INDEX

PR: 80/2002

ISBN: 0-621-33217-8

This document is also available in the other two official languages of the Western Cape Province.

PART 1: GENERAL INFORMATION

1.1 Submission of the Annual Report

Verwysing
Reference
Isalathiso 13/3/1

Navrae
Enquiries
Imibuzo Prof K C Household

Telefoon
Telephone
Ifowuni (021) 483-4473

Departement van Gesondheid
Department of Health
iSebe lezeMpilo

Minister P Meyer
Minister of Health

In accordance with section 40(1)(d) of the Public Finance Management Act, 1999; the Public Service Act, 1994 (as amended) and the National Treasury Regulations (NTR), I hereby submit the Department of Health's Annual Report on financial statements, performance indicators and departmental activities for the 2002/2003 financial year.

Please note in terms of section 65(1)(a) of the Public Finance Management Act, 1999 the MEC is required to table the report in the Provincial Legislature by 30 September 2003. In the event that this is not possible, in terms of section 65(2)(a) of the Public Finance Management Act, 1999, the MEC is required to provide a written explanation within six months of the end of the relevant financial year, i.e. by 30 September 2003.

PROF KC HOUSEHAM
HEAD: HEALTH

Date: 29 August 2003

Dorpstraat 4
Posbus 2060
KAAPSTAD
8000
Faks (021) 483-3599

4 Dorp Street
PO Box 2060
CAPE TOWN
8000
Fax (021) 483-3599

1.2 Introduction

The financial period 2002/2003 was momentous for the Western Cape Health Department, because we set ourselves firmly on course to deal with two daunting challenges: to deliver a better-quality health service, on the one hand; and to make sure our expenditure comes within budget, on the other hand.

In answer to these challenges, Health Western Cape developed Healthcare 2010. With this strategic plan we will reshape public health services in the Western Cape to focus on primary-level services, community-based care and preventative care. The primary-health services will be adequately supported by well-equipped secondary and highly specialized tertiary services.

The process of developing Healthcare 2010 involved consultation with major stakeholders and public debate before the Western Cape Cabinet approved the plan in March 2003.

A total of 340 employees were involved in the job evaluation of 168 posts of the most occupational classes in the Department. The success of this project contributed to the efficient filling of vacant service-delivery posts.

During the period under review, health-care services were provided through 12,359,544 patient contacts at primary-care level.

The South Cape/Karoo started a situational analysis and District Health Expenditure Review to establish the need for resources and the expenditure patterns within different districts and sub-districts. A total of 51 paid workers were trained in Home Based Care. The first hospice for indigent patients was opened in George.

Two workshops were held to discuss core package of services to be rendered at district hospital level. Referral patterns were evaluated monthly to prevent unnecessary referrals to higher levels. Training of staff received attention and doctors and nurses attended the ATLS course for the first time in George.

Integrated Management of Childhood Illnesses (IMCI) was strengthened during this period by the launch of the Household and Community component. A total of 140 community members were trained during this time.

The Metropole TB Control Programme and the Unicity TB/HIV Programme introduced the quality improvement programme for improving the management of community DOT programmes during June 2002.

The Prevention of mother-to-child transmission (PMTCT) of HIV became the flagship programme of the Western Cape. By March 2003 the Department achieved full roll-out of the programme to all 25 districts, and all pregnant women attending public-sector maternity services have access to the PMTCT programme. Seventeen Non-governmental organisations (NGO's) were funded during this period through the National NGO Grant programme. The total grant for the Western Cape was R4 345 753.

The Associated Psychiatric Hospitals' regional structure became a reality with a small but focused team. Alexandra Hospital met, with great enthusiasm, the challenge of service transformation in line with Healthcare 2010. Meanwhile,Lentegeur Hospital is expected to benefit from the declaration of Mitchells Plain as an urban renewal zone. At Stikland Hospital the completion of Ward Q meant that acute beds at each of the three psychiatric hospitals are on target. At Valkenberg Hospital the new admission wards and admission suite building were being erected by the end of 2002/2003. Psychiatric hospitals were included in the age of information technology and management when both HIS and DELTA 9 were implemented.

The commissioning of Eerste River Hospital was completed during September 2002. The process to redistribute acute services previously delivered at Conradie Hospital commenced during the same time.

Groote Schuur Hospital became the first tertiary hospital in South Africa to be given the Baby Friendly Hospital Initiative Award from UNICEF. This award is earned only after an external assessment is done to determine the extent to which the facility has adhered to the Global Criteria of the Ten Steps to Successful Breastfeeding.

