-
Other consumables		2,680	3,379
Stationery, printing and office supplies		12,362	9,195
<b>Total</b>		<b>40,866</b>	<b>34,371</b>



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5.7 Property payments

	Note	2013/14	2012/13
	5	R'000	R'000
Municipal services		45,135	37,356
Property maintenance and repairs		-	9,010
Other		57,291	51,366
<b>Total</b>		<b>102,426</b>	<b>97,732</b>

5.8 Travel and subsistence

	Note	2013/14	2012/13
	5	R'000	R'000
Local		41,292	42,953
Foreign		4,892	3,942
<b>Total</b>		<b>46,184</b>	<b>46,895</b>

5.9 Other operating expenditure

	Note	2013/14	2012/13
	5	R'000	R'000
Professional bodies, membership and subscription fees		538	35
Resettlement costs		2,513	2,107
Other		2,030	1,042
<b>Total</b>		<b>5,081</b>	<b>7,351</b>

6. Interest and rent on land

	Note	2013/14	2012/13
		R'000	R'000
Interest paid		1,584	380
Rent on land			
<b>Total</b>		<b>1,584</b>	<b>380</b>

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**7. Transfers and subsidies**

		2013/14 R'000	2012/13 R'000
	<i>Note</i>		
Provinces and municipalities	<i>Annex 1A, Annex 1B</i>	5,295	4,791
Non-profit institutions	<i>Annex 1C</i>	41,626	48,518
Households	<i>Annex 1D</i>	37,479	4,577
Gifts, donations and sponsorships made	<i>Annex 1E</i>	40	88
<b>Total</b>		<b><u>84,440</u></b>	<b><u>57,974</u></b>

Unspent funds transferred to the above beneficiaries

**8. Expenditure for capital assets**

		2013/14 R'000	2012/13 R'000
<b>Tangible assets</b>		<b>496,371</b>	<b>552,079</b>
Buildings and other fixed structures	<i>32</i>	388,676	473,603
Machinery and equipment	<i>30</i>	107,695	78,476
<b>Intangible assets</b>		<b>510</b>	<b>60</b>
Software	<i>31</i>	510	60
<b>Total</b>		<b><u>496,881</u></b>	<b><u>552,139</u></b>

The following amounts have been included as project costs in Expenditure for capital assets:

Compensation of employees	3,343	3,770
Goods and services	26,262	4,581
<b>Total</b>	<b><u>29,605</u></b>	<b><u>8,351</u></b>



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**8.1 Analysis of funds utilised to acquire capital assets – 2013/14**

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>496,371</b>		<b>496,371</b>
Buildings and other fixed structures	388,676		388,676
Machinery and equipment	107,695		107,695
<b>Intangible assets</b>	<b>510</b>		<b>510</b>
Software	510		510
<b>Total</b>	<b>496,881</b>		<b>496,881</b>

**8.2 Analysis of funds utilised to acquire capital assets – 2012/13**

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>552,079</b>		<b>552,079</b>
Buildings and other fixed structures	473,603	-	473,603
Machinery and equipment	78,476	-	78,476
<b>Intangible assets</b>	<b>60</b>		<b>60</b>
Software	60	-	60
<b>Total</b>	<b>552,139</b>	<b>-</b>	<b>552,139</b>

**8.3 Finance lease expenditure included in Expenditure for capital assets**

	Total
	R'000
<b>Tangible assets</b>	<b>9,240</b>
Machinery and equipment	9,240
<b>Total</b>	<b>9,240</b>

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**9. Unauthorised expenditure**

**9.1 Reconciliation of unauthorised expenditure**

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Opening balance		506,632	504,538
Unauthorised expenditure – discovered in current year (as restated)		26,506	2,094
Less: Amounts approved by Parliament/Legislature with funding		(387,918)	-
<b>Unauthorised expenditure awaiting authorisation / written off</b>		<b>145,220</b>	<b>506,632</b>

**9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification**

	2013/14 R'000	2012/13 R'000
Current	134,270	473,099
Transfers and subsidies	10,950	33,533
<b>Total</b>	<b>145,220</b>	<b>506,632</b>

**9.3 Analysis of unauthorised expenditure awaiting authorisation per type**

	2013/14 R'000	2012/13 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	145,220	506,632
<b>Total</b>	<b>145,220</b>	<b>506,632</b>

**9.4 Details of unauthorised expenditure – current year**

Incident	Disciplinary steps taken/criminal proceedings	2013/14 R'000
Overspending on Vote 10	Under investigation	26,506
<b>Total</b>		<b>26,506</b>



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**10. Cash and cash equivalents**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Cash receipts		7	1
Disbursements		1	-
<b>Total</b>		<b>8</b>	<b>1</b>

**11. Prepayments and advances**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Travel and subsistence		802	576
<b>Total</b>		<b>802</b>	<b>576</b>

