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ACRONYMS

ABB	Activity based budget
ABET	Adult Basic Education and Training
AFP	Acute Flacid Paralysis
ALS	Advanced life support
ALOS	Average Length of Stay
ANC	Ante Natal Care
ART	Anti Retroviral Treatment Plan
BAS	Basic Accounting System
BUR	Bed Utilisation Rate
CA(SA)	Chartered Accountant South Africa
CBO	Community Based Organisation
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHC	Community Health Centre
CMH	Cecelia Makiwane Hospital
COHSASA	Council for Health Service Accreditation of Southern Africa
CSC	Corporate Service Centres
CTOP	Choice on Termination of Pregnancy
DHAC	District Health Advisory Committee
DHS	District Health System
DHIS	District Health Information System
DoRA	Division of Revenue Act
DOT	Directly observed treatment
DPSA	Department of Public Service and Administration
Dr	Doctor
EC	Eastern Cape
ECDoH	Eastern Cape Department of Health`
ECPA	Eastern Cape Provincial Administration
EDL	Essential Drug List
EHO	Environment Health Officers
ELHC	East London Resource Centre
EMRS	Emergency Medical Rescue Services
ENT	Eyes, Nose, Throat
EO	Executive Officer
FHIG	Fort Hare Institute of Goverment
FPS	Forensic Pathology Services
FAEC	Fleet Africa Eastern Cape
FMS	Financial Management System
HBC	Home based care
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immune Deficiency



Acronyms

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HIV/AIDS	Human Immunodeficiency Virus / Acquired Immune Deficiency Syndrome
HOD	Head of Department
HPCSA	Health Professions Council of South Africa
HPTD	Health Professions Training & Development
HR	Human Resources



HTA	High Transmission Area
HWESETA	Health & Welfare Sector Education & Training Authority
IDP	Integrated Development Plan
IPD	In Patient Days
IMR	Infant Mortality Rate
IMT	Interim Management Team
IT	Information Technology
IYM	In year monitoring
JMT	Joint Management Team
KSD	King Sabata Dalindyebo
KZN	Kwa-Zulu Natal
LAN	Local Area Network
LRA	Labour Relations Act
LSA	Local Service Area
MCWH	Maternal Child and Women' Health
MDR	Multiple Drug Resistance
MEC	Member of Executive Council
MEDSAS	Medical Stores Administration System
MP	Mpumalanga Province
MRC	Medical Research Council
NDoh	National Department of Health
NGO	Non-Government Organisation
NHLS	National Health Laboratory Service
NMM	Nelson Mandela Metropole
NMMM	Nelson Mandela Municipal Metropole
MTS	Modernisation of Tertiary Services
NP	Northern Province
NTSG	National Tertiary Services Grant
OR	Oral Rehydration
OPD'S	Out Patient Departments
PABX	Private Automatic Branch Exchange
PE	Port Elizabeth
PEAR	Performance Expenditure and Review
PEP	Policy on Non-Occupational Exposure Prophylaxis
PFMA	Public Finance Management Act
PFSA	Public Finance Service Agency
PGDP	Provincial Growth and Development Plan
PHAC	Provincial Health Advisory Committee
PHC	Provincial Health Council
PHC	Primary Health Care
PPP	Public Private Partnerships
PSNP	Primary School Nutrition Programme
PSETA	Public Sector Education and Training Authority
PWD	Public Works Department



Acronyms

QHCAS	Quality Health Care Assurance Systems
RDP	Reconstruction & Development Programme
Rx	Treatment
SA	South Africa
SADHS	South African Demographic Health Survey
SAPS	South African Police Services
SDP	Service Delivery Plan
SEO	Senior Executive Officer
SETA	Sector Education and Training Authority
SG	Superintendent General
SLA	Service Level Agreement
SMME'S	Small, Medium and Micro Enterprises
SMS	Senior Management Services
SOP'S	Community Based Organisation
STI	Sexually transmitted infections
SWOT	Strengths, Weaknesses, Opportunities & Threats
TB	Tuberculosis
UPFS	Uniform patient Fee Schedule
VCT	Voluntary Counselling and Testing
WC	Western Cape
WITS	University of the Witwatersrand



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Part A

1. VISION AND MISSION

1.1 VISION

A health service to the people in the Eastern Cape Province promoting a better quality of life for all.

1.2 MISSION

To provide and ensure accessible comprehensive integrated services in the Eastern Cape emphasizing the Primary Health Care approach utilizing and developing all resources to enable all its present and future generation to enjoy health and quality of life.

1.3 CORE VALUES

The core values of the Department include, amongst others the following:

- Equity of both distribution and quality of services
- Service excellence including customer satisfaction
- Fair labour practices
- Good work ethic and a high degree of accountability
- Transparency demonstrated through consultations with all stakeholders in the health industry/field and
- Access to essential health services.



2. REPORT OF THE EXECUTIVE AUTHORITY



We have come to the end of the 2004/5 financial year. Each year presents us with an opportunity to reflect on what we have achieved vis a vis challenges that still lie ahead for us and to what extent we meet the aspirations of the people of the Eastern Cape in our quest to provide accessible and integrated health services.

We are now in the second decade of our fledgling democracy and our mandate as the elected government is to improve the lives of all South Africans. In this regard the specific mandate of the Eastern Cape Department of Health and its mission is to provide an accessible and affordable health service.

The Department has definitely made commendable strides towards fulfilling the mandate notwithstanding the challenges that exists.

In my Policy Speech of 2004/5 I emphasized the need to “reshape our health services so that every one has an equitable access to essential care, particularly the poor and vulnerable”. We set our selves to not only make the services accessible but, “quality customer centered care”.

Given the legacy of backlogs in infrastructure, scarce resources (both financial and human), geographic spread of the province which is predominantly rural; the report reflects on all these challenges and achievements and more importantly our future plans to deal with the challenges and constraints. Some of the notable achievements include;

- Clustering of districting hospitals for efficient use of available resources.
- Appointment of Chief Executive Officers for 14 of the 18 cluster hospitals
- Vacancy rate is down from 65% in 2002/3 to 31% in the year under review
- Establishment of Quality Assurance and Customer Care Chief Directorate to assess, monitor quality care levels and improvement thereof
- The department has a 24 hour call-centre with a toll-free number in order to increase accessibility for all
- HIV/AIDS, we have increased access to PMTCT in 25 LSAs
- Have successfully re-directed the focus of the department to primary health care. In the coming years our budget allocation will reflect this.



On the other hand challenges that confront us include;

- Scarcity of health professionals and skilled personnel exacerbated by the migration of same out of the province and country.
- Fierce competition in securing and retaining needed and scarce human resource skills and limitations in building attractive pay packages
- Inadequate budget allocation
- Maternal mortality rate is still a concern and we have established a directorate to focus on this issue. We also acknowledge the fact that the department is now reaching areas that have never been reached before, hence the increase in numbers
- The illegal circumcision of juveniles remains a big challenge that does not only need the co-operation of parents, but the young boys themselves
- We acknowledge that the treatment and all related processes of HIV/AIDS pandemic is still going to be a major challenge to the department despite the progress we have made in this area.
- Sporadic out break of diseases like measles and hepatitis etc.

I wish to assure the people of this beautiful province and beyond that the department is now consolidating on the gains that have been made and is gaining momentum.

Part 2, page 6 of my 2005 Policy Speech sets, infrastructure development, hospital revitalization, emergency services, human resources, training, special services and corporate services as our service delivery platform.

Part 3 of the speech sets ten key focus areas that we must deliver on being, strengthening of district health system, strengthening quality assurance, promote partnerships and public participation, ensure compliance across all sectors, improving sustainable quality health care delivery, long range planning towards a quality public health system for long term sustain.

In conclusion I wish to thank the public and our customers who tirelessly continue to invite our attention to their areas of dissatisfaction for us to improve. My political organization for entrusting me with this humongous task. The stakeholders who have over time supported and also counseled us.

I feel indebted to the Premier of the province for her leadership and guidance and my fellow colleagues in the executive for their support.



I thank all those members of staff who selflessly work long hours with commitment and dedication and wish to let those who still find their feet heavy to move to know that I still have trust in them and their ability to change things for the better.

I am convinced that as a collective inspired by need to better the lives of our people, we shall sail to greater heights, and to confront the challenges together.



Dr M.B. Goqwana
MEC for Health

3. REPORT OF THE HEAD OF DEPARTMENT



This report presents work in progress. The year under review can be considered as the beginning of the implementation of the Turn Around Strategy as developed by the Interim Management Team (IMT) in 2003. The first report of the IMT was released in August 2004 by the Minister of Public Services and Administration. That report highlighted major achievements registered by the department over a twelve months period; as well as the need to finalize the outstanding projects. Importantly, the sustainability of the turn around plan measures was identified as a critical challenge, in terms of ensuring the institutionalization of the plans as part of the operations of the department.

Accordingly, the IMT report concluded that 73% of the planned projects had been completed. Only 2% of the projects had not yet been started. The rest of the projects were in progress, which have now been incorporated in the Operational Plan as part of the consolidation of the Turn Around Strategy.

The improvements effected over the review period confirm that the sustainability of the Turn Around Strategies is beginning to be entrenched. The following examples illustrate the point

Budget expenditure management is beginning to show maturity, with the department achieving close to 100% expenditure, and significantly avoiding over-expenditure. The establishment of the Audit Committee in 2004 was also a major achievement in improving financial oversight.

Significant progress has also been registered in improving access to services, as well as the quality of care. In the year under review, the following health facilities were completed;

- 7 new clinics and 2 Community Health Centers (CHCs)
- 27 clinics upgraded
- 7 existing clinics improved by adding residences for nurses
- 3 projects in hospitals under the revitalization grant
- etc

The full implementation of the Comprehensive Plan for management, Treatment and Care of HIV and AIDS, including the roll out of the ARV programme in June 2004, has made it possible for the public Sector to respond to the AIDS pandemic in a comprehensive manner. Even though the sites for ARV's were initially 8, the





department has now increased these to 16 and another 10 to start in October 2005 thus making it possible for the department to upscale. It is also worth mentioning that the targets for the first year for patients receiving treatment was exceeded within the first six months, thus indicating a large demand in treatment.

- Other successes have been made in terms of filling posts at managerial level and district level, including the appointment of Corporate Services Centre Managers
- Major challenges continue to face the department, many of them historical or as part of the legacy of apartheid and the homeland system. These challenges translate themselves in terms of structural and systemic weaknesses that hamper rapid improvements in service delivery. On the main, these weakness reflect themselves in inadequate and sometimes dysfunctional systems, capacity constraints such as skills shortages, infrastructure backlogs including lack of good roads which make it difficult to access Health institutions
- The burden of disease is growing. A 2004 antenatal clinic HIV Survey suggested that there was an increase in HIV prevalence from 23, 6% in 2002 to 27, 1% in 2003 and 28% in 2004. The 20 to 29 year old are the most affected age group compared to other age groups. However, it should be noted that the increase does not nullify the fact that the HIV epidemic has reached the maturity stage. These may suggest that the proportion of AIDS related deaths may be precisely equal to the number of new HIV infections. HIV prevalence remains high in Nelson Mandela Metro (34, 5%), 33.8% in C Hani and Cacadu with the lowest prevalence (19%). The male urethral syndrome incidence has decreased from 3.6 per 100,000 in 2001 to 3 per 100,000 in 2004.
- TB is one of the major causes of morbidity and mortality. TB management and control has been complicated by HIV and AIDS in the province. There is a constant increase in TB incidence from 440.8 in 1998 to 624 per 100,000 populations in 2003. These increase in TB incidence should also be attributed to the increase in case detection or case findings in most of the Local Service Areas. The greatest challenge of the TB control and prevention is that the cure rate of all TB cases detected in the province is still less than 30% (Target >85%). Nelson Mandela Metro and Cacadu District Municipality have high TB incidence in the province. This is also attributed to the fact that both Nelson Mandela Metro and Cacadu Health Districts have good surveillance systems which allows them to detect cases. Syphilis prevalence has decreased from 3.8% in 2003 to 2.4% in 2004.
- A comprehensive burden of disease study is currently being conducted by the Walter Sisulu University (WSU) on behalf of the department. This study will give us a better insight about the disease profile of the province, and the impact it is having on the capacity of the department to cope.

The implementation of the departmental programme of action will be intensified beyond the review period. Accordingly , some of the major projects to be implemented include the following;

- A regional based service delivery model based on a referral system
- A health systems review project focusing on strengthening all the critical health systems

In conclusion, it is important to highlight that the department implemented measures to force savings as well as budget surrenders as part of the provincial austerity measures, which impacted on our ability to fully achieve our targets. This situation continues to affect the department.

In my capacity as the Accounting Officer of the Eastern Cape Department of Health, I therefore present this Annual Report for the financial year 2004/05 to the Honourable Member of the Executive Council for Health in the Eastern Cape, the Eastern Cape Provincial Legislature and all citizens of this province and country.



Mr. L.M. Boya

Superintendent-General





4. SITUATION ANALYSIS

The Eastern Cape Department of Health serves a population of approximately 6,436,763 million through 719 clinics and 92 hospitals. Although the building of new facilities has been focused in previously under served areas like Alfred Nzo and OR Tambo, the population per facility is still in excess of 10,000 in some areas

Table 1: Mortality trends

	1998	2003	2004
Infant mortality (under 1) rate	61.2/1000 live births	72/1000 live births	-
Child mortality (under 5)	80.5/1000 live births	112/1000 live births	-
Maternal mortality	56	129	209

Top 10 causes of death

A comprehensive study on the burden of disease in the Eastern Cape is to be conducted in the next financial year by Walter Sisulu University on behalf of the Department

Table 2: Notifiable Conditions

	2001	2002	2003	2004
Acute Flaccid Paralysis	29	27	28	25
Cholera	9	2335	3158	777
Malaria	13	2	9	54
Measles (Confirmed)	0	0	0	7
Meningococcal Infection	32	32	26	29
Poisoning Agricultural Stock remedies	0	0	0	6
Tuberculosis (All types)	21385	28676	20779	19009
Typhoid	0	0	0	3
Viral Hepatitis (All types)	37	56	37	59



MAJOR HEALTH SERVICE CHALLENGES

Despite its achievements, the Department is still challenged by the following:-

- High Infant and Maternal mortality rates
- Management of childhood diseases including low immunization coverage. The current immunization coverage rate is 61.2% and the department is aiming at 85% by 2009.
- Management and reduction of communicable diseases, HIV/AIDS, TB and STIs as well as the Comprehensive Treatment Plan which includes ARV roll-out.
- Rendering of EMS for rural areas of the province.
- Management of non-communicable disease including diseases of lifestyle, malnutrition and obesity
- Poor quality of care in our institutions,
- Recruitment, retention and composition of health professionals.
- Staff development and capacity building
- Backlog in health facilities development and equipment especially in the North Eastern part of the province
- Legislative reforms influenced by cultural factors e.g. circumcision, and recognition of alternative medicine including traditional healing
- Cross boundary movement of people from and to KZN and Free State Province has an impact on the utilisation of services.

PRIORITIES FOR 2005/06

In the next financial year, the Provincial Department of Health in the Eastern Cape will focus on the following key areas:-

- Strengthening the service delivery platform especially for PHC through determination and enforcement of minimum norms and standards, setting correct baselines, and benchmarking.
- Revitalisation of health institutions
- Strengthening Quality Assurance Systems
- Promoting Partnerships and Public Participation
- Ensuring compliance across all sectors
- Improving and re engineering business processes for long term sustainable quality health care delivery.
- Long range planning towards a quality public health system



- Strengthening information systems towards more effective monitoring and evaluation
- Improve overall organizational performance through intensification of Performance Management Development Systems (PMDS)
- Effective communication and branding of the department, institutions and programmes



PART B

5. BUDGET PROGRAMME PERFORMANCE

Table 3: Expenditure by budget sub-programme

Programme	2002/03	2003/04	2004/05	2004/05	Variance -% under/ (over- expenditure)
	Actual	Actual	Actual	Budget	
	R'000	R'000	R'000	R'000	
Programme 1: Administration	191,694	215,110	245,207	252,749	3
Programme 2: District Health Services	2,247,675	2,518,346	2,558,483	2,570,000	0
District management	84,717	79,058	199,007	195,075	(2)
Clinics	495,966	549,082	593,300	585,379	(1)
Community health centres	278,393	361,779	256,618	252,144	(2)
District hospitals	1,164,332	1,265,795	1,290,646	1,308,826	1
Community based services	28,362	10,810	42,726	40,453	(6)
Other community services	11,333	6,011	37,879	40,297	6
Coroner services	0	0	387	450	14
HIV/AIDS	46,796	72,729	115,170	131,970	13
Nutrition	137,776	173,082	22,750	15,406	(48)
Programme 3: Emergency Medical Services	128,464	194,488	125,234	126,896	1
Emergency transport	128,464	159,650	124,293	125,964	1
Planned patient transport	0	34,838	941	932	(1)
Programme 4: Provincial Hospital Services	1,531,892	1,764,282	1,708,351	1,719,434	1
General hospitals (regional)	1,309,395	1,520,871	1,494,939	1,521,466	2
TB hospitals	46,692	80,760	24,507	24,968	2
Psychiatric hospitals	175,805	162,578	173,000	188,905	8
Subacute, stepdown and chronic hospitals		70			
Dental training hospitals		3			
Programme 6: Health Sciences and Training	96,124	122,884	159,948	164,544	3
Nurse training colleges	70,523	102,365	152,185	156,673	3
EMS training colleges	539	299	197	274	28
Bursaries	25,062	9,551	7,560	7,589	0
PHC training		9,197	8	8	0
Other training		1,472	(2)	0	0
Programme 7: Health Care Support Services	9,168	23,027	10,440	10,807	3
laundries	-	-	-	-	-
Engineering	-	-	-	-	-
Forensic services	-	-	-	-	-



PART B

Programme	2002/03	2003/04	2004/05	2004/05	Variance -% under/ (over- expenditure)
	Actual	Actual	Actual	Budget	
	R'000	R'000	R'000	R'000	
Orthotic and prosthetic services	9,168	23,027	10,440	10,807	3
Medicines trading account	-	-	-	-	-
Programme 8: Health Facilities Management	288,212	404,875	372,554	376,836	1
Community health facilities			150,654	150,585	0
EMS	-		- 180,760	-	
District hospitals	213,237	- 304,337	40,279	182,684	1
Provincial hospitals	74,975	100,506		42,705	6
Central hospitals		32			
Other facilities			861	862	0
Total: Programmes	4,493,242	5,243,012	5,180,217	5,221,266	1



Table 4: Evolution of expenditure by budget per capita sub-programme (constant 04/05 prices)

	2002/03	2003/04	2004/05
Population	6,436,763	6,436,763	6,436,763
% insured	-	-	10.2
Uninsured population	-	-	5,780,213
Conversion to constant 2004/05 prices	1.16	1.05	1.00
	Exp per capita Uninsured	Exp per capita Uninsured	Exp per capita Uninsured
Programme	R'000	R'000	R'000
Programme 1: Administration	0.0385	0.0391	0.0424
Programme 2: District Health Services	0.4511	0.4575	0.4426
Programme 3: Emergency Medical Services	0.0258	0.0353	0.0216
Programme 4: Provincial Hospital Services	0.3074	0.3205	0.2956
Programme 5: Central Hospital Services	-	-	-
Programme 6: Health Sciences and Training	0.0193	0.0223	0.0277
Programme 7: Health Care Support Services	0.0018	0.0042	0.0018
Programme 8: Health Facilities Management	0.0578	0.0735	0.0645
Total: Programmes	0.9017	0.9524	0.8962





5.1 PROGRAMME 1: HEALTH ADMINISTRATION

AIM

The aim of the programme is to ensure the management of financial-; human-; information-; and infrastructure resources.

ESTABLISHMENT OF PROGRAMME 1

This programme consists of two main streams of branches, i.e. financial and corporate services. The Office of the MEC and the Superintendent General (H.O.D) are included in this programme.

The following Branches or Streams make up Programme 1:-

Corporate Services with the following Chief Directorates

- Integrated Human Resources Management
- Corporate Services and Information Technology
- Infrastructure Management

Financial Services Branch:-

- Financial Management
- Integrated Budgeting and Strategic Planning
- Procurement and Payment (Supply Chain Management)

Office of the Superintendent General:-

- Quality Health Care Assurance Services
- Internal Audit Services

In addition, to the above two Chief Directorates, two directorates with the Office of the Superintendent General were introduced during the period in review, they are, Communication and Monitoring and Evaluation Directorates.



ANALYTICAL REVIEW OF PROGRAMME PERFORMANCE

The analytical review of the programme performance focuses on new policies introduced during the 2004/05 financial year as well as policy amendments which will come into effect during the 2005/06 financial year. Major constraints and challenges hampering programme performance are highlighted, together with the programme priorities for the 2005/06 financial year.

5.1.1 POLICIES

Within the Administration Programme, the following policies were implemented by different chief directorates during the 2004/05 financial year.

Chief Directorate: Integrated Human Resource Management

Following the implementation of the new service delivery model (decentralization), some measures had to be put in place to facilitate the process consequently :-

- HR Delegations to Complexes, Corporate Services, District Offices, institutions and LSA's were effected.
- 28 HR policies were developed by the Integrated Human Resources Management
- Seven (7) Human Resource policies were developed internally and were discussed and adopted in the Provincial Health and Welfare Sectoral Bargaining Chamber.

The Legislative Framework:

- Public Service Act, 103 of 1994 as amended
- South African Qualifications Authority Act, 58 of 1995
- Labour Relations Act, 66 of 1995
- Basic conditions of Employment Act, 75 of 1997
- Skills Development Act, 97 of 1998
- Employment Equity Act, 55 of 1998
- Public Service Regulations, 1999
- Public Service Bargaining Council Collective Agreements

Chief Directorate: Financial Management



- Uniform Patient Fee Schedule (new)
- Continued with existing financial policies

Chief Directorate: Procurement and Payment

- Supply Chain Management Framework
- Supply Chain Management Delegations
- Supply Management Practice Notes
- Preferential Procurement Policy Framework Act 5 of 2000
- Introduction of Monthly and Year end reports
- Roll-out of Creditors Reconciliation

Chief Directorate: Corporate Service Centre, Information Technology and International Liaison

- No policies were implemented by the sub-programme during the 2004/05 financial year
- A comprehensive cellular phone policy was developed, but its final approval is awaited
- Amended the Migration Act

Chief Directorate: Integrated Strategic Planning and Budgeting

- National and Provincial Treasury Guidelines on Budgeting and Strategic Planning guided the directorate in the compilation of the Strategic plan and Budget Statement documents.

Chief Directorate: Quality Health Care Assurance Systems

- National Policy on Quality Assurance - this policy gives guidelines on setting of standards and structures to monitor the adherence to set standards. This document was also used as a guideline for the development of Provincial policy which is currently in a draft form.
- Batho Pele - this document seeks to promote accessibility in quality health services



and active participation of community members. There has been an increase in customer focus in our institutions, hence the complaints systems and the hospital board's policy.

- Patients Rights Charter - seeks to empower health service users about their rights regarding health care, and enables health service providers to work towards provision of quality health care standards.
- Research Policy - the purpose of this policy is to coordinate research, empower researchers and protect the rights of research participants within the province, with an aim of providing relevant information essential to improve health services
- Access to Information Act PHC, hospital, TB, STI, HIV information is readily available from the information directorate.
- National Health Act provides a framework for a structured uniform health system within the country, taking into account the obligations imposed by the Constitution and other laws on the national, provincial and local governments with regard to health

5.1.2 PRIORITIES

Within the Administration Programme, the following priorities were implemented by different chief directorates during the 2004/05 financial year.

Chief Directorate: Integrated Human Resource Management

- Roll-out all approved policies in the form of workshops or seminars in order to profile them to the staff members
- The finalisation of Human Resources Plan to be in line with the National Department of Health
- The finalisation of Employment Equity Plan for the Department
- Embarked on an extensive Change Management programme as part of transformation
- Developed policies to govern relationship between organized labour and the Department
- Improved management of filing system



- Re-engineered systems to efficiently manage paper-based documents
- Conducted staff satisfaction surveys

Chief Directorate: Financial Management

- UPFS implementation
- Operation Clean Audit
- Setting up of an audit committee
- Adherence to existing financial policies
- Development and implementation of a financial internal control system
- Completion of the devolution of the Pre Audit function

Chief Directorate: Procurement and Payment

- To ensure that procurement systems are implemented in the Department that will facilitate effective and efficient Programme operations.
- To ensure the availability and accessibility of accurate information on the activities of the Business Unit.
- Training of Staff in Supply Chain Management and Computer literacy.
- Creditors account to be reconciled on a monthly basis.
- All invoices to be paid within 30 days.

Chief Directorate: CSC, Information Technology and International Liaison

- To establish 8 Corporate Services in support of new service delivery model adopted by the Department
- A complete assessment of all PABX's in the province had been completed.
- Two problematic PABX's had been replaced at PE Walton Building and Humansdorp Hospital.
- A basic IT infrastructure had been established at an additional 25% of hospitals.
- An additional 25% of hospitals are currently utilizing transversal systems which contribute to more effective service delivery.
- Recruitment of critical medical staff in rural areas
- Recruitment of students for medical training from underserved areas



Chief Directorate: Integrated Strategic Planning and Budgeting

- Establish full linkage between Strategic, Operational and Budgeting process
- Manage plan, monitor, evaluate and coordinate the budgeting process in the department
- Formulation and development of budget policies.

Chief Directorate: Quality Health Care Assurance Systems

- To establish quality improvement programs in the health institutions
- To monitor adherence to set norms and standards
- To prepare institutions to be accredited on international standards

5.1.3 CHALLENGES AND CONSTRAINTS

The programme experienced the following challenges and constraints during the 2004/2005 financial year.

Chief Directorate: Integrated Human Resource Management

- Recruitment and retention is still a challenge. Besides health professionals, managers in various areas were difficult to recruit
- Timeous payment of salaries and benefits
- Lack of capacity amongst staff
- The inadequate budget to the Department has for years militated against the filling of vacant posts in the Department
- Programme management capacity lacking
- Office accommodation
- Electronic Human Resources Information System besides Persal

Measures to overcome them

- Budget allocation on personnel to be reviewed
- The organisational structures within the Chief Directorate have been aligned to the needs and demands of our clients. The next phase would be to embark upon a process of training and development of requisite skills in close liaison with Human Resources Development Chief Directorate. Various strategic positions have been



filled though gaps still remain in certain areas;

- Leverage on technology to enhance productivity

Chief Directorate: Financial Management

- Low staffing levels
- Problematic interfaces (Medsas)
- BAS Accessing BAS is a problem as the system is slow or always down
- Revenue collection is poor at the institutions, as the function is not taken seriously as other finance functions.
- Misallocations due to PERSAL and BAS not interfacing properly
- Inadequate budget
- Suitable office accommodation and automation

MEASURES TO OVERCOME THEM:

- Workstudy was engaged to revise the organogram of this Chief Directorate.
- Application for funding through the critical posts route
- Performance agreements have been put in place and performance is monitored
- Service provider for Medsas interface and SITA were engaged to sort out the delays
Training on UPFS billing is taking place, and the audit intervention plan has been developed, and the teams are working in the regions and amongst other things, to raise awareness on revenue collection and general compliance to financial regulations and prescripts.
- Computers will be purchased in the next financial year.
- Inaccessibility of BAS has been reported to IT for assistance
- A specialist will be engaged to sort out the PERSAL BAS links
- Office accommodation currently being reviewed

Chief Directorate: Procurement and Payment

- Inadequate Procurement Staff at Institutional level to ensure priorities are implemented.
- Performance management and development of staff.
- Institutional Reform specifically in terms of the adoption of the new Supply Chain Management methodologies.



- Accessing BAS is a problem as the system is slow or always down.
- Problematic interfaces between BAS AND LOGIS
- Office accommodation
- Difficulty in getting monthly statements from suppliers

Chief Directorate: CSC, Information Technology and International Liaison

- Obtaining accommodation for CSC
- Limited budget
- Capacity of staff especially at district level
- The belt-tightening process had been a real challenge in improving the communication infrastructure
- Appointment of core staff due to budget problems
- Post will be filled for the unit in the next financial year

Chief Directorate: Integrated Strategic Planning and Budgeting

- To ensure that the Strategic Plans prepared by the Chief Directors incorporates the policy framework of the department and addresses the basic health needs of the Province of the Eastern Cape
- To ensure that the budget is properly aligned to the Strategic Plan of the Department
- Non-availability of Programme Managers in order to give information on variances on the IYM.
- Non-availability of cash-flow projections from cost centres in order to make informed requisition of funds.
- Too many responsibility in each cost centre leading to misallocation of personnel expenditures.
- BAS system very slow and often not working is a challenge to efficiency.
- Constant shifting of funds by cost centres results to less productivity.

Measures to overcome them

- The Programme Managers will be given a time-table which illustrates the times when he/she should be available.



- A circular to all cost centres will be issued encouraging them to forward weekly cash-flow projections.
- The organogram needs to be revised and cost centres codes be minimised on BAS.
- The complaint pertaining to BAS has been communicated time and again to System Controller and IT.
- A circular stating that the shifting of funds be done quarterly is to be issued out.

Chief Directorate: Facilities Management

- In Office Support Management Services there was never enough office space for all the staff and functions that needed to be performed and document management was a great challenge.
- Due to the belt tightening exercise, no appointments could be made.

Chief Directorate: Quality Health Care Assurance Systems

- Poor support from institutions and programme managers in addressing the issues of quality in the institutions and utilization of information
- Complaint system not functional in some of institutions

Measures to overcome constraints

- Continuous training on investigative procedures and handling of complaints has been done.
- Batho Pele road shows and radio slots will continue.
- Workshops on hospital boards and support provided to institutions in the formation of boards.
- Quality improvement workshops on complaints management for institutional managers and quality assurance coordinators have been done.

5.1.4 ACHIEVEMENTS

Chief Directorate: Financial management

Revenue Management

In 2003/04 Cabinet approval was obtained to implement UPFS. 8 institutions were



targeted to implement UPFS billing for 2004/05, but the implementation was done to 11 institutions. The revenue target for the year was R44m and the actual collection was R53m.

Accounting services

The department closed the financial year end books, in compliance with section 40 of the PFMA and Treasury Circular 18.

Financial Internal Control

The pre auditing function was established in six centres against the target of 8 centres as the focus has been at the Head Office and 5 regional and corporate service centres that are serving all offices and institutions.

Investigations:

Reported cases	Status	Outcome
Hotline 57	49 in progress	5 referred to Social Development 3 duplicates
Adhoc investigations 7	3 in progress	2 finalised 2 recommendations done

Chief Directorate: Procurement and payment

The following achievements were made by this chief directorate:-

- The implementation of PPPFA principles in terms of Supply Chain Management Practice Note 2 of 2003 whereby all procurement of goods and services equal to or above R30, 000 up to R100, 000 are evaluated applying 80/20 preference point system.
- Establishment of Procurement Committees for adjudication of bids equal to or above R30, 000 up to R100, 000.
- Procurement delegations were increased from R75, 000 to R100, 000 in the case of quotations to ensure effective service delivery especially at institutional level.



- 2 new LOGIS sites were implemented namely, Butterworth and Fort England Hospitals.
- Identification of a suitable Supplier Database Management Software.
- Introduction of Streams to render technical support to all Institutions.
- Management staff was introduced in the new concept of Supply Chain Management through the Provincial Treasury

Chief Directorate: Integrated Strategic Planning and Budgeting

- The department succeeded against all odds to have an accurate EC5.1 consolidation with all cost centres.
- The support to Programme Managers in all matters pertaining to budgets maintained through the year.
- Able to see to it, through the IYM and expenditure control, that the department was able to remain within the allocated budget.
- Minimise misallocation of expenditures through continual checking and passing corrective journals.

Chief Directorate: Facilities Management

The Fleet Africa Eastern Cape (FAEC) contract had several problems, the chief of which was the inadequacy of FAEC's electronic management information system(MIS).

- The Departmental MIS was successfully implemented.
- The Asset management unit in the department was set up.

Chief Directorate: Quality Health Care Assurance Systems

Customer Care & Quality Assurance Management

- Health Call Center:

This ensures a 24hr communication line with health service users and staff. The call centre was launched for the purpose of encouraging community participation in health matters



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- **Toll free number**
The toll free line for the Eastern Cape Department of Health is 0800032364. This number is continuously used by the health service consumers to complain, enquire, and report fraud and in our health facilities.
- **Quality Assurance Teams**
Quality Health Care Assurance Systems ensures adherence of the health facilities to quality standard as enshrined in the Quality Assurance Policy. Forty two (42) health institutions have established Quality Assurance Teams to coordinate quality improvement activities in the institutions.
- **Clinical Audit**
Clinical Audit Concept has been communicated to all public health institutions. Clinical Audit teams have been formed in 15 hospitals to coordinate clinical audit activities.
- **National Norms and Standards (District and Primary Health Care Package)**
These have been distributed to all health institutions for their compliance and participation in the coordination of quality improvement activities.
- **Capacity Building Workshops**
Two workshops for capacity building were held for Quality Assurance Coordinators and Managers of institutions
A Health and Human Rights workshop was held for managers and hospital board members to create awareness and promote health rights based care as well as to promote partnership with South Africa Human Rights Commission.
- **Batho Pele Road Show**

In July 2004 a Road Show on Batho Pele was held in the OR Tambo District .The purpose was to create awareness to the health care providers on operationalization of Batho Pele as well as to health service users on their responsibilities on the implementation of Batho Pele. This project will continue to reach all the districts.



- **Quality Month Celebrations**
November is regarded as a international quality month. In recognition of that the QHCAS created awareness on quality issues, targeting the community members and health care providers at OR Tambo District Municipality
- **Health Awards**
The Cecilia Makiwane and Baby Friendly Hospital Initiative health awards were held with the aim of encouraging institutions to strive for excellence in the delivery of health services.
- **Quality Improvement initiatives at Health Facilities**
Amahlati Local Service Area was supported and assisted to conduct the awards ceremony for the best clinics on the implementation of Batho Pele Principles. Mother Child and Women's Health was assisted on the purchasing of protocols of maternal conditions in pregnancy. Various institutions were assisted to conduct quality improvement initiatives
- **Patient Satisfaction Survey**
The Patient Satisfaction Surveys were conducted in 18 Hospitals to promote a customer care oriented health service delivery. This will allow clients to have inputs in the quality of care they receive. The data base for field workers has been established for hospitals that participated to ensure continuity of patient satisfaction survey. Institutional managers were trained on patient satisfaction survey.