An EAP support programme was implemented in January 2003. The last part-time district surgeon was phased out by March 2002 and the new scheme of service delivery was therefore implemented during this period.

The implementation of efficient and effective decentralised management commenced with a bosberaad held in Mossel Bay. A new staff establishment was compiled for the regional office based upon the "Profiler Model" for appropriate staffing.

A Drugs and Therapeutic committee was established to assess ordering, control and efficiency of pharmaceutical service.

An EMS Rescue plan was accepted for implementation. The plan detailed proposed expenditure over three years totalling R213 million to address three key strategic areas of Emergency Medical Services – the vehicle fleet, personnel and communications. A new Volunteer Association was formed during this period, which will represent all EMS volunteers and support EMS. The volunteer association conducted a very successful tour of three cities in the United States of America during which a wealth of information was collected on EMS systems. New ambulance stations were opened in the Strand and Calitzdorp.

Health Sciences and Training implemented the Unisa Applied Computer Literacy and Office Management Course targeting 2 200 health workers in the Department. The Directorate implemented the Skills Development Facilitator Training for 45 Human Resource Development managers and existing Skills Development Facilitators. A total of 18 Human Resource Development managers completed a Total Quality Management System to enhance the cost effective delivery of education, development and training. The Directorate facilitated and co-ordinated the interventions provided by the Cape Administrative Academy, Blue Chip Information Technologies and Treasury. A total of 1 129 health workers received generic training, 1 043 received computer training and 549 workers completed training in finance.

The Human Resource Development Directorate facilitated and co-ordinated training interventions of several management programmes, provided bursaries for the cost-effective training of a total of 491 nurses, and provided a total of 125 bursaries for full-time study and a total of 89 bursaries for part-time study.

The Boland/Overberg Region funded twenty Pupil Nurse Auxiliary Learnerships for unemployed learners. Pharmaceutical Services implemented 100 Pharmacist Assistant Learnerships. The Western Cape College of Nursing launched a bursary system in February 2003. The uptake was 169 bursary students. These students were admitted to the basic 4-year diploma nurse-training programme.

Health Care Support Services completed the following engineering projects during this period:

- The remanufacture of five autoclaves at Mitchells Plain CHC, and at Hermanus, Khayelitsha and Uniondale Hospitals.
- The remanufacture of kitchen equipment at the Western Province College of Nursing.
- The conversion to electric heating at Victoria Hospital.

The workshop at Eerste River Hospital was required to service, repair, alter and upgrade the services and facilities in preparation for the transfer of health services from Conradie Hospital. Equipment worth R60 000 was repaired instead of condemned. This had to be done through creative use of alternative spares since original spares were no longer available. Anaesthetic machines were upgraded at a cost of R24 000 instead of replacing them at a cost of R250 000.

Excellent cooperation between Health Western Cape, the Department of Transport and Public Works, and the National Department of Health resulted in a very successful revitalisation programme at Worcester and George, with work to start in August 2003 at Vredenburg Hospital.

As is the case in other regions, the Boland/Overberg established facility boards across the region. The major process of upgrading the Eben Dönges Hospital in Worcester at a cost of over R120 million commenced.

A private laundry to provide services to three hospitals opened its doors during this period. A unique feature of the laundry is the requirement to provide jobs disabled people for at least 50% of the staff members.

Grabouw Health Care Centre was upgraded at a cost of R 2 million.

1.3 Information on the Ministry

Minister Piet Meyer supported management on a wide front, and demonstrated exceptional leadership, especially with regard to obtaining political support for the Healthcare 2010 plan.

No bills were submitted during the period. Cabinet approved Healthcare 2010.

Minister Meyer attended the HIV/AIDS Conference in Barcelona, Spain from 5 July 2002 until 11 July 2002, and thereafter visited Boehinger-Ingelheim in Germany to conclude an agreement for distribution of anti-retroviral medication in the Western Cape.

1.4 Vision, Mission and Core Values

The Department remains committed to its vision of continuously providing better care to the people so that they experience better health all day, every day.

The Department's mission is to improve the health of all people in the Western Cape and beyond, by ensuring the provision of a balanced health care system, in partnership with stakeholders, within the context of optimal socio-economic development.

In realizing this vision and carrying out this mission, the Department's staff display a set of core values. These include: integrity; openness and transparency; honesty; respect for people; and commitment to providing high-quality service within our means.