**12. Receivables**

	<i>Note</i>	2013/14			R'000	2012/13 R'000
		R'000 Less than one year	R'000 One to three years	R'000 Older than three years		
Recoverable expenditure	12.1	1,527	733	31	2,291	2,144
Staff debt	12.2	2,562	2,215	5,458	10,235	8,103
<b>Total</b>		<b>4,089</b>	<b>2,948</b>	<b>5,489</b>	<b>12,526</b>	<b>10,247</b>

**12.1 Recoverable expenditure (disallowance accounts)**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Salary: ACB Recalls		201	-
Salary: Tax Debt		106	-
Salary: Pension Fund		167	36
Salary: Recoverable		1,771	2,044
Disallowance Dishonoured Cheques		4	8
Disallowance Miscellaneous		36	42
Salary: Medical Aid		6	-
<b>Total</b>		<b>2,291</b>	<b>2,144</b>

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**12.2 Staff debt**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
	12	<b>R'000</b>	<b>R'000</b>
Debt receivable		10,235	8,098
Sal: Tax debt		-	5
<b>Total</b>		<b><u>10,235</u></b>	<b><u>8,103</u></b>

**12.3 Other debtors**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
	12	<b>R'000</b>	<b>R'000</b>
Debt due from various service providers		-	547
<b>Total</b>		<b><u>-</u></b>	<b><u>547</u></b>

**13. Voted funds to be surrendered to the Revenue Fund**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		164,786	81,957
Transfer from statement of financial performance (as restated)		75,187	80,735
Add: Unauthorised expenditure for current year	9	26,506	2,094
Paid during the year		<u>(164,786)</u>	<u>-</u>
<b>Closing balance</b>		<b><u>101,693</u></b>	<b><u>164,786</u></b>

**14. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		4,114	4,980
Own revenue included in appropriation		43,163	42,323
Paid during the year		<u>(39,975)</u>	<u>(43,189)</u>
<b>Closing balance</b>		<b><u>7,302</u></b>	<b><u>4,114</u></b>

**15. Bank Overdraft**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Consolidated Paymaster General Account		<u>47,296</u>	<u>344,933</u>
<b>Total</b>		<b><u>47,296</u></b>	<b><u>344,933</u></b>



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**16. Payables – current**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Clearing accounts	16.1	291	48
Other payables	16.2	5	567
<b>Total</b>		<b>296</b>	<b>615</b>

**16.1 Clearing accounts**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Sal: Income tax		235	-
Sal: Garnishee order		56	48
<b>Total</b>		<b>291</b>	<b>48</b>

**16.2 Other payables**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Sal: Deduction disall acc		1	-
Damage vehicles		3	-
Sal: Disallowance account		1	1
Sal: ACB recall		-	566
<b>Total</b>		<b>5</b>	<b>567</b>

**17. Net cash flow available from operating activities**

	<i>Note</i>	<b>2013/14</b>	<b>2012/13</b>
		<b>R'000</b>	<b>R'000</b>
Net surplus/(deficit) as per Statement of Financial Performance		74,173	77,793
Add back non cash/cash movements not deemed operating activities		724,982	546,699
(Increase)/decrease in receivables – current		(2,279)	(2,728)
(Increase)/decrease in prepayments and advances		(226)	(132)
(Increase)/decrease in other current assets		387,918	-
Increase/(decrease) in payables – current		(319)	275
Proceeds from sale of capital assets		(1,775)	(1,989)
Expenditure on capital assets		503,261	552,139
Surrenders to Revenue Fund		(204,761)	(43,189)
Own revenue included in appropriation		43,163	42,323
<b>Net cash flow generated by operating activities</b>		<b>799,155</b>	<b>624,492</b>

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18. Reconciliation of cash and cash equivalents for cash flow purposes

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Consolidated Paymaster General account		(47,296)	(344,933)
Cash receipts		7	1
Disbursements		1	-
<b>Total</b>		<u><u>(47,288)</u></u>	<u><u>(344,932)</u></u>



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**19. Contingent liabilities and contingent assets**

**19.1 Contingent liabilities**

		<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
<b>Liable to</b>	<b>Nature</b>			
Housing loan guarantees	Employees	<i>Annex 2A</i>	1,349	1,675
Claims against the department		<i>Annex 2B</i>	233,374	134,013
Intergovernmental payables (unconfirmed balances)		<i>Annex 4</i>	2,889	1,253
<b>Total</b>			<b>237,612</b>	<b>136,941</b>

**19.2 Contingent assets**

		<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
<b>Nature of contingent asset</b>				
Labour matters			1,657	1,657
Motor vehicle accidents			38	38
OSD overpayments			1,958	1,958
Others			930	930
<b>Total</b>			<b>4,583</b>	<b>4,583</b>

**20. Commitments**

		<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
<b>Current expenditure</b>				
Approved and contracted			236,129	236,331
Approved but not yet contracted			-	-
			<b>236,129</b>	<b>236,331</b>
<b>Capital expenditure</b>				
Approved and contracted			754,506	724,920
Approved but not yet contracted			-	-
			<b>754,506</b>	<b>724,920</b>
<b>Total Commitments</b>			<b>990,635</b>	<b>961,251</b>

**Commitments longer than 1 year:**

Infrastructure commitments	R360 935 000
Maintenance contract	R 68,965,000

The comparative figures have been restated to better reflect the fair presentation of financial statements. The restatement was due to commitments not disclosed in the prior year. The restatement has resulted in an increase in prior year's commitments.