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Table 5: Performance against targets from the 2004/05 strategic plan - Programme Administration

Sub-programme	Objective	Indicator	2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 Strat. Plan target
Integrated Human Resource Management	Sourcing and Recruiting of staff	Vacancy kept at a low %	65%	50%	31%	35%
	Facilitate Financial And Non-Financial Rewards for all	Timeous payments of benefits	3 Months	2 Months	1 month	1 month
	Ensure the retention of Health professionals For at least 5 Years	Turn-over rate	10.2%	10%	10%	10%
	Provision of sound HR policies	New and revised HR policies available; Employment Equity Plan in place	0%	60% HR Policies drafted EE Plan 40% developed	30 New policies Developed; 7 policies approved	30 new policies To be Developed
	Development and Implementation of wellness programmes	Availability of a Workplace HIV&AIDS Strategy: Functional EAP referral system In place	Nil	Nil	Workplace HIV/AIDS Strategy 75% complete EAP Policy Developed	Strategy 50% Completed EAP policy in place Referral system in place

	Development of HR Plan for the Department	HR Plan in place	NIL	10%	80%	50%
	Development of Organisational structures	Organisational structures in place	Implementation /Review	Continuous	Continuous	Continuous
	Performing job evaluation And job descriptions	Mandatory jobs Evaluated, job descriptions in place	10%	30%	50%	50%
	Management, control and Monitor the capturing of HR transactions on PERSAL system	Approved establishments reflected on PERSAL;	Nil	60%	100%	100%
	Ensure accuracy of information on PERSAL	All records on PERSAL comply to NMIR	Nil	60%	80%	80%
	Ensure training of PERSAL Users.	PERSAL users trained	Nil	10%	50%	50%
	Ensure sound, fair	No backlogs in	Nil	40%	Nil	Nil



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Corporate Services	And transparent Employment relations In the Department	Disciplinary and dispute cases; Effective collective bargaining forums	Full Sourced	3 centres established	7 centres established	8 centres established			
Information Technology Services	Establishment of corporate service centres Enhance the telecommunication Infrastructure of the Department to improve Its cost effectiveness	11 Corporate service Centre established Functional and suitable PABX in hospitals					An in-depth assessment of all problematic PABX's had been done. Due to the belt-tightening process only critical cases were attended to i.e. PE Walton Building and Humansdorp Hospital. New installations were done at Bisho Nurses Home and EL CSC. A generic specification for PABX's, cellular phones and cellular routers had been developed and is utilized.		To establish a basic IT infrastructure at
	To develop and maintain The	Number of hospitals, LSA's and CSC's with	A basic IT Infrastructure were	A basic IT infrastructure were Established at 60%	A basic IT infrastructure were				



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	departmental IT infrastructure	functional IT infrastructure	established at 50% of hospitals	of hospitals	85% of hospitals	75% of hospitals
	To support the development, maintenance and utilization of application software in the department	% of facilities utilising transversal systems, e.g. BAS and PERSAL	50% of hospitals utilize transversal systems	60% of hospitals utilize transversal systems	85% of hospitals utilize transversal systems	To provide access to transversal systems at 75% of hospitals
International Liaison	Functional international medical training and appointment of Foreign Qualified Doctors	No of trained medical students and recruitment of medical professionals	0%	25%	Ongoing process - 30% medical training recruitment 15 Foreign doctors and 2 Foreign Pharmacists recruited	100%
Finance	Support programmes to achieve a 5% variance in spending	Spending patterns as per in year monitoring		The department overspent the budget by R131m	The department had savings of R41m	Maintain a 5% variance.
	Provide financial accounting services	Accurate and timeous financial report provided	Unqualified audit report	Disclaimer issued	Awaiting audit opinion	Unqualified report with 65% reduction in emphasis of matter
	Provide financial internal control	Exceptions cleared	80% of suspense accounts with reduced balances	25% suspense accounts cleared	100% suspense cleared	50% suspense accounts cleared
Procurement and Payment		Pre audit services rendered	Pre audit centralised in the Provincial Treasury	Accreditation to run own pre audit received from the Provincial Treasury	6 functional pre audit centres rolled out	8 functional pre audits rolled out to 8 centres
	To Ensure Compliance With The PFMA And	Number of days in which suppliers paid	40 Days	39 days	49 days	30 days

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	Treasury Guidelines When Paying Creditors				10%	30%	45%	100%	
	To ensure that there are no duplications, over/under Payments of invoices.	Number of creditors reconciled monthly.							
	Establish an effective functional document Centre.	Number of documents filed monthly against the number of documents generated.			Call for all financial documents from districts and institutions for 2004/2005 financial year.	The 2004/05 documentation received and filed at the documentation centre.	All documents for 2004/5 financial year must be received at the document centre and the document tracking system will be installed.	Fully functional document centre for Head Office.	
Strategic Planning	Provide a road map of provincial objectives and targets in form of a five year Strategic Plan	Availability of the departments Strategic plan			2003/06 ECDoh Strategic Plan	2004/07 ECDoh Strategic Plan developed and tabled to Treasury	2005/2010 Strategic Plan developed and tabled to Treasury	2005/2010 Strategic Plan	
	Develop a plan that reflects the activities of the Eastern Cape Department of Health	Availability of the Operational plan of each year			2002/03 Operational Plan	2003/04 Operational Plan submitted to Legislature	2004/05 Operational Plan submitted to Legislature	2005/06 Operational Plan	
	Provide a monitoring and accountability tool to the provincial populations and legislature	Availability of quarterly reports Availability of Annual			Report for four quarters Annual report 2003/04	Submission of Quarterly reports 2002 Annual Report	Submission of Quarterly reports 2003 Annual Reports	Submission of Quarterly reports 2004 Annual Report	



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	legislature	Reports Adhoc Reports	2003/04 Adhoc reports submitted	Adhoc reports submitted Discussions with Provincial Treasury on first draft	Adhoc reports submitted Budget hearings report presented in Cape Town on Port folio committee presentation on the 7th June 2004	compiled for submission Adhoc report submitted
To develop and implement an improved Budgetary Management system at all levels	Effective and participative Budget Management system	Maintain a 5% variance spending variance. An implemented Budget Management system aligned to Provincial Treasury time frames	Implement Circular 45 of 1999 at all levels and Complete first draft of budget by all stakeholders. Compilation of EC Forms by all cost Centres as per indicative. Conducting one performance review with Provincial and Local Government facilities for the 4th Quarter of the 2003/04 FY. Train sub-districts in the Northern Region		To finalise Indicative budget with Provincial Treasury	To allocate based on initial draft and reprioritisation where applicable. Loading of the Final budget.

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			Of the province eg. Umtata & Kokstad Provide support to all Programme Managers to complete IYM reports for April to March. Submission of weekly Cash Flow requirements as per schedule			
Improve Template for performance reviews on budgets and expenditure	Report and results on performance reviews (Cost per PDE, Bed occupancy)	Conducting of three performance reviews		Conducting one performance review with Provincial and Local Government facilities for the all four Quarters of the 2003/04 F.Y.	Conducting one performance review with Provincial and Local Government facilities for the all four Quarters of the 2004/05 F.Y.	Conducting one performance review with Provincial and Local Government facilities for the all four Quarters of the 2004/05 F.Y.
Provide training to districts and facilities on new performance review methodology	Trained staff on conducting a performance review	Train districts		Train sub-districts in the Northern Region of the province, eg. A. North, Elliot, Cala & Queenstown,	Train sub-district in the Region of the province, eg. Mbashe KWT, Fort Beaufort and E London	Train sub-district in the Region of the province, eg. Metro, Kouga, Camdeboo and Albany
Implement effective In Year Monitoring (IYM) management system for the department	Twelve comprehensive quality IYM reports	Full support to Programme Managers and timeous submission of 12 IYM reports as scheduled by Provincial Treasury		Provide support to all Programme managers to complete IYM reports for April to March.	Provide support to all Programme Managers to complete IYM reports for April to March.	Provide support to all Programme Managers to complete IYM reports for April to March..



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Implement effective Cash Flow Management system for the Department	Cash Flow submissions to Provincial Treasury	Fifty (50) Cash Flow submissions to Provincial Treasury		Submission of weekly Cash Flow requirements as per schedule	Submission of weekly Cash Flow requirements as per schedule	Submission of weekly Cash Flow requirements as per schedule
Quality Health Care Assurance Systems	Implementation and coordination of Quality assurance programmes.	Number of institutions with quality assurance teams			39 institutions with established quality assurance teams	55 % of institutions with established quality assurance teams.
		Number of hospitals with trained infection control teams	No data	22 institutions	66 institutions and 7 Local service areas have been trained on formation of infection control teams	51 institutions trained infection control teams
	Implementation of Batho-Pele principles	% of institutions with functioning and representative hospital boards Number of institutions displayed information about available services Draft policy has been developed and circulated for inputs	No data	5 No data	42 institutions with interim hospital boards. 5	30 institutions with hospital boards 30
			No data		Batho Pele roadshows conducted in two Districts, O.R.Tambo	

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					Buffalo City.	
Monitor and evaluate health services to ensure quality improvements	Accreditation No of institutions on accreditation program	Nil	nil	18	Tender specification completed with tender board for 24 prioritised institutions. The initiative will be tendered.	
	Number of institutions on accredited	nil	nil	0	Tender specification completed with tender board. The initiative will be tendered.	
	Number of institutions evaluated on minimum standards set Complaint System	nil	nil	15	National District Norms and Standards Circulated to 92 hospitals Primary Health Care Norms and Standards circulated to all 25 Local Service Areas	
	Percentage of institutions with functional complaints system	5%	20%	20%		

	stats to Head Office	10%			submitting their stats	10%
	Percentage of Resolved Complaints		30%		60%	
	Number of institutions with functioning clinical audit teams	0	10		15 institutions have established clinical audit teams	10
	Number of institutions holding morbidity and mortality meetings once a month	0	0		15 Institutions are holding morbidity and mortality meetings	30
	Number of institutions submitting reports on anaesthetic deaths	0	0		0% Hospitals not yet submitting reports but hospitals have commenced clinical audit activities	30
	Number of Hospitals submitting maternal deaths statistics	0	0		All Hospitals are submitting stats to MCWH	30
	Number of institutions submitting perinatal deaths monthly	0	0		29 Perinatal Problem Identification Program Sites (PPIP)with soft ware are reporting to MCWH	30



Programme 1

Programme 1



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Programme 1

		Research policy guideline				Guideline in place but not yet finalised on requests to make more inputs by universities in province	Guideline in place by March 2005
		Information sharing with different programs within the province to improve planning	4 Epidemiological notes were published	4 Epidemiological notes were published	4 Epidemiological notes per year		
Facilities Management	Asset Management Implementation	List of new acquisitions for disclosure in financial statements. Draft implementation on document on asset management	Information provided for AFS. No updated departmental policies available	Information provided for AFS. Draft policies available- awaiting Provincial Treasury guidelines for finalization of policies.	List of assets acquired in financial year 2002/03, 03/04, 04/05	List of assets acquired in financial year 2002/03, 03/04, 04/05	
		Appointment of asset management unit	Unit initiated and then disintegrated with restructuring	Unit was commissioned	Staff appointed to unit according to organogramme valid at April 2004. Staff started to line report to CFO branch from 1 Feb 2005	Unit commissioned according to new organogramme	
		FAEC contract fully functional	Preparations for contract undertaken	FAEC contract implemented except for non-compliant vehicles were not completely	Implementation of FAEC contract completed except for FAEC electronic MIS	Implementation of FAEC contract;	
	Efficient Fleet management						

Programme 1



	Efficient and effective Office support services	Establishment of Departmental MIS	No Departmental MIS	Departmental MIS went out on tender	Dep't did implement its own MIS	Implementation of Departmental MIS
		Adequate office space available Good document management	5,000m2 of space available Only staff and general registry available	5,000m2 of space available Finance document center was created	6,000m2 of office space available Records manager not appointed due to belt tightening	11,000m2 of office space available Appointing a records manager for the Department

5.2 PROGRAMME 2: DISTRICT HEALTH SERVICES

AIM

The aim of the District Health Services Branch is to deliver Primary Health Care and level 1 hospital services through the District Health System vehicle, more specifically the following:

- Development of governance structures and delegation of PHC services to competent Local Government structures;
- Improving maternal, child and women's health;
- Strengthening the HIV/AIDS, Sexually Transmitted Infections and TB programme;
- Reduction of mortality and morbidity rates;
- Improvement of District Hospital Services

ANALYTICAL REVIEW OF PROGRAMME PERFORMANCE

The analytical review of programme performance focuses on new policies introduced during the 2004/05 financial year as well as policy amendments which will come into effect during the 2005/06 financial year. Major constraints and challenges hampering programme performance are highlighted, together with the programme priorities for the 2005/06 financial year.

POLICIES

The following policies were implemented by the programme during the 2004/05 financial year:-

- Guidelines for Maternity Care in South Africa
- Saving Mothers: Policy and Guidelines for common causes of maternal deaths
- Perinatal Problem Identification Program
- Maternal Deaths Notification System
- Policy Guidelines for Management and Prevention of Genetic Birth Defects and Disabilities
- National Contraceptive Guidelines



Sterilisation Act (No 44 of 1998)
Cervical Cancer Screening Policy
Choice on Termination of Pregnancy
Youth and Adolescent Health Policy Guidelines
National Adolescent Friendly Clinics Initiative
Integrated management of Childhood Illnesses
Expanded Program on Immunizations
School Health Policy and Implementation Guidelines
S A National TB Control Practical Guidelines
TB Training Manual
TB/HIV Training manual
National Oral Health Strategy
Treatment guidelines for oral manifestations of HIV and AIDS
Treatment guidelines for primary oral health
National Antiretroviral Treatment Guidelines

PRIORITIES

The following priorities were identified by the programme for effective implementation during 2004/05 financial year:-

Rationalization of District Hospitals, number of beds utilized and health services that are provided within District Hospital Clusters.
Supporting the revitalization of district hospitals process
Ensuring the improvement of quality of services in the District Hospitals, through policy and protocol formulation and supporting the provincial Quality assurance programme.
Implementation of Hospital Boards per Cluster
Implementation of Community service for Doctors per Cluster
Integration of Provincially Aided Hospitals and the Hewu Hospital within the Clusters.
Review the District Hospital Clusters.
Ensure equitable budget allocation within District Hospitals and Provincially Aided Hospitals.
Expanded Program on Immunisation

Management of tuberculosis
Prevention of infant and maternal deaths
Comprehensive Care and Treatment Plan (ART Plan)



CHALLENGES AND CONSTRAINTS

The programme experienced the following challenges and constraints during the 2004/05 financial year:-

Unreliable information from District Hospitals for use in decision making.
Vacant Management posts in District Hospitals as a result there are no managers to implement policies.
Recruitment of professionals in rural hospitals.
Role clarification between provincial and district functions.
Capacity building of District Hospital Cluster CEOs.
Management of SLA with Provincially Aided Hospitals and contract of Hewu Hospital.
Improvement of quality of health care in District Hospitals.
Budget constraints: Other important activities are funded from grants in other programmes e.g. revitalization budget. Generally the budget for District Hospitals is not adequate to provide for all the needs.
Lack of adequate communication system in the ECDOH.e.g. Hospital managers and Cluster CEOs not having e-mails. No electronic data base for circulars to ensure that all can access all circulars.
Recruitment and retention of nurses who are the implementers of these programmes
Management of priority health programmes where one of the major contributing factors is the exodus of nurses. As soon as they are trained in programme management, they move to other areas and this results in poor skills and ongoing training.
High infant and maternal mortality rates
Poor management of childhood diseases including immunizations
Access to information in order to evaluate progress
Measles outbreak which changed the focus for service providers
Poor infrastructure such as telephones and electricity which result in poor communication





No specialist in the province for programme such as eye and oral health services (Optometrists and Maxilla Facial Dentists)

ACHIEVEMENTS

District Hospital Cluster Chief Executive Officer (CEO) Appointment

In terms of the IMT Turnaround Plan in an effort to improve service delivery, the District Hospitals were clustered into 18 clusters. To implement the process, 14 Cluster CEOs were appointed, the other 4 Cluster Hospitals have acting CEOs.

The strengthening of management capacity and optimizing resource utilization was achieved.

Signing of Service Level Agreements (SLA) : Provincially Aided Hospitals

The Service Level Agreement (SLA) for 18 Provincially Aided Hospitals was reviewed and the new SLA was signed. Better mechanisms to monitor and evaluate the performance of these institutions have been put in place.

Revitalization of Hospitals Programme : Mary Theresa District Hospital

The old Mary Theresa District Hospital in the OR Tambo District Municipality has been replaced with a new state of the art hospital in the new site, through the hospital revitalization programme. The new hospital has been completed in March 2005. The process of moving to the new hospital will start in July 2005.

Environmental Health Services

Environmental Health has again demonstrated its resolve being in the forefront of disease prevention and outbreak response by facilitating sanitation interventions at 160 rural Clinics.

Table 6: Performance against targets from 2004/05 Strategic plan for other strategic health programmes within the DHS programme

Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2003/04 Actual	2004/05 Strat. plan target
DHS programme	Fully integrated PHC services between ECDOH and Local Government	Number of districts with 80% functional integration (using the tool)	Poor implementation because guidelines were not fully developed	2	2	4
	Integrated district health plans for each LSA and health district	Number of districts with integrated district health plans (using DHP & R and IDP)	DHP & R not yet finalised by the National Department of Health	1	1	4
	Ensure implementation of the District Health System and Provincial District Development policy	Number of districts with functional DHCs and DHACs	3	3	3	7



Programme 2



Community Health Clinics	Increase access to PHC facilities by increasing the utilization rate to 2.9	Average utilisation rate per district	2.5	2.1	2.2	2.5
	80% of PHC facilities to provide the full PHC package	% facilities that implement the full PHC package	-	-	80%	60%
Community based Services	Improve management of medical waste in public health facilities within the province	% of institutions implementing waste management programme	20%	20%	40%	60%
Other Community Services	Reduce morbidity and mortality rate resulting from traditional practices	No of deaths in relation to the number of registered initiates	50	41	14	0
	- Reduce fatalities resulting from occupational hazards/injuries	% of institutions implementing occupational health programmes	20	40	60	100

District Hospitals	To provide clinical support to District Hospitals.	Number of visits according to plan Number of Clinical protocols provided to District Hospital Clusters	-	-	14 District Hospital Clusters were visited. Protocol on MCWH circulated to all District Hospital Clusters.	18 District Hospital Clusters 4 protocols
	Provision of new District Hospitals	Number of new District Hospitals	-	2	1 New District Hospital construction completed. (Mary Theresa)	1
	Upgrading of existing District Hospitals	Number of upgraded District Hospitals	-	5	6 upgrading projects for District Hospitals completed. - Victoria Psych , Peads and Maternity Wards - Uitenhage ground floor and basement. - Holy Cross accommodation. - St Barnabas Phase 2.	6
	To improve quality of care in the District Hospitals	Percentage of District Hospitals with quality assurance teams	Nil	Nil	100%	100%
HIV & AIDS VCT	Increase access to voluntary HIV counseling and testing	% Fixed PHC facilities providing VCT services	39%	68%	94% Fixed PHC facilities	75%

Programme 2



	Strengthen and support existing 411 VCT facilities	Number of Lay Counsellors and Personal sellers on stipend			1422 Lay counsellors & 800 Personal sellers	1422 Lay Counsellors and 800 personal sellers
HIV and AIDS PMTCT	Increase access to PMTCT programme in 25 LSAs	% of facilities implementing PMTCT	33	52	72% Fixed PHC facilities	50%
		Percentage of women accepting PMTCT services	75%	72%		70%
HIV and AIDS STI	Ensure effective syndromic management of STIs in both public and private sectors	No of health providers trained on new STI protocols	N/A	1 212	1 120	1 000
		% STI partner notification and tracing rate	33	32	28.83	40
		Condom distribution per male	7.29	7.88	8.54	7
		% of PHC facilities with no drugs stock outs			0	0
		% of facilities offering syndromic management of STIs	100	100	100	100
Nutrition		% of clinic gardens funded for vegetable production	40%	30%	32%	5%
		% of children 12-24 months that receive supplementary Vit A	80,3%	99%	58%	100%
Maternal, Child and	To reduce maternal mortality rate	% of health facilities certified baby friendly	5%	30%	25%	30%
		Maternal Mortality Ratio	Not record	190 Maternal Deaths	183 maternal deaths	150/100 000

To increase number of TOP sites	Number of facilities per district providing TOP services	24	26	29 sites in hospitals 16 sites in CHC All districts 2 to 3 TOP sites	One facility per district
To increase number of facilities rendering ANC services	% of PHC facilities rendering ANC services	70%	78%	80%	92% of PHC facilities rendering ANC services.
To improve utilization of Family Planning Services	Contraceptive prevalence rate	21%	22%	27%	45%
To improve access to Ante Natal Care services	Number of ANC visits per ANC client	3	3	3	3 Ante Natal Care visits per Ante Natal Client
To increase the number of PHC facilities rendering Youth Friendly Services	% of facilities rendering Youth Friendly Services	-	10%	15%	20% of facilities rendering Youth Friendly Services
To improve access of women 30 years and above to Cervical Cancer Screening services	% of women 30 years or older who had at least one PAP smear within one year.	-	25%	35%	At least one PAP smear with in one year
To roll out IMCI implementation to all facilities	% of facilities implementing IMCI	40%	34%	42%	40% of PHC facilities implementing IMCI

Programme 2



TB Control	To develop C/IMCI pilot sites in all Rural Nodes	% of districts in Rural Nodes with C/IMCI pilot sites	61%	73%	80%	60% of districts implementing C/IMCI
	Increase under one year immunization coverage	% immunization coverage under one year	56%	68%	87.5%	85% Immunization coverage
		% of measles coverage under one year	87%	83.2%	81.7%	90% of measles coverage under one year
	To strengthen Implementation of School Health Services	% of facilities implementing school health services	-	-	20%	20% of PHC facilities rendering School Health Services
	To improve AFP detection rate	AFP detection rate	1.0	1.2	1.0	1.0/100 000 children under the age of 15 years
	To ensure provision of standardised short course treatment regime for all sputum positive T.B. patients	% facilities using new T.B. regimens	-	100%	100%	100%
	To strengthen quality of care through monitoring and supervision	Cure rates for smear positive and PTB	50%	46%	40%	55%

		Defaulter rate new smear positive and re-treatment smear +	20%	18%	8%	12%
		Smear conversion rate	70%	40,8%	31,9%	85%
	To strengthen T.B./HIV collaboration	% of LSAs submitting VCT stats	1 x LSA	2 x LSAs	18 x LSAs	2 x LSAs
	To facilitate the integration of primary mental health programme into PHC	Percentage of facilities implementing Primary Mental Health	Not measured	60%	65%	70%
	To facilitate implementation of guidelines for chronic diseases and care of the aged	Percentage of facilities implementing guidelines	Not measured	Not measured	50%	-
Disease prevention and control	To monitor the implementation of Prevention of blindness programme in collaboration with NGO's	Cataract surgery rate	360 per million population	453 per million population	635 per million	700 per million
	To establish outbreak response teams	% of outbreak response teams established	10%	100%	100%	100%
	To increase the number of health promoting schools	% of health promoting schools	0.5%	1.5%	2.5%	5%

Programme 2



	To increase participation of traditional health practitioners in PHC health services	Rate of referrals from traditional health practitioners	Data never collected	Data never collected	Data never collected	700 per 100 000
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REPORTING ON STANDARD NATIONAL INDICATORS

Table 7: District Health System

Indicators	EWS	2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 Strat. Plan target
Input:					
Uninsured population served per fixed public PHC facility	No.	8,679	8,720	9,087	10,000
Provincial PHC expenditure per uninsured person	R	72	96	411	431
LG PHC expenditure per uninsured person	R	58	82	-	-
PHC expenditure (provincial plus local government) per uninsured people	R	-	434	454	-
Professional nurses in fixed public PHC facilities per 1,000 uninsured people.	%	-	0.77	1.08	-
Sub-districts offering full package of PHC services	R	No data		80%	100%
EHS expenditure (Provincial plus Local Government) per uninsured person.			9.00	10.00	13.00
Process:					
Health districts with appointed manager	%	17	19	100%	100%
Health districts with plan as per DHP guidelines	%	0%		100%	
Fixed public PHC facilities with functioning community participation structure	%	-	75%	80%	100%
Facility data timeliness rate	%	70	80	85%	-



Programme 2



Indicators	EWS	2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 Strat. Plan target
Output:					
PHC Headcount	No.	16.8m	13,934,465	17.7m	
Utilisation rate - PHC	No.	2.12	2.22	2.2	2.5
Utilisation rate PHC under 5 years	No.	1.94	2.03	2.5	2.5
Quality:					
Supervision rate	%	-	60%	80	80
Fixed PHC facilities supported by a doctor at least once a week	%	not measured	-	-	-
Outcome:					
Districts with a single health provider	%	14.2	14.2	43%	
Service Volumes:					
Clinic Headcounts		13.4m	11,935,487	14.0m	
CHC headcounts		2.6m	2,082,83	2.8m	
Mobile headcounts		0.8m	911,515	0.9m	
Day cases (= 1 separation = ½ IPD)					
Casualty headcount		529, 734	421,864		
PDEs					

Table 8: District Hospitals

		2002/03 actual	2003/04 actual	2004/05 actual	2004/05 strat plan target
Input					
Expenditure on hospital staff as percentage of total hospital expenditure	%	55,6	70,9	74,0	70
Expenditure on drugs for hospital use as percentage of total hospital expenditure	%	8,5	8,8	9,3	10
Hospital expenditure per uninsured person	R	56	56	54	-
Process					
Hospitals with operational hospital board	%	95	100	86	100
Hospitals with appointed (not acting) CEO in place	%	0	0	80	100
Facility data timeliness rate	%	-	80%	95	100
Output					
Caesarean section rate	%	14,7	13,9	12,0	12,0
Quality	%	0	0	31	31
Hospitals with a published nationally mandated patient satisfaction survey in last 12 months	%	0	6.5%	32	32
Hospitals with clinical audit (M&M) meetings at least once a month					
Efficiency	Days	6.02	5.99	5.9	4
Average length of stay	%	25,9	26,8	70%	70
Bed utilization rate (based on useable beds)	R	595	659	659	800

Programme 2



Expenditure per patient day equivalent					
Outcome		%	Presently not an indicator	Will soon be created	Not Calculated yet
Case fatality rate for surgery separations					
Service volumes				73,862	
Separations			74,473	1,324,864	95,059
OPD headcounts			1,585,163		815,814
Day cases (= 1 separation = 1/2 IPD)			Not recorded	Element exist	
Casualty headcount			529,734	421,841	247,375
					10%extra

Table 9: HIV/AIDS/STIs and TB

Indicators		2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 Strat plan target
Input					
Fixed PHC facilities offering PMTCT	%	33	88	72	50
Fixed PHC facilities offering VCT	%	39	68	94	75
Hospitals offering PEP for occupational HIV exposure	%	N/a	57	82	100
Hospitals offering PEP for sexual abuse	%	22	66	72	66
Process					
TB cases with a DOT supporter	%	88.8	90.7	88	90
Male condom distribution rate from public sector health facilities	Per k male > 15 years	7.29	7.88	8.54	7
Male condom distribution rate from primary distribution sites	Per k male > 15 years	80	100	100	100
Nevirapine stock out	%	0	0	0	0
Output					
STI partner treatment rate	%	27	30	27.13	15
Nevirapine uptake rate among babies born to women with HIV	%	98	30	97	30
VCT client pre-test counseling rate	%	100	100	100	100
TB treatment interruption rate	%	30	36	9.7	8
Quality					
TB sputa specimens with turn around time > 48 hours	%	13.5	11.4	66	50



Efficiency						
Dedicated HIV/AIDS budget spent		%	90	102	93	100
Outcome						
New smear positive PTB cases cured at first attempt		%	49.2	38.5	27.5	35
New MDR TB cases reported annual % change		%	30	46	1%	6
Service Volume						
STI case new episode			N/A	5%	6.2%	
Patients register for ART			Nil	Nil	5016	

Table 10: Maternal Child and Women's Health including nutrition

Indicators		2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 Strat plan Target
Input					
Hospitals offering TOP services		26	27	29	20
CHC offering TOP services	%	4	8	16	16
Process					
DTP Hib vaccine out of stock	%	11.56	5.98	5.4	<10
AFP detection rate	%	9/100 000	1.2/100 000	1/100 000	1/100 000
AFP stool adequacy rate	%	78	80	90	90
Output					
School at which phase 1 services are being rendered	%	N/A	N/A	20	20
(Full) Immunisation coverage under 1 year %	%	62.23	64.36	81.7	85
Antenatal coverage	%	80.66	80.81	80	80
Vitamin A coverage under 1 year	%	39.26	61.61		65
Measles coverage under 1 year	%	66.63	64.61	81.7	
Cervical cancer screening coverage	%	15.8	17	35	80
Quality					
Facilities certified as baby friendly	%	3.5	8.2		
Facilities certified as youth friendly	%	9	15	15	
PHC facilities implementing IMCI	%	27	34	40	20
Outcome					
Institutional delivery rate for women	%			30	





Table 11: Disease prevention and control programme

Indicators		2002/03 Actual	2003/04 Actual	2004/05 Actual	2004 /05 Target
Input					
Trauma centres for victims of violence (sexual assault, family violence)	No	4	4	4	4
Process					
Integrated communicable disease control plans implemented	Y/N	Yes	Yes	Yes	Yes
Output					
Districts with health care waste management plan implemented	No	4	25	6	6
Hospitals providing occupational health programmes	%	20	25	100%	100%
Schools implementing Health Promoting Schools Programme (HPSP)	%	0.05	0.1	2.25%	1%
Integrated epidemic preparedness and response plans implemented	Y/N	yes	yes	yes	yes
Integrated communicable disease control plans implemented	Y/N	yes	yes	yes	yes
Quality					
Schools complying with the quality index requirements for Health Promoting Schools Programme	%	0.05	0.1	2.25%	1%
Outbreak response time	Days	Within 24hrs	Within 24hrs	Within 24hrs	
Waiting time for a wheelchair	Weeks	24	12	12	
Waiting time for a hearing aid	Weeks	36	36	12	
Outcome					
Dental extraction and restoration rate	%	Not measured	-	60%	55%
Malaria fatality rate	%	0	0	0	
Cholera fatality rate	%	1.7	1.3	1.5	
Cataract surgery rate	No	360	453	522	



5.3 PROGRAMME 3: EMERGENCY MEDICAL SERVICES

AIM:

To render efficient and effective Emergency Medical Services to all the inhabitants of the Province of the Eastern Cape.

ANALYTICAL REVIEW OF PROGRAMME PERFORMANCE

The analytical review of programme performance focuses on new policies introduced during the 2004/05 financial year as well as policy amendments which will come into effect during the 2005/06 financial year. Major constraints and challenges hampering programme performance are highlighted, together with the programme priorities for the 2005/06 financial year.

POLICIES

The policies were implemented by the programme during the 2004/05 financial year:-

- Regulations governing Emergency Centres in South Africa
- Standard Operational Procedures and Protocols
- Operational (National) Norms and Standards.
- Dress Code and Uniform Policy
- Emergency Services Code of Conduct
- Vehicle usage Policy

PRIORITIES

The following priorities were identified by the programme for effective implementation during 2004/05 financial year:-



10% of the existing 49% vacancies were filled

10% of the existing personnel have been trained to Intermediate Level (Medical and Rescue)

Response times have been improved due to additional appointments and new vehicles.

Planned Patient Transport is currently being reviewed and the possibility exists that this responsibility will be returned to EMS.

The use of Private Services and Helicopters was closely monitored and controlled during this financial year.

Constraints and challenges faced in the above policies and priorities:

Insufficient funding for improvement of the human, mechanical and physical resources.

Due to insufficient funds, not all targets could be met.

The delay in the Provincialisation process has resulted in low morale and reluctance to comply with legislation. (HPCSA and PDP)

Table 12: Performance against targets from 2004/05 strategic plan for the EMS Programme

Objective	Indicator	2002/03 (actual)	2003/04 (actual)	2004/05 Actual	2004/05 St Plan Target
EMS programme					
Identification and establishment of Centers within the Province based on referral patterns and demographics	Number of Centers established.	3	3	5	4
Improve Response Times	Time it takes to respond to Urban and Rural Cases	30 urban 60 min Rural	20 min Urban and 50 min Rural	40 min urban and 60 min rural	20 min Urban and 45 Rural
Reduce Vacancy Rate	Percentage vacancies	33%	33%	49%	30%
Emergency Transport					
Eradication of 1-man Crews	Percentage 2-man crews in Province				
Improve Radio Communications	Percentage vehicles with functioning radio communications	25	40	60	50
Planned Patient Transport					
To establish a Planned Patient Transport System	Percentage Out Patients Conveyed	15%	50%	50%	49%





Table 13: Emergency Medical Services and planned patient transport. (Standard National Indicators)

Indicator	Type	2002/03	2003/04	2004/05 Actual	2004/05 Target
Input					
1. Ambulances per 1000 people	No	0.02	0.02	0.05	0.04
2. Hospitals with patient transporters Process	%				
3. Kilometres travelled per ambulance (per annum)	Kms	98 000	98 000	96 000	80 000
4. Locally based staff with training in BLS	%	50	44	40	40
5. Locally based staff with training in ILS	%	46	53	59	56
6. Locally based staff with training in ALS	%	4	3	1	4
Quality					
7. Response times within national urban target (15 mins)		30 minutes	20 minutes	40	20
8. Response times within national rural target (40 mins)		60 minutes	50 minutes	60	45 min



5.4 PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES



Programme 4

AIM

The provision, in collaboration with the Health Sciences Faculties, of cost effective and efficient high level specialised services by staff that is empowered, committed and dedicated to the delivery of quality health care to the people of the Eastern Cape Province.

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

The analytical review of programme performance focuses on new policies introduced during the 2004/05 financial year as well as policy amendments which will come into effect during the 2005/06 financial year. Major constraints and challenges hampering programme performance are highlighted, together with the programme priorities for the 2005/06 financial year.

POLICIES:

The following Provincial and National policies were implemented by the programme during the 2004/05 financial year:-

- Mental Health Care Act 17 of 2002.
- Transfer of Medico-legal mortuaries from SAPS to ECDoH.
- National Tuberculosis Control Programme.
- Minmec decision to take over the services of SANTA TB inpatient care
- Policy for rationalisation of District Surgeons Services.
- Policy on Forensic Nursing.
- Operation Chola- Chola for the care of homeless psychiatric patients put on hold, awaiting Minmec decision.
- Victim Empowerment Policy

PRIORITIES:

The following priorities were identified by the programme for effective



implementation during 2004/05 financial year:-

- Rationalisation of services
- Implementation of Comprehensive HIV and AIDS programme
- Establishment of Step-down facilities
- Outreach programme
- Revitalisation of hospitals
- To improve monitoring and reporting of NTSG
- Recruitment and retention of scarce resources
- Rationalisation of Psychiatric Hospital Services
- Improvement of Psychiatric and TB Hospitals' management.
- Improvement of quality of care.
- Implementation of legislative framework.
- Improvement of financial management.
- Improvement of Health Information for Psychiatric & TB hospitals.
- Development of Medico legal Services.
- Management of Disability Grant assessment function taken over by ECDOH from Dept of Social Development.
- Completion of Medical Boarding Assessment from all Provincial departments timeously.
- Effective implementation of Victim Empowerment Programme

CHALLENGES AND CONSTRAINTS

The programme experienced the following challenges and constraints during the 2004/05 financial year:-

Referrals

The lack of capacity at level 1 results in improper referrals with work overloads at levels 2&3.

Modernization of Tertiary services (MTS) process

This process has yet to be finalised from the NDOH. This impacts on rationalisation at the complexes, in terms of both service growth and rationalisation of current services as this process was supposed to be finalised in this period. The process did advance but was not finalised. Current tertiary services are not properly funded, and the revitalisation of the hospitals are now within the MTS.



Recruitment and retention of scarce resources

The Province undertakes active recruitment especially of scarce professionals. The challenge is with retention as the present incentives tend to apply equitably throughout the country and gives no added advantage to a province like the Eastern Cape.

Budgetary constraints

This is linked to the non-finalisation of the MTS process. The programme continues to be under funded leading to challenges in managing current activities as well as programme growth. This was worsened in the past year by the Belt Tightening process.

Implementation of quality care improvement in specialised hospitals.

Training of managers in financial and project management.

Establishment of Flagstaff mental health unit.

Additional beds in East London, Umtata, and Libode mental health units.

High prevalence of MDR TB

Costing of TB beds in District hospitals.

Outsourcing of chronic life care centres.

Full implementation of new Mental Health Care Act.

Disability Grant assessments of the backlog inherited from the transferred function from Social Development

Shortage of Professionals Psychiatrists, Pathologists.

Inadequate mental health information system.

ACHIEVEMENTS

Sub Programme: General Hospitals

(i) Rationalisation of Services

The process of rationalization within the Port Elizabeth Hospital Complex has resulted in the following services having been moved to the areas/ hospitals as shown in the table below:



SERVICES	DORA NGINZA HOSPITAL	LIVINGSTONE HOSPITAL	P E PROVINCIAL HOSPITAL
CORPORATE SERVICES (IT at Walton Building)	Human Resources	General Administration	Finance
		Procurement	Pre-Audit
CLINICAL SERVICES	Obstetrics & Gynaecology	Orthopaedics	ENT
	Paediatrics and Medicine	Medicine	Ophthalmology
	Anaesthetics	Anaesthetics	Anaesthetics

The process of rationalization within the East London Hospital Complex has resulted in the following services having been moved to the areas/ hospitals as shown in the table below:

SERVICES	CECILIA MAKIWANE HOSPITAL	FRERE HOSPITAL
CLINICAL SERVICES	Mental Health Unit	Oncology
	Paediatric ICU	Maxillo-Facial Surgery
		Orthopaedics
		Neurosurgery
		Renal Unit

The Nelson Mandela Academic hospital became fully functional and was officially opened by the President on 8 December 2004.

(ii) Implementation of Comprehensive HIV and AIDS programme

The comprehensive programme is fully functional in all the complexes and regional hospitals. At end March 2005 the number of patients in the programme was:

Number of adults on ARV Readiness program	21 514
Number of children on ARV Readiness program	744
TOTAL	22 254

Number of adults on ARV treatment	3 912
Number of children on ARV treatment	375
TOTAL	4 287

(iii) Establishment of Step-down facilities

Two step-down facilities were established, at the ELHC and PEHC

(iv) Academic & Service support programme (Outreach programme)

The programme was consolidated with:

Obstetric and Anaesthetic outreach implemented at Cacadu and OR Tambo districts.

Pediatric outreach functional in Amathole district.

Surgical outreach started in OR Tambo district.

Flying doctor program established centred from the three complexes



(v) Revitalization of hospitals

Name of HRP Project	Level Of Care	Number Of Beds		Project Duration 5yrs	Total Project Cost	Exp 2004-05
		Current	Proposed			
Frontier	11	233	450	3yrs	R83,3m	5,208,636
St Elizabeth	11	280	410	3yrs	R60m	9,053,554
Mary Terese	1	177	200 acute 48 chronic	3yrs	R130m	81,981,194
Rietvlei	1	249	205		R55,7m	15,727,688

Frontier - Phase 1 General maintenance of wards, boilers, doctors accommodation has been completed. Phase 2 Maternity ward is 80 % complete, contractor on site and the project is due for completion in May 2005.

St Elizabeth - Phase 1 Male surgical ward complete and is operational. Three blocks of General wards are 90 % complete and due for completion in July 2005. Parkhomes for accommodation of health professionals including doctors erected.

Mary Terese - All wards including theatres, laundry, kitchen, physiotherapy, laboratory, X-Ray and Administration block are complete. The workshop is 90% and is due for completion.