1.5 Legislative mandate

A. Provincial Legislation

1. Honorary Medical Staff of Provincial Hospitals Regulations. Published under Provincial Notice 553 of 1953,
2. Requirements from regional Stores, and Control and Condemning of Provincial Hospitals Stores and Equipment Regulations. Published under PN 761 of 1953,
3. Payment of Transport allowances to members of hospital boards attending meetings of such boards Regulations published under PN of 1956,
4. Election, Powers and Functions of Medical Committees Regulations. Published under PN 307 of 1960,
5. Exhumation Ordinance 12 of 1980,
6. Communicable Diseases and Notification of Notifiable Medical Condition Regulations. Published in Proclamation R158 of1987,
7. Health Act 63 of 1977, Assigned to the province by virtue of Proclamation R152 of 1994,
8. Hospitals Ordinance 18 of 1946. Assigned to the Province under Proclamation 115 of 1994,
9. Ambulance Personnel Transfer and Pensions Ordinance 11 of 1955. Assigned to the Province under Proclamation 115 of 1994,
10. Hospitals Amendment Ordinance 15 of 1955. Assigned to the Province under Proclamation 115 of 1994,
11. Hospitals Amendment Ordinance 3 of 1956. Assigned to this Province under Proclamation 115 of 1994,
12. Training of Nurses and Midwives Ordinance 4 of 1984. Assigned to the Province under Proclamation 115 of 1994,
13. Regulations Governing Private Health Establishments, published in PN 187 of 2001,
14. Western Cape Health Facility Boards Act 7 of 2001 and its Regulations, and
15. Provincial Treasury Instructions.

B. National Legislation

1. Human Tissue Act 65 of 1953,
2. Sexual Offences Act 23 of 1957,
3. Inquests Act 58 of 1959,
4. Medicines and Related Substances Control Act 101 of 1965. (Regulations thereto as well),
5. Foodstuffs, Cosmetics and Disinfectants Act 54 of 1972,
6. Hazardous Substances Act 15 of 1973,
7. Mental Health Act 18 of 1973,
8. International Health Regulations Act 28 of 1974,
9. Pharmacy Act 53 of 1974,
10. Health Donations Fund Act 11 of 1978,
11. Medical, Dental and Supplementary Health Service Professions Act 56 of 1974,
12. Nursing Act 50 of 1978,
13. Allied Health Professions Act 63 of 1982,
14. Sterilisation Act 44 of 1988,
15. National Policy for Health Act 116 of 1990,
16. South African Medical Research Council Act 58 of 1991,
17. Births and Deaths Registration Act 51 of 1992,
18. Tobacco Products Control Act 83 of 1993 (including regulations),
19. Occupation Health and Safety Act 85 of 1993,
20. Academic Health Centres Act 86 of 1993,
21. Public Service Act, 1994,
22. Labour Relations Act 66 of 1995,
23. Choice on Termination of Pregnancy Act 92 of 1996,
24. Constitution of South Africa 108 of 1996,
25. SA medicines Control Amendment Act 90 of 1997,
26. Employment Equity Act 55 of 1998,
27. Correctional Services Act 111 of 1998,
28. Medical Schemes Act 131 of 1998,
29. Public Finance Management Act 1 of 1999,
30. Tobacco Products Control Amendment Act 12 of 1999,
31. National Health Laboratory Services act 37 of 2000,
32. Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000,
33. Promotion of Access to Information Act 2 of 2000,
34. Council for Medical Schemes Levies Act 58 of 2000,
35. Medical Schemes Amendment Act 55 of 2001, and
36. Births and Deaths Registration Amendment Act 1 of 2002.

C. Trading Accounts

1. Central Medical Trading Account – Ordinance 3 of 1962
   Hospital Trading Account: Karl Bremer – Provincial Treasury Approval F8/1/7/5 – 7/12 – 99/2000 dated 8 November 1999.

2. Central Medical Trading Account – to provide medical supplies for the needs of the Department. Hospital Trading Account: Karl Bremer – to render general hospital services by means of a trading account.

3. The Head of the Department is the accounting officer of both trading accounts. Both trading accounts maintain effective, efficient and transparent systems of financial and risk management and internal control.

PART 2: DEPARTMENT PERFORMANCE

1. Introduction

VOTE NUMBER 6: HEALTH

Voted funds:	R 3,871,636,000
Responsible Executive Authority:	Mr P Meyer, Minister of Health
Administering Department:	Department of Health
Accounting Officer:	Professor KC Household

AIM OF THE VOTE

To promote and maintain the optimal health of all people in the Western Cape Province through the integration of health within the broad context of social reconstruction and development, and by ensuring the provision of a balanced health system and all related services.