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## 21. Accruals and payables not recognised

	2013/14			2012/13
	R'000			R'000
<b>Listed by economic classification</b>				
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	76,098	90,589	166,687	125,528
Capital assets	15,813	31,473	47,286	39,962
Other	-	968	968	4,321
<b>Total</b>	<b>91,911</b>	<b>123,030</b>	<b>214,941</b>	<b>169,811</b>

	Note	2013/14	2012/13
		R'000	R'000
<b>Listed by programme level</b>			
Administration		29,110	13,811
District Health Services		81,501	68,867
Emergency Medical Services		15,845	1,976
Provincial Hospital Services		10,860	9,513
Central Hospital Services		34,301	33,237
Health Sciences and Training		9,542	8,871
Health Care Support Services		899	491
Health Facilities Management		32,883	33,045
<b>Total</b>		<b>214,941</b>	<b>169,811</b>

	Note	2013/14	2012/13
		R'000	R'000
Confirmed balances with other departments	Annex 4	4,543	5,935
<b>Total</b>		<b>4,543</b>	<b>5,935</b>

The comparative figures have been restated to better reflect the fair presentation of financial statements. The restatement was due to accruals not disclosed in the prior year. The restatements have resulted in an increase in prior year's figure.

## 22. Employee benefits

	Note	2013/14	2012/13
		R'000	R'000
Leave entitlement		64,966	51,326
Service bonus (Thirteenth cheque)		45,969	40,829
Performance awards		27,689	19,181
Capped leave commitments		42,806	42,448
Other		(73)	(105)
<b>Total</b>		<b>181,357</b>	<b>153,679</b>



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**23. Lease commitments**

**23.1 Operating leases expenditure**

	<b>Buildings and other fixed structures</b>	<b>Machinery and equipment</b>	<b>Total</b>
<b>2013/14</b>			
Not later than 1 year	24,379	14,588	38,967
Later than 1 year and not later than 5 years	3,040	3,996	7,036
<b>Total lease commitments</b>	<b>27,419</b>	<b>18,584</b>	<b>46,003</b>
<b>2012/13</b>			
Not later than 1 year	21,995	12,239	34,234
Later than 1 year and not later than 5 years	6,124	10,280	16,404
<b>Total lease commitments</b>	<b>28,119</b>	<b>22,519</b>	<b>50,638</b>

**23.2 Finance leases expenditure\*\***

	<b>Machinery and equipment</b>	<b>Total</b>
<b>2013/14</b>		
Not later than 1 year	20,087	20,087
Later than 1 year and not later than 5 years	20,228	20,228
<b>Total lease commitments</b>	<b>40,315</b>	<b>40,315</b>
<b>2012/13</b>		
Not later than 1 year	20,000	20,000
Later than 1 year and not later than 5 years	42,935	42,935
<b>Total lease commitments</b>	<b>62,935</b>	<b>62,935</b>

Included in the figure of R40,315 million for finance lease expenditure of 2013/14, is an amount of R31,118 million relating to Departmental fleet (trading entity)

**24. Accrued departmental revenue**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Tax revenue			
Sales of goods and services other than capital assets		67,042	56,815
<b>Total</b>		<b>67,042</b>	<b>56,815</b>

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**24.1 Analysis of accrued departmental revenue**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Opening balance		56,815	54,840
Correction of prior year error		14,138	-
Restated		70,953	54,840
Less: amounts received		24,962	33,172
Add: amounts recognised		36,940	46,312
Less: amounts written-off/reversed as irrecoverable		15,889	11,165
<b>Closing balance</b>		<b>67,042</b>	<b>56,815</b>

Comparative figures have been restated to better reflect the fair presentation of the annual financial statements. The adjustment was due to the recognised amounts which were overstated as a result of prior years billings captured in the year 2013/14.

**24.2 Accrued department revenue written off**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
<b>Nature of losses</b>			
Patient debt written-off		15,889	11,165
<b>Total</b>		<b>15,889</b>	<b>11,165</b>

**25. Irregular expenditure**

**25.1 Reconciliation of irregular expenditure**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Opening balance		2,972,128	2,108,978
Add: Irregular expenditure – relating to prior year		(107,779)	70,992
Add: Irregular expenditure – relating to current year		679,867	792,158
<b>Irregular expenditure awaiting condonation</b>		<b>3,544,216</b>	<b>2,972,128</b>

**Analysis of awaiting condonation per age classification**

Current year	679,867	792,158
Prior years	2,864,349	2,179,970
<b>Total</b>	<b>3,544,216</b>	<b>2,972,128</b>

**25.2 Details of irregular expenditure – current year**



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<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2013/14 R'000</b>
Infrastructure projects with irregularities	None	393,897
Services obtained with SCM processes	None	235,557
HR Irregularities	None	50,413
<b>Total</b>		<b><u>679,867</u></b>