Rietvlei - Phase 1 which includes paediatric, surgical male and female, maternity, high care unit and theatres is complete.

Phase 2 which includes walkways, paths and parking area

(vi) Improving monitoring and reporting of NTSG

Positive gains were realised in the year. Collection of statistics has improved. There is obvious growth in tertiary service provision compared with initial 2001 stats. This will improve our case with NDOH for additional funding for tertiary services. To further improve monitoring, service level agreements are being implemented for the 2005-06 financial year.



(vii) Recruitment and retention of scarce resources

ELHC managed to retain more than 90% of their community service doctors. PEHC has managed to retain community service personnel as well as to recruit specialists, specifically in ophthalmology and orthopaedics. The Nelson Mandela Academic hospital has also generated interest to academics, accommodation however is a challenge.

SUB PROGRAMME: PSYCHIATRIC SERVICES:

This sub-programme encompasses five Psychiatric Hospitals and three mental health units:

- In all psychiatric hospitals, the quality assurance teams were established with co-coordinators identified.
- A substance Abuse Treatment Unit was officially opened on 29-10 -2004 at Fort England Psychiatric hospital.
- The National Mental Health Day was hosted by Komani Psychiatric hospital at Chris Hani district on the 07-10-2004 within intersectoral basis and greater community participation. Another community driven mental health day was conducted at Libode Mental Health Unit.
- The Specialised Services directorate initiated an integrated functioning with PHC mental health sub directorate with the aim to strengthen the upward and downward referral systems and to support community based mental health services.
- The directorate has conducted workshops and meetings for cluster CEO`s and District Managers to orientate the aforesaid group on the provisions of the Mental Health Care Act No 17 of 2002 and its emphasis on community based mental health services.
- The twenty one (21) listed district facilities and eight (8) designated health establishments in preparation for the practical implementation of the newly



promulgated Mental Health Care Act.

The advertisements for the appointment of the Mental Health Review Boards were done for compliance with the Mental Health Care Act.

Within the transformation plan, 10 more beds were added for Umtata and 10 at Libode Mental Health Units respectively.

Fort England Psychiatric Hospital has used R23,120,000 as National Tertiary Services Grant (NTSG) to strengthen the services in the Maximum Security Unit.

The Mental Health Services have been provided in the following Psychiatric Hospitals and Mental Health Units:

Medico Legal Services

Forensic Pathological Service is the corner stone of medico legal services. Following the Cabinet's decision to transfer mortuaries from South African Police Services to the Department of Health, programme is underway to facilitate the transfer of function from SAPS to Provincial Departments of Health. A National Project Management Team is working on it in collaboration with Provincial Management Team headed by this Directorate.

The Forensic Pathology Service (FPS) aims to render a standardised, objective, impartial and scientifically accurate service (following nationally uniform protocols and procedures) for the medico-legal investigation of death that serves the judicial process in Eastern Cape Province

The FPS is a medical service to be rendered by the provincial Department of Health. It will be coordinated and supported nationally by a Directorate of the national Department of Health.

The Forensic Pathology Services of the province are designed to contribute positively to:

- a. Ensure the development of a just South African society



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- b. Assist in the fight against crime
- c. Assist in the prevention of crime
- d. Assist in the prevention of unnatural death
- e. Endeavour to protect the rights of all persons
- f. Establish the independence of medical and related scientists
- g. Ensure that the service is rendered within a uniform system
- h. Ensure participation of society in the service
- i. Ensure that the service is equitable
- j. Ensure that the service is efficient and cost-effective
- k. Ensure the promotion of relevant education, training and research
- l. Rectify the deprived state of the service
- m. Provide for the specific needs of those persons rendering the service, and
- n. Establish adequate data collection and processing

SAPS Mortuaries Identified for transfer to ECDOH

- | | |
|------------------------------------|----------------------|
| 1. New Brighton Police Mortuary: | Port Elizabeth |
| 2. Gelvandale Police Mortuary | : Port Elizabeth |
| 3. Mount Road Police Mortuary | : Port Elizabeth |
| 4. Mdantsane Police Mortuary | : Mdantsane |
| 5. Woodbrook Police Mortuary | : East London |
| 6. Somerset East Police Mortuary | : Somerset East |
| 7. Grahamstown Police Mortuary | : Grahamstown |
| 8. Aliwal North Police Mortuary | : Aliwal North |
| 9. Ibisi Police Mortuary | : Ibisi |
| 10. Umzimkulu Police Mortuary | : Umzimkulu |
| 11. Sterkstroom Police Mortuary | : Sterkstroom |
| 12. Middleberg Police Mortuary | : Middleberg |
| 13. Burgersdorp Police Mortuary | : Burgersdorp |
| 14. Kirkwood Police Mortuary | : Kirkwood |
| 15. Humansdorp Police Mortuary | : Humansdorp |
| 16. Hankey Police Mortuary | : Hankey |
| 17. Joubertina Police Mortuary | : Joubertina |
| 18. King Williams Town P. Mortuary | : King Williams Town |
| 19. Port St. Johns P Mortuary | : Port St. Johns |



20.	Graaf Reinet P Mortuary	:Graaf Reinet
21.	Port Alfred P Mortuary	: Port Alfred
22.	Barkley east P Mortuary	: Barkley East
23.	Queenstown P Mortuary	: Queenstown
24.	Adelaide P Mortuary	: Adelaide

The organogram is based on four FPS Regions, each with a management office (Assistant Director) based at an office at the largest mortuary in each of the regions:

- Port Elizabeth Region Gelvandale Mortuary
- East London Region Woodbrook Mortuary
- Mthatha Region Umtata Hospital Complex Mortuary
- Queenstown Region Queenstown Mortuary

The following fifteen centres are identified for autopsies to be conducted:

- 1) Gelvandale (M3)
- 2) New Brighton (M4)
- 3) Mount Road (M3)
- 4) Grahamstown (M2)
- 5) Graaff Reinet (M1)
- 6) Woodbrook (M5)
- 7) Mdantsane (M3)
- 8) Butterworth (M3)
- 9) Umtata (M6)
- 10) Mt Frere (M4)
- 11) Lusikisiki (M3)
- 12) Port St Johns (M2)
- 13) Umzimkulu (M2)
- 14) Queenstown (M4)
- 15) Aliwal North (M2)

The following 40 facilities affiliated to hospitals, health centres or old police mortuaries in remote areas are identified as storage (holding) facilities:

- 1) Port Alfred
- 2) Adelaide
- 3) Somerset East



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- 4) Middleberg
- 5) Craddock
- 6) Aberdeen
- 7) Joubertina
- 8) Hankey
- 9) Humansdorp
- 10) Kirkwood
- 11) Uitenhage
- 12) Willowmore
- 13) King Williamstown
- 14) Peddie
- 15) Alice
- 16) Keiskamahoek
- 17) Stutterheim
- 18) Kentani
- 19) Idutywa
- 20) Nqamakwe
- 21) Tsolo
- 22) Libode
- 23) Elliotdale
- 24) Engcobo
- 25) Mt Fletcher
- 26) Maclear
- 27) Thabankulu
- 28) Flagstaff
- 29) Greenville
- 30) Maluti
- 31) Molteno
- 32) Sterkstroom
- 33) Cala
- 34) Cofimvaba
- 35) Elliot
- 36) Indwe
- 37) Cathcart
- 38) Barkley East



- 39) Burgersdorp
- 40) Sterkspruit

The National Department of Health has advised all the Provinces to prepare a business plan which has already been submitted. Each Province was allocated one million rand, as a conditional grant, for the appointment of a Project Manager to develop a business plan and to facilitate the implementation of transfer of SAPS mortuaries. The business plan has been approved by the Senior Management and the National Project management team.

The transfer of mortuaries is set to be finalised by the end of December 2005.

T.B. HOSPITALS

Santa Centres

Service Level Agreements (SLAs) were signed with SANTA Centres in December 2002, and expired on 31 March 2005. On expiry they were not renewed.

The negotiation process of taking over inpatient TB services from SANTA hospitals has been concluded on 31 March 2005.

Two main agreements were reached in the negotiations of taking over TB inpatient services from SANTA as follows:

- HR Agreement: that all staff members from the eight SANTA hospitals who are willing to be absorbed will be transferred to the Provincial Department of Health in terms of Section 197 of LRA 66 of 1995.
- Leasing of SANTA buildings and movable assets: ECDoH to lease these at an annual rental of R1,150,000.00 for a period of one year. Lease agreement is renewable.



The in-patient TB services were provided under this directorate in the following institutions:

NAME OF INSTITUTION	TOWN	DISTRICT	NUMBER OF APPROVED BEDS
Fort Grey SANTA	East London	Amatole	200
Winterberg SANTA	Fort Beaufort	Amatole	100
Temba SANTA	Grahamstown	Cacadu	60
Marjorie Parrish SANTA	Port Alfred	Cacadu	107
Margery Parkes SANTA	Graaff Rienet	Cacadu	80
Jose Pearson SANTA	Port Elizabeth	Nelson Mandela	200 TB Beds, and 150 MDR-TB Beds
Orsmond SANTA	Uitenhage	Nelson Mandela	180
Khotsong SANTA	Matatielle	Alfred Nzo	200

Total number of approved beds in SANTA's is 1 340 (This number includes the 150 beds for MDR-TB patients in Jose Pearson SANTA). The number of patients to be transferred from SANTA Hospitals to ECDoH was 946 (during March 2005), as the bed occupancy rate in SANTA Hospitals was not 100%.

The total number of TB beds in District hospitals: 2 018. Nkqubela Hospital at Mdantsane has 610 TB beds currently being managed by Life Care

External Factors:

Poverty, homelessness and inadequate community Psychiatric Services are hampering the vision of treating the Psychiatric patients in the community.

The patients end up being institutionalised as contrary to the trend of de-institutionalisation.

Unabated crime exerts tremendous pressure on medico legal services.

Better reporting of rape and other domestic violence cases has increased the demand for more professional medico legal services.

Socio economic has effects on all spheres of life like mental health, medico legal issues and increased incidence of TB

High incidence of HIV infection and AIDS has caused more deaths directly and indirectly.



Positive Impact:

Better reporting of rape and domestic violence showed more utilisation rate of victim empowerment centres and a need for more training in medico-legal services.

Negative Impact:

Due to the factors mentioned above the patients quickly relapse and end up again in the hospitals. After stabilisation in the hospitals they cannot be discharged readily due to inadequate support in the community.

Sometimes the families refuse to accept the patients either due to poor socio-economic conditions or they are unable to cope with the patients who are mentally ill due to inadequate Psychiatric Services follow up. So the patients land up back into Psychiatric institutions. This becomes a vicious circle which exerts excess pressure on institutionalised services. This demands more human and financial and physical resources. Availability of beds becomes a real problem in already downsized chronic beds in institutions, while the downsizing of beds is in the spirit of developing community based psychiatric care.

Overview of the organisational environment in 2004/05

Internal factors, plus an appropriate description:

Shortage of manpower within the Directorate, only one Deputy Director Medico-legal Services was appointed. Chief Clinical Psychologist's post was vacant.

Psychiatric Services are currently largely custodial.

Services, both hospital and community, tend to be curative rather than rehabilitative.

No proper referral system due to inadequate community psychiatric services

Inequity in the distribution of resources. There are five Psychiatric Hospitals within a range of 120kms in the Western part of the Province while Eastern part of the Province i.e. former Transkei has been virtually deprived of Psychiatric Services.

Mitigating factors and impact of internal constraints:

Funds were allocated to fill critical posts. This helped to appoint 100% managers in Psychiatric hospitals. It also helped to fill some Professional posts.

Currently the Department is developing a strategy to attract and retain professionals. The department is also developing a strategy to improve the mental health information system.

To be in line with the common trend of treating Psychiatric patients in community, the directorate has initiated the integrated approach with PHC mental Health services. The programme proved to be a success so far.

To move away from the custodial and totally curative centred services a rehabilitation centre at Tower Hospital is now functional as a psycho-social rehabilitation centre.

There is a further need of intensive orientation of Senior Managers and District Managers towards the realisation of need and importance of community psychiatric services.

To address the issue of inequity of resources especially the beds, a transformation plan and rationalisation of services is being implemented.

Table 14: Performance against targets from 2004/05 strategic plan for the Provincial Hospital Services Programme

Sub-programme	Objectives (Outputs)	Indicator	Performance		2004/05 Actual	2004/05 Strat Plan Target
			2002/03 Actual	2003/04 Actual		
General Hosp	Appropriate Staffing	Proportion of identified staff appointed	No data available	Advertised posts for support staff for Complex CEOs:	60% of posts have been filled, but attrition rate is still high	60% of posts filled
				56% filled		
				3% processing recommended candidates		
				11% no suitable candidate found Advertised critical medical posts for Complexes and St Elisabeth's filled where suitable candidates found.		



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	Development and revival of referral system	Number of self referrals to secondary and tertiary institutions Number of referrals by clinic staff directly to tertiary services	No data available	No data available	Cannot be quantified at this stage. However positive gains have been registered as the regions have started a process of dialogue with a view to develop regional referral policies	10% decrease in self and clinic staff referrals
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	Roll out outreach programme	Number of district hospitals visited by specialists	Paeditrics outreach operational in a small scale in ELHC	Paediatrics as well as Obstetrics in PEHC functional to a limited scale	Target has been reached and the rollout is as follows: Obstetric and Anaesthetic outreach implemented at Cacadu and OR Tambo districts. Peadiatric outreach functional in Amathole district. Surgical outreach started in OR Tambo	20% of district hospitals visited
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Programme 4



	Rationalisation of services	Alignment of hospital beds by level of care	Plans in place for rationalisation in all complexes	Process starting in PE. 512-bedded Nelson Mandela Academic Hospital (NMAH) providing all clinical disciplines, secondary and tertiary services, currently operational at the NMAH Infrastructure completed of additional surgical & medical wards. To be made operational Delays with building; contractor under-performance; no additional beds opened	Rationalisation advanced but delayed due to belt tightening process. (See Priorities above)	Complete March 2005
	Revitalisation	Plans for maintenance available for all institutions	No maintenance plans	Complexes appointing facilities managers. Plans still to be developed	All 3 complexes have maintenance plans	50% of institutions to have maintenance plans

		Percentage of hospitals in facility audit condition 4 or 5	Data available for hospital facility audit	No new audit done	No new audit not done	20%
		Percentage of institutions that have conducted and published patient satisfaction survey in the last 12 months	No data available	The regional hospitals have done patient satisfaction surveys	All institutions have done patient satisfaction surveys, but data not yet published	20%
	Improve disease Outcomes	Maternal mortality rate	No Data available	Setting DHIS for Complexes and regional hospital		Decrease by 5%
		Infant mortality rate			5.0	Decrease by 10%
		Case fatality rates for surgery separations			No data available	
		Sepsis rates			No data available	



Programme 4



Development of Tertiary Services	Implementation of Service delivery plan (SDP)	Still utilizing the 2001 data for provision of tertiary services	Service Delivery plans developed	Implementation of service delivery plans awaiting MTS process	Implementation strategy for SDP completed
Management of HIV/AIDS	Proportion of PAH with step down facilities	No specific HIV & AIDS plan in place	Plans in place	All 3 complexes and 2 regional hospitals are implementing the comprehensive HIV programs.	4 out of 5
Improve Organisational Culture	Proportion of institutions with functional ITU	Interim ITU in place	All institutions have functional ITUs	All institutions have functional ITUs	80% of institutions with functional ITUs

	Improve management systems	Number of CEOs submitting standardize	CEO program starting	Reports not yet standardised	Target achieved	3/5 submitting reports
	Improve Efficiency	ALOS in Days	8.4	8.4	8.37	7 days
	Ensure all institutions comply with HPCSA standards & take necessary corrective measures including an internship induction program	Bed Occupancy Rate (%) Strategy to ensure compliance	70 Program not yet started	76 First community service induction held March 2003 for medical officers	61 First provincial Intern Induction held Dec 2003-80% of interns attended; 2nd comm. Service induction held March 2004 this time for ALL comm. Service health professionals 72% attended	80% Full induction programs
		Percent of PAH with work plans to ensure compliance with HPCSA standards.		100%	100%	100%
Tuberculosis Hospitals	To improve the delivery of TB services.	Increased cure rate to 85%.	49%	49.65%	54%	85%



Programme 4



	To train managers in Financial and general Management.	Proportion of managers trained.	0%	5%	25%	25%
Psychiatric hospitals	To establish Mental Health Task Team for implementation of new Mental Health Care Act.	Proportion of task teams.	0	0	3	3
	To establish a Psycho-social rehabilitation centre.	Number of centres established.	0	0	1	1
	To identify listed designated facilities.	Number and names of listed facilities.	0	0	21	28
	To establish extra beds in Mental health units.	Number of beds established	75	100	125	145
	To provide training for managers in Financial Management.	Proportion of managers trained.	0	0	25%	50%
Medico legal Services	To develop a business plan for transfer of mortuaries from SAPS to ECDOH.	Business plan drawn.	Nil	Nil	Yes	Yes
	To develop and implement Provincial policy for part-time MO's.	Policy developed.	Nil	Nil	Yes	Yes

Table15: Regional Hospitals (Reporting On Standard National Indicators

		2001/02 actual	2002/03 actual	2003/04 actual	2004/05 actual
Input					
Expenditure on hospital staff as percentage of total hospital expenditure	%	76	62	71%	56%
Expenditure on drugs for hospital use as percentage of total hospital expenditure	%	15	15.5	7	12
Hospital expenditure per uninsured person	R	154	282	209	
Useable beds		4563	4563	4848	
Process					
Hospitals with operational hospital board	%	80	80	100	80
Hospitals with appointed (not acting) CEO in place	%	100	100	60	100
Output					
Caesarean section rate	%	21.4	20.1	24.7	24
Quality					
Hospitals with a published nationally mandated patient satisfaction survey in last 12 months		Not done	40% Data not published	100% Data not yet published	100
Hospitals with clinical audit (M&M) meetings at least once a month		Not done	100%	100%	





Table 16: TB Hospital

		2001/02 actual	2002/03 actual	2003/04 actual	2004/05 actual
Input					
Expenditure on hospital staff as percentage of total hospital expenditure	%	-	-	67.6%	62.7%
Expenditure on drugs for hospital use as percentage of total hospital expenditure	%	-	-	5.3%	2.8%
Hospital expenditure per uninsured person					
Useable beds				1127 & 150 MDR-TB	1127 & 150 MDR-TB
Process					
Hospitals with operational hospital board	%			88%	100%
Hospitals with appointed (not acting) CEO in place	%			NA	NA
Output					
Caesarean section rate	%	N/A	N/A	N/A	N/A
Quality					
Hospitals with a published nationally mandated patient satisfaction survey in last 12 months		-	-	Nil	Nil
Hospitals with clinical audit (M&M) meetings at least once a month		-	-	80%	100%

Table 17: Psychiatric Hospital

		2001/02 actual	2002/03 actual	2003/04 actual	2004/05 actual
Input					
Expenditure on hospital staff as percentage of total hospital expenditure	%	-	-	80%	69%
Expenditure on drugs for hospital use as percentage of total hospital expenditure	%			6%	2.3%
Hospital expenditure per uninsured person		-	-		
Useable beds				2870	2880
Process					
Hospitals with operational hospital board	%			100%	100%
Hospitals with appointed (not acting) CEO in place	%			Psych: 100%	Psych: 100%
Output					
Caesarean section rate	%	N/A	N/A	N/A	N/A
Quality					
Hospitals with a published nationally mandated patient satisfaction survey in last 12 months			-	Nil	1
Hospitals with clinical audit (M&M) meetings at least once a month			-	80%	100%





Programme 4

5.5 PROGRAMME 6: HEALTH SCIENCES AND TRAINING



Programme 6

AIM

To provide training of all health professionals and employees in the Province of the Eastern Cape.

ANALYTICAL REVIEW OF PROGRAMME PERFORMANCE

The analytical review of programme performance focuses on new policies introduced during the 2004/05 financial year as well as policy amendments which will come into effect during the 2005/06 financial year. Major constraints and challenges hampering programme performance are highlighted, together with the programme priorities for the 2005/06 financial year.

POLICIES

The following policies and applicable legislation were implemented by the programme during the 2004/05 financial year

- Provincial ABET policy has just been finalised - is due for submission to Labour for approval.
- the White Paper on Public Service & Education
- the White Paper on Public Service Training & Education of 1997
- the Constitution of the Republic of South Africa
- the Employment Equity Act
- Skills Development Act No. 97 of 1998
- Skills Levies Act No. 9 of 1999
- South African Qualification Authority Act No. 58 of 1995 and
- Adult Basic Education Act of 2000

PRIORITIES

The following priorities were identified by the programme for effective



implementation during 2004/05 financial year:-

The implementation of learnership and internship programme

granting of bursaries to needy students of the province

offering levels 1 to 4 ABET to adult employees who missed the opportunities of going to school

training of student nurses

CHALLENGES AND CONSTRAINTS

The programme experienced the following challenges and constraints during the 2004/05 financial year:-

FHIG & PFSA do not meet the needs of the department as the number of employees is large. In some cases they do not offer the relevant courses for the department hence the engagement of other training providers. They also allocate a small number for training at a time. At some stage transversal training was suspended temporarily as they wanted to assess its training providers.

The budget for learnerships was inadequate and consequently the department fell below the number projected which was 740 to 550.

Insufficient funding also affected awarding of bursaries, but this was addressed

SMS managers have not received pay progression since 2002. With regards to implementation of PMDS there are still problems which are experienced as it is a new system and the need for retraining in certain areas has been identified.

During the South African Nursing Council visit of the province for the purpose of accreditation of nursing colleges, the Lusikisiki campus was not accredited. This is due to infrastructure/nurses residence and lecture rooms. Another campus that has a challenge of nurses residence is Queenstown.

Inadequate resources for effective functioning of the college like computers and office accommodation. Filling of posts in the management positions of the campus across the province due to budget constraints are some of the challenges faced by this programme.



ACHIEVEMENTS

(i) Training and Development

Training and development is an ongoing activity. The department is training through transversal training offered by Fort Hare Institute of Government (FHIG) and Public Finance Service Agency (PFSA) training relating to financial issues. However FHIG suspended its training temporary as it wanted to assess its training provider. The following courses were rendered by FHIG as per special arrangements with the Department of Health.

• Advanced Computer Skills	= 29
• Coaching & mentoring for managers	= 6
• Coaching & mentoring general	= 156
• Customer care in work place	= 564
• Effective communication	= 3
• Evaluation of training	= 13
• HIV / AIDS Awareness	= 83
• HIV / AIDS Basic information	= 81
• HIV / AIDS Counselling	= 3
• Internet and e-mail	= 36
• Introduction to computers	= 5
• MS Word & MS Power point	= 70
• PGDP for managers	= 5
• PGDP	= 173
• Skills Dev. Facilitators course	= 384
TOTAL	= 1575

Financial training provided by PFSA has been continuing throughout the year. The transversal training deals with training on management issues. Besides these providers, other training providers have been engaged by the department as the two cannot provide training for the entire staff needs in the department.

Learnerships were not budgeted for, Discretionary Grant from HWSETA of R3.6 m to fund the programme. PSETA is funding the Human Resources and Public Sector Accounting learnerships. The learnerships are in Nursing, Human Resources,



Finance Maintenance, Information Technology and Pharmacy Assistants. 550 learners were employed across the province in different fields.

(ii) Performance Management

Almost all employees in the department have performance agreements and work plans. Managers and employees were trained in performance management and development system (PMDS). The PMDS was marketed through road shows in the entire province. For areas that indicated that they were experiencing problems, they were given assistance and telephone conferences were conducted where the trainers could not go. The Health & Social Development Bargaining Council was also work shopped on the processes. Reviews were conducted albeit late due to problems relating to implementation.

(iii) Bursaries

No new intake for the year 2004, as there was not sufficient budget to take new students. The available R7, 669 million could not cater for all bursary holders. However, the department managed to pay the existing 484 bursary-holders. In September 2004 the department sent fifteen (15) students to Cuba for studies in medicine, bringing the number of medical students in Cuba to 36. Five hundred and fifty six (556) bursary defaulters have been traced and eighty eight (88) of these have submitted their CV's indicating willingness to come and serve the Department. Approximately four hundred thousand rands (R400,000) has been recovered through this exercise.

(iv) Nursing College

The Act that establishes the Lilitha College of Nursing was passed (Nursing Education Act No.4 of 2003) which enforced the merging of nursing colleges in the province. It started by filling management posts of the central office at Head Office. Other posts were filled towards the end of the year. The Educators and support staff have been taken through capacity building courses. The courses and number of nurse educators that have gone for training are as follows:-



Programme 6

	COURSE	NO.
1.	Strategic Planning	16
2.	Team-Building	21
3.	Financial Management	6
4.	Performance Management & Development System	12
5.	Assessor course	16
6.	Computer training	42
7.	Skills Development Facilitator	19
8.	Customer Care	68



Table 18: Performance against targets from the 2004 / 05 Strategic plan
Programme 6 - Health Science & Training

Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 Strat. plan target
Health Sciences and Training Programme	Building capacity in the Department to support improved implementation of its goals	Number of employees capacitated	-	-	200	
	To provide ongoing training and skills development for health workers, ensuring appropriate skills to impact on health status of people in EC province	Number of employees trained and developed on appropriate skills.	-	-	1575	
	Train, develop and retain nursing student graduates	% of nurses trained in EC.	70 523	102 365	152 185	154 857
Nurse training Colleges	Transformation of Nursing Education curriculum and services rendered to meet needs of the community	Tutor: student ratio	-	-	1:40	1:40
EMS training Colleges	Facilitate training of 600 officers in basic ambulance level course	Number of officers trained in Basic Ambulance course	50	44	40	200
	Trained Ambulance officers in advanced life support	Number of officers trained	4	3	1	4

Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 Strat. plan target
Bursaries	Ensure representation of rural areas in allocating bursaries in medicine	% of bursary holders from remote rural areas	No baseline	10%	20%	30%
	Improve staffing levels by training students (in Pretoria and Tanzania)	Number of trainees	Nil -	2 students on training	6 students	4 students -
Other Training	Increasing % of health professionals with basic computer skills	% with basic computer skills	No baseline		20% achieved To initiate after hours classes so as to improve attendance	Not stated
	Increasing number of health professionals in learnership programmes	No. of health professionals in learnership programmes	No baseline		555 learners in different learnership programmes, e.g. enrolled nurses, Pharmacy asst, IT; HR; Finance; hospital maintenance	740 REASON: Objective was unrealistic



Table 19: Health Professionals Training and Development

		2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 Strat. plan target
Input					
Intake of medical students	No	191	112		
Intake of nurse students	No	428	580	863	
Students with bursaries from the province	No	791	651		
Process					
Attrition rates in first year of medical school	%	2	3		
Attrition rates in first year of nursing school	%	0	4.94	8.72	
Output					
Basic medical students graduating	No	40	34		
Basic nurse students graduating	No	263	306		
Medical registrars graduating	No	0	0	518	
Advanced nurse students graduating	No	66	78	74	
Efficiency					
Average training cost per nursing graduate	R	33,399	36,405	43 875	
Development component of HPT & D grant spent	%		52.98		

Table 20: Human Resource Management

		2003/04 Actual	2004/05 Actual	2004/05 Strat. plan target
Input				
Medical officers per 1000 people	No	0.072	0.134	0.186
Medical officers per 1000 people in rural districts*	No	0.0477	0.103	0.122
Nurses per 1000 people	No	14.614	2.043	2.323
Nurses per 1000 people in rural districts*	No	1.3755	1.741	1.995
Pharmacists per 1000 people	No	127	0.027	0.033
Pharmacists per 1000 people in rural districts*	No	0.024	0.025	0.028
Process				
Vacancy rate for nurses	%	17.79	29%	19%
Attrition rate for doctors	%	50.05	45%	40
Attrition rate for nurses	%	4.94	8.72	4
Output				
Doctors recruited against target	%	54.84	42.59	56
Pharmacists recruited against target	%	24.43	25	27
Nurses recruited against target	%	4.08	8.72	9.6



Programme 6



		2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 Strat. plan target
Efficiency					
Nurse Clinical workload (PHC)	Ratio	2002/03 Actual	27.02	26.6	
Doctor Clinical worked (PHC)	Ratio		-	-	32
Outcome					
Surplus staff as a percentage of establishment	%		0.219	-	-



5.6 PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

AIM

To ensure efficient and effective rendering of pharmaceutical services & resources at all health facilities, clinical orthotic/prosthetic services and also the following Clinical Support Services:

- Laboratory Services
- Radiology Services
- Rehabilitation Services

ANALYTICAL REVIEW OF PROGRAMME PERFORMANCE

The analytical review of programme performance focuses on new policies introduced during the 2004/05 financial year as well as policy amendments which will come into effect during the 2005/06 financial year. Major constraints and challenges hampering programme performance are highlighted, together with the programme priorities for the 2005/06 financial year.

POLICIES:

The following policies were implemented by the programme during the 2004/05 financial year:-

No new policies but utilising existing policies

- Free health care for persons with disability
- Laboratory Diagnostic Guidelines
- National rehabilitation policy
- Integrated national disability strategy
- Guidelines on control and monitoring of silver recovery
- Hazardous Substances Act
- Ensuring the availability of essential drugs at all times
- Utilisation of the bulk of the drug budget on EDL items.
- Appointment and training of Pharmacist's Assistants in all health facilities.
- Recruitment of Pharmacists onto level 10 as District Pharmacist and Hospital Pharmacy Managers.



- Recruitment of Community Service Pharmacists onto salary level 8.
- Facilities to meet legislative requirements in terms of standards

PRIORITIES:

The following priorities were identified by the programme for effective implementation during 2004/05 financial year:-

- Provision of adequate budget
- Adequate transport facilities
- Staffing
- Pharmacists to the rural development nodes which have been operating without any pharmaceutical expertise.
- Retention of Community Service Pharmacists in the rural nodal and previously disadvantaged areas.
- Appointment of Pharmacist's Assistants onto the Pharmaceutical Services structure to ensure accountability and responsibility for drug supplies.
- Monitoring of availability of EDL items.
- Ensuring that Pharmacies meet the Pharmacy and Medicines Act legislative requirements.

CHALLENGES AND CONSTRAINTS

The programme experienced the following challenges and constraints during the 2004/05 financial year:-

- Implementation of free health care for persons with disabilities
- Implementation of Laboratory diagnostic guidelines
- Adherence to the Service level Agreement by institutions
- Implementation of Bursary obligation contract for radiography students
- Mentoring of community service officers. These are new professionals joining the services. They need to be equipped to be ready to be on their own (independent practice after their year of community service)
- Insufficient budget, lack of transport and high vacancy rate
- Poor distribution of drug supplies.
- Facilities not meeting legal requirements.
- Training of Pharmacist's Assistants on accredited training programme by accredited service providers.
- Electronic link to Institutional information systems to monitor availability of essential drug supplies regularly.



- Retention of recruited Pharmacists in the rural and underserved areas due to poor working conditions.
- Lack of Pharmacists to act as Tutors for training of Pharmacist's Assistants.
- Lack of support from Medical Superintendents to make physical and structural adjustments to Hospital Pharmacies as required by Legislation.
- Lack of accommodation for District Pharmacists in the Hospitals within the Local Service Area as these are said to be reserved for non-existent Doctors.
- Lack of commitment to distribute drug supplies to the Primary Health Care facilities after Depot has delivered to a sub-depot.
- Non payment of pharmaceutical suppliers resulted in us being short supplied and sometimes not being supplied orders placed, thus creating non-availability of essential drug supplies.
- Lack of accommodation for the newly appointed Pharmacists, especially the District Pharmacists who have been placed at the more rural nodal areas where their services are most needed.
- Staff situation at Mthatha depot: The suspension and subsequent dismissal of the Mthatha depot manager along with 3 senior staff members has seriously affected service at this facility. This shortage has also affected the annual audit. A chief pharmacist from the provincial office was tasked to assist the depot, leaving the provincial office short of his services. A depot manager could only be appointed from 1 May 2005.
- Capacity at the provincial office: No suitable application was received for the advertised post of financial officer at the provincial office. Because of this continued vacancy and the abovementioned problems at Mthatha depot, senior pharmaceutical personnel are spending an inappropriate amount of time chasing payment issues of the depots. The deputy director for management of pharmaceutical skills development and facilitating compliance with legislation standards resigned and left end of March.
- Coordination and funding of SETA learnerships, reaching a service level agreement with accredited service providers and Pharmacy Council approval of facilities and tutors, combined with the ongoing shortage of pharmacists at certain facilities, has delayed the introduction of pharmacists' assistants training. This could only be launched in June 2005. In addition, an ongoing outstanding payment issue is delaying the first cohort of post-basic pharmacists' assistants' training.
- The allocation of a scarce skills allowance alone has not managed to address all the shortages of pharmacists in the province. In addition, neighbouring provinces have upped their levels of remuneration. Recommendations have been made to review the level of remuneration to avoid a further outflow of this scarce resource but this has not yet materialised.



- We have experienced periodic shortages of some drugs in the comprehensive care of HIV/AIDS programme. This is mainly due to the difficulty to accurately estimate requirements and the roll-out tempo appropriately.
- Availability of chronic drugs at primary health care level remains a problem. Down-referral from hospitals and perceived lack of budget for this at local authority level contribute to this. It is planned to include a down-referral system along with the PPP process to overcome this.
- Delays in paying suppliers toward the end of the financial year as part of the belt-tightening exercise, coupled with capacity problems in financial management at the provincial office and the depots, caused several suppliers to suspend deliveries. It is advisable to build capacity to ensure timeous payment and quick resolution of queries to avoid such holds on supplies.
- Office accommodation at the provincial office remains a challenge. Offices are shared and this lowers productivity, as there are insufficient network points.

ACHIEVEMENTS:

- Allocation of allied community service officers in underserved areas 25 appointment
- Employment of rehabilitation managers in all LSA's.
- Improvement in management structure within the district clusters
- Service improvement plan in place for Laboratory services
- Implementation of Teleradiology in four district clusters which were SS Gida, St Barnabas, Humansdorp and Froniter
- Replacement of radiology equipment in four hospitals which were Fort Beaufort, Butterworth, Dora Nginza and All Siant's
- Centralisation of budget for flat rate
- The progress towards a public private partnership (PPP) for managing the depots and pharmaceutical distribution has progressed to the stage where 4 potential bidders with the required capacity have been pre-qualified, and the evaluation process is underway. The target date for implementation of the PPP is now set for September 2005.
- In 2004 the Eastern Cape had an allocation of 34 community service pharmacists, many of whom working in previously underserved hospitals. In 2005 29 have so far assumed duty. The availability of community service pharmacists have e.g. made it possible for Mthatha depot to continue delivering services after its manager was suspended, continue implementation of the HIV & AIDS comprehensive programme.
- Local service area pharmacy managers (district pharmacists) continue to be a very



valuable resource in the LSA's in which they serve. They report monthly to their managers and to the provincial office on all matters pharmaceutical, and can follow up on local level issues. New LSA pharmacists were appointed to Maletswai and Maluti.

- An audit was conducted in September/October 2004 to assess the compliance of hospitals and community health centres with pharmaceutical legislative requirements. Both the Pharmacy Act and the Medicines Control Act become applicable to the state in July 2005, with huge implication regarding staffing, training, facilities, and equipment, recordkeeping and reference materials. Many shortcomings have been identified, and some have been addressed, such as the availability of reference material. R150, 000 has been spent to acquire suitable reference books for all health facilities. Workshops have been held throughout the province to increase awareness of the audit results and to stimulate local managers to plan and budget for improvements as required by legislation.
- All hospital pharmacies have been listed for licensing by the Director-General and recording with the SA Pharmacy Council. The depots also have to be licensed by the Medicines Control Council. Some hospital pharmacies have been inspected by the Pharmacy Council and have been approved for the training of pharmacists' assistants.
- Eleven (11) hospital pharmacies (along with their feeder clinics) have been accredited in the comprehensive HIV/AIDS treatment plan. These pharmacies have provided the full range of antiretroviral drugs to a total of approximately 2750 patients by end March 2005. Depot stockholding of the anti-retrovirals was approximately R3,2 million at the end of the financial year. This value increases as patient numbers grow.
- The provincial office provided supervisory support to many hospitals and local service areas in the course of this year in an attempt to improve management of drug supplies.
- Information on drug expenditure was monitored on a monthly basis and provided to programme managers to assist them with planning and budgeting purposes.
- Monthly pharmacists' forum meetings have improved communication around depot, distribution and all pharmaceutical issues. Problems are identified in good time and common solutions agreed on.
- The provincial office has, through network links between the provincial office and the depots constantly monitored all aspects of depot performance and drug availability. On reports of stock problems, a thorough analysis is made to determine and address the cause of the problem.
- Drug and medical supplies management practices in institutions are being monitored and have improved during this year. Many more facilities are using



stock cards, and the use of computerised stock management has also increased, mostly the RX Store programme.