2. Department Performance

2.1 Overview of service delivery environment in 2002/03

The increasing demand for quality health services in the face of relatively diminishing resources, e.g. the significant decrease in the National Tertiary Services Grant for the provision of tertiary services, compelled the Department to review the manner in which it renders its services. Health service delivery is also affected by the nature of the burden of disease. In the Western Cape this is characterised by a Tuberculosis (TB) rate that is amongst the highest reported rates in the Southern African Region and the world. Although the prevalence of HIV in the Western Cape is 8,7% which is lower than the national average of 24.5%, this presents an increasing problem. The high incidence of trauma places a significant burden on the health services.

The weak position of the Rand, particularly during the early part of the financial year, contributed to the financial pressure on the Department due to the negative effect on the cost of medicines and medical equipment whose prices rose by an average of 14,9% and 12,3% respectively. The total additional cost amounted to R92,867 million.

Medical and nursing staff continued to leave the country to seek better opportunities elsewhere.

At the end of the financial year a strategic plan, titled Healthcare 2010, was adopted to deal with these problems in a constructive and sustainable manner.

2.2 Overview of the organisational environment in 2002/03

It is important to note that a new Accounting Officer was appointed to the Department during this time. In December 2001, the then Accounting Officer of the Department, Dr GA Lawrence was designated Acting Director-General of the Western Cape Province. He was subsequently appointed to this post in June 2002. During this time Professor KC Household was appointed Acting Superintendent-General: Health, and he was subsequently appointed as Superintendent-General: Health from 1 October 2002.

2.3 Overview of key policy developments in 2002/03

During 2002 the Department developed a conceptual framework, called Healthcare 2010 to reshape the public health services in the Western Cape. Healthcare 2010 was conceived in the face of two apparently irreconcilable objectives, i.e. the need to substantially improve the quality of care of the health services and the need to bring expenditure into affordable and sustainable limits. Healthcare 2010 proposes that patients be treated at the lowest appropriate level of care in order to obtain the optimal benefit from the Department's limited budget.

The underlying principles of Healthcare 2010 are as follows:

- Quality of care at all levels;
- Accessibility of care;
- Efficiency;
- Cost effectiveness;
- Primary health care approach;
- Collaboration between all levels of care; and
- De-institutionalisation of chronic care.

The Provincial Cabinet approved the conceptual framework of Healthcare 2010 in September 2002 but requested that it be consulted with the relevant stakeholders before being approved for implementation. The conceptual framework was widely consulted between September 2002 and March 2003 and an overview of the stakeholder responses was submitted to Cabinet.

In March 2003 the Provincial Cabinet approved the broad framework of Heatlhcare 2010 and its implications for the delivery of health care within the Western Cape. However, the detailed implementation plan is in the process of being developed and consists of a:

- Service delivery plan;
- Personnel plan;
- Infrastructure plan; and
- Financial plan.

2.4 Progress in realisation of the department's strategic goals and objectives

From a global perspective the Department continues to fulfill its primary function of Health Care delivery to the citizens of the Province who cannot afford private medical care. The Primary Health Care platform has been substantially strengthened and the past two years have seen the development of greater integration of the PHC platform with the phasing out of the District Surgeon system.

Programmes which have also contributed considerably towards the improvement of women's health include the provision of termination of pregnancy services, as well as an extension of the cervical screening programme. A highly successful preventive programme has also been developed to minimise the transmission of HIV from mother to child. Significant successes can also be reported in the battle against polio with the Province on course to achieve 0% incidence by 2005.

Decentralization of functions has been achieved insofar as strengthening of the Regional Offices is concerned, both with respect to Human Resource Management as well as Financial Management. One major area of concern has been the failure to implement the District Health System, with processes at a National level impacting negatively on progress towards the successful implementation of this system.

The Emergency Medical Services has been strengthened, but an increase in violent crime, as well as motor vehicle accidents with an increase in the burden of trauma, has offset these gains. The centralization of the National Laboratory services into a National Health Laboratory Service (NHLS) has proceeded well within the timeframes set by the National Department.

2.5 Programme performance

2.5.1 Summary of programme structure and expenditure by programme

The Department consists of the following six programmes:

- Administration
- District Health Services
- Hospital Services
- Academic Health Services
- Health Sciences
- Health Care Support Services

Table 1: Programme aims and measurable objectives

Programme 1: Administration
Aim: To conduct the overall management and administration of the Department of Health. *Programme description:* 1. Office of the Provincial Minister: Render advisory, secretarial, administrative and office support services to the Office of the Provincial Minister. 2. Provincial management and support services: Policy formulation by the Provincial Minister and management. Implement policy in organizing the Health Department. Provide support to the Regions and institutions. Monitor and evaluate primary, secondary, tertiary and support services. 3. Regional management and support services Operationalise policy to ensure effect at institutional level. Provide support at institutional level. Monitor and evaluate services. 4. Sectoral education and training authority (SETA) Payment of Administrative levy to Health and Welfare SITA (Skills Development Act no. 97 of 1998) and the Skills Development Levies Act, (of 1999).
Programme 2: District Health Services
Aim: To render primary health care services (Act 63 of 1977). *Programme description:* 1. District management and support services Management and support for the provision of accessible and affordable Primary Health Care services in the Metro region. 2. Community health services Improve child health. Reduce HIV and TB. Enhance community involvement in Primary Health Care services. 3. Emergency medical services Improve Emergency Medical Services. 4. District hospital services Rendering of a hospital service at general practitioner level.