**26. Fruitless and wasteful expenditure**

**26.1 Reconciliation of fruitless and wasteful expenditure**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Opening balance		22,305	20,232
Fruitless and wasteful expenditure – relating to prior year		368	186
Fruitless and wasteful expenditure – relating to current year		12,908	1,887
<b>Fruitless and wasteful expenditure awaiting resolution</b>		<b><u>35,581</u></b>	<b><u>22,305</u></b>

**26.2 Analysis of awaiting resolution per economic classification**

	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Current	25,402	12,126
Capital	10,179	10,179
<b>Total</b>	<b><u>35,581</u></b>	<b><u>22,305</u></b>

**26.3 Analysis of Current year's fruitless and wasteful expenditure**

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2013/14 R'000</b>
Highest quoted services	None	594
Interest	None	1,584
Medical legal claims	None	10,705
Other	None	25
<b>Total</b>		<b><u>12,908</u></b>

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**27. Related party transactions**

There were no financial transactions not at arm's length relating to related parties. However, the department leases certain property from the Department of Transport, Roads and Public Works at nil value. The properties are:

- For certain infrastructure and developments projects the processes are managed and maintained by the Northern Cape Department of Roads and Public Works.
- The department also leases vehicles from the Northern Cape Fleet management entity and these transactions are within arm's length.

**28. Key management personnel**

	<b>No. of Individuals</b>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Political office bearers (provide detail below)	1(1)	1,666	1,609
Officials:			
Level 15 to 16	1(1)	1,251	1,064
Level 14 (incl. CFO if at a lower level)	9(7)	7,628	3,992
Family members of key management personnel	9(3)	2,581	1,097
<b>Total</b>		<b>13,126</b>	<b>7,762</b>

**29. Impairment: other**

	<i>Note</i>	<b>2013/14 R'000</b>	<b>2012/13 R'000</b>
Impairment of debtors		46,185	34,960
<b>Total</b>		<b>46,185</b>	<b>34,960</b>

**30. Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	<b>Opening balance</b>	<b>Curr Year Adjust- ments to</b>	<b>Additions</b>	<b>Disposals</b>	<b>Closing Balance</b>
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	R'000	prior year balances R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>592,214</b>	<b>(91,594)</b>	<b>198,832</b>	<b>8,271</b>	<b>691,181</b>
Transport assets	106,074	(39,051)	2,292	8,271	61,044
Computer equipment	18,258	1,321	17,356	-	36,935
Furniture and office equipment	17,151	521	13,656	-	31,332
Other machinery and equipment	450,731	(54,389)	165,528	-	561,870
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>592,214</b>	<b>(91,594)</b>	<b>198,832</b>	<b>8,271</b>	<b>691,181</b>

The comparative figures have been restated to better reflect the fair presentation of financial statements. The restatement was due to accruals not disclosed in the prior year. The restatements have resulted in an increase in prior year's figure.

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**30.1 Additions**

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Cash*	Non-cash**	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>91,383</b>	<b>107,449</b>			<b>198,832</b>
Transport assets	2,220	72	-	-	2,292
Computer equipment	6,794	10,562	-	-	17,356
Furniture and office equipment	2,423	11,233	-	-	13,656
Other machinery and equipment	79,946	85,582	-	-	165,528
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>91,383</b>	<b>107,449</b>	<b>-</b>	<b>-</b>	<b>198,832</b>

**30.2 Disposals**

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>8,271</b>		<b>8,271</b>	<b>1,775</b>
Transport assets	8,271	-	8,271	1,775
Computer equipment	-	-	-	-
Furniture and office equipment	-	-	-	-
Other machinery and equipment	-	-	-	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>8,271</b>	<b>-</b>	<b>8,271</b>	<b>1,775</b>



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**30.3 Movement for 2012/13**

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>527,497</b>		<b>66,706</b>	<b>1,989</b>	<b>592,214</b>
Transport assets	89,056	-	19,007	1,989	106,074
Computer equipment	14,770	-	3,488	-	18,258
Furniture and office equipment	16,016	-	1,135	-	17,151
Other machinery and equipment	407,655	-	43,076	-	450,731
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>527,497</b>	<b>-</b>	<b>66,706</b>	<b>1,989</b>	<b>592,214</b>

**30.4 Minor assets**

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2014**

	Machinery and equipment R'000	Total R'000
Opening balance	93,387	93,387
Curr Year Adjustments to Prior Year balances	(366)	(366)
Additions	42,414	42,414
Disposals	-	-
<b>TOTAL MINOR ASSETS</b>	<b>135,435</b>	<b>135,435</b>
	Machinery and equipment	Total
Number of R1 minor assets	3,515	3,515
Number of minor assets at cost	85,694	85,694
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>89,209</b>	<b>89,209</b>

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**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2013**

	<b>Machinery and equipment R'000</b>	<b>Total R'000</b>
Opening balance	83,882	83,882
Current Year Adjustments to Prior Year balances	-	-
Additions	9,505	9,505
Disposals	-	-
<b>TOTAL MINOR ASSETS</b>	<b><u>93,387</u></b>	<b><u>93,387</u></b>