- The pharmaceutical supply contracts have functioned quite well this year. A new cycle of 2-year contracts will commence in June 2005. A 3-year national contract for the supply of anti-retroviral drugs came into effect in March 2005, stabilising prices and improving the availability and sustainability of supplies.
- The turnover of the pharmaceutical depots for the financial year has been R350million, and their combined stockholding has increased from R27 million in March 2004 to R32 million in March 2005. The cost of running the depots, including personnel, has been R15,8 million for the financial year. Audits have taken place at both depots both prior to and following the financial year end.
- Pharmacy Awareness Week celebrated from 06-10 September 2005 with the Provincial Launch done by the honourable MEC for Health in Amahlati Local Service Area to promote the slogan: Committed to a better health for all" under the theme: You and your Pharmacist an empowering team

OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT IN 2004/05

External factors that had an impact on the demand for the services rendered

- Non payment of pharmaceutical suppliers resulted in us being short supplied and sometimes not being supplied orders placed, thus creating non-availability of essential drug supplies
- The suspension and subsequent dismissal of the Mthatha depot manager along with 3 senior staff members has seriously affected service at this facility. This shortage has also affected the annual audit.
- Lack of office space is still a challenge that makes it difficult to deliver an effective and efficient pharmaceutical service. Managers are sharing offices and telephones with their junior staff with no confidentiality and privacy at all.
- Lack of financial management skills resulted in there not being provision of adequate drug expenditure monitoring, monitoring payment of suppliers on time and financial management reports as required.
- The cholera outbreak with a resultant need for an immediate campaign to address the problem resulted in the Depots struggling to keep up with supplies at such short notice.
- The roll out of the HIV & AIDS Programme has created challenges in funding this programme.
- Down-referral from hospitals and perceived lack of budget for this at local authority level contribute to this.
- Lack of accommodation for the newly appointed Pharmacists, especially the

District Pharmacists who have been placed at the more rural nodal areas where their services are most needed.

Positive:

- Employment of Local Service Area Pharmacists to assist in the appropriate management of drug supplies.
- Drug and medical supplies management practices in institutions are being monitored and have improved during this year. Many more facilities are using stock cards to measure their consumption and thus keep appropriate re-order levels.

Negative:

- Lack of adequate and affordable housing for the newly recruited and appointed District Pharmacist, which thus saw us losing 2 District Pharmacist at Nyandeni and Mquma Local Service Areas.
- Non payment of pharmaceutical suppliers resulted in us being short supplied and sometimes not being supplied orders placed, thus creating non-availability of essential drug supplies.
- The allocation of a scarce skills allowance alone has not managed to address all the shortages of pharmacists in the province. In addition, neighbouring provinces have upped their levels of remuneration.

OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT IN 2004/05

Internal factors that had an impact to deliver on the specific objectives identified in the strategic plan for 2004/5

- Slow progress in the awarding of a PPP contract for the Depots means that the growing number of customers is not being adequately serviced to provide essential drugs at all times.
- Delay in advertising for and appointing the 2 Financial Controllers means we cannot meet our obligation of monitoring drug expenditure in a consistent and professional manner.
- Lack of office space means that we are not able to achieve some of our set objectives due to poor working conditions.

Mitigating factors and impact of internal constraints:

- Recruitment of District Pharmacists to fill the vacant Local Service Areas so as to





monitor adequate management of drug supplies.

- Human Resource unit was implored to advertise for the Financial Controllers and Admin Officer with no success.
- Employment of the 2 Chief Pharmacists at the Provincial office to help monitor drug supplies and drug expenditure.
- Non-payment of pharmaceutical suppliers on time negatively impacted on the availability of essential drugs.

Delays in awarding the PPP contract for management of pharmaceutical supply chain meant we could not immediately benefit from the gains to be made by such a venture.

Table 21: Performance against targets from the 2004/05 strategic plan
Programme 7 - Health Care Support Services Programme

Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
Health Care Support Services	Service improvement plan to be a working document	Service improvement plan in place 2005/06	None	None	Draft in place	Document finalised
	Coordination of Teleradiology programme	Teleradiology in place	None	None	Implemented in four district clusters	Four district clusters
	Facilitate distribution of assistive devices	No of persons with assistive devices	25%	70%	75%	80%
	Coordinate community service programme for clinical support services	Number of allied health professionals allocated for community service	None	69	79	89
	Facilitation of standard radiology equipment	Standard radiology equipment in place	None	20%	25%	30%
	Improve turn around time	Standardised turn around time	Staggered turn around time	Seven days	84hrs	48hours -72hours
	Control , monitoring of silver recovery programme	Signed contract in place and submitted quarterly reports	Month - month Contract in place in all institution	Month - month Contract in place in all institutions	Two year contract in place as at August 2004	Contract in place
Orthotic and prosthetic services	Establish maintenance and repair	Number of outlets	2	4	6	5



Programme 7



Sub-programme	Objectives (Outputs)	Indicator	2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
Pharmaceutical Services - Medicines trading account	outlets					
	Provide wheelchairs and hearing aids as assistive devices	Number of wheelchairs and hearing aids issued	234	345	580	60% * 580 = = 348 wheelchairs
	Ensure efficient & effective drug supply management such that essential drugs are available at all times in all facilities	Tracer drugs available at all health facilities	90% of tracer drugs available at all facilities	90% of tracer drugs available at all facilities	90% of tracer drugs available at all facilities	Facilities have reported few shortages of indicator drugs (DHIS information not current)
	Ensure the availability of chronic drugs at a facility close to client's home	A down-referral system established at each provincial and academic hospital	Nil	East London complex initiated the referral system	3 complexes and regional hospitals have functioning referral system	Varying success with down-referral in most areas this remains a problem due to lack of capacity & transport challenges. EL Health complex testing software to facilitate this process
	To ensure that pharmacies in health facilities comply with norms and standards for quality assurance	Facilities comply with quality assurance norms of Pharmacy Council	Very few facilities comply	Very few facilities comply	60% of facilities comply	Audit conducted to measure compliance findings reported to districts & hospitals workshops held to formulate plans for improvements towards compliance. Funds from HPT grant

Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
						used towards obtaining required reference materials. Those hospital pharmacies inspected by SA Pharmacy Council have initiate process of ensuring that they comply with the recommendations made. There are still 32 Hospital Pharmacies with no Pharmacist and will thus not comply unless we recruit actively & retain our current CSPs.
	Facilitate the availability of drugs at the pharmaceutical depots	Current contracts are in place for all pharmaceutical supplies	Contracts in place for the current pharmaceutical supplies	Contracts in place for the current pharmaceutical supplies	100% estimates on time, 50% accuracy	Depots: Both depots experienced some drug shortages toward financial year-end suppliers last paid in February started withholding stocks by mid-March. Mthatha situation complicated through lack of capacity (no



Programme 7

Programme 7



Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
						full-time depot manager). Arrangement for payment authorization caused delays and some stockouts. 3 year contract for ARV's in place per 1 March 2005. Depot stock levels increased since award of the contract.
	Improve quantification of drug requirements	Percentage of drug requirements accurately estimated	Quantification of drug requirements done to improve estimates	Quantification of drug requirements done to improve estimates	50% of suppliers have estimates less than 1 year old	Appropriate quantification at both depot and facility level still needs to be improved. 2 year contract management cycle has started estimates provided for 4 new tenders to be awarded from June 2005 onwards
	Implement suitable pharmacy stock management system in health facilities	Number of health facilities with functioning stock management system	Rx Store being initiated in hospitals	Rx Store being initiated in some more hospitals and LSA offices	All provincial Hospitals with functioning stock management system	Rx Store available & in use in PE and EL hospital complexes, UGH, 10 LSA's, 10 district hospitals. NMAH uses Delta-9 as its stock control

Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
						system Manual & support for use of Rx Store is being negotiated. The PPP will come in with an electronic stock management system.
	To implement a suitable record keeping system in hospital pharmacies	Records of all prescriptions are kept according to legal requirements	Nil	Nil	Identify and evaluate system and install in provincial hospitals	Dispensing system (Rx Dispensing) in test phase at Frere hospital. A few hospitals have instituted manual recordkeeping systems. ARV prescription records maintained in rollout sites this could serve as the basis for a more elaborate record-keeping system. This will still require considerable input as indicated in the audit.

Programme 7



Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
	Ensure continued management support for the depot control system (MEDSAS) until PPP is in place	Medsas system operational, stock control records meet audit standards	Medsas system operational, stock control records meet audit standards	Medsas system operational, stock control records meet audit standards	Support for MEDSAS until PPP is in place	Support for MEDSAS by SITA is still on going until such time as the PPP is functional.
	To improve service delivery by the Pharmaceutical depots by entering into a Public Private Partnership (PPP) for management support and distribution of pharmaceutical and surgical supplies	Effective depot management and drug distribution	Initiated process of PPP according to National Treasury Regulations	PPP process initiated progressing well with bidders pre-qualified and RFP document being drawn up.	Contract arranged for PPP Pharmaceutical, medical and surgical Supplies delivered to all hospitals, CHC and clinics	The bids were evaluated & 4 bidders short listed. The process of selecting the preferred bidder is now at an advanced stage. Funds from HIV & AIDS grant were secured to engage the service of a Depot Manager on contract until the PPP is in place. 2 more trucks were secured from Fleet Africa to assist with the distribution of drug supplies whilst awaiting the PPP.
	To place pharmaceutical personnel in each district, hospital, CHC and clinic by 2010	Each district and hospital pharmacy is managed by a pharmacist	14 as District Pharmacists, (6 of them in the former Transkei), 7 as Hospital Pharmacy	22 out of 25 LSA's with District Pharmacists	All districts and 50% of hospitals have pharmacy managers	Only 3 LSA with no district Pharmacist and the posts have been advertised in the Pharmacia.

Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
			Managers, 3 as Deputy Directors for the Health Complexes, 9 out of 27 Community Service Pharmacists and the rest into higher posts.			Although most of the hospitals have CSP, only 29% of hospitals in the EC have no Pharmacist at all.
		Each community health centre has at least one post-basic pharmacists' assistant	Nil	Nil	10% of CHC have PA's	Target of 10% of CHC to have registered PA has not been accomplished. The CHC need to be run by post basic PA and there are only few in the system and this will change once first phase of training of Pharmacists' Assistants has been completed
		Pharmaceutical service in clinics is rendered by a post-basic pharmacists' assistant	Nil	Nil	5% of clinics have PA's	Target not been accomplished yet and one of major reason is that there are no posts for PA in the clinics at present, need to created first.



Programme 7

Programme 7



Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
						Work study is in the process of creating the post Auxiliary Worker Pharmacy at Hospital level first and then at PHC level.
	Develop a career path for pharmaceutical support personnel by 2005	Percentage of registered basic and post-basic PA appropriately employed and remunerated	Posts have been identified	Adverts placed to fill the PA posts	60% of pharmacist assistants appropriately placed	This is an ongoing process because there are no qualified basic PA but just Auxiliary Pharmacy workers with experience. This is still a challenge because most of them are on level 6 already while others who had completed basic are still on level 2 but there is progress in terms of placing them at appropriate levels once they have undergone training.
	To facilitate training of Pharmacist's Assistants on the accredited training programme in compliance with legislation by July 2005	300 Pharmacist's Assistants initiated training on accredited training programme	65 Pharmacist's Assistants initiated training	61 Pharmacist's Assistants completed training	100 PA's registered on accredited training programme	Training of the first phase not started yet due to delays caused by payment section. Out of 75 candidates to be RPLed only 40 qualify to be assessed

Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
						and the rest will do basic PA training. There will be 40 candidates for Post basic and 100 for basic PA.
						All the SLA with S Buys and CDU has been signed
	Systems in place so that pharmacy internship programme can be implemented in all provincial and academic hospitals by 2005	Establishment of intern posts at all PAH's	Nil	Nil	Intern posts established at each of the PAH's	Mthatha hospital complex pharmacies still to be inspected by SAPC and therefore no posts for interns yet only PE and EL complexes have posts for interns
	-	Accreditation of facilities for intern training	Nil	Nil	All PAH's accredited for pharmacy intern training	PE and EL complex accredited for Intern's training except Mthatha
	Training on financial management for all pharmacy managers	All pharmacists responsible for drug budgets trained on financial management	Nil	Nil	50% of pharmacists responsible for drug budgets trained on financial management	Not done yet. There were delays in the awarding of the contract and the service level agreement with the



Programme 7

Programme 7



Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
	To improve utilisation of drug budget towards effective service delivery	90% of drug budget spent on drugs that are in the E.C. Formulary	Most of the drug budget spent on drugs that are in the E.C. Formulary	Most of the drug budget spent on drugs that are in the E.C. Formulary	60% of facilities with < 10% spent outside the EC formulary	service providers. ABC analysis of expenditure indicates that facilities are utilising their budget on drugs that are on the E.C. Formulary.
	To monitor drug expenditure at all levels	Monthly expenditure reports per facility	Most facilities have expenditure within budget	Most facilities have expenditure within budget	70% of facilities have expenditure within budget	Overall drug expenditure within budget. Total expenditure for year through the depots = R350m. On facility-scale quite substantial variances were seen allocation per facility in new financial year will require larger input from pharmaceutical services Monitoring still quite a challenge, as no suitable applications were received for the advertised finance officer to this directorate.



REPORTING ON STANDARD NATIONAL INDICATORS

For the Health Care Support Services Programme, there are currently no standard national indicators for provinces to report on.

Co-ordination, co-operation and outsourcing plans

Local Government and Institutional linkages

Local Authority/Institution	Amount Transferred	Amount spent by transferee
Rhodes University	R216, 631-00	

What services are provided by the local authority/Institutions to which funds are transferred?

Services:

Training for the Doctor of Pharmacy Degree in collaboration with East London Hospital Complex and Eastern Cape Province Department of Health.

What monthly monitoring mechanisms are in place to monitor spending against transfers?

Monitoring mechanisms:

Monthly Reports by the Institution.

What difficulties did the department experience in terms of consistently applying monitoring mechanisms

Difficulties:

Late transfer of funds to Rhodes University to ensure that these are utilised within the financial year. The transfer to Rhodes University only occurred in February 2004.



Public Private Partnerships, outsourcing etc.

The PPP process has been initiated based on the guidelines from National Treasury PPP Unit. This is for the management support for the Port Elizabeth and Umtata Depots and distribution of pharmaceutical, medical and surgical supplies to all facilities in the Province. This includes all Hospitals, Community Health Centres and PHC Clinics. The bidders were pre-qualified and Request for Proposal document sent to the 4 prospective bidders.

Progress made in the period under review in implementing these plans

- The decisions of the Feasibility Study were implemented in that Mthatha Depot was chosen as the Main Depot with Port Elizabeth Depot acting as the feeder depot for facilities in the western part of the Province and as a Down referral Pharmacy and Pre-packing unit for the whole Province
- 4 bidders have submitted their RFP documents and these are being evaluated so as to select a preferred and a reserve bidder.

Problems that have been experienced in launching PPP's and that have been put in place to keep matters on track.

Problems:

- Poor attendance by Eastern Cape Province Department of Health team members.
- Failure to meet deadlines, thus having to shift the timeframes.
- Underestimation of the enormity of the project by the team members.
- Poor availability of documentation.

Measures put in place:

- Dedication by the Project Officer in pushing the Project forward.
- Strong support from the Transaction Advisor.
- As much as possible trying to stick to timeframes set initially.



Donor Funding

Details of all the donations received by the or sub-programme.

Name of Donor	Amount
RPM Plus Project	R2, 000-00
Aspen Pharmacare	R5,000-00
Adcock Ingram	R3,000-00
Biogaran	R10,000-00

These donations were towards the Pharmacists' Annual Conference and the Pharmacy Awareness Week.



Programme 7



5.7 PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

AIM

To improve access to health care services by providing new health facilities, upgrading and maintaining existing facilities.

ANALYTICAL REVIEW OF PROGRAMME PERFORMANCE

The analytical review of programme performance focuses on new policies introduced during the 2004/05 financial year as well as policy amendments which will come into effect during the 2005/06 financial year. Major constraints and challenges hampering programme performance are highlighted, together with the programme priorities for the 2005/06 financial year.

POLICIES

The following policies were implemented by the programme during the 2004/05 financial year:-

- No new policies were introduced.
- The old policies were applied to guide implementation of projects. For example, the application of the PPP policy in the construction of a ward block in Humansdorp, the right sizing of beds in hospitals upgraded, application of Occupational Safety standards in all facilities,

PRIORITIES

The following priorities were identified by the programme for effective implementation during 2004/05 financial year:-

- Revamping of dilapidated clinics
- Provision of accommodation for nurses in remote areas
- Revitalization of hospitals

CHALLENGES AND CONSTRAINTS

The programme experienced the following challenges and constraints during the 2003/04 financial year:-

- The main challenge was the budget reduction from July as a result of provincial cash flow problems resulting in the introduction of the "Belt Tightening" exercise which

triggered a number of unforeseen problems such as -

- A number of planned projects put on hold.
- All projects where a contractor was not on site could not commence.
- There were payments delays due to provincial cash flows. Payments were done twice a month instead of weekly.
- This resulted in contractors walking off site until they were paid. Some contractors took advantage of the situation performed poorly.

ACHIEVEMENTS

The following achievements were identified by the programme for effective implementation during 2004/05 financial year:-

In the year under review the achievements were completion of:

- 7 New clinics and 2 CHCs,
- 27 clinics upgraded
- 7 existing clinics improved by additional residences for nurses
- 9 district and 2 provincial projects
- 3 projects in the hospitals under the revitalization grant. There are
- 2 hospitals and 10 clinic projects are 80% complete.
- 44 new facilities supplied with new equipment

Rural Nodes, SMMEs Participation

Construction of all clinics and sub contracting in multimillion projects is performed by SMMEs. These groups are trained by the mentoring teams from PWD. Joint Ventures were formed in big hospital projects. During the year 7 joint ventures and 82 SMMEs participated. Out of 132 projects undertaken, the programme prioritised the development nodes as much as possible. All hospital revitalization projects and a large number of clinics are in the prioritised nodes as reflected below:

- Alfred NZO 21
- R Tambo 38
- Chris Hani 16
- Ukhahlamba 13

This constitute 66.6% of the total construction expenditure

Urban Renewal

One project the new NU2 CHC. Still under construction

Table 22: Performance against targets from the 2004/05 strategic plan for the Health Facilities Management

Sub-programme	Objectives (Outputs)	Indicator	2002/03 Actual	Performance		2004/05 strat. plan target
				2003/04 Actual	2004/05 Actual	
Health Facilities Management Programme						
Community health facilities	Construction of new clinics & CHCs	No of new clinics built	2	10	9	13
	Upgrading of existing clinics & CHCs	No of clinics upgraded	-	3	2	4
Hospitals	Revitalisation of hospitals	No of hospitals being revitalized	10	55	27	22
		No of district hospitals being upgraded	1	4	4	4
District hospitals	Upgrading of District hospitals		8	11	8	13
Provincial Hospitals	Upgrading of provincial hospitals	No of provincial hospitals being upgraded	1	4	2	5



Programme 8



Sub-programme	Objectives (Outputs)	Indicator	Performance			
			2002/03 Actual	2003/04 Actual	2004/05 Actual	2004/05 strat. plan target
Procurement of equipment for new health facilities	Procurement of equipment for new facilities	No of new facilities provided with essential equipment	12	60	46	40
Maintenance of facilities	Maintenance of clinics & CHCs	No of clinics & CHCs maintained	112	60	9 (major maintenance) 73 minor maintenance	511
	Maintenance of hospitals	No of hospitals maintained	75	75	3 (major maintenance) 11 minor maintenance	75

Performance on hospital revitalisation grant

The Hospital Revitalization grant was spent on the upgrading of Frontier Maternity block, Rietvlei Surgical block, St Elizabeth Medical wards, clinical staff accommodation, a PHC gateway clinic and the relocation of Mary Therese hospital and procurement of equipment for these institutions. 85% total allocation was spent. The problem was contractor failure in the Frontier project and the provincial cash problems which resulted in payment delays.

Table 23: Performance indicators for health facilities management

Indicator		2004/05	2005/06	2006/07	2007/08	2008/09	National Target 2008/09
Input							
1. Equitable share capital programme as percentage of total health expenditure ²	%	7.7	8.1	7.9	8.2	8	25%
2. Hospitals funded on revitalisation programme	%	2.2	2.2	2.4	2.5	3	25%
3. Expenditure on facility maintenance as percentage of total health expenditure ²	%	1.4	1.9	2	2	2.5	4%
4. Expenditure on equipment maintenance as percentage of total health expenditure ²	%	0.2	0.7	0.7	0.9	1.5	4%
Process							
5. Hospitals with up to date asset register	%	20	50	80	90	95	100%
6. Districts with up to date PHC asset register (excluding hospitals)		10	30	50	75	90	100%
Quality							
7. PHC facilities with access to basic infrastructural services:							
a. Piped water		62	65	70	80	82	100%



Programme 8



Indicator		2004/05	2005/06	2006/07	2007/08	2008/09	National Target 2008/09
b. Mains electricity		79	80	82	85	89	100%
c. Fixed line telephone		69	72	75	80	82	100%
8. Average backlog of service platform by programme ²							
a. PHC facilities		30	27	25	25	23	15%
b. District hospitals	%	55	50	42	35	30	15%
c. Regional hospitals	%	30	30	28	25	23	15%
d. Psych/TB Chronic and specialised hospitals ¹	%	53	50	50	45	40	15%
e. Provincial tertiary and national tertiary hospitals ¹	%	60	60	57	54	54	15%
f. Provincially aided hospitals		20	17	15	15	15	15%
Efficiency							
9. Projects completed on time (defined)		75	75	80	90	90	
10. Project over budget (beyond variation order)		0	0	0	0	0	
Outcome							
11. Level 1 beds per 1000 uninsured population ²		1.7	1.6	1.4	1.4	0.9	0.9
12. Level 2 beds per 1000 uninsured population ²		1.3	1.2	1.2	1.2	0.6	0.9
13. Population within 5km of fixed PHC		50	55	60	65	70	95%

PART C :

HUMAN RESOURCES OVERSIGHT REPORT FOR THE PERIOD APRIL 2004 - MARCH 2005

TABLE 1.1 Main Service for the Service Delivery Improvement and Standards

MAIN SERVICE	MAIN SERVICE	MAIN SERVICE	MAIN SERVICE
Speeding up delivery of primary health care services through the district health system.	General Public Health service users Municipal Health services Non-governmental organisations Community based organisations Other State Sectors Provincial Health Facilities	General Public Health service users Municipal Health services Non-governmental organisations Community based organisations Other State Sectors Provincial Health Facilities	See Programme 02 for details
Decreasing mobility and mortality rates through strategic interventions.	General Public Health service users Municipal Health services Non-governmental organisations Community based organisations Other State Sectors Provincial Health Facilities	General Public Health service users Municipal Health services Non-governmental organisations Community based organisations Other State Sectors Provincial Health Facilities	See Programme 02 for details
Revitalisation of Hospital and other Health Care Facilities	General Public Health service users Other State sector Private health sector Provincial Health Facilities	General Public Health service users Other State sector Private health sector Provincial Health Facilities	See Programme 01 and 08 for details

TABLE 1.2 Consultation arrangements for customers

TYPE OF ARRANGEMENTS	ACTUAL CUSTOMERS	POTENTIAL CUSTOMERS	ACTUAL ACHIEVEMENTS
Meetings, Road shows, Health Lekgotla / Indaba organised by the Department	Academic and training institutions Municipal Health Services Non-governmental organisations Community Faith Based Organisations Other State Sectors Professional associations Trade Unions / Organised Labour Traditional Health Associations	Academic and training institutions Municipal Health Services Non-governmental organisations Community Faith Based Organisations Other State Sectors Professional associations Trade Unions / Organised Labour	See Programme 01 and 02 for details
Ad hoc specialist meetings, conferences facilitated by the Department	Academic and training institutions General Public Health Service Users Municipal Health Service Non-governmental organisation Other State sectors Professional association Trade Unions / Organised Labour	Traditional Health Associations Academic and training institutions General Public Health Service Users Municipal Health Service Non-governmental organisation Other State sectors Professional association Trade Unions / Organised Labour	See Programme 01 and 02 for details
Attendance at conferences and meetings convened by other parties, stakeholders or institutions	Academic and training institutions Health Service Users Professional association Trade Unions / Organised Labour	Academic and training institutions Health Service Users Professional association Trade Unions / Organised Labour	See Programme 01 and 02 for details

TABLE 1.3 Service Delivery Access Strategies

ACCESS STRATEGY	ACTUAL ACHIEVEMENTS
Improved infrastructure to health facilities.	See Programme 01, 02, and 04 for details
Development of a new service delivery model for effective administration and management of the department.	See Programme 01 for details

TABLE 1.4 Service Information Tool

TYPE OF INFORMATION TOOL	ACTUAL ACHIEVEMENTS
Annual Report Quarterly Report Media Briefings	See Programme 01 for details

TABLE 1.5 Service Delivery Access Strategies

COMPLAINT MECHANISM	ACTUAL ACHIEVEMENTS
Complaints Boxes at hospitals and head offices	See Programme 01, 02, 03 for details
Quality Assurance Toll Free Number: 080032364	See Programme 01



TABLE 2.1 PERSONNEL COSTS BY PROGRAMME, 2004/05

Programme	Total Voted Expenditure (R'000)	Compensation of Employees (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure	Average Compensation of Employees Cost per Employee (R'000)
Prg1 administration	245,207	87,645	0	0	35.7	174
Prg2 district health services	2,558,483	1,667,112	0	0	65.2	103
Prg3 emergency medical service	125,234	93,055	0	0	74.3	82
Prg4 provincial hospital service	1,708,351	1,227,325	0	0	71.8	107
Prg5 central hospital services	0	0	0	0	0.0	0
Prg6 health sciences & training	159,948	149,416	0	0	93.4	75
Prg7 health care services	10,440	5,498	0	0	52.7	104
Prg8 health facilities management	372,554	0	0	0	0.0	0
Total as on Financial Systems	5,180,217	3,230,051	0	0	62.4	103

TABLE 2.2 - Personnel costs by Salary band, 2004/05

Salary Bands	Compensation of Employees (R'000)	Percentage of Total Personnel Cost	Average Personnel Cost per Employee (R)
Lower skilled (Levels 1-2)	382,688	11.8	55,182
Skilled (Levels 3-5)	822,218	25.5	75,061
Highly skilled production (Levels 6-8)	1,556,678	48.2	135,836
Highly skilled supervision (Levels 9-12)	394,843	12.2	202,587
Senior management (Levels 13-16)	73,624	2.3	553,564
TOTAL	3,230,051	100	102,766

TABLE 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Assistance by Programme, 2004/05

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	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
Prg1: administration	61,936	70.7	626	0.7	805	0.9	3,205	3.7
Prg2: district health services	1,178,113	70.7	24,519	1.5	8,985	0.5	101,175	6.1
Prg3: emergency medical services	64,610	69.4	7,272	7.8	670	0.7	4,910	5.3
Prg4: provincial hospital service	826,781	67.4	71,147	5.8	11,913	1	66,841	5.4
Prg6: health sciences & training	121,427	81.3	17	0	417	0.3	7,479	5
Prg7: health care support services	4,118	74.9	-	0	103	1.9	359	6.5
TOTAL	2,256,985	69.9	103,581	3.2	22,893	0.7	183,969	5.7



TABLE 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Assistance by Salary Band, 2004/05

Salary bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	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)	275,321	71.9	231	0.1	2,057	0.5	31,336	8.2
Skilled (Levels 3-5)	596,608	72.6	9,711	1.2	5,299	0.6	59,016	7.2
Highly skilled production (Levels 6-8)	1,106,667	71.1	31,295	2	13,887	0.9	82,860	5.3
Highly skilled supervision (Levels 9-12)	241,925	61.3	53,424	13.5	1,660	0.4	9,406	2.4
Senior management (Levels 13-16)	36,464	49.5	8,919	12.1	11	0	1,350	1.8
TOTAL	2,256,985	69.9	103,581	3.2	22,893	0.7	183,969	5.7

TABLE 3.1 - Employment and Vacancies by Programme, 31 March 2005

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Prg1: administration, Permanent	803	503	37.4	0
Prg1: administration, Temporary	1	1	0	0
Prg2: district health services, Permanent	23633	16001	32.3	0
Prg2: district health services, Temporary	147	226	(53.7)	0
Prg3: emergency medical services, Permanent	2231	1131	49.3	0
Prg4: provincial hospital service, Permanent	16140	11402	29.4	0
Prg4: provincial hospital service, Temporary	75	119	(58.7)	0
Prg6: health sciences & training, Permanent	3047	1995	34.5	0
Prg7: health care support services, Permanent	90	53	41.1	0
TOTAL	46167	31431	31.9	0

TABLE 3.2 - Employment and Vacancies by Salary Band, 31 March 2005

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	8966	6921	22.8	0
Lower skilled (Levels 1-2), Temporary	14	14	0	0
Skilled (Levels 3-5), Permanent	16587	10953	34	0
Skilled (Levels 3-5), Temporary	1	1	0	0
Highly skilled production (Levels 6-8), Permanent	17228	11437	33.6	0
Highly skilled production (Levels 6-8), Temporary	18	23	(27.8)	0
Highly skilled supervision (Levels 9-12), Permanent	2923	1644	43.8	0
Highly skilled supervision (Levels 9-12), Temporary	187	305	(63.1)	0
Senior management (Levels 13-16), Permanent	240	130	45.8	0
Senior management (Levels 13-16), Temporary	3	3	0	0
TOTAL	46167	31431	31.9	0

TABLE 3.3 - Employment and Vacancies by Critical Occupation, 31 March 2005

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	293	132	54.9	0
All artisans in the building metal machinery etc., Permanent	410	227	44.6	0
Ambulance and related workers, Permanent	2174	1097	49.5	0
Artisan project and related superintendents, Permanent	23	6	73.9	0
Auxiliary and related workers, Permanent	1674	929	44.5	0
Auxiliary and related workers, Temporary	1	1	0	0
Boiler and related operators, Permanent	260	186	28.5	0
Building and other property caretakers, Permanent	120	90	25	0
Bus and heavy vehicle drivers, Permanent	4	3	25	0
Cleaners in offices workshops hospitals etc., Permanent	6384	5137	19.5	0
Cleaners in offices workshops hospitals etc., Temporary	15	15	0	0
Client inform clerks (switchboard reception inform clerks), Permanent	245	150	38.8	0
Communication and information related, Permanent	13	5	61.5	0
Dental practitioners, Permanent	82	43	47.6	0
Dental practitioners, Temporary	5	10	(100)	0
Dental technicians, Permanent	1	0	100	0



Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Dental therapy, Permanent	4	2	50	0
Dieticians and nutritionists, Permanent	82	38	53.7	0
Electrical and electronics engineering technicians, Permanent	29	9	69	0
Emergency services related, Permanent	6	4	33.3	0
Engineering sciences related, Permanent	10	5	50	0
Engineers and related professionals, Permanent	8	3	62.5	0
Environmental health, Permanent	288	145	49.7	0
Finance and economics related, Permanent	49	35	28.6	0
Financial and related professionals, Permanent	18	11	38.9	0
Financial clerks and credit controllers, Permanent	307	181	41	0
Financial clerks and credit controllers, Temporary	1	1	0	0
Food services aids and waiters, Permanent	1073	821	23.5	0
Food services workers, Permanent	9	7	22.2	0
Head of department/chief executive officer, Permanent	3	2	33.3	0
Health sciences related, Permanent	910	539	40.8	0

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Home-based personal care workers, Permanent	1	1	0	0
Household and laundry workers, Permanent	1505	1101	26.8	0
Household food and laundry services related, Permanent	9	5	44.4	0
Housekeepers laundry and related workers, Permanent	130	82	36.9	0
Human resources & organisat developm & relate prof, Permanent	117	72	38.5	0
Human resources clerks, Permanent	140	58	58.6	0
Human resources related, Permanent	42	17	59.5	0
Information technology related, Permanent	7	2	71.4	0
Language practitioners interpreters & other commun, Permanent	115	52	54.8	0
Legal related, Permanent	2	1	50	0
Library mail and related clerks, Permanent	133	57	57.1	0
Light vehicle drivers, Permanent	447	263	41.2	0
Logistical support personnel, Permanent	62	44	29	0
Material-recording and transport clerks, Permanent	369	233	36.9	0
Medical practitioners, Permanent	1114	649	41.7	0
Medical practitioners, Temporary	133	217	(63.2)	0
Medical research and related professionals, Permanent	2	1	50	0





Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Medical specialists, Permanent	349	154	55.9	0
Medical specialists, Temporary	34	61	(79.4)	0
Medical technicians/technologists, Permanent	161	23	85.7	0
Messengers porters and deliverers, Permanent	664	412	38	0
Motor vehicle drivers, Permanent	22	4	81.8	0
Nursing assistants, Permanent	5961	4522	24.1	0
Occupational therapy, Permanent	81	30	63	0
Occupational therapy, Temporary	1	1	0	0
Optometrists and opticians, Permanent	2	2	0	0
Oral hygiene, Permanent	145	25	82.8	0
Oral hygiene, Temporary	1	1	0	0
Other administrat & related clerks and organisers, Permanent	1737	1001	42.4	0
Other administrative policy and related officers, Permanent	674	395	41.4	0
Other information technology personnel., Permanent	41	25	39	0
Other occupations, Permanent	3	2	33.3	0

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Pharmaceutical assistants, Permanent	1	1	0	0
Pharmacists, Permanent	295	201	31.9	0
Pharmacists, Temporary	9	9	0	0
Physicists, Permanent	5	1	80	0
Physiotherapy, Permanent	97	53	45.4	0
Physiotherapy, Temporary	1	4	(300)	0
Printing and related machine operators, Permanent	14	14	0	0
Professional nurse, Permanent	9684	6636	31.5	0
Professional nurse, Temporary	17	18	(5.9)	0
Psychologists and vocational counsellors, Permanent	152	38	75	0
Psychologists and vocational counsellors, Temporary	2	4	(100)	0
Radiography, Permanent	319	228	28.5	0
Radiography, Temporary	2	2	0	0
Risk management and security services, Permanent	3	2	33.3	0
Secretaries & other keyboard operating clerks, Permanent	333	152	54.4	0
Security guards, Permanent	112	39	65.2	0
Security officers, Permanent	17	14	17.6	0





Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Senior managers, Permanent	223	124	44.4	0
Shoemakers, Permanent	14	9	35.7	0
Social sciences related, Permanent	1	0	100	0
Social work and related professionals, Permanent	115	64	44.3	0
Speech therapy and audiology, Permanent	26	14	46.2	0
Staff nurses and pupil nurses, Permanent	2992	2310	22.8	0
Staff nurses and pupil nurses, Temporary	1	2	(100)	0
Student nurse, Permanent	2436	1787	26.6	0
Supplementary diagnostic radiographers, Permanent	157	85	45.9	0
Trade labourers, Permanent	432	273	36.8	0
Trade related, Permanent	1	0	100	0
Work planners, Permanent	1	0	100	0
TOTAL	46167	31431	31.9	0

TABLE 4.1 - Job Evaluation, 1 April 2004 to 31 March 2005

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts valued by Salary Band	Number	% of Upgraded Posts Evaluated	Number	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	8980	0	0	0	0	0	0
Skilled (Levels 3-5)	16588	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	17246	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	3110	2516	0	0	0	0	80.9
Senior Management Service Band A	201	180	0	0	0	0	089.6
Senior Management Service Band B	28	28	0	0	0	0	90.3
Senior Management Service Band C	10	10	0	0	0	0	100
Senior Management Service Band D	1	1	0	0	0	0	100
Other		0	0	0	0	0	0
TOTAL	46167	2735	0	0	0	0	5.9

TABLE 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded, 1 April 2004 to 31 March 2005

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a Disability	0	0	0	0	0



TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation,
1 April 2004 to 31 March 2005, [in terms of PSR 1.V.C.3]

Total Number of Employees whose salary exceeded the grades determined by job evaluation in 2004/05 None

TABLE 5.1 - Annual Turnover Rates by Salary Band for the period 1 April 2004 to 31 March 2005

Salary Band	Number of employees per band as on 1 April 2004	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Lower skilled (Levels 1-2), Permanent	5741	1190	10	0.2
Lower skilled (Levels 1-2), Temporary	856	0	842	98.4
Skilled (Levels 3-5), Permanent	8500	2560	107	1.3
Skilled (Levels 3-5), Temporary	1135	0	1134	99.9
Highly skilled production (Levels 6-8), Permanent	11552	125	240	2.1
Highly skilled production (Levels 6-8), Temporary	351	13	341	97.2
Highly skilled supervision (Levels 9-12), Permanent	1000	876	232	23.2
Highly skilled supervision (Levels 9-12), Temporary	293	61	49	16.7
Senior Management Service (Level 13-16) Permanent	84	57	11	13.1
Senior Management Service (Level 13-16), Temporary	20	1	18	90
TOTAL	29532	4883	2984	10.1

TABLE 5.2 - Annual Turnover Rates by Critical Occupation for the period 1 April 2004 to 31 March 2005

Occupation	Number of employees per occupation as on 1 April 2004	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Administrative related, Permanent	79	53	0	0
Agriculture related, Permanent	0	0	0	0
All artisans in the building metal machinery etc., Permanent	183	44	0	0
Ambulance and related workers, Permanent	1035	62	0	0
Artisan project and related superintendents, Permanent	2	4	0	0
Auxiliary and related workers, Permanent	802	127	0	0
Auxiliary and related workers, Temporary	4	0	3	75
Boiler and related operators, Permanent	174	12	0	0
Building and other property caretakers, Permanent	703	0	613	87.2
Building and other property caretakers, Temporary	149	0	149	100
Bus and heavy vehicle drivers, Permanent	1	2	0	0
Cartographic surveying and related technicians, Permanent	0	0	0	0
Cleaners in offices workshops hospitals etc., Permanent	3501	1636	0	0
Cleaners in offices workshops hospitals etc., Temp	15	0	0	
Client inform clerks (switchboard recept inform clerks), Permanent	154	0	4	2.6
Communication and information related, Permanent	1	4	0	0





Occupation	Number of employees per occupation as on 1 April 2004	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Community development workers, Permanent	1	0	1	100
Compositors typesetters & related printing workers, Permanent	1	0	1	100
Dental practitioners, Permanent	35	8	0	0
Dental practitioners, Temporary	10	0	0	0
Dental therapy, Permanent	11	0	9	81.8
Dieticians and nutritionists, Permanent	21	17	0	0
Electrical and electronics engineering technicians, Permanent	1	8	0	0
Emergency services related, Permanent	3	3	2	67.8
Engineering sciences related, Permanent	6	0	1	16.7
Engineers and related professionals, Permanent	1	2	0	0
Environmental health, Permanent	163	0	18	11
Farm hands and labourers, Permanent	0	0	0	0
Finance and economics related, Permanent	15	20	0	0
Financial and related professionals, Permanent	54	0	43	79.6

Occupation	Number of employees per occupation as on 1 April 2004	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Financial clerks and credit controllers, Permanent	189	0	7	3.7
Food services aids and waiters, Permanent	795	26	0	0
Food services aids and waiters, Temporary	1	0	1	100
Food services workers, Permanent	16	0	9	56.3
Handcraft instructors, Permanent	0	0	0	0
Handymen, Permanent	0	0	0	0
Head of department/chief executive officer, Permanent	1	1	0	0
Health sciences related, Permanent	369	170	0	0
Health sciences related, Temporary	19	0	19	100
Home-based personal care workers, Permanent	0	1	0	0
Household and laundry workers, Permanent	1196	0	95	7.9
Household and laundry workers, Temporary	1	0	1	100
Household food and laundry services related, Permanent	0	5	0	0
Housekeepers laundry and related workers, Permanent	8	74	0	0
Human resources & organisat developm & relate prof, Permanent	38	34	0	0
Human resources clerks, Permanent	216	0	158	73.1





Occupation	Number of employees per occupation as on 1 April 2004	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Human resources related, Permanent	9	8	0	0
Information technology related, Permanent	0	2	0	0
Language practitioners interpreters & other commun, Permanent	2	50	0	0
Leather workers, Permanent	0	0	0	0
Legal related, Permanent	0	1	0	0
Library mail and related clerks, Permanent	50	7	0	0
Light vehicle drivers, Permanent	262	1	0	0
Logistical support personnel, Permanent	65	0	21	32.3
Material-recording and transport clerks, Permanent	187	46	0	0
Medical practitioners, Permanent	464	185	0	0
Medical practitioners, Temporary	218	0	1	0.5
Medical research and related professionals, Permanent	0	1	0	0
Medical specialists, Permanent	140	14	0	0
Medical specialists, Temporary	58	3	0	0

Occupation	Number of employees per occupation as on 1 April 2004	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Medical technicians/technologists, Permanent	22	1	0	0
Messengers porters and deliverers, Permanent	542	0	130	24
Motor vehicle drivers, Permanent	2	2	0	0
Nursing assistants, Permanent	4151	371	0	0
Occupational therapy, Permanent	23	7	0	0
Occupational therapy, Temporary	1	0	0	0
Optometrists and opticians, Permanent	2	0	0	0
Optometrists and opticians, Temporary	0	0	0	0
Oral hygiene, Permanent	14	11	0	0
Oral hygiene, Temporary	1	0	0	0
Other administrat & related clerks and organisers, Permanent	873	128	0	0
Other administrat & related clerks and organisers, Temporary	1	0	1	100
Other administrative policy and related officers, Permanent	192	203	0	0
Other information technology personnel., Permanent	32	0	7	21.9
Other machine operators, Permanent	1	0	1	100
Other occupations, Permanent	13	0	11	84.6





Occupation	Number of employees per occupation as on 1 April 2004	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Other occupations, Temporary	12	0	12	100
Pharmaceutical assistants, Permanent	0	1	0	0
Pharmacists, Permanent	145	56	0	0
Pharmacists, Temporary	10	0	1	10
Pharmacologists pathologists & related professions, Permanent	0	0	0	0
Photographic lithographic and related workers, Permanent	0	0	0	0
Physicists, Permanent	1	0	0	0
Physiotherapy, Permanent	49	4	0	0
Physiotherapy, Temporary	0	4	0	0
Printing and related machine operators, Permanent	20	0	6	30
Probation workers, Permanent	0	0	0	0
Professional nurse, Permanent	5971	848	183	3.1
Professional nurse, Temporary	19	7	8	42.8
Psychologists and vocational counsellors, Permanent	27	26	15	56.5

Occupation	Number of employees per occupation as on 1 April 2004	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Psychologists and vocational counsellors, Temporary	2	2	0	0
Radiography, Permanent	243	23	38	15.5
Radiography, Temporary	1	2	1	101.7
Rank: Medical sciences and support personnel sr11, Temporary	0	0	0	0
Rank: Medical sciences and support personnel sr9, Temporary	0	0	0	0
Rank: Unknown, Permanent	0	0	0	0
Risk Management	0	2	0	
Road workers, Permanent	0	0	0	0
Secretaries & other keyboard operating clerks, Permanent	146	11	5	3.5
Security guards, Permanent	623	0	584	93.7
Security guards, Temporary	28	0	28	100
Security officers, Permanent	107	0	93	86.9
Senior managers, Permanent	87	47	10	11.7
Senior managers, Temporary	19	0	19	100
Shoemakers, Permanent	9	0	0	0
Social sciences related, Permanent	3	0	3	100





Part C

Occupation	Number of employees per occupation as on 1 April 2004	Appointments and Transfers into the Department	Terminations and Transfers out of the Department	Turnover Rate
Social sciences supplementary workers, Permanent	0	1	1	0
Social work and related professionals, Permanent	33	33	2	6.2
Speech therapy and audiology, Permanent	12	5	3	25.4
Staff nurses and pupil nurses, Permanent	2585	0	275	10.6
Staff nurses and pupil nurses, Temporary	0	4	2	0
Student nurse, Permanent	1761	393	367	20.8
Student nurse, Temporary	0	3	3	0
Supplementary diagnostic radiographers, Permanent	80	5	0	0
Supplementary diagnostic radiographers, Temporary	6	0	6	100
Trade labourers, Permanent	234	51	12	5.2
Water plant and related operators, Permanent	0	0	0	0
TOTAL	29532	4883	2984	10.1

TABLE 5.3 - Reasons why staff are leaving the department

Termination Type	Number	% of Total
Death, Permanent	229	7.7
Death, Temporary	3	0.1
Resignation, Permanent	874	29.3
Resignation, Temporary	99	3.3
Expiry of contract, Permanent	664	22.2
Expiry of contract, Temporary	294	9.8
Dismissal-operational changes, Permanent	31	1
Discharged due to ill health, Permanent	87	2.9
Discharged due to ill health, Temporary	5	0.2
Dismissal-misconduct, Permanent	16	0.5
Dismissal-misconduct, Temporary	1	0
Dismissal-inefficiency, Temporary	43	1.4
Retirement, Permanent	608	20.4
Retirement, Temporary	2	0.1
Other, Permanent	3	0.1
Other, Temporary	25	0.9
TOTAL	2984	100

Total number of employees who left as % of total employment

10.1



TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employees as at 1 April 2004	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch Progression as a % of Employment
Administrative related	100	18	18	43	43
Agriculture related	2	0	0	0	0
All artisans in the building metal machinery etc.	175	7	4	138	78.9
Ambulance and related workers	984	1	0.1	1	0.1
Artisan project and related superintendents	7	0	0	2	28.6
Auxiliary and related workers	872	17	1.9	703	80.6
Boiler and related operators	104	0	0	36	34.6
Building and other property caretakers	312	0	0	111	35.4
Bus and heavy vehicle drivers	10	0	0	6	60
Cartographic surveying and related technicians	4	0	0	2	50
Cleaners in offices workshops hospitals etc.	4265	12	0.3	2789	65.4
Client inform clerks (switchboard reception inform clerks)	158	5	3.2	118	74.7
Communication and information related	1	1	100	0	0
Community development workers	8	0	0	6	75
Compositors typesetters & related printing workers	1	0	0	1	100
Dental practitioners	57	1	1.8	14	24.6
Dental therapy	8	0	0	3	37.5

Occupation	Employees as at 1 April 2004	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch Progression as a % of Employment
Dieticians and nutritionists	24	2	8.3	10	41.7
Emergency services related	56	0	0	0	0
Engineering sciences related	4	0	0	0	0
Engineers and related professionals	1	2	200	0	0
Environmental health	154	2	1.3	75	48.7
Farm hands and labourers	1	0	0	0	0
Finance and economics related	9	10	111.1	4	44.4
Financial and related professionals	42	1	2.4	19	45.2
Financial clerks and credit controllers	151	5	3.3	121	80.1
Food services aids and waiters	660	2	0.3	512	77.6
Food services workers	17	1	5.9	3	17.6
Handcraft instructors	2	0	0	3	150
Handymen	1	0	0	1	100
Head of department/ chief executive officer	2	0	0	1	50
Health sciences related	332	57	17.2	171	51.5
Home-based personal care workers	4	0	0	1	25
Household and laundry workers	1273	0	0	776	61



Occupation	Employees as at 1 April 2004	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch Progression as a % of Employment
Household food and laundry services related	6	0	0	0	0
Housekeepers laundry and related workers	42	0	0	12	28.6
Human resources & organisat developm & relate prof	50	22	44	27	54
Human resources clerks	86	5	5.8	49	57
Human resources related	7	4	57.1	1	14.3
Information technology related	1	0	0	0	0
Language practitioners interpreters & other commun	0	1	0	0	0
Leather workers	1	0	0	1	100
Legal related	1	0	0	0	0
Library mail and related clerks	54	3	5.6	49	90.7
Light vehicle drivers	230	7	3	144	62.6
Logistical support personnel	24	2	8.3	6	25
Material-recording and transport clerks	104	21	20.2	99	95.2
Medical practitioners	814	57	7	163	20
Medical research and related professionals	1	0	0	0	0
Medical specialists	144	2	1.4	13	9
Medical technicians/technologists	23	1	4.3	13	56.5

Occupation	Employees as at 1 April 2004	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch Progression as a % of Employment
Messengers porters and deliverers	496	16	3.2	366	73.8
Motor vehicle drivers	22	0	0	15	68.2
Nursing assistants	4151	32	0.8	3009	72.5
Occupational therapy	24	0	0	6	25
Optometrists and opticians	2	0	0	0	0
Oral hygiene	15	0	0	11	73.3
Other administrat & related clerks and organisers	844	64	7.6	702	83.3
Other administrative policy and related officers	366	48	13.1	270	73.8
Other information technology personnel.	21	6	28.6	14	66.7
Other machine operators	2	0	0	0	0
Other occupations	408	4	1	442	108.3
Pharmacists	157	10	6.4	53	33.8
Pharmacologists pathologists & related professiona	1	0	0	0	0
Photographic lithographic and related workers	1	0	0	1	100
Physicists	4	1	25	2	50
Physiotherapy	49	2	4.1	7	14.3
Printing and related machine operators	12	0	0	10	83.3



Occupation	Employees as at 1 April 2004	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch Progression as a % of Employment
Probation workers	1	0	0	0	0
Professional nurse	5918	103	1.7	4619	78.1
Psychologists and vocational counsellors	27	0	0	8	29.6
Radiography	249	10	4	167	67.1
Rank: Unknown	2	0	0	0	0
Road workers	2	0	0	2	100
Secretaries & other keyboard operating clerks	138	5	3.6	96	69.6
Security guards	416	0	0	160	38.5
Security officers	154	0	0	64	41.6
Senior managers	86	20	23.3	6	7
Shoemakers	4	0	0	3	75
Social sciences related	4	0	0	2	50
Social sciences supplementary workers	44	0	0	12	27.3
Social work and related professionals	32	3	9.4	28	87.5
Speech therapy and audiology	6	0	0	2	33.3
Staff nurses and pupil nurses	2565	9	0.4	1629	63.5
Student nurse	1688	2	0.1	536	31.8

Occupation	Employees as at 1 April 2004	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch Progression as a % of Employment
Supplementary diagnostic radiographers	45	0	0	25	55.6
Trade labourers	184	0	0	130	70.7
Water plant and related operators	1	0	0	1	100
TOTAL	29532	604	2	18645	63.1





TABLE 5.5 - Promotions by Salary Band

Occupation	Employees as at 1 April 2004	Promotions to another Salary Level	Salary Level Promotions as or % of Employment	Progressions to another Notch within Salary Level	Notch Progression as or % of Employment
Lower skilled (Levels 1-2), Permanent	5741	25	0.4	5219	90.9
Lower skilled (Levels 1-2), Temporary	856	0	0	1	0.1
Skilled (Levels 3-5), Permanent	8500	124	1.5	7246	85.2
Skilled (Levels 3-5), Temporary	1135	0	0	2	0.2
Highly skilled production (Levels 6-8), Permanent	11552	265	2.3	5880	50.9
Highly skilled production (Levels 6-8), Temporary	351	0	0	13	3.7
Highly skilled supervision (Levels 9-12), Permanent	1000	180	18	275	27.5
Highly skilled supervision (Levels 9-12), Temporary	293	0	0	1	0.3
Senior management (Levels 13-16), Permanent	104	10	9.6	8	7.7
TOTAL	29532	604	2	18645	63.1

TABLE 6.1 - Total number of Employees (including Employees with disabilities)
in each of the following Occupational Categories as on 31 March 2005

Occupational Categories (SASCO)	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Legislators, senior officials and managers, Permanent	30	4	9	22	32	0	1	5	103
Professionals, Permanent	1775	149	86	271	8604	794	78	583	12340
Professionals, Temporary	89	8	18	121	43	1	2	44	326
Clerks, Permanent	391	85	1	49	808	122	2	218	1676
Clerks, Temporary	0	0	0	0	0	0	0	1	1
Service and sales workers, Permanent	1572	192	9	89	5582	687	2	265	8398
Service and sales workers, Temporary	0	0	0	0	2	0	0	0	2
Craft and related trades workers, Permanent	102	16	3	84	3	0	0	0	208
Plant and machine operators and assemblers, Permanent	249	19	0	8	12	0	0	1	289
Elementary occupations, Permanent	2343	136	2	56	4614	295	1	97	7544
Elementary occupations, Other,	4	0	0	0	11	0	0	0	15



Occupational Categories (SASCO)	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Other, Permanent	140	16	0	4	268	84	1	14	527
Other, Temporary	0	0	0	1	0	0	0	1	2
TOTAL	6695	625	128	705	19979	1983	87	1229	31431
Employees with disabilities	10	0	0	10	5	2	0	2	29

TABLE 6.2 - Total number of Employees (including Employees with disabilities) in each of the following Occupational Bands as on 31 March 2005

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Top Management, Permanent	1	0	0	0	0	0	0	0	1
Senior Management, Permanent	38	7	11	41	23	2	1	9	132
Professionally qualified and experienced specialists and mid-management, Permanent	445	55	75	200	1362	59	45	180	2421
Professionally qualified and experienced specialists and mid-management, Temporary	35	3	7	46	18	0	1	12	122
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	1368	280	17	234	7799	943	31	630	11302
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	48	1	3	25	21	0	1	20	119
Semi-skilled and discretionary decision making, Permanent	2670	148	6	66	7053	690	7	335	10975

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Semi-skilled and discretionary decision making, Temporary	2	2	5	27	4	0	0	2	42
Unskilled and defined decision making, Permanent	2043	126	1	42	3650	288	1	27	6178
Unskilled and defined decision making, Temporary	8	2	3	24	13	1	0	12	63
Not Available, Permanent	37	1	0	0	36	0	0	2	76
TOTAL	6695	625	128	705	19979	1983	87	1229	31431

TABLE 6.3 Recruitment for the period 1 April to 31 March 2005

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Senior Management, Permanent	12	0	1	3	7	0	1	1	25
Professionally qualified and experienced specialists and mid-management, Permanent	80	10	9	39	72	9	4	14	237
Professionally qualified and experienced specialists and mid-management, Temporary	59	5	8	59	27	0	0	7	165
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	213	17	7	47	905	90	22	160	1461
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	129	2	10	120	91	0	1	33	386





Part C

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Semi-skilled and discretionary decision making, Permanent	463	9	0	2	1287	112	4	54	1931
Semi-skilled and discretionary decision making, Temporary	7	4	19	54	22	0	0	19	125
Unskilled and defined decision making, Permanent	108	14	1	1	283	27	0	2	436
Unskilled and defined decision making, Temporary	23	2	3	56	6	1	0	24	115
TOTAL	1094	63	58	381	2700	239	32	314	4883
Employees with disabilities	1	0	0	0	0	0	0	0	1

TABLE 6.4 Promotions for the period 1 April 2004 to 31 March 2005

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Senior Management, Permanent	5	0	2	4	7	0	0	0	18
Professionally qualified and experienced specialists and mid-management, Permanent	139	16	23	83	194	13	10	42	520
Professionally qualified and experienced specialists and mid-management, Temporary	0	0	0	0	0	0	0	1	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	749	85	4	167	6277	522	19	438	8261
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	0	0	1	13	14
Semi-skilled and discretionary decision making, Permanent	1285	141	1	71	6531	957	8	478	4972
Semi-skilled and discretionary decision making, Temporary	0	0	0	1	1	0	0	0	2
Unskilled and defined decision making, Permanent	2005	182	1	58	4104	414	3	92	6859
Unskilled and defined decision making, Temporary	0	0	0	0	1	0	0	0	1
TOTAL	4183	424	31	384	17115	1906	41	1064	25148
Employees with disabilities	9	0	0	10	4	2	0	2	27





TABLE 6.5 Terminations for the period 1 April 2004 to 31 March 2005

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Top Management, Permanent	0	0	0	1	0	0	0	0	1
Senior Management, Permanent	4	3	1	2	1	0	0	2	13
Professionally qualified and experienced specialists and mid-management, Permanent	59	5	5	60	53	4	6	33	225
Professionally qualified and experienced specialists and mid-management, Temporary	14	2	4	19	3	0	0	4	46
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	102	15	4	26	586	73	9	70	885
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	86	2	7	80	40	0	0	12	227
Semi-skilled and discretionary decision making, Permanent	188	12	1	7	637	69	3	40	957
Semi-skilled and discretionary decision making, Temporary	19	4	11	36	13	0	1	14	98
Unskilled and defined decision making, Permanent	154	12	0	0	248	16	0	2	432
Unskilled and defined decision making, Temporary	19	2	3	56	6	0	0	14	100
TOTAL	645	57	36	287	1587	162	19	191	2984
Employees with disabilities	0	0	0	0	0	0	0	0	0

TABLE 6.6 Disciplinary Action for the period 1 April 2004 to 31 March 2005

Disciplinary action	Female African	Female Coloured	Female Indian	Male, White	Female African	Female Coloured	Female Indian	Female White	Total
Final written warning	1	0	0	0	0	0	0	0	1
No outcome	1	0	0	0	2	0	0	0	3
Suspended without payment	0	0	0	0	1	0	0	0	1
TOTAL	2	0	0	0	3	0	0	0	5



TABLE 6.7 - Skills Development for the period 1 April 2004 to 31 March 2005

Occupational Categories	Male African	Male Coloured	Male Indian	Total Blacks	Male White	Female African	Female Coloured	Female Indian	Female Total Blacks	Female White	Total
Legislators, Senior Officials and Managers	249	116	29	394	63	519	177	36	732	0	1169
Professionals	82	10	0	92	4	810	20	0	1010	10	1116
Technicians and Associate Professionals	70	8	0	78	8	186	20	0	206	10	586
Clerks	211	50	0	261	40	728	81	2	811	267	1479
Service and Sales Workers	388	24	0	412	11	390	136	0	426	40	889
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	59	23	1	56	68	-	-	-	71	-	222
Plant and Machine Operators and Assemblers	440	22	-	462	17	48	6	0	66	1	534
Elementary Occupations	711	63	-	774	10	1820	110	-	1930	20	2734
TOTAL	2220	319	30	2542	221	4505	551	38	5357	148	8735
Employees with disabilities	10	3	-	13	-	4	1	-	5	-	36

TABLE 7.1 - Performance Rewards by Race, Gender and Disability, 1 April 2004 to 31 March 2005

	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of employees in group	% of Total within group	Cost (R'000)	Average Cost per employee (R)
Total Number of Employees who received performance rewards in 2004/05					None

TABLE 7.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service, 1 April 2004 to 31 March 2005

	Beneficiary Profile				Cost	
	Number of Beneficiaries	Number of employees	% of Total within salary band	Cost (R'000)	Average Cost per employee (R)	Total cost as a % of total personnel expenditure
Total Number of Employees who received performance rewards in 2004/05						None

TABLE 7.3 - Performance Rewards by Critical Occupation, 1 April 2004 to 31 March 2005

	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of employees	% of Total within occupation	Cost (R'000)	Average Cost per employee (R)
Total Number of Employees who received performance rewards in 2004/05					None





TABLE 7.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service,
1 April 2004 to 31 March 2005

SMS Band	Beneficiary Profile		Cost		
	Number of Beneficiaries	Number of employees	% of Total within band	Total Cost (R'000)	Average Cost per employee (R)
Total Number of Employees who received performance rewards in 2004/05					None

TABLE 8.1 - Foreign Workers 1 April 2004 to 31 March 2005, by Salary Band

Salary Band	1 April 2004		31 March 2005		Change	
	Number	% of Total	Number	% of Total	Number	% Change
Lower skilled (Levels 1-2)	13	4.4	11	3.4	2	4.9
Skilled (Levels 3-5)	2	0.7	2	0.6	0	0
Highly skilled production (Levels 6-8)	50	17.1	52	16.1	7	17.1
Highly skilled supervision (Levels 9-12)	215	73.4	238	73.9	26	63.4
Senior management (Levels 13-16)	13	4.4	19	5.9	6	14.6
TOTAL	293	100	322	100	41	100

TABLE 8.2 - Foreign Workers, 1 April 2004 to 31 March 2005, by Major Occupation

Major Occupation	1 April 2004		31 March 2005		Change	
	Number	% of Total	Number	% of Total	Number	% Change
Administrative office workers	0	0.0	1	0.3	1	2.4
Elementary occupations	0	0.0	2	0.6	2	4.9
Other occupations	1	0.3	1	0.3	0	0.0
Professionals and managers	287	98.0	315	97.8	40	97.6
Rank: medical officer	1	0.3	0	0.0	(1)	(2.4)
Service workers	1	0.3	1	0.3	0	0.0
Social natural technical and medical sciences + supp	2	0.7	1	0.3	(1)	(2.4)
Technicians and associated professionals	1	0.3	1	0.3	0	0.0
TOTAL	293	100.0	322	100	41	100



TABLE 9.1 - Sick Leave, 1 January 2004 to December 2004

Salary Band	1 April 2004		31 March 2005		Change	
	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)	43885	89.2	4606	25.1	10	6,122
Skilled (Levels 3-5)	61022	90.3	7069	38.6	9	13,552
Highly skilled production (Levels 6-8)	48464.5	88.4	6218	33.9	8	18,063
Highly skilled supervision (Levels 9-12)	2788.5	88	402	2.2	7	1,906
Senior management (Levels 13-16)	351	92.3	34	0.2	10	567
TOTAL	156511	89.4	18329	100	9	40210

TABLE 9.2 - Disability Leave (Temporary and Permanent), 1 January 2004 to December 2004

Salary Band	1 April 2004		31 March 2005		Change	
	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)	5532	100	104	29.1	53	763
Skilled (Levels 3-5)	9608	99.9	139	38.9	69	2,192
Highly skilled production (Levels 6-8)	5363	99.5	107	30	50	1,925
Highly skilled supervision (Levels 9-12)	285	100	6	1.7	48	181
Senior management (Levels 13-16)	15	100	1	0.3	15	23
TOTAL	20803	99.8	357	100	58	5084

TABLE 9.3 - Annual Leave, 1 January 2004 to December 2004

Salary Band	Total Days Taken	Average per Employee
Lower skilled (Levels 1-2)	141087.41	20
Skilled (Levels 3-5)	257065.47	23
Highly skilled production (Levels 6-8)	241628.76	24
Highly skilled supervision (Levels 9-12)	18577.44	15
Senior management (Levels 13-16)	2119.84	18
TOTAL	660478.92	22

TABLE 9.4 - Capped Leave, 1 January 2004 to December 2004

Salary Band	Total Days Taken	Total Days Taken	Average per Employee
Lower skilled (Levels 1-2)	3019	5	74
Skilled (Levels 3-5)	6208	7	96
Highly skilled production (Levels 6-8)	8372	7	119
Highly skilled supervision (Levels 9-12)	652	7	117
Senior management (Levels 13-16)	78	7	99
TOTAL	18329	6	102



TABLE 9.5 - Leave Payouts for the period 1 April 2004 to 31 March 2005

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Leave payout for 2004/05 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2004/05	2,323	886	2622
Current leave payout on termination of service for 2004/05	24	20	1200
TOTAL	2347	906	2590

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

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Health Facilities, e.g. Nurses, Medical Officers	Development of occupational health exposure policy
Emergency Medical Services Units	Effective education and advocacy provision to employees about universal protective mechanism. Provision of counseling service and ARV drugs.

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes [tick the applicable boxes and provide required information]

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Mr. Ntsoane
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		Deputy Director
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	Yes		Employee Assistance unit was established, currently named by one official at the level of Deputy Director
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.	Yes		<p>Ms Matu Employee Wellness Programme Manager</p> <p>Mr. Oegu Monitoring and Evaluation</p> <p>Mr. Gwabeni District Hospital</p> <p>Ms Mlalandle Human Resource Development</p> <p>Ms Gaba Primary Health</p> <p>Mr. Sityana</p> <p>Mr. Methlo Emergency Medical Services</p> <p>Mrs Ntsinka HIV and Aids</p> <p>Mr. Bomeni Hospesa</p> <p>Mr. Bezana Nehawu</p> <p>Ms Nono Denosa</p> <p>Mr. Weimer- SASAWU</p>



Question	Yes	No	Details, if yes
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.			
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.	Same		
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Same		
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.	Same		

TABLE 11.1 - Collective Agreements, 1 April 2004 to 31 March 2005

Subject Matter	Date
Agreement on Rural Allowance	01/04/2004 31/03/2005

TABLE 11.2 - Misconduct and Discipline Hearings Finalised, 1 April 2004 to 31 March 2005

Outcomes of disciplinary hearings	Number	Percentage of Total
Corrective Counselling	5	4
Verbal Warning	36	27
Written Warning	14	11
Final Written Warning	21	16
Suspension Without Pay	3	2
Demotion	3	2
Dismissal	22	17
Aquited	1	1
Total	132	100



TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

Type of misconduct	Number	% of total
Absenteeism	69	53
Alcohol Abuse	18	14
Fraud	3	2
Missappropriation of Funds	5	4
Negligence	6	5
Sexual Abuse/ Rape	1	1
Theft	1	1
Unacceptable Conduct	26	20
Total	129	100

NB: The two totals do not correspond as combination sanctions have been used in two instances i.e. demotion combined with suspension and once demotion combined with final letter i.e. resulting in an inflation of 3 in the outcomes total

TABLE 11.4 - Grievances Lodged for the period 1 April 2004 to 31 March 2005

Number of grievances addressed	Number	% of total
Number of grievances resolved	8	66.70
Number of grievances not resolved	4	33.3
Total number of grievances lodged	12	

TABLE 11.5 - Disputes Lodged with Councils for the period 1 April 2004 to 31 March 2005

Number of disputes addressed	Number	% of total
Number of disputes upheld	33	48.5
Number of disputes dismissed	35	51.5
Total number of disputes lodged	68	

TABLE 11.6 - Strike Actions for the period 1 April 2004 to 31 March 2005

Strike Actions	-
Total number of person working days lost	654
Total cost (R'000) of working days lost	92
Amount (R'000) recovered as a result of no work no pay	92

TABLE 11.7 - Precautionary Suspensions for the period 1 April 2004 to 31 March 2005

Precautionary Suspensions	-
Number of people suspended	5
Number of people whose suspension exceeded 30 days	5
Average number of days suspended	155
Cost (R'000) of suspensions	R400





TABLE 12.1 - Training Needs Identified, 1 April 2004 to 31 March 2005

Occupational Categories	Gender	Number of employees as at 1 April 2004	Training needs identified at start of reporting period		
			Learnerships	Skills Programmes & other short courses	Other forms of training
Legislators, senior officials and managers	Female	80	-	Leadership dev., PMDA, Computer training, Knowledge mgt., Fin. Mgt. Project mgt. Post grad. Cert, health serv. Mgt., Policy dev.	0
	Male	37	-		0
Professionals	Female	5453	-	ICU, Anaesthesiology, TOM, dhis, adv. Trauma support, Project mgt., Infection control, Hospital mgt, Computer training, Epidemiology, GIS, hiv / aids ATLS, Forensic medicine, adv. Trauma like support, customer care	0
	Male	2318	-		0
Technicians and associate professionals	Female	330	200	Desktop publishing, GIS, Web page design Fitting and turning, team building, customer care	0
	Male	772	200		0
Clerks	Female	1306	40	Labour relations, HRM, Computer, PERSAL, BAS. Targetted selection, customer care	0
	Male	615	40		0
Service and sales workers	Female	306	25		0
	Male	150	25		0
Skilled agriculture and fishery workers	Female	0	-		0
	Male	0	-		0

Occupational Categories	Gender	Number of employees as at 1 April 2004	Training needs identified at start of reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Craft and related trades workers	Female	-	-		0	0
	Male	-	-		0	0
Plant and machine operators and assemblers	Female	399		Boiler operation customer care	0	0
	Male	26			0	0
Elementary occupations	Female	518		ABET, Sewing, carpentry, welding, plumbing, electricity customer care	0	0
	Male	832			0	0
Gender sub totals	Female	8422			0	0
	Male	4750			0	0
Total		13172			0	0



TABLE 12.2 - Training Provided, 1 April 2004 to 31 March 2005

Occupational Categories	Gender	Number of employees as at 1 April 2004	Training needs identified at start of reporting period		
			Learnerships	Skills Programmes & other short courses	Other forms of training
Legislators, senior officials and managers	Female	80	-	Basic computer training, Project management DHIS, Post grad. Cert in health serv. Mgt.	0
	Male	37	-		0
Professionals	Female	5453	235 + 80 (both)	ENT, ATLAS, Mental Health, MCH, PMDS, Occupational Health, Forensic medicine & nursing	0
	Male	2318			0
Technicians and associate professionals	Female	330	50 + 20 (both)	Computer, Financial management, HIV & AIDS, PMDS	0
	Male	772			0
Clerks	Female	1306	40 + 3 (both)	PMDS, Computer, Computer training, BAS, HR Mgt, Labour relations	0
	Male	615			0
Service and sales workers	Female	306	-	ABET, PMDS, Plumbing, Electricity, welding	0
	Male	150	-		0
Skilled agriculture and fishery workers	Female	0	-		0
	Male	0	-		0
Craft and related trades workers	Female	0	-		0
	Male	0	-		0

Occupational Categories	Gender	Number of employees as at 1 April 2004	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Plant and machine operators and assemblers	Female	399	0	Darkroom operation, Customer care, boiler maker, HIV & AIDS, Braille, PMDS	0	0
	Male	26	0		0	0
Elementary occupations	Female	518	0	ABET, Customer care, sewing, knitting, hospitality / catering, laundry management, child care	0	0
	Male	832	0		0	0
Gender sub totals	Female	8422	0		0	0
	Male	4750	0		0	0
Total		13,172	535		0	0

TABLE 13.1 - Injury on Duty, 1 April 2004 to 31 March 2005

Nature of injury on duty	Number	% of total
Required basic medical attention only	523	59
Temporary Total Disablement	364	41
Permanent Disablement	0	0
Fatal	0	0
Total	887	100



TABLE 14.1 - Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Establishment of Corporate Services for the Department	13	24 Months	39,500,001.23
Internal Audit	15	30 Months	9,549,451.97
Financial Management Support	11	12 Months	1,974,720

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
03	37	66	51,024,173.20

TABLE 14.2 - Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Establishment of Corporate Service Centres for the Department	70%	80%	8
Internal Audit	49%	44%	7
Financial Management Support	100%	100%	11

TABLE 14.3 - Report on consultant appointments using donor funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
-	-	-	-

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
-	-	-	-

TABLE 14.4 - Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs)

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
-	-	-	-





Part C

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

REPORT OF THE AUDIT COMMITTEE
For the year ended 31 March 2005



Part D

1. Overview

We are pleased to present our report for the financial year ended 31 March 2005.

2. Audit Committee members and attendance

The Audit Committee consisting of the three independent members (listed hereunder), each from outside the public service, met four times in the last financial year as per its written, annually reviewed and approved terms of reference.

Name of Member	Designation	Number of Meetings
Mr. V.G Magan	Chairman	4
Dr. H.J Van Rensburg	Member	4
Ms. T.J Fuzani	Member	3

3. Audit Committee responsibility

The committee reports that it has discharged its responsibilities arising from sections 38 (1)(a), 76(4)(d) and 77 of the PFMA and paragraphs 3.1.13 and 27.1.10 of the Treasury Regulations.

Section 38 (1)(a) of the PFMA reads as follows:

- (1) "The accounting officer for a department...
- (a) must ensure that the department... has and maintains -
- (ii) a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77".

The Audit Committee also reports that it has adopted, appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with the charter and has discharged all its responsibilities as contained therein.



4. The effectiveness of internal control

The system of accounting and internal controls was not effective throughout the financial year under review, stemming from certain instances of the absence of key controls and others of non-compliance with prescribed policies and procedures. During the year under review several instances of non compliance were reported by the department's internal and external auditors. Significant control weaknesses have been noted by Internal Audit and the Office of the Auditor-General in their audit report and management letters. The effect of these weaknesses and breaches of internal controls coupled with the lack of supporting documentation forms the basis of the Office of the Auditor-General's disclaimer opinion on the annual financial statements.

4.1 Internal Audit

The outsourced Internal Audit function operating under the oversight of the Audit Committee had discharged their obligation in terms of their charter and approved internal audit plan. During the year under review Internal Audit had assisted the department with the audit intervention program. The approved Three year and Annual Internal Audit Plan has been directed to take cognisance of the control weakness reported by the Office of the Auditor General.

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

The committee has been informed that the monthly / quarterly in year management reports were compiled and submitted timeously in the prescribed format, required in terms of legislation.

However, the integrity of the information supplied to the Provincial Treasury is in doubt due to the accounting-related problems experienced and supported by findings raised in the Office of the Auditor General's audit report. These include journal transactions:

- § That were inadequately supported by documentation or in many instances no documentation was available;
- § Description of journals were in many instances not recorded on the journal form or were too general and elusive to provide a proper understanding of the transactions being recorded; and
- § That provided no evidence of independent management monitoring and review;



Without condoning the deficiencies in the accounting systems, the committee notes, that within the limits of current resource constraints, the Accounting Officer and his management team are fully committed in addressing these weaknesses. Unfortunately, these efforts were not sufficient to affect a complete, sustainable turnaround.

6. Evaluation of Financial Statements

The Audit Committee has

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

7. Conclusion

The Audit Committee notes that management has accepted the conclusions and opinion of the Office of the Auditor General on the annual financial statements and concurs accordingly. The Audit Committee is of the further opinion that the audited annual financial statements should be read together with the report of the Office of the Auditor General.

The Committee acknowledges, endorses and encourages the corrective measures currently being implemented by the department but cautions that the fruits of these efforts would only be resultant if a comprehensive and sustainable solution is implemented to address:

- § An injection of human, infrastructure and capital resourcing commencing in the areas of finance and administration;
- § Training and development of prioritised job specific skills;
- § Support for senior management in developing a stable leadership within the department; and
- § Enhancement of monitoring and accountability mechanisms.



8. Appreciation

The committee expresses its sincere appreciation for the timely co-operation received from management and staff of the department, the Office of the Auditor General, the members of the Internal Audit Consortium and the secretariat to the Committee.

.....
Chairperson of the Audit Committee

25 August 2005

.....
Date

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

REPORT OF THE ACCOUNTING OFFICER
For the year ended 31 March 2005



Part E

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

1. General review of the state of financial affairs

Policy decisions and strategic issues facing the department

The availing of anti-retroviral drugs for HIV/Aids patients at 11 accredited sites increased the pressure on the Department's limited budget. This situation is likely to worsen with the planned certification of a further 50 sites in the 2005 / 06 year.