	<b>Machinery and equipment</b>	<b>Total</b>
Number of R1 minor assets	158	158
Number of minor assets at cost	<u>79,067</u>	<u>79,067</u>
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b><u>79,225</u></b>	<b><u>79,225</u></b>

**31. Intangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	<b>Opening balance R'000</b>	<b>Current Year Adjust- ments to prior year balances R'000</b>	<b>Additions R'000</b>	<b>Disposals R'000</b>	<b>Closing Balance R'000</b>
<b>SOFTWARE</b>	1,474	48	2,173	-	3,695
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b><u>1,474</u></b>	<b><u>48</u></b>	<b><u>2,173</u></b>	<b><u>-</u></b>	<b><u>3,695</u></b>



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**31.1 Additions**

**ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED  
31 MARCH 2014**

	Cash	Non-Cash	(Develop- ment work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	510	1,663	-	-	2,173
<b>TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS</b>	<b>510</b>	<b>1,663</b>	<b>-</b>	<b>-</b>	<b>2,173</b>

**31.2 Disposals**

**DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR  
ENDED 31 MARCH 2014**

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
SOFTWARE	-	-	-	-
<b>TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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## 31.3 Movement for 2012/13

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED  
31 MARCH 2013**

	Opening balance	Current Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	1,414	-	60	-	1,474
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>1,414</b>	<b>-</b>	<b>60</b>	<b>-</b>	<b>1,474</b>

## 32. Immovable Tangible Capital Assets

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE  
YEAR ENDED 31 MARCH 2014**

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>689,172</b>	<b>821,652</b>	<b>103,435</b>	<b>1,717,694</b>	<b>103,435</b>
Dwellings					
Non-residential buildings	687,837	822,987	103,435	1,717,694	103,435
Other fixed structures	1,335	(1,335)			
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>689,172</b>	<b>821,652</b>	<b>103,435</b>	<b>1,717,694</b>	<b>103,435</b>



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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**32.1 Additions**

**ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>					
Dwellings	-	-	-	-	-
Non-residential buildings	388,698	-	(285,263)	-	103,435
Other fixed structures	-	-	-	-	-
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>388,698</b>	<b>-</b>	<b>(285,263)</b>	<b>-</b>	<b>103,435</b>

**32.2 Disposals**

**DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>				
Dwellings	-	-	-	-
Non-residential buildings	-	1,717,694	1,717,694	-
Other fixed structures	-	-	-	-
<b>TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>1,717,694</b>	<b>1,717,694</b>	<b>-</b>

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## 32.3 Movement for 2012/13

## MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Curr Year Adjust- ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>		<b>681,751</b>	<b>7,421</b>		<b>689,172</b>
Dwellings					
Non-residential buildings		681,751	6,086		687,837
Other fixed structures			1,335		1,335
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>		<b>681,751</b>	<b>7,421</b>		<b>689,172</b>

## 32.4 Immovable assets valued at R1

## IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2014

	Buildings and other fixed structures R'000	Heritage assets R'000	Land and subsoil assets R'000	Total R'000
R1 Immovable assets	5	-	-	5
<b>TOTAL</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>5</b>

## IMMOVABLE ASSETS VALUED AT R1 IN THE ASSET REGISTER AS AT 31 MARCH 2013

	Buildings and other fixed structures R'000	Heritage assets R'000	Land and subsoil assets R'000	Total R'000
R1 Immovable assets	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**32.5 S42 Immovable assets**

	Number of assets	Value of Assets R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>232</b>	<b>1,442,439</b>
Dwellings	-	-
Non-residential buildings	232	1,717,694
Other fixed structures	-	-
<b>TOTAL</b>	<b>232</b>	<b>1,717,694</b>

**33. Prior period errors**

**33.1 Correction of prior period error for secondary information**

	<i>Note</i>	2013/14 R'000	2012/13 R'000
The comparative amounts in <i>Note xx</i> were restated as follows:			
Accruals and payables not recognised	21	5,705	-
Movable tangible capital assets	30	51,594	-
Minor assets	30.4	(366)	-
Commitments	20	21	-
Intangible capital assets	31	48	-
Accrued departmental revenue	24.1	14,138	-
<b>Net effect on the note</b>		<b>71,140</b>	<b>-</b>

The commitments and accruals & payables not recognised were restated by an amount of R21 000 and R5.705 million, respectively, due to an understatement that occurred in the prior year. Movable tangible capital assets, intangible assets and minor assets were restated with the net effect of R51.276 million due to the asset count conducted in the current financial year. The accrued departmental revenue was restated with R14,138 million due to overstatement of prior year write offs and billing adjustment on the amount recognised.

These corrections were necessary to fairly present the financial information.

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34. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION						SPENT			2012/13	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Over- spending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Comprehensive HIV and AIDS grant	302,468	18,682	-	-	321,150	321,150	302,259	18,891	94%	248,372	229,684
Health professions training and development grant	72,356	-	-	-	72,356	72,356	77,395	(5,039)	107%	72,902	72,902
National tertiary services grant	282,618	-	-	-	282,618	282,618	282,616	2	100%	277,766	277,926
Hospital revitalisation grant	331,274	-	-	57,000	388,274	388,274	378,839	9,435	98%	364,980	364,981
Forensic pathology grant	-	-	-	-	-	-	-	-	-	641	641
Health infrastructure grant	90,154	-	-	-	90,154	90,154	71,660	18,494	79%	101,038	101,038
Nursing colleges	-	5,103	-	-	5,103	5,103	2,453	2,650	48%	6,080	977



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NAME OF DEPARTMENT	GRANT ALLOCATION						SPENT			2012/13	
	Division of Revenue Act/ Provincial Grants R'000	Roll Overs R'000	DORA Adjustments R'000	Other Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	Under / (Over- spending) R'000	% of available funds spent by department %	Division of Revenue Act R'000	Amount spent by department R'000
National health insurance grant	4,850	1,578			6,428	6,428	6,528	(100)	102%	11,500	9,581
Expanded public works programme integrated grant	3,000	330			3,330	3,330	2,605	725	78%	1,000	670
Expanded public works programme incentive grant	9,516				9,516	9,516	8,798	718	92%	-	-
	<b>1,096,236</b>	<b>25,693</b>	<b>-</b>	<b>57,000</b>	<b>1,178,929</b>	<b>1,178,929</b>	<b>1,133,153</b>	<b>45,776</b>		<b>1,084,279</b>	<b>1,058,400</b>

All funds transferred in terms of the DORA were deposited into the primary bank account of the province.

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ANNEXURE 1A  
STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			SPENT			2012/13	
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Ernthanjeni municipality	1,056	-	-	1,056	-	1,056	-	-	-	-	1,864
IKai!Garib municipality	776	-	-	776	-	776	-	-	-	-	1,824
//Khara Hais municipality	1,275	-	-	1,275	3,378	-	-	3,378	3,378	-	2,841
Kgatelopele municipality	522	-	-	522	-	522	-	-	-	-	895
Nama Khoi municipality	-	-	-	-	-	-	-	-	-	-	-
Sol Plaatjie municipality	2,663	-	-	2,663	1,309	1,354	-	1,309	1,309	100%	4,219
Pixley Ka Seme district municipality	100	-	-	100	100	-	-	100	100	100%	-



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NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			SPENT			2012/13 Division of Revenue Act	
	R'000	R'000	R'000	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality		% of available funds spent by municipality
Tsantsabane municipality	1,013	-	-	1,013	-	1,013	-	-	-	-	1,336
Namakwa district municipality	100	-	-	100	100	-	-	100	100	100%	-
Francis Baard district municipality	100	-	-	100	100	-	-	100	100	100%	-
John Taolo Gaetsewe district municipality	100	-	-	100	100	-	-	100	100	100%	-
Ubuntu municipality	141	-	-	141	-	141	-	-	-	-	134
<b>7,846</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,846</b>	<b>5,087</b>	<b>4,862</b>	<b>-</b>	<b>5,087</b>	<b>5,087</b>	<b>-</b>	<b>13,113</b>

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ANNEXURE 1B  
STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT		2012/13	
	Amount	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total Available
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
PD: MOTOR									
VEHICLE LICENCE									
NC051 Richtersveld	-	-	-	-	-	-	-	-	5
NC052 Nama Khoi	50	-	-	50	34	34	34	68%	20
NC054 Kamiesberg	-	-	-	-	-	-	-	-	4
NC055 Hantam	-	-	-	-	4	4	4	-	13
NC055 Karoo Hoogland	-	-	-	-	-	-	-	-	3
NC057 Khai-Ma	-	-	-	-	-	-	-	-	3
NC071 Ubuntu	-	-	-	-	-	-	-	-	3
NC072 Umsobomvu	-	-	-	-	-	-	-	-	5
NC073 Emthanjeni	83	-	-	83	45	45	45	54%	14
NC074 Kareeberg	-	-	-	-	-	-	-	-	3



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NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT			2012/13 Total Available R'000	
	Amount R'000	Roll Overs R'000	Adjust-ments R'000	Total Available R'000	Actual Transfer R'000	Available funds Transferred %	Amount received by municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality
NC075 Renosterberg	-	-	-	-	-	-	-	-	-	3
NC075 Thembelihle	-	-	-	-	-	-	-	-	-	3
NC077 Siyathemba	-	-	-	-	-	-	-	-	-	4
NC078 Siyancuma	-	-	-	-	-	-	-	-	-	2
NC079 Karoo District Mun.	-	-	-	-	-	-	-	-	-	2
NC081 Mier	-	-	-	-	-	-	-	-	-	4
NC082 IKail' Garib	7	-	-	7	-	-	-	-	-	15
NC083 //Khara Hais	67	-	-	67	19	28%	19	19	28%	16
NC084 !Kheis	9	-	-	9	-	-	-	-	-	5
NC085 Tsantsabane	-	-	-	-	-	-	-	-	-	8
NC085 Kgatelopele	-	-	-	-	-	-	-	-	-	4
NC091 Sol Plaatjie	112	-	-	112	55	49%	55	55	49%	98
NC092 Dikgatlong	-	-	-	-	-	-	-	-	-	8
NC093 Magareng	-	-	-	-	-	-	-	-	-	-
NC094 Phokwane	-	-	-	-	-	-	-	-	-	3