In addition to the above the Department also increased the number of VCT sites to 728 during the 2004/05 financial year with plans to extend the number of VCT sites to 803 during the 2005/06 financial year. This all implies that the Department expects to have a significant increase in payments to the National Health Laboratory Services (NHLS) for HIV / AIDS testing.

The Department is still financially challenged in terms of its private sector transport arrangements with Fleet Africa, especially where Emergency Medical Rescue transport is concerned - the contractual limitation of kilometers travelled is hampering effective service delivery.

Significant events that have taken place during the year

The implementation of the Interim Management Team (IMT) intervention strategies continued to play a pivotal role in all departmental activities throughout the financial year. A few initiatives could not be fully implemented due to the "Belt tightening" requested of all departments by Provincial Treasury. Amongst those are the following:

- Adoption and implementation of a new organogram to promote service delivery;
- Adoption of new service delivery model;



PROVINCE OF THE EASTERN CAPE
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VOTE 3

REPORT OF THE ACCOUNTING OFFICER
For the year ended 31 March 2005

- Identification of critical posts and filling of posts; and
- Establishment of an Internal Audit Service.

The official opening of the Nelson Mandela Academic Hospital was one of the highlights of the year. This event was graced by the presence of President Thabo Mbeki and the Minister of Health, Dr. Manto Tshabalala-Msimang amongst others.

Major projects undertaken or completed during the year

The construction / upgrading of health facilities in the department was negatively affected by the "Belt tightening" project, in that construction work continued only on sites where work had already begun in the previous year.

The funding of these projects is through both the Equitable Share and the Hospital Revitalisation Conditional Grant. Despite that, the following was achieved:

- The completion of 7 new Clinics; 2 Community Health Centres; 9 District Hospital projects and 2 provincial projects from Equitable Share; and
- From the Hospital Revitalisation Conditional Grant, 3 hospital projects were completed.

Additional information on projects undertaken is detailed under the programme performance discussion.

Spending trends

The passing of the second adjustment estimate by the Provincial Legislature brought the ECDoH's final appropriation for the 2004/05 financial year to R 5,221,266,000 (2003/04: R 5,111,784,000). The Department's total expenditure on voted funds for the 2004/05 financial year totalled R 5,180,217,000 (2003/04: R 5,243,012,000) and is reflected in the Appropriation Statement.

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Due to the over expenditure of R 131,228,000 in 2003/04, the Department incurred an overdraft. In terms of an agreement with Provincial Treasury to settle this overdraft, the Department made a planned saving of R 41, 049, 000 for the 2004/05 financial year.

Reasons for under spending.

All eight programmes contributed towards the departmental saving of R 41,049,000. In total three programmes contributed 73.42% towards the total saving as follows:

- Programme 1 (R 7,542,000 or 18.37%);
- Programme 2 (R 11,517,000 or 28.06%); and
- Programme 4 (R 11,083,000 or 27%).

The majority of savings accumulated relate to savings from the current payment category. This was as a result of the Provincial "Belt tightening" exercise (since August 2004) and the deferment of supplier payments in March 2005.

Impact on programmes and service delivery.

The underspending of the annual appropriation had a limited impact on service delivery as the savings were mainly due to deferment of payments to suppliers in the month of March 2005.

2. Service rendered by the department

Health Departments operate through 8 programmes. The Eastern Cape Department of Health however, operates through 7 programmes, the exclusion being Programme 5: Central Hospital Services. The activities of these programmes are spread out within three main branches. i.e. Corporate Services, Health Services and Information Technology services. The core business of the department is driven through programme 2: District Health and Programme 4: Provincial Hospital Services, with



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the remainder of the department's programmes offering the necessary support.

2.1 The following services are rendered by the Department:

Programme 1:

- Administrative services.

Programme 2:

- District Health Services.

Programme 3:

- Emergency Medical Services.

Programme 4:

- Provincial Hospital Services.

Programme 6:

- Training for medical, paramedical and post graduate students and nursing education to basic and post basic students at colleges/nursing schools and universities.

Programme 7:

- Provision of orthotic and prosthetic services and hearing aids as assistive devices to persons with disability.

Programme 8:

- Planning for the construction of new clinics and hospitals;
- Rehabilitation of existing hospitals and clinics;
- Maintenance of the existing stock of health facilities; and
- Replacement and maintenance of capital equipment.

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2.2 Tariff policy

The tariffs for the 2004/05 financial year remained unchanged for the first 9 months of the year. The Uniform Patient Fee Structure (UPFS) was implemented on the 1 January 2005. Much training of both the Department's personnel and especially the public at large, on the significance and implication of the fee structure, still needs to be done.

2.3 Free Services

The majority of services rendered by the Department are free.

2.4 Inventories

Inventory on hand for the financial year ending 31 March 2005 totals R 94,932,000 (2003/04 R 63,848,000).

2.4.1	Inventories on hand at year end	Costing method used	2004/05 R'000	2003/04 R'000
	Stationery	FIFO	2,378	1,776
	Medical and surgical	FIFO	25,648	10,794
	Cleaning material	FIFO	4,209	1,172
	Pharmaceuticals	FIFO	57,226	40,929
	Other		5,471	9,177
			94,932	63,848



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Inventory has been valued by applying the First-in-First-Out (FIFO) valuation method. Only inventory that resides in the main stores at Institutional and Local Service Area (LSA) level was considered for inclusion in the final stock valuation figure. Inventory that remains on hand and which has been issued to wards or issued from LSA stores has been considered as consumed for inventory valuation purposes.

3. Capacity constraints

During the 2004/05 financial year the Department managed to make 4883 appointments, (of which 2879 were fixed), against critical posts identified to improve service delivery. Despite these filled posts, the Department is still challenged in promoting access to scarce skills to all the service delivery areas in the Province. The Department will continue its search for scarce skills and is actively engaging all stakeholders in addressing this constraint.

In terms of the approved establishment, the number of vacant posts (15 002) as a percentage of the approved establishment is 32.8%. This vacancy number is still unacceptably high, especially amongst the professional cadre, and the focus will remain on finding a solution to this constraint.

4. Utilisation of donor funds

A donation of R 9,518,000 was received from the United States Government's Centers for Disease Control and Prevention (CDC) for HIV/Aids. The amount was transferred to the Regional Training Centre managed by the University of Transkei (UNITRA) and is being utilised for activities aimed at supporting quality assurance, health promotion and optimal HIV Prevention, Care and Treatment.

Some of the expected benefits to be derived from this donation are:

- The establishment of a physical structure from which all activities relating to good governance and recruitment of staff can take place;

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- Development of monitoring mechanisms in supervising and following up on health care and lay health workers trained by the Regional Training Centre.

5. Trading entities and public entities

No trading or public entities resort under the auspices of the Eastern Cape Department of Health.

6. Organisations to whom transfer payments have been made

For a detailed breakdown of all transfer payments effected by the Department, please refer to Annexures 1C through 1H in the Annual Financial Statements section.

7. Public private partnerships (PPP)

Treasury approval 1 was granted on 8 April 2005 for the following PPP: - Pharmaceutical Supply Chain Management and the Finance Design, Construction and/or rehabilitation and Operation and Maintenance of Pharmaceutical Depots and Management Support to the Department.

Treasury approval 1 followed after the option analysis and feasibility study was completed. Four consortia were pre-qualified on 26 October 2004 and invited to submit proposals in terms of the Request for Proposals. The Department is currently adjudicating the responses for the Request for Proposals.

The announcement of the preferred bidder is expected to be made in August 2005 and the official signing of the concession agreement is scheduled to take place by December 2005.

Treasury approval 1 was also granted for the following PPP: - Upgrading and Refurbishment of the existing Port Alfred and the Settlers Hospitals in Grahamstown



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and the establishment of co-located Private Hospital Facilities through a Public Private Partnership Two consortia have subsequently been pre-qualified and letters of invitation are currently in the process of being issued to the short listed consortia.

The announcement of the preferred bidder is expected to be made in September 2005 The official signing of the concession agreement is scheduled to take place by December 2005.

The Kouga Partnership Hospital Co-location PPP continued its operational activities during the 2004/05 financial year. The Department can report as follows on progress in terms of this PPP:

- Completion of the construction and rehabilitation phase - 30 April 2005;
- First private patients were admitted in October 2004; and
- The official launch is targeted for 30 May 2005.

8. Corporate governance arrangements

The Internal Audit Consortium appointed by the IMT to establish an internal audit function achieved the following during the 2004/05 financial year:

- Conducted a risk assessment at a strategic and functional level in order to generate the 3-year strategic internal audit plan and the annual internal audit plan;
- Presented strategic and functional risk assessments that have been approved by management;
- Put in place an internal audit charter and mandate;
- Put in place an audit committee charter;
- Overseen the establishment of an audit committee;
- Obtained audit committee approval of internal audit plans;
- Conducted an examination of the Department's structure and needs and proposed a human resources structure for the internal audit division;

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- Provided job descriptions for the key posts in the proposed structure;
- Provided a recruitment strategy to populate the structure proposed for the in-house internal audit division;
- Attended audit committee meetings;
- Conducted the secretariat function for the operation of the audit committee; and
- Implemented the aspects of the audit plan that have been approved by the audit committee.

The Consortium has also conducted various ad-hoc assignments that included the following:

- Review of documentation provided in support of HR Backlogs;
- Followed up on cases of Fraud and Corruption reported to the Department and assisted with certain investigations;
- Provided explanations and gave clarity on the requirements of the Auditor-General during the course of the annual audit;
- Assisted the Department by examining documentation to be submitted to the Auditor-General from time-to-time;
- Overseeing the development of the Department's Fraud Prevention Plan, Fraud Prevention Strategy and Fraud Response Plan;
- Assisted the Department with drafting a risk management overview for adoption; and
- Represented the Department in a National Internal Audit forum that has been established by the National Department of Health in order that certain audit functions may be co-ordinated so as to avoid duplication and share best practices.

The departmental audit committee met 4 times during the 2004/05 financial year.

9. Discontinued activities/activities to be discontinued

For the year under review, no activities have been or are planned to be discontinued.





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10. New/proposed activities

The Department will be taking over the management and daily operations of SANTA Hospitals with effect from 1 April 2005. The effect on the departmental budget will be R54, 877,000 with a shortfall of R14, 677,674 for non personnel budget. The Department has put in place the following structures to manage this new activity:

- A Specialised Services Directorate headed by a Deputy Director: TB Inpatient Care and assisted by Hospital Managers.

11. Events after the reporting date

The outbreak of Measles, Hepatitis and the "Pig tapeworm infestation" took place after the reporting date. The financial implication of these outbreaks still needs to be assessed.

12. Performance information

A detailed discussion of programme performance and performance information is captured under the discussion of individual programme performances.

13. Scopa resolutions

The Department, due to the withdrawal of its Annual Financial Statements, and thus late submission of its Annual Report, has as yet not gone before Scopa. As a result there are no Scopa resolutions to report upon.

14. Other

For additional information kindly refer to the detailed discussions covered under the

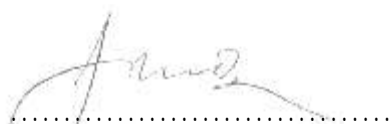
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other headings of this report.

Approval

The Annual Financial Statements set out on pages 225 to 318 have been approved by the Accounting Officer.



Mr L.M. Boya
Superintendent-General
31 May 2005
Bhisho



Part E



Part E

REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL LEGISLATURE
OF THE EASTERN CAPE PROVINCE ON THE ANNUAL FINANCIAL
STATEMENTS OF VOTE 3 DEPARTMENT OF HEALTH FOR THE YEAR
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Part E

1. AUDIT ASSIGNMENT

The annual financial statements as set out on pages 225 to 318, for the year ended 31 March 2005, have been audited in terms of section 188(1)(a) of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004) and section 40(2) of the Public Finance Management Act, 1999 (Act No. 1 of 1999). These annual financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these annual financial statements, based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the annual financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the annual financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations, which came to my attention and are applicable to financial matters.

The audit was completed in accordance with Auditor-General Directive No. 1 of 2005.

I believe that the audit provides a reasonable basis for my opinion.



3. QUALIFICATION

3.1 Journal transactions

During the financial year 17 304 journal transactions totalling R17 773 922 394 were processed across all account balances and classes of transactions maintained by the department. Of these journals, 1 040 to the value of R1 961 678 052 were either processed at or after the financial year-end, but before the close of the department's general ledger. Many deficiencies were found during the auditing of these journal transactions, the most significant being:

- (a) The majority of journals that were tested did not have adequate and appropriate documentation to support the transactions that they represented and in many instances no documentation was available.
- (b) Descriptions of the journals were in many cases not recorded on the journal form or were too general and elusive to provide a proper understanding of the transactions that were recorded. Alternative auditing procedures performed to determine the purpose and nature of the journals did not provide sufficient audit assurance.
- (c) The general lack of independent management monitoring and review was not only evident from the above, but was also confirmed by the number of allocation errors that were found on the journals. In some cases these allocation errors were corrected by the processing of a further journal.
- (d) Despite the number of journals processed during the year, numerous misallocations were found which indicate that such journals did not address all the incorrect allocations within the general ledger.

Consequently, it was not possible to obtain all the information and explanations that were considered necessary to gain assurance as to the validity, accuracy and completeness of account balances and classes of transactions as contained in the annual financial statements, other than compensation of employees.

3.2 Leave entitlement

Personnel and leave records were found to be unsatisfactory, and errors within the salary and personnel administration system (PERSAL) are an indication that sufficient measures



have not been taken to ensure that the system and related leave entitlement liability are accurate.

The leave records on PERSAL have been used as the basis for calculating the R135 499 000 leave entitlement disclosed in note 28 to the annual financial statements, as well as the R687 319 000 capped leave commitments disclosed in note 25 to the annual financial statements. In the absence of reliable leave records it was not possible to verify the accuracy, validity and completeness of these amounts.

3.3 Conditional grants

The department received conditional grants amounting to R630 404 000 during the financial year under audit. Annexure 1A to the annual financial statements reflects expenditure amounting to R540 665 000 incurred during the year. In terms of section 24(1) of the Division of Revenue Act, (Act No. 5 of 2004), the department has to ensure that conditional grants are spent in accordance with the purpose of the grant. The inadequate policy management framework in respect of project management to ensure that these projects were successfully implemented resulted in the following:

- (a) Transactions relating to conditional grants could not be verified due to the fact that sufficient supporting documentation could not be provided by the department for transactions amounting to R166 177 998 (absolute value). The accuracy and validity of these transactions could therefore not be verified.
- (b) Supporting documentation amounting to R763 667 was not submitted timeously for audit purposes and as a result no assurance could be obtained as to the validity and accuracy of this expenditure included in the general ledger.
- (c) In a number of instances assurance could not be obtained to verify that the conditions and requirements per the Division of Revenue Act, (Act No. 5 of 2004) were adhered to and that the funds were used for the purpose of the grant, due to insufficient supporting documentation.
- (d) Monitoring mechanisms were not in place to ensure that all conditional grant funding was spent in terms of the purpose of the grant. The lack of monitoring included under-spending of the grants, inadequate and inconsistent periodic reporting, variances between the amounts included on the monitoring schedules and the amounts processed in the general ledger and insufficient controls over medical supplies purchased in terms of the grant.



- (e) The department does not exercise control over cash management in that they are not able to accurately differentiate between conditional grant and equitable share funds that they request and then spend. This resulted in unauthorised expenditure of R57 484 000 which has been disclosed in note 9.2 to the annual financial statements.

In addition, there was under expenditure on these conditional grants of R94 621 000, which resulted in the department not meeting the objectives of the grant.

3.4 Accruals

Documentation to the value of R87 908 720 in support of the accrual amount of R507 299 000 disclosed in note 27 to the annual financial statements could not be submitted timeously. This is a result of an inadequate policy with regard to retention of documentation. The validity, accuracy and completeness of this balance could therefore not be verified.

3.5 Fixed assets

Adequate control is not exercised over assets and asset records are not always properly maintained. Audit work revealed that only limited fixed asset register monitoring by management is taking place, with the result that numerous fixed assets could not be physically verified. It was also discovered that fixed assets purchased by the head office division of the department for transfer to various institutions were included in the head office asset register. It was therefore not possible to verify the existence of assets to the value of R370 668 000, as disclosed in annexure 4 to the annual financial statements.

3.6 Completeness of revenue

a) Revenue received in respect of patient fees

Due to the lack of an audit trail from the admission to the discharge of a patient, it was not possible to determine whether all revenue for services rendered was actually charged, received and recorded in the accounting system. There is no system of control over such revenue that we could rely on for the purposes of our audit, and there were no satisfactory auditing procedures that we could perform to obtain reasonable assurance that all revenue was properly recorded.



As a result of this the completeness of receivables for services delivered to the value of R68 359 000 disclosed in note 30 to the annual financial statements could not be verified. Alternative audit procedures performed could also not provide sufficient evidence on the completeness of this amount. In addition, the department does not have a revenue collection policy with regard to these receivables and hence it is doubtful whether this amount is recoverable.

b) Revenue received from nursing homes

Revenue due from hospital staff who resided in hospital houses, flats and dormitories was not properly controlled and there were no satisfactory auditing procedures that we could perform to obtain reasonable assurance that all revenue was recorded. It was therefore not possible to determine whether all revenue due from these employees had been collected and whether the amount of R4 558 222 which forms part of the revenue disclosed in note 3 to the financial statements, is complete.

3.7 Leases

The completeness of the amount of R39 747 000 disclosed as operating leases in note 29.1 to the annual financial statements could not be verified. This is the result of a lack of documented policy with regard to the maintenance of leases and the consequent lack of controls to monitor all the lease agreements that the various institutions within the Department of Health have concluded.

3.8 Housing loan guarantees

The validity and accuracy of housing loan guarantees to the amount of R27 947 000 disclosed in note 25 to the annual financial statements could not be verified. This is a result of a lack of supporting documentation available for the amounts disclosed in the annual financial statements.

3.9 MEDSAS payable

Included in other payables disclosed in note 21.3 to the annual financial statements is an amount of R46 512 823. This amount is the difference between the inter-departmental sales of the medical depots to the institutions within the department and the stock purchases. This surplus is as a result of not all purchases for the current year being paid



for. Of this amount, R19 599 890 relates to the Mthatha medical depot, for which the inter-departmental sales and expenditure could not be verified due to a limitation of scope. As a result the validity, completeness and accuracy of the R19 599 890 could not be verified.

4. DISCLAIMER OF AUDIT OPINION

Due to the significance of the matters discussed in paragraph 3, I do not express an opinion on the annual financial statements of the Department of Health for the financial year ended 31 March 2005.

5. EMPHASIS OF MATTER

Without further qualifying the audit opinion expressed above, attention is drawn to the following matters:

5.1 Changes to the annual financial statements

In terms of section 40(1)(c) of the Public Finance Management Act (PFMA) the department is required to submit the financial statements for audit purposes two months after the financial year end. Material changes had to be made to the annual financial statements submitted on 31 May 2005, which were subsequently re-signed and dated on 22 July 2005.

5.2 Irregular expenditure

The audit revealed that only R1 540 000 of the R10 238 000 disclosed in note 31 for the current year's irregular expenditure was approved by Provincial Treasury for condonement. The irregular expenditure shown as condoned on the disclosure note in the annual financial statements is therefore incorrect.

5.3 Accounts receivable

In terms of National Treasury Regulation 11.2, read in conjunction with section 38(1) (c) (i) and (d) of the PFMA, the accounting officer of an institution must take effective and appropriate steps to collect all money due to the institution. Insufficient steps have been taken by the department to ensure recovery of accounts receivable balances. This has resulted in long- outstanding balances with more than half of the total outstanding balance as at the 31 March 2005 being identified as irrecoverable, and likely to be written off. The accounts receivable balance of R76 437 000 is disclosed in note 16 to the annual financial



statements. Of this amount R40 631 571 has been identified as irrecoverable.

Monthly reconciliations have not been performed, and the year-end balances in many cases consist of long-outstanding and/or unreconciled credit amounts. Only 5% of the total accounts receivable balance is identified as less than a year old. However, since no age analysis listing was available to support the ageing of any of the accounts, the correctness of ageing allocations cannot be determined. There is long-outstanding debt from staff who had left the department, as well as current staff debt that is not adequately followed up. The above stems from the fact that the department does not have a debt management or write off policy.

5.4 Suspense accounts

In terms of National Treasury Regulation 17.1 read in conjunction with section 40(1) (a) of the PFMA:

- all the transactions of an institution must be supported by authentic and verifiable source documents;
- amounts included in clearing or suspense accounts must be cleared and correctly allocated to the relevant cost centres on a monthly basis;
- monthly reconciliations must be performed to confirm the balance of each account; and
- reports regarding uncleared items must be furnished to the accounting officer on a monthly basis.

The department has not complied with this regulation as there is insufficient supporting documentation to prove the existence and validity of a number of debtors included in suspense accounts. The department has, however, identified most of these balances as irrecoverable in note 16 to the annual financial statements. The suspense accounts are included as part of the receivables and payables balances that are disclosed in notes 16 and 21 respectively.

5.5 Transfer payments

The department is in contravention of section 38 1(i) of the PFMA, read in conjunction with National Treasury Regulation 8.4.1, which requires the department's accounting officer to maintain appropriate measures to ensure that grants and other transfer



payments are applied for their intended purposes. Due to ineffective monitoring and review processes and non-adherence to the above legislation, it was not possible to confirm that the transfer payments made were used by these entities for the intended purposes. The total transfer payments effected during the current year is R447 066 000 which is disclosed in note 11 to the annual financial statements.

5.6 Budgetary control

The accruals as disclosed by the department in the annual financial statements have increased by R304 765 000 to an amount of R507 299 000 from the 2003/2004 financial year. After deducting the savings disclosed in the statement of financial performance and the amount of expenditure for the current year, for which additional budget was obtained for next year, the total increase from the prior year is R120 932 000. Due to the department using the modified cash basis as required by National Treasury, this overspending has not been reflected in the statement of financial performance. However, it is an indication that the department has either not budgeted effectively or controls over expenditure are ineffective.

5.7 Surplus funds not surrendered to the revenue fund

In terms of National Treasury Regulation 15.8.1, the department should have surrendered all unspent voted monies and all collected revenue to the revenue fund after the books had been closed at the end of the previous financial year. As the department did not have sufficient cash available, the prior year balance of R127 534 000 for voted funds to be surrendered and R95 435 000 for revenue funds to be surrendered were not surrendered to the revenue fund. This is disclosed in notes 18 and 19 to the annual financial statements.

5.8 Internal control

In terms of section 38 (a) (i) of the PFMA, the department's accounting officer must ensure that the department has and continues to maintain effective, efficient and transparent systems of financial and risk management and internal control. The following are areas of significant non-compliance and/or internal control weaknesses that were identified during the course of the audit:

- Personnel;
- Expenditure;
- Payables;

Budget process;
Tender process;
Donor funding;
Fleet maintenance



Some of these deficiencies were reported in prior years. Audit findings revealed that actions to address these deficiencies had either not been planned or were not adequately maintained.

5.9 Security

Section 38(1)(d) of the PFMA states that the accounting officer must take full responsibility and ensure that proper control systems exist for assets, and that preventative measures are in place to eliminate theft, losses, wastage and misuse.

It was noted, however, that security measures at a number of institutions are inadequate, which could result in theft and unauthorised entry. Security is not present at the entrances and exits at all times and gate controls are insufficient in safeguarding the department's inventories and other assets against misappropriation.

Furthermore, medical inventories kept at the medical depots are not adequately secured. Such inventories are stored in the general enclosures and hallways, thus giving easy access to unauthorised persons. The storerooms are not locked at all times thus access by unauthorised individuals is not restricted. Such inventories might therefore be subject to misappropriation.

5.10 Inventory control

a) Clinics

According to section 27 (1) (a), chapter 2, Bill of Rights in the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), everyone has the right to have access to health care services, including reproductive health care. The first line of health care to the community is clinics. However, health care products such as basic drugs are not always available to members of the public at these clinics. In addition, clinics do not have a re-order level system in place as required in terms of the Handbook for Clinic / CHC Managers (of October 1999) which will prevent



the frequent stock outs that are currently being experienced.

b) Hospitals

The department is in contravention of National Treasury Regulation 10.1.1 which states that the accounting officer must take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in place to eliminate theft, losses, wastage and misuse. In addition, stock levels are to be maintained at an optimum and economical level. There are numerous control weaknesses throughout all hospitals audited, which resulted in stock losses and wastage, thus indicating that possible misuse of inventories could be taking place. In a number of cases the system weaknesses identified at the hospitals resulted in insufficient stock levels, which might have had an adverse effect on service delivery.

c) Medical depots

Due to timing differences between capturing of orders from institutions and the issuing of such stock, the physical stock on hand and quantity per the MEDSAS system do not agree. The MEDSAS system was also not accurately updated with the quantities as counted during the year-end stock counts. The inaccuracy of the stock quantities on MEDSAS may render the stock re-order levels ineffective. This is further aggravated since overdue orders are not followed up in a timely manner and could have a negative impact on the delivery of services to hospitals since stock might not be ordered timeously by the medical depots resulting in insufficient stock to meet the demands of the hospitals.

5.11 Verification of employees

The existence of 30 employees could not be verified. The employment costs in respect of these employees amount to R4 663 559. As a result, the validity of this amount, included in compensation of employees as disclosed in the statement of financial performance, could not be confirmed.

In addition, not all payrolls are signed by the employees and then reviewed and certified by the head of the division as being correct. Therefore, insufficient controls are in place to ensure that everyone receiving remuneration exists and works for the Department of Health.



5.12 Vacancies

On inspection of the PERSAL system's vacant posts listing it was noted that of 45 698 positions in the total health establishment, 15 002 are vacant. This is a vacancy rate of 32,8%, which may result in current staff being overworked and effective service delivery being hampered.

5.13 Sessional doctors

Contracts for sessional doctors are inconsistently concluded among the hospitals. Some contracts negotiated a rate per session while others were based on a flat fee. The structure of the contracts did not appear to be the most effective in relation to the nature of work performed by these doctors. As a result, it was not possible for the hospitals to maintain a daily record of hours worked by sessional doctors and it was not possible to reconcile the number of sessions worked to the number of sessions concluded in their employment contracts.

5.14 Emergency medical services

The following control weaknesses were found in the management of the emergency medical services:

- a) In terms of the basic training requirements of the Health Professions Council of South Africa (HPCSA) which was established in terms of the Health Professions Act, 1974 (Act No. 56 of 1974), all ambulance staff, paramedics and rescue medics must be registered with the Health Professionals Council of South Africa (HPCSA) and have a valid Public Drivers Permit (PDP). It was found that a large number of ambulance staff, paramedics and rescue medics in the emergency medical service did not comply with the above. They are therefore not legally authorised to carry passengers and patients.
- b) The ambulances and vehicles are not equipped with all the necessary medical supplies and equipment that are required for emergency health care. This could have a negative effect on health care services to the community.

5.15 Late payment of creditors

According to National Treasury Regulations 8.2.3, payments should be made within 30



days from receipt of an invoice. However, numerous payments were made more than 30 days after receiving the invoice, thereby contravening the above legislation. This could have an effect on service delivery to the community as a supplier may not want to supply goods if they are not paid timeously. In addition, it could result in fruitless and wasteful expenditure as a result of interest being charged on overdue accounts.

5.16 Frere and Cecilia Makiwane Hospital kiosk

In terms of section 7 of the PFMA, a department may only open a bank account once National Treasury approval has been received and after following the necessary tender procedures. However, a kiosk is located at each of the above hospitals and each kiosk has a separate bank account in the name of the committees that control them. Contrary to legislation, no approval from National Treasury or the Tender Board could be submitted for the opening of these separate accounts.

In addition, the value of the above-mentioned bank accounts are not known as supporting documentation was not supplied for audit purposes.

5.17 Internal audit

In compliance with section 38(a)(ii) of the PFMA the department has an internal audit unit and audit committee. A consortium was appointed to perform the internal audit function of the department. However, insufficient internal audit work was performed in order to place reliance thereon. In addition, one of the audit firms performed certain accounting functions during the year.

5.18 Supplier database

When comparing the salary and personnel administration system database to the supplier database a large number of matches were found. Further, investigation indicated that a number of employees were linked to supplier bank accounts. It cannot be determined whether this was due to a capturing error or through a deliberate action. A forensic investigation has been recommended.

5.19 Fraud investigation

A fraud investigation is currently being conducted at the Mthatha Medical Depot. This investigation is as a result of irregularities in respect of stock management within the



medical depot. As at the date of finalising this report, no documentation in respect of such investigation has been provided to this office.

A number of fraud investigations that related to alleged irregularities at the various institutions within the department were noted during the audit, none of which had been completed as at finalisation of this report.

5.20 Sustainable development audit

A sustainable development audit was conducted at various institutions. The following shortcomings were noted:

- a) Non-compliance with the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) at numerous institutions within the department.
- b) The hospital buildings are generally in a poor state, which is not conducive to providing adequate health services to the community.
- c) No or little control over used and unused medical equipment, resources, medicines and medical waste existed and medical waste is not disposed of timeously.
- d) Inadequate controls exist over the operation of the incinerators.

All the above-mentioned factors could be detrimental to the health of the patients and employees within the various institutions.

6. APPRECIATION

The assistance rendered by the staff of the department during the audit is appreciated.

SM Ngqwala for Auditor-General

EAST LONDON

31 July 2005



AUDITOR - GENERAL



Part E



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ACCOUNTING POLICIES
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The Annual Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Annual Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2004. The following issued, but not yet effective Standards of Generally Recognised Accounting Practice have not been fully complied with in the Annual Financial Statements: GRAP 1, 2 and 3.

1. Basis of preparation

The Annual Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

2. Revenue

Appropriated funds

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National/Provincial Expenditure. Unexpended voted funds are surrendered to the National/Provincial Revenue Fund, unless otherwise stated.



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Departmental revenue

Tax revenue

A tax receipt is defined as compulsory, irrecoverable revenue collected by entities. Tax receipts are recognised as revenue in the statement of financial performance on receipt of the funds.

Sale of goods and services other than capital assets

This comprises the proceeds from the sale of goods and/or services produced by the entity. Revenue is recognised in the statement of financial performance on receipt of the funds.

Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory receipts imposed by court or quasi-judicial body. Revenue is recognised in the statement of financial performance on receipt of the funds.

Interest, dividends and rent on land

Interest and dividends received are recognised upon receipt of the funds, and no provision is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the Statement of Financial Performance of the department and then transferred to the National/Provincial Revenue Fund.

Revenue received from the rent of land is recognised in the statement of financial performance on receipt of the funds.

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Sale of capital assets

The proceeds from the sale of capital assets is recognised as revenue in the statement of financial performance on receipt of the funds.

Financial transactions in assets and liabilities

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

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

Local and foreign aid assistance

Local and foreign aid assistance is recognised in the statement of financial performance on receipt of funds. Where amounts are expensed before funds are received, a receivable is raised. Where amounts have been inappropriately expensed using Local and Foreign aid assistance, a payable is raised. In the situation where the department is allowed to retain surplus funds, these funds are shown as a reserve.

3. Expenditure

Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system. The expenditure is classified as capital where the employees were involved, on a full time basis, on capital projects during the financial year.



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All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

Short-term employee benefits

The cost of short-term employee benefits is expensed in the Statement of Financial Performance in the reporting period when the final authorisation for payment is effected on the system. Short-term employee benefits, that give rise to a present legal or constructive obligation are disclosed as a disclosure note to the Annual Financial Statements and are not recognised in the Statement of Financial Performance.

Long-term employee benefits and other post employment benefits

Termination benefits

Termination benefits are recognised and expensed only when the final authorisation for payment is effected on the system.

Medical benefits

The department provides medical benefits for its employees through defined benefit plans. Employer contributions to the fund are incurred when the final authorisation for payment is effected on the system. No provision is made for medical benefits in the Annual Financial Statements of the department.

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Post employment retirement benefits

The department provides retirement benefits for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system.

No provision is made for retirement benefits in the Annual Financial Statements of the department. Any potential liabilities are disclosed in the Annual Financial Statements of the National/Provincial Revenue Fund and not in the Annual Financial Statements of the employer department.

Other employee benefits

Obligations arising from leave entitlement, thirteenth cheque and performance bonus that are reflected in the disclosure notes have not been paid for at year-end.

Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. The expense is classified as capital if the goods and services was used on a capital project.

Interest and rent on land

Interest and rental payments resulting from the use of land, are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. This item excludes rental on the use of buildings or other fixed structures.



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Financial transactions in assets and liabilities

Financial transactions in assets and liabilities include bad debts written off. Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending available to the department. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts.

Unauthorised expenditure

Unauthorised expenditure, is defined as:

- The overspending of a vote or a main division within a vote, or
- Expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is approved by the relevant authority, recovered or written off as irrecoverable.

Irregular expenditure

Irregular expenditure, is defined as :

expenditure, other than unauthorised expenditure, incurred in contravention or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.

It is treated as expenditure in the Statement of Financial Performance. If such expenditure

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is not condoned and it is possibly recoverable it is disclosed as receivable in the Statement of Financial Position at year-end.

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure, is defined as:
expenditure that was made in vain and would have been avoided had reasonable care been exercised, therefore

it must be recovered from a responsible official (a debtor account should be raised), or the vote. (If responsibility cannot be determined.)

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is recovered from the responsible official or written off as irrecoverable.

4. Transfers and subsidies

Transfers and subsidies include all irrecoverable payments made by the entity. Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system.

5. Expenditure for capital assets

Capital assets are assets that can be used repeatedly and continuously in production for more than one year. Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.



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6. Investments

Investments include; Investments in Associates; Joint ventures; Investments in controlled entities and Other investments.

Investments are shown at cost. On disposal of an investment, the surplus/(deficit) is recognised as revenue in the Statement of Financial Performance.

7. Receivables

Receivables are not normally recognised under the modified cash basis of accounting. However, receivables included in the Statement of Financial Position arise from cash payments that are recoverable from another party, when the payments are made.

Receivables for services delivered are not recognised in the Statement of Financial Position as a current asset or as income in the Statement of Financial Performance, as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the Annual Financial Statements.

8. Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and balances with banks, short term investments in money market instruments and demand deposits. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

9. Payables

Payables are not normally recognised under the modified cash basis of accounting. However, payables included in the Statement of Financial Position arise from advances

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received that are due to the Provincial/National Revenue Fund or another party.

10. Lease commitments

Lease commitments for the period remaining from the reporting date until the end of the lease contract are disclosed as part of the disclosure notes to the Annual Financial Statements. These commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on the cash basis of accounting.

Operating lease expenditure is expensed when the payment is made.

Finance lease expenditure is expensed when the payment is made, but results in the acquisition of the asset under the lease agreement. A finance lease is not allowed in terms of the Public Finance Management Act.

11. Accruals

This amount represents goods/services that have been received, but no invoice has been received from the supplier at the reporting date, OR an invoice has been received but final authorisation for payment has not been effected on the system. These amounts are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

12. Contingent liability

This 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 wholly within the control of the department; or a present obligation that arises from past events but is not recognised because:



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it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or

The amount of the obligation cannot be measured with sufficient reliability

Contingent liabilities are not recognised in the Statement of Financial position, but the information is disclosed as part of the disclosure notes.

13. Commitments

This amount represents goods/services that have been approved and/or contracted, but no delivery has taken place at the reporting date. These amounts are not recognised in the Statement of financial position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

14. Capitalisation reserve

The capitalisation reserve represents an amount equal to the value of the investment and/or loans capitalised. On disposal, repayment or recovery, such amounts are transferred to the Revenue Fund.

15. Recoverable revenue

Recoverable revenue represents payments made and recognised in the Statement of Financial Performance as an expense in previous years due to non-performance in accordance with an agreement, which have now become recoverable from a debtor. Repayments are transferred to the Revenue Fund as and when the repayment is received.

16. Comparative figures

Where necessary, comparative figures have been restated to conform to the changes in the presentation in the current year. The comparative figures shown in these Annual

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Financial Statements are limited to the figures shown in the previous year's audited Annual Financial Statements and such other comparative figures that the department may reasonably have available for reporting. Reclassification of expenditure has occurred due to the implementation of the Standard Chart of Accounts. It is not practical to present comparative amounts in the Cash Flow Statements as this would involve reclassification of amounts dating back to the 2002/03 year-end.