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NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT			2012/13 Total Available	
	Amount R'000	Roll Overs R'000	Adjust- ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Amount received by municipality R'000	Amount spent by municipality R'000		% of available funds spent by municipality %
NC452 Ga- Segonyana	45	-	-	45	51	113%	51	51	113%	59
NC453 Gamagara	-	-	-	-	-	-	-	-	-	1
	<b>373</b>	<b>-</b>	<b>-</b>	<b>373</b>	<b>208</b>		<b>208</b>	<b>208</b>		<b>308</b>



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ANNEXURE 1C  
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2012/13 Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjust- ments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	
<b>Transfers</b>							
Ancra	-	-	-	-	-	-	676
Thabisho	8,700	-	-	8,700	8,731	100%	19,500
Legatus	9,100	-	-	9,100	9,134	100%	8,700
Northern Cape Aids Forum & Christiaan Care and Support	8,200	-	-	8,200	8,301	101%	-
Nightingale Hospice & Moeder Theresa Hospice	6,964	-	-	6,964	6,967	100%	-
Moeder Theresa Hospice	5,700	-	-	5,700	5,688	100%	7,300
Helen Bishop Orthopaedic After-Care Home	2,808	-	-	2,808	2,805	100%	2,682
<b>Total</b>	<b>41,472</b>	<b>-</b>	<b>-</b>	<b>41,472</b>	<b>41,626</b>		<b>38,858</b>

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STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION					EXPENDITURE		2012/13
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act	
	R'000	R'000	R'000	R'000	R'000	%	R'000	
Transfers								
H/H EMPL S/BEN: LEAVE GRATUITY	4,495	-	-	-	5,746	128%	3,255	
H/H: CLAIMS AGAINST STATE (CASH)	380	-	-	-	10,705	2,817%	-	
H/H: BURSARIES (NON-EMPLOYEE)	-	-	-	-	21,028	-	-	
<b>Total</b>	<b>4,875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,479</b>		<b>3,255</b>	



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ANNEXURE 1E  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2013/14	2012/13
		R'000	R'000
<b>Received in cash</b>			
KHC CEO awards	Donation (cash)	-	132
Kolomisa mines	Vehicle & Medical Equipment	-	442
Gray construction	KH CEO awards	20	-
Kimvent vending	KH CEO awards	5	-
Old mutual group	KH CEO awards	10	-
Ortho Sol Dev. (PTY) LTD	Research & development orthopaedic division	34	-
<b>Subtotal</b>		<b>69</b>	<b>574</b>
<b>Received in kind</b>			
Lewis stores	32cm Tedelex plasma television	-	4
National department of health	Furniture & equipment	342	6,942
University of Pretoria	Training & research	-	58
EDM services	CEO awards, performing artist	-	65
Karibuni security services	CEO awards	150	126
Khoi linen & textile	CEO awards	13	40
Fedics catering services	CEO awards	52	29
Madibeng medical supplies	CEO awards	-	35
Cooling solutions	KH CEO awards	8	-
DNS suppliers	KH CEO awards	4	-
Medical gas solutions	KH CEO awards	15	-
Mekan engineers	KH CEO awards	18	-
Techmed Africa	KH CEO awards	30	-

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NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2013/14	2012/13
		R'000	R'000
Tshenolo resources	KH CEO awards	6	-
Right to care	Furniture & equipment	8	-
<b>Subtotal</b>		<b>646</b>	<b>7,299</b>
<b>TOTAL</b>		<b>715</b>	<b>7,873</b>



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ANNEXURE 1F  
STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	PURPOSE	OPENING BALANCE R'000	REVENUE R'000	EXPENDI- TURE R'000	CLOSING BALANCE R'000
<b>Received in cash</b>					
European union	Foreign: Training & information technology	1,061	-	292	769
Global fund	Foreign: TB intervention	783	-	-	783
Belgium	Foreign: TB intervention	(332)	-	149	(481)
<b>TOTAL</b>		<b>1,512</b>	<b>-</b>	<b>441</b>	<b>1,071</b>

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**ANNEXURE 1G  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT  
OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2013/14	2012/13
	R'000	R'000
<b>Paid in cash</b>		
Donations made by the Member of Executive Council	40	67
<b>Subtotal</b>	<b>40</b>	<b>67</b>
<b>Made in kind</b>		
Donations made by the Member of Executive Council	322	21
<b>Subtotal</b>	<b>322</b>	<b>21</b>
<b>TOTAL</b>	<b>362</b>	<b>88</b>



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ANNEXURE 2A  
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2014 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2014	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2014	Guaranteed interest for year ended 31 March 2014	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
Standard Bank	Housing	1,517	433	-	-	-	433	-	-
Nedbank Limited	Housing	581	126	-	167	-	(41)	-	-
Firstrand Bank	Housing	951	232	-	-	-	232	-	-
Nedbank (Inc)	Housing	124	16	-	16	-	-	-	-
Absa Bank	Housing	3,097	645	-	53	-	592	-	-
Old Mutual Finance	Housing	-	16	-	-	-	16	-	-
People's Bank FB	Housing	67	13	-	-	-	13	-	-
Nedbank LTD (NBS)	Housing	122	68	-	33	-	35	-	-
Old Mutual (NEDB/P)	Housing	-	126	-	57	-	69	-	-
<b>Total</b>		<b>6,458</b>	<b>1,675</b>	<b>-</b>	<b>326</b>	<b>-</b>	<b>1,349</b>	<b>-</b>	<b>-</b>

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ANNEXURE 2B  
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2014

Nature of Liability	Opening Balance 1 April 2014 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancell ed/reduced during the year R'000	Liabilities recoverabl e (Provide details hereunder) R'000	Closing Balance 31 March 2014 R'000
<b>Claims against the department</b>					
Medico-legal cases	61,433	32,843	(11,397)	-	82,879
Breach of contract	85,711	-	(6,679)	-	79,032
Motor vehicle accidents	3,948	107	(3,601)	-	454
Labour matters	5,024	-	(108)	-	4,916
Other	50,596	15,496	-	-	50,696
<b>TOTAL</b>	<b>206,712</b>	<b>48,446</b>	<b>(21,785)</b>	<b>-</b>	<b>233,373</b>

The comparative figure has been restated to better disclose the fair presentation of the financial statements.



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ANNEXURE 3  
CLAIMES RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Department</b>						
National Department of Health	-	-	-	36	-	36
Department of Correctional Services	-	-	-	30	-	30
Department of Justice & Constitutional Development	-	-	10	10	10	10
Department of Water Affairs	-	-	11	11	11	11
Northern Cape Department of Education	-	-	-	59	-	59
Eastern Cape Department of Health	-	-	-	103	-	103
Free State Department of Health	502	267	531	348	1,033	615
Gauteng Department of Health	-	-	63	27	63	27
Kwa-Zulu Natal Department of Health	-	164	73	-	73	164
Mpumalanga Department of Health	-	1	-	-	-	1
Northern cape Department of Public Works	-	-	94	94	94	94
Northern cape Department of Safety & Liaison	-	192	51	211	51	403
Northern Cape Provincial Treasury	-	-	-	58	-	58
Western Cape Department of Health	-	-	261	396	261	396
Limpopo Department of Health	-	-	-	29	-	29
Western Cape Cultural Affairs & Sports	-	-	7	7	7	7
South African Police Service	-	-	-	1	-	1
Northern Cape Premier's Office	-	-	159	-	159	-
Northern Cape Co-operative Governance, Human Settlements & Traditional Affairs	-	-	9	-	9	-
<b>Total</b>	<b>502</b>	<b>624</b>	<b>1,269</b>	<b>1,420</b>	<b>1,771</b>	<b>2,044</b>

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INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
National Department of Health	-	1,314	294	294	294	1,608
Department of Justice & Constitutional Development	-	-	391	-	391	-
Department of Transport, Roads & Public Works	-	-	632	754	632	754
Eastern Cape Department of Health	41	41	64	-	105	41
Free State Department of Health	4,502	4,502	-	-	4,502	4,502
Limpopo Department of Health	-	-	-	8	-	8
North West Department of Health	-	46	-	48	-	94
North West Provincial Treasury	-	-	-	2	-	2
Office of the Premier	-	-	1,235	-	1,235	-
Western Cape Department of Health	-	32	34	-	34	32
South African Police Service	-	-	-	117	-	117
Public Administration	-	-	-	30	-	30
Kwa-Zulu Natal Department of Health	-	-	14	-	14	-
Northern Cape Provincial Treasury	-	-	136	-	136	-
Northern Cape Transport, Safety & Liaison	-	-	76	-	76	-
Northern Cape Environment & Nature Conservation	-	-	13	-	13	-
<b>Total</b>	<b>4,543</b>	<b>5,935</b>	<b>2,889</b>	<b>1,253</b>	<b>7,432</b>	<b>7,188</b>



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**ANNEXURE 5  
INVENTORY**

Inventory	Note	2013/14		2012/13	
		Quantity	R'000	Quantity	R'000
Opening balance			53,940		55,762
Add: Additions/Purchases - Cash			214,202		204,601
(Less): Issues			(217,325)		(200,686)
Add/(Less): Adjustments			(2,465)		(5,737)
<b>Closing balance</b>			<b>48,352</b>		<b>53,940</b>

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**ANNEXURE 6**  
**MOVEMENT IN CAPITAL WORK IN PROGRESS**

**MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance	Current Year Capital WIP	Completed Assets	Closing balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>				
Dwellings	-	-	-	-
Non-residential buildings	642,707	388,698	103,435	927 970
Other fixed structures	-	-	-	-
<b>TOTAL</b>	<b>642,707</b>	<b>388,698</b>	<b>103,435</b>	<b>927,970</b>