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APPROPRIATION STATEMENT
for the year ended 31 March 2005

Appropriation per Programme									
	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1. Health Administration									
Current payment	245,942	-	-	245,942	239,159	6,783	97.2%	195,844	217,432
Transfers and subsidies	2,122	-	-	2,122	2,178	(56)	102.6%	-	-
Expenditure for capital assets	4,047	-	-	4,047	3,227	820	79.7%	18,664	(2,873)
2. District Health Services									
Current payment	2,216,570	-	-	2,216,570	2,193,812	22,758	99.0%	1,880,483	1,990,718
Transfers and subsidies	330,038	-	-	330,038	347,762	(17,724)	105.4%	472,563	517,566
Expenditure for capital assets	23,392	-	-	23,392	16,909	6,483	72.3%	9,992	10,062
3. Emergency Medical Services									
Current payment	125,963	-	-	125,963	124,296	1,667	98.7%	146,305	110,280
Transfers and subsidies	315	-	-	315	319	(4)	101.3%	46,434	73,838
Expenditure for capital assets	618	-	-	618	619	(1)	100.2%	18,569	10,370
4. Provincial Hospital Services									
Current payment	1,605,194	-	-	1,605,194	1,597,636	7,558	99.5%	1,550,757	1,501,288
Transfers and subsidies	96,347	-	-	96,347	96,051	296	99.7%	124,843	144,188
Expenditure for capital assets	17,893	-	-	17,893	14,664	3,229	82.0%	56,079	118,806

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APPROPRIATION STATEMENT for the year ended 31 March 2005

	Appropriation per Programme							2003/04	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
5. Central Hospital Services									
Current payment	-	-	-	-	-	-	0.0%	-	-
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Expenditure for capital assets	-	-	-	-	-	-	0.0%	-	-
6. Health Science & Training									
Current payment	163,799	-	-	163,799	159,209	4,590	97.2%	146,356	122,691
Transfers and subsidies	745	-	-	745	738	7	99.1%	-	-
Expenditure for capital assets	-	-	-	-	1	(1)	-	300	193
7. Health Care Support Services									
Current payment	10,789	-	-	10,789	10,423	366	96.6%	25,609	22,810
Transfers and subsidies	18	-	-	18	17	1	94.4%	-	-
Expenditure for capital assets	-	-	-	-	-	-	0.0%	1,140	217
8. Health Facilities Development and Maintenance									
Current payment	34,032	-	-	34,032	37,303	(3,271)	109.6%	66,479	75,347
Transfers and subsidies	-	-	-	-	-	-	0.0%	-	-
Expenditure for capital assets	342,804	-	-	342,804	335,251	7,553	97.8%	350,765	329,528

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APPROPRIATION STATEMENT
for the year ended 31 March 2005

Appropriation per Programme									
	2004/05					2003/04			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Subtotal	5,220,628	-	-	5,220,628	5,179,574	41,054	99.2%	5,111,182	5,242,461
Statutory Appropriation									
Current payments	638			638	643	(5)	100.8%	602	551
Transfers and subsidies				-		-	0.0%		
Payment for capital assets				-		-	0.0%		
Total	5,221,266	-	-	5,221,266	5,180,217	41,049	99.2%	5,111,784	5,243,012
Reconciliation with Statement of Financial Performance									
Prior year unauthorised expenditure approved with funding									
Departmental receipts				-				-	
Local and foreign aid assistance				9,784				76,829	
Actual amounts per Statement of Financial Performance (Total Revenue)				9,518				2,599	
Investments acquired and capitalised during the current financial year, but expensed for appropriation purposes				5,240,568				5,191,212	
Other payments in Appropriation Statement, not accounted for in the Statement of Financial Performance									
Local and foreign aid assistance					9,518				1,020
Prior year unauthorised expenditure approved									
Prior year fruitless and wasteful expenditure condoned									
Actual amounts per Statement of Financial Performance									
Expenditure					5,189,735				5,244,032

PART E - Appropriation Statement



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APPROPRIATION STATEMENT for the year ended 31 March 2005

	Appropriation per Economic classification									
	2004/05					2003/04				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Current payments	3,255,267	-	-	3,255,267	3,229,408	25,859	99.2%	2,846,357	2,815,122	
Compensation to employees	1,147,022	-	-	1,147,022	1,132,432	14,590	98.7%	1,165,476	1,225,405	
Goods and services	-	-	-	-	-	-	0.0%	-	-	
Interest and rent on land	-	-	-	-	-	-	0.0%	-	-	
Financial transactions in assets and liabilities	-	-	-	-	-	-		-	-	
Transfers & subsidies	269,552	-	-	269,552	216,121	53,431	80.2%	643,842	735,594	
Provinces & municipalities	135,701	-	-	135,701	195,272	(59,571)	143.9%	-	-	
Departmental agencies & accounts	-	-	-	-	-	-		-	-	
Universities & technikons	-	-	-	-	-	-	0.0%	-	-	
Foreign governments & international organisations	-	-	-	-	-	-	0.0%	-	-	
Public corporations & private enterprises	-	-	-	-	11,258	(11,258)	-	-	-	
Non-profit institutions	-	-	-	-	4	(4)	-	-	-	
Households	24,332	-	-	24,332	24,411	(79)	100.3%	-	-	
Gifts and donations	-	-	-	-	-	-	0.0%	-	-	

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APPROPRIATION STATEMENT
for the year ended 31 March 2005

Appropriation per Economic classification									
	2004/05					2003/04			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Payment on capital assets									
Buildings & other fixed structures	356,684	-	-	356,684	343,889	12,795	96.4%	350,810	341,924
Machinery & equipment	32,070	-	-	32,070	26,779	5,291	83.5%	104,697	124,416
Biological or cultivated assets	-	-	-	-	-	-	0.0%	-	-
Software & other intangible assets	-	-	-	-	-	-	0.0%	-	-
Land & subsoil assets	-	-	-	-	-	-	0.0%	-	-
Total	5,220,628	-	-	5,220,628	5,179,574	41,054	99.2%	5,111,182	5,242,461



PART E - Appropriation Statement



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APPROPRIATION STATEMENT
for the year ended 31 March 2005

	Statutory Appropriation								
				2004/05					
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Direct charge against Provincial Revenue Fund									
List all direct charges against the Revenue Fund				-		-	0.0%		
President and Deputy President salaries				-		-	0.0%		
Minister and deputy ministers salaries				-		-	0.0%		
Member of executive committee/parliamentary officers	638			638	643	(5)	100.8%	602	551
Judges salaries				-		-	0.0%		
Sector education and training authorities SETA				-		-	0.0%		
National skills fund				-		-	0.0%		
Total	638	-	-	638	643	(5)	100.8%	602	551

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DETAIL PER PROGRAMME 1 - HEALTH ADMINISTRATION
for the year ended 31 March 2005

	2004/05							2003/04	
Programme per subprogramme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1.1 Office of the MEC									
Current payment	4,624			4,624	4,346	278	94.0%	6,170	4,372
Transfers and subsidies	-			-	9	(9)	-	-	-
Expenditure for capital assets	-			-	261	(261)	-	260	-
1.2 Management									
Current payment	241,318			241,318	234,813	6,505	97.3%	189,674	213,060
Transfers and subsidies	2,122			2,122	2,169	(47)	102.2%	-	-
Expenditure for capital assets	4,047			4,047	2,966	1,081	73.3%	18,404	2,873
1.3									
Total	252,111	-	-	252,111	244,564	7,547	97.0%	214,508	214,559



PART E - Appropriation Statement



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DETAIL PER PROGRAMME 1 - HEALTH ADMINISTRATION for the year ended 31 March 2005

Appropriation per Programme									
Economic classification	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payments	92,228			92,228	87,002	5,226	94.3%	78,979	68,157
Compensation to employees	153,714			153,714	152,157	1,557	99.0%	116,865	149,275
Goods and services				-		-	0.0%		
Interest and rent on land				-		-	0.0%		
Financial transactions in assets and liabilities									
Transfers & subsidies									
Provinces & municipalities	1,681			1,681	1,773	(92)	105.5%		
Departmental agencies & accounts				-		-	0.0%		
Universities & technikons				-		-	0.0%		
Foreign governments & international organisations				-		-	0.0%		
Public corporations & private enterprises				-		-	0.0%		
Non-profit institutions				-			0.0%		
Households	441			441	406	35	92.1%		
Gifts and donations	-			-		-	0.0%		

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DETAIL PER PROGRAMME 1 - HEALTH ADMINISTRATION
for the year ended 31 March 2005

	2004/05						2003/04		
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Payments for capital assets									
Buildings & other fixed structures				-	103	(103)	-		1,422
Machinery & equipment	4,047			4,047	3,123	924	77.2%	18,664	(4,295)
Biological or cultivated assets				-	-	-	0.0%		
Software & other intangible assets				-	-	-	0.0%		
Land & subsoil assets				-	-	-	0.0%		
Total	252,111	-	-	252,111	244,564	7,547	97.0%	214,508	214,559



PART E - Appropriation Statement



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DETAIL PER PROGRAMME 2 - DISTRICT HEALTH SERVICES for the year ended 31 March 2005

	2004/05					2003/04			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Programme per subprogramme	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
2.1 District Management									
Current payment	190,987			190,987	194,928	(3,941)	102.1%	76,875	78,216
Transfers and subsidies	3,995			3,995	3,995	-	100.0%	-	-
Expenditure for capital assets	93			93	84	9	90.3%	1,269	842
2.2 Community Health Clinics									
Current payment	478,741			478,741	495,750	(17,009)	103.6%	360,634	406,123
Transfers and subsidies	91,495			91,495	89,469	2,026	97.8%	134,543	142,302
Expenditure for capital assets	15,143			15,143	8,081	7,062	53.4%	378	656
2.3 Community Health Centres									
Current payment	249,784			249,784	245,406	4,378	98.2%	286,054	343,628
Transfers and subsidies	2,360			2,360	8,000	(5,640)	339.0%	-	17,923
Expenditure for capital assets	-			-	3,212	(3,212)	-	270	230

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

DETAIL PER PROGRAMME 2 - HEALTH ADMINISTRATION
for the year ended 31 March 2005

	2004/05					2003/04			
Programme per subprogramme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
2.4 Community Based Services									
Current payment	40,442			40,442	42,537	(2,095)	105.2%	11,191	8,933
Transfers and subsidies	11			11	62	(51)	563.6%	3,065	1,878
Expenditure for capital assets	-			-	127	(127)	-	49	-
2.5 Other Community Services									
Current payment	39,624			b	37,565	2,059	94.8%	181	6,007
Transfers and subsidies	294			294	282	12	95.9%		
Expenditure for capital assets	379			379	32	347	8.4%	1	4
2.6 HIV/Aids									
Current payment	84,200		11,723	95,923	78,983	16,940	82.3%	45,637	37,843
Transfers and subsidies	32,886			32,886	34,677	(1,791)	105.4%	34,158	34,067
Expenditure for capital assets	3,161			3,161	1,510	1,651	47.8%	1,680	818



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PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 2 - DISTRICT HEALTH SERVICES for the year ended 31 March 2005

Programme per subprogramme	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
2.7 Nutrition									
Current payment	-			-	(560)	560	-	-	50
Transfers and subsidies	15,406			15,406	23,310	(7,904)	151.3%	172,421	173,032
Expenditure for capital assets	-			-	-	-	0.0%	-	-
2.8 Coroner Services									
Current payment	450			450	387	63	86.0%	1,000	-
Transfers and subsidies	-			-	-	-	0.0%	-	-
Expenditure for capital assets	-		-	-	-	-	0.0%	-	-
2.9 District Hospitals									
Current payment	1,132,342		11,723	1,120,619	1,098,816	21,803	98.1%	1,098,911	1,109,918
Transfers and subsidies	183,591			183,591	187,967	(4,376)	102.4%	128,376	148,364
Expenditure for capital assets	4,616			4,616	3,863	753	83.7%	6,345	7,512
2.10									
Total	2,570,000	-	-	2,570,000	2,558,483	11,517	99.6%	2,363,038	2,518,346

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

DETAIL PER PROGRAMME 2 - DISTRICT HEALTH SERVICES
for the year ended 31 March 2005

Economic classification	2004/05					2003/04			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current	1,678,111			1,678,111	1,667,112	10,999	99.3%	1,432,946	1,542,049
Compensation to employees	538,459			538,459	526,699	11,760	97.8%	447,537	448,642
Goods and services				-	-	-	0.0%		
Interest and rent on land				-	-	-	0.0%		
Financial transactions in assets and liabilities									
Transfers & subsidies									
Provinces & municipalities	267,097			267,097	208,780	58,317	78.2%	472,564	517,567
Dept agencies & accounts	44,825			44,825	109,971	(65,146)	245.3%		
Universities & Technikons				-	-	-	0.0%		
Foreign governments & international organisations				-	-	-	0.0%		
Public corporations & private enterprises				-	10,779	(10,779)	-		
Non-profit institutions				-	4	(4)	-		
Households	18,116			18,116	18,229	(113)	100.6%		
Gifts and donations				-	-	-	0.0%		

PART E - Appropriation Statement



PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 2 - DISTRICT HEALTH SERVICES for the year ended 31 March 2005

Economic classification	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Capital									
Buildings & other fixed structures	11,419			11,419	8,693	2,726	76.1%	46	5,126
Machinery & equipment	11,973			11,973	8,216	3,757	68.6%	9,945	4,962
Biological or Cultivated assets				-	-	-	0.0%		
Software & other intangible assets				-	-	-	0.0%		
Land & subsoil assets				-	-	-	0.0%		
Total	2,570,000	-	-	2,570,000	2,558,483	11,517	99.6%	2,363,038	2,518,346

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

DETAIL PER PROGRAMME 3 - EMERGENCY MEDICAL SERVICES
for the year ended 31 March 2005

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
3.1 Emergency Transport									
Current payment	125,299			125,299	123,620	1,679	98.7%	146,305	110,280
Transfers and subsidies	47			47	54	(7)	114.9%	37,905	39,001
Expenditure for capital assets	618			618	619	(1)	100.2%	18,569	10,370
3.2 Planned Patient Transport									
Current payment	664			664	676	(12)	101.8%	-	-
Transfers and subsidies	268			268	265	3	98.9%	8,529	34,837
Expenditure for capital assets	-			-	-	-	0.0%	-	-
Total	126,896	-	-	126,896	125,234	1,662	98.7%	211,308	194,488



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PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 3 - EMERGENCY MEDICAL SERVICES for the year ended 31 March 2005

	2004/05							2003/04	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current	94,441			94,441	93,055	1,386	98.5%	69,439	18,391
Compensation to employees	31,522			31,522	31,242	280	99.1%	76,866	91,879
Goods and services				-		-	0.0%		
Interest and rent on land				-		-	0.0%		
Financial transactions in assets and liabilities									
Transfers & subsidies	276			276	279	(3)	101.1%	46,434	73,839
Provinces & municipalities	16			16		16	0.0%		
Dept agencies & accounts				-		-	0.0%		
Universities & Technikons				-		-	0.0%		
Foreign governments & international organisations				-	17	(17)	-		
Public corporations & private enterprises				-					
Non-profit institutions				-		-	0.0%		
Households	23			23	23	-	100.0%		
Gifts and donations				-		-	0.0%		
Capital	16			16	16	-	100.0%		6,595
Buildings & other fixed structures	602			602	602	-	100.0%	18,569	3,784
Machinery & equipment				-		-	0.0%		
Biological or Cultivated assets				-		-	0.0%		
Software & other intangible assets				-		-	0.0%		
Land & subsoil assets				-		-	0.0%		
Total	126,896			126,896	125,234	1,662	98.7%	211,308	194,488

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

DETAIL PER PROGRAMME 4 - PROVINCIAL HOSPITAL SERVICES
for the year ended 31 March 2005

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
4.1 General (Regional) Hospital									
Current payment	1,433,555			1,433,555	1,410,766	22,789	98.4%	1,333,003	1,344,724
Transfers and subsidies	70,581			70,581	69,594	987	98.6%	63,237	63,371
Expenditure for capital assets	17,330			17,330	14,579	2,751	84.1%	46,174	112,777
4.2 TB Hospitals									
Current payment				-		-	0.0%	-	3
Transfers and subsidies	24,968			24,968	24,507	461	98.2%	61,606	80,757
Expenditure for capital assets	-			-		-	0.0%	-	-
4.3 Phychiatric / Mental Hospitals									
Current payment	171,639			171,639	186,870	(15,231)	108.9%	217,754	156,548
Transfers and subsidies	798			798	1,950	(1,152)	244.4%		
Expenditure for capital assets	563			563	85	478	15.1%	9,905	6,029
Total	1,719,434	-	-	1,719,434	1,708,351	11,083	99.4%	1,731,679	1,764,282



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PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 4 - PROVINCIAL HOSPITAL SERVICES for the year ended 31 March 2005

Economic classification	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current	1,232,267			1,232,267	1,227,325	4,942	99.6%	1,135,728	1,059,361
Compensation to employees	372,927			372,927	370,312	2,615	99.3%	415,028	441,926
Goods and services				-	-	-	0.0%		
Interest and rent on land				-	-	-	0.0%		
Financial transactions in assets and liabilities									
Transfers & subsidies									
Provinces & municipalities				-	4,799	(4,799)	-	124,844	144,188
Dept agencies & accounts	90,860			90,860	85,301	5,559	93.9%		
Universities & Technikons				-	-	-	0.0%		
Foreign governments & international organisations				-	462	(462)	-		
Public corporations & private enterprises				-	-	-	0.0%		
Non-profit institutions	5,487			5,487	5,488	(1)	100.0%		
Households				-	-	-	0.0%		
Gifts and donations									

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

DETAIL PER PROGRAMME 4 - PROVINCIAL HOSPITAL SERVICES
for the year ended 31 March 2005

	2004/05							2003/04	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Capital									
Buildings & other fixed structures	2,451			2,451	150	2,301	6.1%		(388)
Machinery & equipment	15,442			15,442	14,514	928	94.0%	56,079	119,195
Biological or Cultivated assets				-	-	-	0.0%		
Software & other intangible assets				-	-	-	0.0%		
Land & subsoil assets				-	-	-	0.0%		
Total	1,719,434	-	-	1,719,434	1,708,351	11,083	99.4%	1,731,679	1,764,282



PART E - Appropriation Statement



PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 6 - HEALTH SCIENCE AND TRAINING for the year ended 31 March 2005

Programme per subprogramme	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
6.1 Nursing Training College									
Current payment	155,928			155,928	151,447	4,481	97.1%	102,127	102,234
Transfers and subsidies	745			745	738	7	99.1%	-	-
Expenditure for capital assets	-			-	-	-	0.0%	215	131
6.2 EMS Training College									
Current payment	274			274	197	77	71.9%	399	254
Transfers and subsidies	-			-	-	-	0.0%	-	-
Expenditure for capital assets	-			-	-	-	0.0%	85	45
6.3 Bursaries									
Current payment	7,589			7,589	7,560	29	99.6%	43,830	9,551
Transfers and subsidies	-			-	-	-	0.0%	-	-
Expenditure for capital assets	-			-	-	-	0.0%	-	-
6.4 Primary Health Care Training									
Current payment	8			8	7	1	87.5%	-	9,180
Transfers and subsidies	-			-	-	-	0.0%	-	-
Expenditure for capital assets	-			-	1	-1	-	-	17

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VOTE 3

DETAIL PER PROGRAMME 6 - HEALTH SCIENCE AND TRAINING
for the year ended 31 March 2005

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
6.5 Training Other Current payment Transfers and subsidies Expenditure for capital assets				-	2	2	0.0% 0.0%	-	1,472 - -
Total	164,544	-	-	164,544	159,948	4,596	97.2%	146,656	122,884



DETAIL PER PROGRAMME 6 - HEALTH SCIENCE AND TRAINING
for the year ended 31 March 2005

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DEPARTMENT OF HEALTH
VOTE 3

DETAIL PER PROGRAMME 6 - HEALTH SCIENCE AND TRAINING
for the year ended 31 March 2005

	2004/05							2003/04	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Capital									
Buildings & other fixed structures				-		-	0.0%	300	5
Machinery & equipment				-		-	0.0%		189
Biological or Cultivated assets				-		-	0.0%		
Software & other intangible assets				-		-	0.0%		
Land & subsoil assets				-		-	0.0%		
Total	164,544	-	-	164,544	159,948	4,596	97.2%	146,656	122,884



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PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 7 - HEALTH CARE SUPPORT SERVICES for the year ended 31 March 2005

	2004/05						2003/04		
Programme per subprogramme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
7.1 Laundries									
Current payment				-		-	0.0%		
Transfers and subsidies				-		-	0.0%		
Expenditure for capital assets				-		-	0.0%		
7.2 Engineering									
Current payment				-		-	0.0%		
Transfers and subsidies				-		-	0.0%		
Expenditure for capital assets				-		-	0.0%		
7.3 Forensic Services									
Current payment				-		-	0.0%		
Transfers and subsidies				-		-	0.0%		
Expenditure for capital assets				-		-	0.0%		
7.4 Orthotic and Prosthetic Services									
Current payment	10,789			10,789	10,423	366	96.6%	25,609	22,810
Transfers and subsidies	18			18	17	1	94.4%		
Expenditure for capital assets	-			-		-	0.0%	1,140	217

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VOTE 3

DETAIL PER PROGRAMME 7 - HEALTH CARE SUPPORT SERVICES
for the year ended 31 March 2005

	2004/05							2003/04	
Programme per subprogramme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
7.5 Medicine Trading Account									
Current payment				-		-	0.0%		
Transfers and subsidies				-		-	0.0%		
Expenditure for capital assets				-		-	0.0%		
Total	10,807	-	-	10,807	10,440	367	96.6%	26,749	23,027



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PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 7 - HEALTH CARE SUPPORT SERVICES for the year ended 31 March 2005

Programme per subprogramme	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current	5,548			5,548	5,498	50	99.1%	20,320	17,873
Compensation to employees	5,241			5,241	4,925	316	94.0%	5,289	4,938
Goods and services				-		-	0.0%		
Interest and rent on land				-		-	0.0%		
Financial transactions in assets and liabilities									
Transfers & subsidies	18			18	17	1	94.4%		
Provinces & municipalities				-		-	0.0%		
Dept agencies & accounts				-		-	0.0%		
Universities & Technikons				-		-	0.0%		
Foreign governments & international organisations				-		-	0.0%		
Public corporations & private enterprises				-		-			
Non-profit institutions				-		-	0.0%		
Households				-		-	0.0%		
Gifts and donations				-		-	0.0%		

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VOTE 3

DETAIL PER PROGRAMME 7 - HEALTH CARE SUPPORT SERVICES
for the year ended 31 March 2005

	2004/05							2003/04	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Capital									
Buildings & other fixed structures				-		-	0.0%	1,140	80
Machinery & equipment				-		-	0.0%		136
Biological or Cultivated assets				-		-	0.0%		
Software & other intangible assets				-		-	0.0%		
Land & subsoil assets				-		-	0.0%		
Total	10,807	-	-	10,807	10,440	367	96.6%	26,749	23,027



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PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 8 - HEALTH FACILITIES DEVELOPMENT AND MAINTENANCE for the year ended 31 March 2005

Programme per subprogramme	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
8.1 Community Health Facilities	1,993			1,993	1,994	(1)	100.1%		
Current payment							0.0%		
Transfers and subsidies				-		-			
Expenditure for capital assets	148,592			148,592	148,660	(68)	100.0%		
8.2 Other Facilities	862			862	861	1	99.9%		
Current payment							0.0%		
Transfers and subsidies	-			-		-			
Expenditure for capital assets	-			-		-	0.0%		
8.3 Central Hospital Services							0.0%		-
Current payment				-		-			-
Transfers and subsidies				-		-	0.0%		-
Expenditure for capital assets				-		-	0.0%		32
8.4 District Hospital Services	28,955			28,955	32,041	(3,086)	110.7%		
Current payment								35,645	49,504
Transfers and subsidies				-		-	0.0%		-
Expenditure for capital assets	153,729			153,729	148,719	5,010	96.7%	289,353	254,833

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

DETAIL PER PROGRAMME 8 - HEALTH FACILITIES DEVELOPMENT AND MAINTENANCE
for the year ended 31 March 2005

	2004/05							2003/04	
Programme per subprogramme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
8.5 Provincial Hospital Services									
Current payment	2,222			2,222	2,407	(185)	108.3%	30,834	25,843
Transfers and subsidies				-	-	-	0.0%	-	-
Expenditure for capital assets	40,483			40,483	37,872	2,611	93.6%	61,412	74,663
Total	376,836	-	-	376,836	372,554	4,282	98.9%	417,244	404,875



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PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 8 - HEALTH FACILITIES DEVELOPMENT AND MAINTENANCE for the year ended 31 March 2005

Programme per subprogramme	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current	34,032			-	37,303	-	0.0%		31
Compensation to employees				34,032		(3,271)	109.6%	66,480	75,315
Goods and services				-		-	0.0%		
Interest and rent on land				-		-	0.0%		
Financial transactions in assets and liabilities									
Transfers & subsidies									
Provinces & municipalities				-		-	0.0%		
Dept agencies & accounts				-		-	0.0%		
Universities & Technikons				-		-	0.0%		
Foreign governments & international organisations				-		-	0.0%		
Public corporations & private enterprises				-		-	0.0%		
Non-profit institutions				-		-	0.0%		
Households				-		-	0.0%		
Gifts and donations				-		-	0.0%		

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

DETAIL PER PROGRAMME 8 - HEALTH FACILITIES DEVELOPMENT AND MAINTENANCE
for the year ended 31 March 2005

	2004/05						2003/04		
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Capital	342,798			342,798	334,927	7,871	97.7%		329,084
Buildings & other fixed structures	6			b	324	(318)	5400.0%		445
Machinery & equipment				-		-	0.0%		
Biological or Cultivated assets				-		-	0.0%		
Software & other intangible assets				-		-	0.0%		
Land & subsoil assets									
Total	376,836	-	-	376,836	372,554	4,282	98.9%	417,244	404,875



PART E - Appropriation Statement



PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 9 - SPECIAL FUNCTIONS for the year ended 31 March 2005

	2004/05							2003/04	
Programme per subprogramme	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
9.1 Medsas Administration Current payment Transfers and subsidies Expenditure for capital assets				-		-	0.0% 0.0% 0.0%		(48)
9.2 Medsas Supplies Current payment Transfers and subsidies Expenditure for capital assets				-		-	0.0% 0.0% 0.0%		48
Total	-	-	-	-	-	-	0.0%	-	-

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

DETAIL PER PROGRAMME 9 - SPECIAL FUNCTIONS
for the year ended 31 March 2005

Programme per subprogramme	2004/05						2003/04		
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current									
Compensation to employees				-		-	0.0%		
Goods and services				-		-	0.0%		
Interest and rent on land				-		-	0.0%		
Financial transactions in assets and liabilities				-		-	0.0%		
Transfers & subsidies									
Provinces & municipalities				-		-	0.0%		
Dept agencies & accounts				-		-	0.0%		
Universities & Technikons				-		-	0.0%		
Foreign governments & international organisations				-		-	0.0%		
Public corporations & private enterprises				-		-	0.0%		
Non-profit institutions				-		-	0.0%		
Households				-		-	0.0%		
Gifts and donations				-		-	0.0%		



PART E - Appropriation Statement



PROVINCE OF THE EASTERN CAPE DEPARTMENT OF HEALTH VOTE 3

DETAIL PER PROGRAMME 9 - SPECIAL FUNCTIONS for the year ended 31 March 2005

	2004/05							2003/04	
Economic classification	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Capital									
Buildings & other fixed structures				-		-	0.0%		
Machinery & equipment				-		-	0.0%		
Biological or Cultivated assets				-		-	0.0%		
Software & other intangible assets				-		-	0.0%		
Land & subsoil assets				-		-	0.0%		
Total	-	-	-	-	-	-	0.0%	-	-

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2005

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

Detail of these transactions can be viewed in note 11 (Transfers and subsidies) and Annexure 1 (A-K) 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 financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 8 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

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

- 4.1 Per programme:

	Voted Funds after virement	Actual Expenditure	R'000	%
Health Administration	252,111	244,564	7,547	2.99%
	Saving mainly due to the belt tightening exercise, the deferment of payments and fiscal discipline towards realizing a saving to partly finance the overdrawn bank of 2003/04 financial year.			
District Health Services	2,570,000	2,558,483	11,517	0.45%
	Saving mainly due to the belt tightening exercise, the deferment of payments and fiscal discipline towards realizing a saving to partly finance the overdrawn bank of 2003/04 financial year.			
Emergency Medical Services	126,896	125,234	1,662	1.31%
	Saving mainly due to the belt tightening exercise, the deferment of payments and fiscal discipline towards realizing a saving to partly finance the overdrawn bank of 2003/04 financial year.			
Provincial Hospital Services	1,719,434	1,708,351	11,083	0.64%
	Saving mainly due to the belt tightening exercise, the deferment of payments and fiscal discipline towards realizing a saving to partly finance the overdrawn bank of 2003/04 financial year. A further contributing factor towards the saving under this programme relates to the conditional grants payments not processed			





PROVINCE OF THE EASTERN CAPE
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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2005

	Voted Funds after virement	Actual Expenditure	R'000	%
Health Science & Training	164,544	159,948	4,596	2.79%
	Saving mainly due to the belt tightening exercise, the deferment of payments and fiscal discipline towards realizing a saving to partly finance the overdrawn bank of 2003/04 financial year.			
Health Care Support Services	10,807	10,440	367	3.40%
	Saving mainly due to the belt tightening exercise, the deferment of payments and fiscal discipline towards realizing a saving to partly finance the overdrawn bank of 2003/04 financial year.			
Health Facilities Development and Maintenance	376,836	372,554	4,282	1.14%
	Saving mainly due to the belt tightening exercise, the deferment of payments and fiscal discipline towards realizing a saving to partly finance the overdrawn bank of 2003/04 financial year. A further contributing factor towards the saving under this programme relates to various capital projects not yet finalized which had an impact on the Hospital Revitalisation conditional grant.			

4.2 Per economic classification: R'000

Current expenditure

Compensation of employees	25,854
Goods and services	14,590
Interest and rent on land	
Financial transactions in assets and liabilities	
Unauthorised expenditure approved	

Transfers and subsidies

Provinces and municipalities	53,431
Departmental agencies and accounts	(59,571)
Universities and technikons	
Public corporations and private enterprises	(11,258)
Foreign governments and international organisations	
Non-profit institutions	(4)
Households	(79)

R'000

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2005

Payments for capital assets

Buildings and other fixed structures	12,795
Machinery and equipment	5,291
Heritage assets	
Biological assets	
Software and other intangible assets	
Land and sub soil assets	





PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
REVENUE			
Annual appropriation	1	5,220,628	5,111,182
Statutory appropriation	2	638	602
Appropriation for unauthorised expenditure approved		-	-
Departmental revenue	3	9,784	76,829
Local and foreign aid assistance	4	9,518	2,599
TOTAL REVENUE		5,240,568	5,191,212
EXPENDITURE			
Current expenditure			
Compensation of employees	5	3,230,051	2,815,673
Goods and services	6	1,132,432	1,225,405
Interest and rent on land	7	-	-
Financial transactions in assets and liabilities	8	-	-
Local and foreign aid assistance	4	9,518	1,020
Unauthorised expenditure approved	9	-	-
Total current expenditure		4,372,001	4,042,098
Transfers and subsidies			
Transfers and subsidies	11	447,066	735,594
Expenditure for capital assets			
Buildings and other fixed structures	12	343,889	341,924
Machinery and Equipment	12	26,779	124,416
Biological or cultivated assets	12	-	-
Software and other intangible assets	12	-	-
Land and subsoil assets	12	-	-
Local and foreign aid assistance	4	-	-
Unauthorised expenditure approved	9	-	-
Total expenditure for capital assets		370,668	466,340
TOTAL EXPENDITURE		5,189,735	5,244,032
NET SURPLUS/(DEFICIT)		50,833	(52,820)
Add back unauthorised expenditure	9	57,484	256,914
Add back fruitless and wasteful expenditure	10	-	1848
NET SURPLUS/(DEFICIT) FOR THE YEAR		108,317	205,942

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2005



R'000	R'000	Note	2004/05	2003/04
Reconciliation of Net Surplus/(Deficit) for the year				
Voted Funds to be surrendered to the Revenue Fund		18	98,533	127,534
Departmental revenue to be surrendered to revenue fund		19	9,784	76,829
Local and foreign aid assistance		4	-	1,579
NET SURPLUS/(DEFICIT) FOR THE YEAR			<u>108,317</u>	<u>205,942</u>



PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
ASSETS			
Current assets		592,928	515,169
Unauthorised expenditure	9	509,550	452,066
Fruitless and wasteful expenditure	10.	1,848	1,848
Cash and cash equivalents	13.	4,804	47
Loans		-	-
Other financial assets	14	-	-
Prepayments and advances	15	289	-
Receivables	16	76,437	61,208
Local and foreign aid assistance receivable	4	-	-
Non-current assets		-	-
Investments	17	-	-
Loans		-	-
Other financial assets	14	-	-
TOTAL ASSETS		592,928	515,169
LIABILITIES			
Current liabilities		592,634	514,786
Voted funds to be surrendered to the Revenue Fund	18	208,380	127,534
Departmental revenue to be surrendered to the Revenue Fund	19	97,947	95,435
Bank overdraft	20	-	75,849
Payables	21	284,728	214,389
Local and foreign aid assistance repayable	4	-	-
Local and foreign aid assistance unutilised	4	1,579	1,579
Non-current liabilities		-	-
Payables	22	-	-
TOTAL LIABILITIES		592,634	514,786
NET ASSETS		294	383

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
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STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2005



PART E - Statement of Financial Position

Represented by:
Capitalisation reserve
Recoverable revenue

TOTAL

2004/05 R'000	2003/04 R'000
-	-
294	383
<u>294</u>	<u>383</u>



PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
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STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2005

	Note	2004/05 R'000	2003/04 R'000
Capitalisation reserve			
Opening balance		-	-
Transfers		-	-
Closing balance		-	-
Recoverable revenue			
Opening balance		383	363
Debts written off	8.6	-	-
Debts recovered (included in departmental receipts)		(138)	(62)
Debts raised		49	82
Prior year adjustment		-	-
Closing balance		294	383
TOTAL		294	383

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

CASH FLOW STATEMENT
for the year ended 31 March 2005



PART E - cash flow Statement

	Note	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		5,251,363
Annual appropriated funds received		5,202,941
Statutory appropriated funds received		638
Appropriation for unauthorised expenditure received	9	-
Departmental revenue received		53,784
Decrease in Recoverable Revenue		-
Local and foreign aid assistance received	4	9,518
Net (increase)/decrease in working capital		(15,518)
Surrendered to Revenue Fund		(51,272)
Current payments		(4,301,662)
Transfers and subsidies paid		(447,066)
Net cash flow available from operating activities	23	451,363
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets		(370,668)
Proceeds from sale of capital assets	3	-
Proceeds from sale of investments	23	-
Proceeds from sale of other financial assets		-
(Increase)/ decrease in loans granted		-
Net cash flows from investing activities		(370,668)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution/dividend to government		-
Increase/(decrease) in loans received		(89)
Net cash flows from financing activities		(89)
Net increase/(decrease) in cash and cash equivalents		80,606
Cash and cash equivalents at beginning of period		(75,802)
Cash and cash equivalents at end of period		4,804



PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

1 Annual appropriation

Included are funds appropriated in terms of the Appropriation Act for Provincial Departments(Equitable Share)

Programmes	Total Appropriation	Actual	Variance over/(under)	Total Appropriation 2003/04
	R'000	R'000	R'000	R'000
Health Administration	252,111	251,257	854	214,508
District Health Services	2,570,000	2,561,293	8,707	2,363,038
Emergency Medical Services	126,896	126,466	430	211,308
Provincial Hospital Services	1,719,434	1,713,609	5,825	1,731,679
Central Hospital Services	-	-	-	-
Health Science & Training	164,544	163,987	557	146,656
Health Care Support Services	10,807	10,770	37	26,749
Health Facilities Development and Maintenance	376,836	375,559	1,277	417,244
Total	5,220,628	5,202,941	17,687	5,111,182

Explanation of material variances including whether or not application will be made for a rollover.

	Notes	2004/05 R'000	2003/04 R'000
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1.2 Conditional grants

Total grants received	ANNEXURE 1A	630,404	592,080
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(** It should be noted that the Conditional grants are included in the amounts per the Total Appropriation in Note 1.1)

2. Statutory Appropriation

President and Deputy President salaries		
Minister and deputy ministers salaries		
Member of executive committee/parliamentary officers	638	602
Judges salaries		
Sector education and training authorities (SETA)		
National Skills Fund		
	638	602

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005



	Notes	2004/05 R'000	2003/04 R'000
3. Departmental revenue to be surrendered to revenue fund			
Description			
Tax revenue		-	-
Sales of goods and services other than capital assets		43,066	76,544
Fines, penalties and forfeits		17	-
Interest, dividends and rent on land		3	1,262
Sales of capital assets		-	-
Recoverable revenue received		-	62
Financial transactions in assets and liabilities	3.1	10,698	40,504
Transfers received consist of:			
Gifts, donations and sponsorships received	ANNEXURE 1J	-	-
Other transfers		-	-
Total revenue collected		53,784	118,372
Less: Departmental revenue budgeted *		(44,000)	(41,543)
Departmental revenue collected		9,784	76,829
3.1 Financial transactions in assets and liabilities			
Nature of loss recovered			
Cheques written back		2	172
Material losses recovered		-	-
Other		10,696	40,332
		10,698	40,504



PROVINCE OF THE EASTERN CAPE
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

		Notes	2004/05 R'000	2003/04 R'000
4.	Local and foreign aid assistance			
4.1	Assistance received in cash			
	Name of donor and purpose	Opening Balance	Revenue	Expenditure
				Closing Balance
	Local			
	Nat. Dept. of Health - Poverty Relief	1,579	-	-
				1,579
				-
				-
	Foreign			
	DF: CDC of United States	-	9,518	9,518
				-
				-
				-
				-
		1,579	9,518	9,518
				1,579

Analysis of balance

Local and foreign aid receivable	-	-
Local and foreign aid unutilised	1,579	1,579
Local foreign aid payable to RDP fund/donors	-	-
Closing balance	1,579	1,579

4.2 Assistance received in kind

Name of donor and purpose

Local	-	-
	-	-
	-	-
	-	-
Foreign		
Foreign aid assistance		
United States Government		
Supply of Equipment, training, conferences and Transportation		29,001
	-	29,001
	-	-
Total local and foreign aid assistance received in kind	-	29,001

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005



Notes	2004/05	2003/04	R'000	R'000
5. Compensation of employees				
5.1 Salaries and wages				
Basic salary			2,256,985	2,100,912
Performance award			398	-
Service Based			3,517	976
Compensative/circumstantial			241,066	67,048
Periodic payments			10,495	-
Other non-pensionable allowances			220,833	154,145
			<u>2,733,294</u>	<u>2,323,081</u>
5.2 Social contributions				
5.2.1 Short term employee benefits				
Pension			311,941	321,620
Medical			183,969	170,282
UIF			10	64
Bargain council			836	626
Official unions and associations			-	-
Insurance			1	-
			<u>496,757</u>	<u>492,592</u>
5.2.2 Post employment retirement benefits				
Pensions			-	-
Medical			-	-
Insurances			-	-
			<u>-</u>	<u>-</u>
			<u>-</u>	<u>-</u>
			<u>-</u>	<u>-</u>
Total compensation of employees			<u>3,230,051</u>	<u>2,815,673</u>
Average number of employees			<u>31,431</u>	<u>29,532</u>



PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

	Notes	2004/05 R'000	2003/04 R'000
6. Goods and services			
Advertising		5,404	2,652
Attendance fees (including registration fees)		11,687	-
Bank charges and card fees		769	564
Bore waterhole drilling		-	-
Bursaries (employees)		8,258	13,727
Cash discount (temporary)		-	-
Communication		38,932	37,465
Computer services		9,382	1,950
Commission		-	48
Consultants, contractors and special services		59,663	158,359
Courier and delivery services		279	-
Tracing agents & debt collections		-	-
Drivers licences and permits		19	-
Entertainment		388	270
External audit fees	6.1	8,725	7,490
Equipment less than R5 000		31,492	4,603
Firearm handling fees		-	-
Freight service		282	4,468
Government motor transport		76,527	88,683
Helicopter services		-	-
Honoraria (Voluntary workers)		220	124
Inventory	6.2	632,541	558,506
Land reform/restitution		-	-
Learnerships		-	2,728
Legal fees		1,198	2,783
Licence agency fees		-	-
Housing		-	-
Maintenance, repair and running costs		24	125,817
Medical services		107,205	85,964
Operating leases		5,989	11,479
Mint of decorations/medals		-	-
Personnel agency fees		1,540	-
Photographic services		438	-
Plant flowers and other decorations		22	-
Printing and publications		312	10
Professional bodies and membership fees		67	55
Resettlement costs		-	817
Road laboratories		-	-
Road worthy tests		-	-
School & boarding fees		-	-
Subscriptions		21,687	3

PROVINCE OF THE EASTERN CAPE
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005



	Notes	2004/05 R'000	2003/04 R'000
Storage of furniture		-	
System access fees		-	
Taking over of contractual obligations		131	
Owned and leasehold property expenditure		49,971	44,875
Translations and transcriptions		122	
Transport provided as part of the departmental activities		-	3,680
Travel and subsistence	6.3	36,781	18,437
Venues and facilities		14,437	49,848
Protective, special clothing & uniforms		7,940	
Training & staff development		-	-
Town & regional planning		-	
Water research/testing		-	
Witness and related fees		-	
Previous years unallocated items		-	
		<u>1,132,432</u>	<u>1,225,405</u>
6.1 External audit fees			
Regulatory audits		8,652	6,975
Performance audits		73	515
Other audits		-	
Total external audit fees		<u>8,725</u>	<u>7,490</u>
6.2 Inventory			
Inventory surcharges		-	-
Medas inventory interface		-	-
Construction work in progress		-	-
Other inventory		-	-
Strategic stock		-	-
Domestic Consumables		34,619	59,164
Agricultural		-	
Learning and teaching support material		-	59
Food and Food supplies		33,527	46,360
Fuel, oil and gas		6,711	13,461
Laboratory consumables		-	-
Other consumables		8,298	5,783
Parts and other maint mat		62,569	11,514
Sport and recreation		-	58
Stationery and Printing		13,433	17,231
Veterinary supplies		-	
Restoration and fittings		-	-
Road construction and supplies		-	-
Medical Supplies		473,384	404,876
Weapons and armaments		-	
		<u></u>	<u></u>



PROVINCE OF THE EASTERN CAPE
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

Total Inventory		632,541	558,506
	Notes 2004/05 2003/04		
		R'000	R'000
6.3 Travel and subsistence			
Local		<u>36,049</u>	<u>17,881</u>
Foreign		<u>732</u>	<u>556</u>
Total travel and subsistence		<u>36,781</u>	<u>18,437</u>
7. Interest and rent on land			
Interest expense		-	-
Rent on land		-	-
Total interest and rent on land		<u>-</u>	<u>-</u>
8. Financial transactions in assets and liabilities			
Material losses through criminal conduct	8.1	-	-
Other material losses written off	8.2	-	-
Debts written off	8.4	-	-
	-	<u>-</u>	<u>-</u>
8.1 Material losses through criminal conduct			
Nature of losses			
(Group major categories, but list material items)			
	-	-	-
	-	-	-
	-	<u>-</u>	<u>-</u>
8.2 Other material losses written off in Statement of Financial			
Performance			
Nature of losses			
(Group major categories, but list material items)			
	-	-	-
	-	-	-
	-	<u>-</u>	<u>-</u>
8.3 Other material losses of items expensed in previous periods			
(Total not included above)			
(Group major categories, but list material items)			
	-	-	-
	-	-	-
	-	<u>-</u>	<u>-</u>

PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005



	Notes	2004/05 R'000	2003/04 R'000
8.4	Bad debts written off		
	Nature of debts written off	-	-
	Transfer to debts written off	-	-
		<u>-</u>	<u>-</u>
		-	-
8.5	Details of theft and losses (Group major categories, but list material items)		
		-	-
		-	-
		<u>-</u>	<u>-</u>
		-	-
8.6	Recoverable revenue debts written off (Group major categories, but list material items)		
		-	-
		-	-
		<u>-</u>	<u>-</u>
9.		-	-
	Unauthorised expenditure		
9.1	Reconciliation of unauthorised expenditure		
	Opening balance	452,066	195,152
	Unauthorised expenditure current year	57,484	256,914
	Unauthorised expenditure approved by Parliament/Legislature current expenditure		
	Unauthorised expenditure approved by Parliament/Legislature expenditure for Capital assets		
	Transfer to receivables for recovery	<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
	Unauthorised expenditure awaiting authorisation	509,550	452,066



PROVINCE OF THE EASTERN CAPE
DEPARTMENT OF HEALTH
VOTE 3

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

	Notes	2004/05 R'000	2003/04 R'000
9.2	Unauthorised expenditure		
	Incident		Total
	Disciplinary steps taken/criminal proceedings		
	Equitable Share expenditure funded through Conditional Grant	57,484	
	Overspending - Prg 2		155,308
	Overspending - Prg 4		32,602
	Overspending - 2002/03		69,004
10.		57,484	256,914
	Fruitless and wasteful expenditure		
10.1	Reconciliation of fruitless and wasteful expenditure		
	Opening balance	1,848	
	Fruitless and wasteful expenditure - current year		1,848
	Transfer of Statement of Financial Performance - authorised losses		
	Transfer to receivables for recovery	-	
	Fruitless and wasteful expenditure awaiting condonement	1,848	1,848
	Incident		
	Disciplinary steps taken/criminal proceedings		
	Interest - Karupan		9
	Interest - Mbele		18
	Interest - DM Ingram		1,800
	Interest - Trevor Day		10
	Interest - Beling		11
11.			1,848
	Transfers and subsidies		
	Provinces and municipalities	ANNEXURE 1C	216,121
	Departmental agencies and accounts	ANNEXURE 1D	195,272
	Public corporations and private enterprises	ANNEXURE 1F	11,258
	Non-profit institutions	ANNEXURE 1H	4
	Households	ANNEXURE 1I	24,411
	Gifts and donations		

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		447,066	735,594
	Notes	2004/05 R'000	2003/04 R'000
12. Expenditure for capital assets			
Buildings and other fixed structures	ANNEXURE 4	343,889	341,924
Machinery and equipment	ANNEXURE 4	26,779	124,416
Biological or cultivated assets	ANNEXURE 4	-	-
Land and subsoil assets	ANNEXURE 4	-	-
Software and other intangible assets	ANNEXURE 5	-	-
Total		370,668	466,340
13. Cash and cash equivalents			
Consolidated Paymaster General Account		4,787	-
Fund requisition account		-	-
Cash receipts		(3)	-
Disbursements		20	-
Cash on hand		-	-
Cash with commercial banks		-	47
Cash in transit		-	-
		4,804	47
14. Other financial assets			
Description			
Current			
(Group major categories, but list material items)			
		-	-
		-	-
		-	-
Non-current			
(Group major categories, but list material items)			
		-	-
		-	-
		-	-
		-	-



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15.	Notes	2004/05 R'000	2003/04 R'000
Prepayments and advances			
Description			
Staff advances		94	-
Travel and subsistence		195	-
Prepayments		-	-
Advances paid to other entities		-	-
Claims recoverable		-	-
16.		289	-

Receivables

		Less than one year	One to three years	Older than three years	Total	Total
Amounts owing by other entities	ANNEXURE 6	190			190	144
Staff debtors	16.1	45	501	621	1,167	674
Clearing accounts	16.2	1	-	-	1	-
Other debtors	16.3	3,684	51,560	19,835	75,079	60,390
		3,920	52,061	20,456	76,437	61,208

Amounts of R 40 631 571 (2004: R 11 037 000) included above may not be recoverable, but have not been written off in the Statement of financial performance

16.1 Staff debtors
(Group major categories, but list material items)

Interest Bearing Debt	621	621
Private Telephone Calls	45	29
Salary Debt	501	-
Damage to GG Vehicles	-	24
	1,167	674

16.2 Clearing accounts
(Group major categories, but list material items)

Debit Orders	1	-
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	Notes	2004/05 R'000	2003/04 R'000
16.3 Other debtors			
Nature of advances (Group major categories, but list material items)			
Advances: Subsistence & Travelling		-	720
Advances: Personnel Salaries		-	293
Salary Reversal		10,990	24,335
Ex Employees		16,837	-
Other		47,252	35,042
		<u>75,079</u>	<u>60,390</u>

17. Investments

Investee (Reflected at cost)	Nature of investment		
		-	-
		<u>-</u>	<u>-</u>
		-	-
		<u>-</u>	<u>-</u>

18. Voted Funds to be surrendered to the Revenue Fund

Opening balance	127,534	
Transfer from Statement of Financial Performance	98,533	127,534
Voted funds not requested/not received	(17,687)	
Paid during the year		
Closing balance	208,380	127,534

19. Departmental revenue to be surrendered to revenue fund

Opening balance	95,435	17,693
Transfer from Statement of Financial Performance	9,784	76,829
Departmental revenue budgeted*	44,000	41,543
Transfer from local and foreign aid assistance**		
Paid during the year	(51,272)	(40,630)
Closing balance	97,947	95,435



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	Notes	2004/05 R'000	2003/04 R'000
20. Bank overdraft			
Paymaster General Account		-	75,849
		-	75,849

21. Payables current

Description		30 Days	30 + Days	Total	Total
Amounts owing to other departments	ANNEXURE 7	-	907	907	866
Advances received	21.1	-	-	-	-
Clearing accounts	21.2	-	-	-	-
Other payables	21.3	75,227	208,594	283,821	213,523
		75,227	209,501	284,728	214,389

21.1 Advances received

Identify major categories, but list material items	-	-
	-	-
	-	-
	-	-

21.2 Clearing accounts

Description		
(Identify major categories, but list material amounts)		
	-	-
	-	-
	-	-

21.3 Other payables

Description		
(Identify major categories, but list material amounts)		
Salaries & Deductions	32,006	220
Fund accounts	28,636	28,636
Treasury Balance	170,255	170,255
Other payables	52,924	14,412
Other Departments	283,821	213,523

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		Notes	2004/05 R'000	2003/04 R'000		
22. Payables	Non-current	Description				
		Less than one year	One to three years	Older than three years	Total	Total
Amounts owing to other departments	ANNEXURE 7	-	-	-	-	-
Advances received	22.1	-	-	-	-	-
Other payables	22.2	-	-	-	-	-
		-	-	-	-	-

22.1 Advances received
Identify major categories, but list material items

-	-
-	-
-	-
-	-

22.2 Other payables
Description
(Identify major categories, but list material amounts)

-	-
-	-
-	-
-	-



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	Notes	2004/05 R'000	2003/04 R'000
23. Reconciliation of net cash flow from operating activities to surplus/(deficit)			
Net surplus/(deficit) as per Statement of Financial Performance		108,317	
Non-cash movements			
(Increase)/decrease in receivables current		(15,229)	
(Increase)/decrease in prepayments and advances		(289)	
(Increase)/decrease in other current assets		-57,484	
(Increase)/decrease in other non-current assets		-	
Increase/(decrease) in payables current		70,339	
Increase/(decrease) in current liabilities		-	
Increase/(decrease) in non-current liabilities			
Proceeds from sale of equipment			
Surrenders		(51,272)	
Proceeds from sale of land and buildings			
Proceeds on sale of investments			
Capital expenditure		370,668	
Voted funds not requested/not received		(17,687)	
Proceeds on sale of financial assets			
Other non cash items		<u>44,000</u>	
Net cash flow generated by operating activities		451,363	
24. Appropriated funds and departmental revenue surrendered			
Appropriated funds surrendered		-	317
Departmental revenue surrendered		<u>51,272</u>	<u>40,630</u>
		<u>51,272</u>	<u>40,947</u>

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These amounts are not recognised in the financial statements and are disclosed to enhance the usefulness of the financial statements.

25.	Contingent liabilities				
	Liable to	Nature			
	Housing loan guarantees	Employees	ANNEXURE 3	27,947	25,685
	Other guarantees		ANNEXURE 3	-	-
	Claims			110,923	97,024
	Other departments (unconfirmed balances)		ANNEXURE 7	2,663	14,005
	Capped Leave Commitments			<u>687,319</u>	<u>696,893</u>
	Other			<u>40,299</u>	<u>10,824</u>
				869,151	844,431
26.	Commitments				
	Current expenditure				
	Approved and contracted			<u>95,000</u>	<u>64,710</u>
	Approved but not yet contracted			<u>15,000</u>	<u>11,785</u>
				110,000	76,495
	Capital expenditure				
	Approved and contracted			<u>209,865</u>	<u>338,359</u>
	Approved but not yet contracted			<u>258,377</u>	<u>97,010</u>
				<u>468,242</u>	<u>435,369</u>
	Total Commitments			578,242	511,864
27.	Accruals				
	By economic classification	30 Days	30 + Days	Total	Total
	Compensation of employees		23,336	23,336	29,103
	Goods and services		270,414	270,414	53,905
	Interest and rent on land			-	
	Transfers and subsidies		165,844	165,844	80,972
	Buildings and other fixed structures		44,780	44,780	18,061
	Machinery and Equipment		2,925	2,925	20,493
	Biological or cultivated assets			-	
	Software and other intangible assets			-	
	Land and subsoil assets			<u>-</u>	<u>-</u>
				507,299	202,534
	Listed by programme level				
	Administration			72,016	36,682
	District Health Services			179,748	73,866
	Emergency Medical Services			118	2,337
	Provincial Health Services			126,136	54,241
	Health Sciences and Training			392	3,973
	Health Facilities			<u>70,608</u>	<u>24,567</u>





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Medsas			58,281	6,868
			507,299	202,534
	Notes		2004/05	2003/04
			R'000	R'000
Confirmed balances with other departments	ANNEXURE 7		<u>2,432</u>	<u>866</u>
			2,432	866
28.	Employee benefits			
	Leave entitlement		135,499	99,989
	Thirteenth cheque		<u>95,920</u>	<u>151,038</u>
	Performance awards		<u>-</u>	<u>-</u>
			231,419	251,027
29.	Leases			
29.1	Operating leases	Buildings & other fixed structures	Machinery and equipment	Total
	Not later than 1 year	659	32,405	33,064
	Later than 1 year and not later than 3 years	<u>1,171</u>	<u>5,267</u>	<u>6,438</u>
	Later than three years	<u>191</u>	<u>54</u>	<u>245</u>
	Total present value of lease liabilities	2,021	37,726	39,747
				40,746
30.	Receivables for service delivered			
	Nature of service			
	Externally funded patients		23,344	240
	Self funded patients		6,187	652
	Hospital fees - H1		35,275	535
	Hospital fees - H2		834	-
	Hospital fees - H3		1,209	-
	Hospital fees - OPD general		-	491
	Rental		996	132
	Water and lights		491	134
	Telephone		<u>18</u>	<u>-</u>
	Medical reports / Other		<u>5</u>	<u>12</u>
			68,359	2,196

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Amounts of R18 000 000 included above may not be recoverable

	Notes	2004/05 R'000	2003/04 R'000
31. Irregular expenditure			
31.1 Reconciliation of irregular expenditure			
Opening Balance		31,642	31,642
Irregular expenditure current year		10,238	64,443
Transferred to Statement of Financial Performance - authorised losses (Condoned)		(10,238)	(64,443)
Transfers to receivables for recovery (Not condoned)			
Irregular expenditure awaiting condonement		31,642	31,642
Analysis			
Current			
Prior years		31,642	31,642
		31,642	31,642
32. Related party transactions			
No related party transactions took place in the year under review.			
33. Senior management personnel			
- The Minister, Deputy Ministers, Director-General			
- Deputy Director Generals			
- MEC		643	551
- Head Of Department		861	754
- Deputy Director General		69	
- Chief Directors		3,183	2,718
		4,756	4,023

The amounts include Basic Salary & Allowances

34. Public Private Partnership

Kouga Partnership Hospital - Co - Location PPP

Background:

The Eastern Cape Department of Health (ECDoH) identified the potential for the establishment of a private hospital in partnership with the district hospital at Humansdorp. The Department of Public Works and CSIR identified the need for the upgrading and





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In addition to this, the Humansdorp District Hospital had a maintenance backlog which was unlikely to be addressed in the short term, given other ECDoH priorities.

A Public Private Partnership (PPP) was seen as providing the opportunity to revitalise the district hospital, generate revenue from the private sector via shared services and create additional beds within the district.

In April 1999 the ECDoH placed an advertisement inviting proposals from the private sector. Proposals were received; an evaluation and short-listing procedure followed. Finally, in July 2000 a recommendation to the provincial Executive Committee was drafted.

Terms of the agreement:

Metro- Star is responsible for the following:

The rehabilitation and upgrading of the Hospital, including all electrical and mechanical items, building and services and decorative finishes.

The expansion of the maternity ward to 16 beds and to expand the paediatric unit to accommodate 20 beds.

Building two new theatres, one each for each of the parties who will be responsible for equipping and managing their own theatre.

Facilities management for the Concession Period, including all maintenance & repairs, security, gardening, cleaning & domestic and waste removal.

A unitary charge of R1.5m per annum will be payable for facilities maintenance.

All assets generated by the concession agreement will be transferred to the ECDoH when the agreement lapses.

Metro- Star and the Department shall be jointly responsible for the following:

The parties will jointly manage the administration facilities and catering services for the benefit of both parties.

The concession agreement will be in place for a period of 20 years from the date of signatory.

The Departments capital contribution to the project is R 1.5m, whilst Metrostar contributed is R 13.5m.

The ECDoH shall be responsible for the following:

The Department will operate the Casualty / Outpatients Department for all patients.

The Department is responsible for the clearing of a maintenance backlog totaling R 700,000.

Black Economic Empowerment:

The project is a joint venture between Metropol Hospitals (Pty) Ltd (owned 60% by Afrox Healthcare Ltd and 40% by a Doctor's investment company, PE Hospitals Investment (Pty) Ltd) and Season Star Trading 123 cc owned by Mike Xego and Xola Makapela. The joint venture company is called Metro - Star Hospital (Pty) Limited.

Black economic empowerment benefited as follows:

The securing of a minimum of 25% (twenty-five percent) HDI Equity Ownership in the Concessionaire by HDIs and HDEs, to the extent that such ownership also provides for the Management and Control by such HDI and HDE shareholders in the Concessionaire. The minimum 25% (twenty five percent) HDI equity ownership must grow to 40% (forty percent) HDI equity ownership during the concession period.

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50% (fifty percent) of the value of all the Construction Works was carried out by HDIs and HDEs.

The implementation and advancement during the Concession Period of sound employment equity practices and skills development initiatives and the maintaining of terms and conditions of employment and labour practices which are in line with labour law and best practices.

The implementation, advancement and identification of skills initiatives and the appropriate transfer of skills to Provincial Government staff.

Procuring a minimum of 40% (forty percent) of all amounts spent on services during any one Concession Year by the Concessionaire be spent in respect of the provisioning of services by HDIs, HDEs, SMMEs, Women and Local subcontractors. The minimum of 40% (forty percent) of all amounts spent on services must grow to 60% (sixty percent) spent in respect of services provided by HDIs, HDEs, SMMEs, Women and Local subcontractors during the Concession Period.

General:

The official signing of the concession agreement took place on 27 June 2003.

Projections:

The completion of the construction and rehabilitation phase is targeted for 30 April 2005.

Admittance of private patients took place on 1 August 2004. The official launch is targeted for 30 May 2005.





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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION				SPENT			2003/04	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Amount received by department R'000	Amount spent by department R'000	% of Available funds spent by department %	Division of Revenue Act R'000	Amount spent by departments
National Tertiary Services Grant	272,036			272,036	272,036	236,170	86.8%	195,504	203,777
Health Professionals Training and Development Grant	97,464			97,464	97,464	76,962	79.0%	79,873	68,538
Hospital Revitalisation Grant	116,354			116,354	116,354	98,870	85.0%	90,751	93,924
HIV / AIDS Health Grant	98,970			98,970	98,970	90,539	91.5%	38,934	34,322
Integrated Nutrition Programme Grant	23,933			23,933	23,933	22,815	95.3%	172,465	173,433
Hospital Management and Quality Improvement Grant	19,529			19,529	14,647	13,705	70.2%	14,553	7,248
Drought Relief Fund	6,000			6,000	6,000	1,254	20.9%		
Medical - Legal Services	1,000			1,000	1,000	350	35.0%		
	635,286			635,286	630,404	540,665	99.0%	592,080	581,242





PART E - Annexures to the AFS

REASONS FOR UNDERSPENDING

NTSG GRANT:

Some service providers were not paid due to late or non receipt of invoices

HPTD GRANT

Payment of R16 000 instead of R16 000 000 discovered too late to rectify. Other transfers to Health Resource Centres could not be effected in time.

HOSPITAL REVITALISATION GRANT:

Late finalisation of Tenders. Some Certificates could not be timeously finalised for payment

HOSPITAL MANAGEMENT AND

QUALITY IMPROVEMENT GRANT:

Some service providers were not paid due to late or non receipt of invoices. The appointment of a company to operate the Health Call Centre only took place in March 2005 due to delays in finalising the tender.

DROUGHT RELIEF FUND:

Some service providers not paid due to late or non receipt of invoices.

MEDICAL LEGAL SERVICES:

The appointment of a Project Manager took too long to finalise.

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ANNEXURE 1C
STATEMENT OF TRANSFERS

NAME OF DEPARTMENT	GRANT ALLOCATION				TRANSFER		SPENT		2003/04	
	Division of Revenue Act R'000	Roll Overs R'000	Adjustments 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 %
LIFECARES	13,845		R'000	13,845	-	0.0%	-	-	0.0%	19,520
Nqubela	28,481			28,481	40,245	141.3%	40,245	40,245	100.0%	36,529
Hewu	18,533			18,533	13,616	73.5%	13,616	13,616	100.0%	19,126
Kirkwood	6,608			6,608	-	0.0%	-	-	-	7,525
Algoa Care										
PROV AIDED HOSPITALS	2,018			2,018	-	0.0%	-	-	-	1,789
Aberdeen	8,086			8,086	1,889	23.4%	1,889	1,889	100.0%	7,365
Adelaide										



PART E - Annexures to the AFS



B J Vorster	3,974	3,974	-	0.0%	-	-	3,392
Dordrecht	4,223	4,223	-	0.0%	-	-	3,437
Indwe	3,526	3,526	-	0.0%	-	-	3,407
Jamestown	1,729	1,729	-	0.0%	-	-	1,892
Jansenville	3,032	3,032	-	0.0%	-	-	2,670
Komga	3,599	3,599	-	0.0%	-	-	4,562
Lady Grey	3,956	3,956	-	0.0%	-	-	3,475
Maclear	5,156	5,156	-	0.0%	-	-	4,613
Martjie Venter	3,567	3,567	-	0.0%	-	-	3,936
Molteno	3,676	3,676	-	0.0%	-	-	3,082
New Haven	4,399	4,399	-	0.0%	-	-	3,628
Sterkstroom	1,811	1,811	-	0.0%	-	-	1,725
Stutterheim	9,869	9,869	-	0.0%	-	-	6,596
St Francis	2,615	2,615	-	0.0%	-	-	2,330
Sundays Valley	4,012	4,012	-	0.0%	-	-	2,161
Willowmore	3,205	3,205	-	0.0%	-	-	2,771
SANTAS	-	-	-	0.0%	-	-	6,204
Fort Grey	-	-	-	0.0%	-	-	15,004
Jose Pearson	-	-	-	0.0%	-	-	10,633
Khotsong	7,977	7,977	-	0.0%	-	-	2,945
Margery Parkes	(3,186)	(3,186)	-	0.0%	-	-	-
Marjorie Parrish	-	-	(27)	0.0%	(27)	(27)	6,831
Orsmond Centre	-	-	(7)	0.0%	(7)	(7)	2,300
Temba Centre	-	-	1,205	(25.2%)	1,205	1,205	3,833
Winterberg	(4,791)	(4,791)	91	0.0%	91	91	6,950
EMR SERVICES	86	86	119	105.8%	119	119	15,764
East London Region	92	92	49	129.3%	49	49	12,415
Port Elizabeth Region	48	48	-	102.1%	-	-	(28,165)
Queenstown Region	-	-	25	0.0%	25	25	-
Divisional	-	-	18	36.0%	18	18	-
Mt Ayliff Region	-	50	-	0.0%	-	-	-
Umtata Region	50	-	-	0.0%	-	-	-
HEALTH RESOURCE CENTRES	-	-	-	0.0%	-	-	-

East London	-	-	0.0%	3,153
Port Elizabeth	-	-	0.0%	2,084
Queenstown	-	-	0.0%	1,200
MUNICIPALITIES				
Amahlathi TLC	-	-	-	1,405
Amathole DC	12,335	12,335	-	8,500
Baviaans	497	7,163	58.1%	786
Blue Crane Route	2,156	532	107.0%	2,189
Buffalo City	17,397	2,001	92.8%	14,598
Cacadu DC	13,488	2,001	23.8%	22,096
Camdeboo	1,833	4,135	116.8%	2,374
Chris Hani	7,639	15,753	157.0%	4,527
Gariep MC	2,382	2,878	74.1%	1,829
Ikwezi	284	5,658	89.3%	913
Inxuba Yethemba MC	5,036	2,127	133.5%	1,800
KSD MC	7,576	379	102.3%	6,398
Kouga	1,998	5,150	89.3%	1,761
Lukhanji	4,844	6,769	92.2%	-
Makana	5,300	1,842	71.1%	3,569
Maletswai MC	2,404	3,444	91.4%	1,249
Mnquma	-	4,843	15.1%	2,737
Ndlambe	2,112	-	0.0%	2,255
Nelson Mandela	43,012	-	94.3%	60,790
Nkonkobe	2,619	1,991	28.0%	2,086
Nxuba Local Municipality	-	12,058	92.0%	1,868
Sakhisizwe MC	1,166	2,409	-	1,036
Senqu MC	408	1,224	95.7%	324
Ukhahlamba	7,058	1,116	96.8%	6,997
Western DC	-	395	95.4%	4,245
UNITRA	-	6,732	0.0%	56,800
OTHER	(12,188)	-	0.0%	223,913
	(12,188)	69,936	(-573.8%)	
	269,552	216,121		643,841





PROVINCE OF THE EASTERN CAPE
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005

ANNEXURE ID
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

AGENCY/ACCOUNT	Transfer Allocation			Transfer		2003 /04 Final Appropriation Act R'000
	Adjusted Appropriation Act	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred %
LIFECARES						
Nqubela	-			-	22,286	0.0%
Hewu	-			-	(16,149)	0.0%
Kirkwood	-			-	5,728	0.0%
Algoa Care	-			-	6,627	0.0%
PROV AIDED HOSPITALS						
Aberdeen	-			-	2,018	0.0%
Adelaide	-			-	6,197	0.0%
B J Vorster	-			-	3,742	0.0%
Dordrecht	-			-	4,223	0.0%
Indwe	-			-	3,526	0.0%
Jamestown	-			-	1,729	0.0%
Jansenville	-			-	3,032	0.0%
Komga	-			-	3,599	0.0%
Lady Grey	-			-	3,957	0.0%
Maclear	-			-	5,156	0.0%
Martijie Venter	-			-	3,567	0.0%

Molteno	-	-	3,676	0.0%
New Haven	-	-	3,317	0.0%
Sterkstroom	-	-	1,811	0.0%
Stutterheim	-	-	7,474	0.0%
St Francis	-	-	2,615	0.0%
Sundays Valley	-	-	1,925	0.0%
Willowmore	-	-	3,205	0.0%
SANTAS	-	-	-	-
Fort Grey	2,142	2,142	7,139	333.3%
Jose Pearson	6,116	6,116	11,734	191.9%
Khotsong	3,997	3,997	7,977	199.6%
Margery Parkes	2,186	2,186	3,156	144.4%
Marjorie Parrish	7,114	7,114	7,114	100.0%
Orsmond Centre	3,069	3,069	6,119	199.4%
Timba Centre	2,622	2,622	3,311	126.3%
Winterberg	1,221	1,221	3,616	296.2%
HEALTH RESOURCE CENTRES	1,092	1,092	2,171	198.8%
East London	66	66	4	6.1%
Port Elizabeth	1,200	1,200	1,200	100.0%
Queenstown	52,201	52,201	51,176	98.0%
UNITRA	52,675	52,675	7,294	13.8%
OTHER	-	-	-	0.0%
	135,701	135,701	195,272	



PART E - Annexures to the AFS



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ANNEXURE 1F
STATEMENT OF TRANSFERS / SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

(NAME OF PUBLIC CORPORATION /PRIVATE ENTERPRISE)	TRANSFER ALLOCATION				EXPENDITURE				2003/04	
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred %	Capital R'000	Current R'000		Total Available R'000
Public Corporations										
Transfers				-		0.0%				
Districts	107			107	6,026	5631.8%				
Clinical H/Comp				-	378					
Others	(107)			(107)	4,854	(4536.4%)				
				-		0.0%				
Subtotal	-	-	-	-	11,258		-	-	-	



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ANNEXURE 1H
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON PROFIT ORGANISATION	TRANSFER		ALLOCATION		EXPENDITURE		2003/04 Final Appropriati on Act R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available Funds Transferred	
Transfers Ukhahlamba				-	4		
	-	-	-	-	4		-
Subsidies							
	-	-	-	-	-		-
	-	-	-	-	-		-
TOTAL	-	-	-	-	4		-

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ANNEXURE 11
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER		ALLOCATION		EXPENDITURE		2003/04 Final Appropriati on Act R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available	Actual Transfer	% of Available Funds	
Transfers							
Districts	19,471			19,471	18,309	94.0%	
Clinical H/Comp	4,689			4,689	5,053	107.8%	
Others	172			172	1,049	609.9%	
	24,332	-	-	24,332	24,411		-
Subsidies							
	-	-	-	-	-		-
Total	24,332	-	-	24,332	24,411		-





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ANNEXURE 3
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2005 - LOCAL

Guarantor institution	Guaranteee in respect of Housing	Original Guaranteed capital amount R'000	Opening Balance 01/04/2004 R'000	Guarantees issued during the year R'000	Guarantees Released during the year R'000	Guaranteed interest outstanding as at 31 March 2005	Closing Balance 31/03/2005 R'000	Realised losses i.r.o. claims paid out R'000
ABSA			8,628	1,335	311		9,652	
Permanent (Peoples NBS)			2,054	231	71		2,214	
Standard Bank			4,574	247	145		4,676	
Nedbank			774	33	16		791	
Nedbank (BOE)			132		23		109	
BOE Bank Ltd			54		25		29	
FNB (Firststrand)			2,748	412	61		3,099	
FNB (Saambou Bank)			903	221	49		1,075	
Peoples Bank (FBC Fid)			895	232	83		1,044	
African Bank			423		423		-	
GBS Mutual			174	9			183	
Hlamo Financial Services			19		4		15	
Meeg			10				10	
Ithala Limited			7				11	
Southnet Financial Services			10				10	
Old Mutual Financial Ltd			22				22	

Old Mutual (Nedbank)	4,248	450	162	4,536
Green Start Home Loan	10			10
Investec	-	57		57
NHFC	-	28		28
UNIQUE	-	406	30	376
				-
	-	25,685	1,403	27,947
Other				
	-	-	-	-
	-	-	-	-
Total	-	25,685	1,403	27,947
	-	3,665	-	-





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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 4
PHYSICAL ASSET MOVEMENT SCHEDULE AS AT 31 MARCH 2005

	Opening	Additions	Disposals	Transfers in	Transfers Out	Closing
	Balance R'000	R'000	R'000	R'000	R'000	Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	-	343,889	-	-	-	343,889
Dwellings Non-residential buildings	-	-	-	-	-	-
Investment properties	-	343,889	-	-	-	343,889
Other structures (Infrastructure assets)	-	-	-	-	-	-
Capital work in progress	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-
MACHINERY AND EQUIPMENT	-	26,779	-	-	-	26,779
Computer equipment	-	-	-	-	-	-
Furniture and office equipment	-	-	-	-	-	-
Other machinery and equipment	-	26,779	-	-	-	26,779
Specialised military assets	-	-	-	-	-	-
Transport assets	-	-	-	-	-	-

BIOLOGICAL OR CULTIVATED ASSETS				
LAND AND SUBSOIL ASSETS	-	-	-	-
Land	-	-	-	-
Mineral and other non regenerative assets	-	-	-	-
	370,668	-	-	370,668
PHYSICAL ASSET MOVEMENT AS AT 31 MARCH 2004	-			
BUILDINGS AND OTHER FIXED STRUCTURES	-	341,924	-	341,924
Dwellings	-	-	-	-
Non-residential buildings	341,924	-	-	341,924
Investment properties	-	-	-	-
Other structures (Infrastructure assets)	-	-	-	-
Capital work in progress	-	-	-	-
Heritage assets	-	-	-	-
MACHINERY AND EQUIPMENT	-	124,416	-	124,416
Computer equipment	-	1,867	-	1,867
Furniture and office equipment	-	-	-	-
Other machinery and equipment	-	122,549	-	122,549
Specialised military assets	-	-	-	-
Transport assets	-	-	-	-
BIOLOGICAL OR CULTIVATED ASSETS	-			
LAND AND SUBSOIL ASSETS	-	-	-	-
Land	-	-	-	-
Mineral and other non regenerative assets	-	-	-	-
	466,340	-	-	466,340





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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 6
INTER-GOVERNMENTAL RECEIVABLES

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000
Department				
Provincial Treasury - Eastern Cape		25	151	
Health - Limpopo	-	70	1	
Social Development - Eastern Cape		49	38	
	-	144	190	-
Other Government Entities				
	-	-	-	-
TOTAL	-	144	190	-

PROVINCE OF THE EASTERN CAPE
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 7
INTERDEPARTMENTAL PAYABLES CURRENT

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005	31/03/2004	31/03/2005	31/03/2004
	R'000	R'000	R'000	R'000
Department Amounts not included in Statement of financial position				
Current				
Water Affairs and Forestry			12	913
Arts, Sport and Culture - Eastern Cape	41		110	84
Transport - Eastern Cape				117
Justice				11,957
Welfare				832
Office of the Presidency				18
SAPS *				2
National Prosecuting Authority *				82
Treasury - Eastern Cape	2,380	855		
Office of the Premier - Eastern Cape	11	11		
Health			2,541	
Subtotal	2,432	866	2,663	14,005





Non-current					
Subtotal	0	0	0	0	0
Total					
	2,432	866	2,663		14,005
Amounts included in Statement of financial position					
Current					
Provincial Treasury - Eastern Cape	855			855	
Office of the Premier - Eastern Cape	11			11	
Arts Sport and Culture - Eastern Cape	41				
Subtotal	907		866		
Non-current					
Subtotal	0		0		
Total	907		866		