Programme 3: Hospital Services

Aim: To render general and specialised hospital services (Act 63 of 1977).

Programme description:

1. General hospitals
   Improve delivery of specialist services and decreased upwards referrals.
   Improve efficiency and sustainability.
2. Specialised hospitals
   Increased de-institutionalization in Psychiatric hospitals.
   Improve acute psychiatric services.
   Improve delivery of Tuberculosis Hospital services.
3. Karl Bremer trading account
   Capital augmentation

Programme 4: Academic Health Services

Aim: To provide health services and the creation of a platform for the training of health workers (Act 63 of 1977).

Programme description:

1. Academic medical health services
   Better service delivery and improved quality of care.
   Comprehensive caring, well functioning tertiary health service.
   Improve access to tertiary services.
   Improve quality of care at the tertiary level of service.
   Invest in human resources.
   Health services in keeping with actual Health care needs of the population and within the affordability framework.
   Improved management.
   Improved efficiencies.
   Improved working environment.
   Build, strengthen and consolidate our partnership with other stakeholders.
2. Academic dental services
   Train students.
   Increase service rendering.
   Reduce backlog of patients.
   Increase patient revenue.
   Integrate service delivery platform.
   Establish revenue generation inititatives.

Programme 5: Health Sciences

Aim: To provide for the training of nursing (Nursing Act No. 50 of 1978 and Regulations) and ambulance personnel (Western Cape Provincial Regulations).

Programme description:

1. Nursing training colleges
   Facilitate the training of nurses to meet service needs.
2. Ambulance training college
   Train ambulance personnel to provide Emergency Medical services.

Programme 6: Health Care Support Services

Aim: To render support services required by the Department to realise its aims (Act 63 of 1977).

Programme description:

1. Clinical services
   Rendering specialised orthotic and prosthetic service to the Province.
   Improve quality.
   Reduce backlog of production work.
   Render a forensic pathology service to the Metropole region in accordance with the prevailing statutory requirements.
2. Non-clinical services
   Cost effective minor maintenance of buildings and engineering installations.
   Efficient engineering installations.
   Safe working environment
3. Medpas Trading Account/Central Medical Store
   Capital augmentation

Table 2: Funds allocated to programmes and actual expenditure (R million)

Programme	Voted for 2002/03	Roll-overs & adjustments	Virement	Total voted programme	Actual expenditure	% over or under-spending	Funds to be rolled over in 2003/04
Programme 1	143, 238	5, 838	(11, 779)	137, 297	129, 503	(5,7)	-
Programme 2	1,160, 543	21, 380	7, 776	1,189, 699	1,176, 513	(1,1)	-
Programme 3	908, 772	9, 378	5, 235	923, 385	925, 353	1,0	-
Programme 4	1,404, 684	92, 972	-	1, 497, 656	1,518, 455	1,4	-
Programme 5	57, 797	361	(574)	57, 584	57, 485	(0,2)	-
Programme 6	66, 060	613	(2, 463)	64, 210	66, 448	3,5	-
			1, 805	1, 805	1, 805	-	-
TOTAL	3,741, 094	130,542	-	3, 871, 636	3,875, 562	0,1	-

Table 3: Evolution of expenditure by Programme (R million)

Programme	Year –3 1999/00 (Actual)	Year - 2 2000/01 (Actual)	Year - 1 2001/02 (Actual)	Year 0 2002/03 (Actual)	Average annual growth (Nominal)
Programme 1	75, 578	103, 777	126, 438	129, 503	20,5
Programme 2	956, 978	1,031, 686	1,088, 515	1,176, 513	7,1
Programme 3	745, 189	809, 546	854, 365	925, 353	7,5
Programme 4	1,216, 852	1,313, 449	1,388, 026	1,518, 455	7,7
Programme 5	52, 701	48, 181	53, 463	57, 485	3,3
Programme 6	52, 376	58, 717	67, 265	66, 448	8,5
Programme 7	6, 213	-	-	-	
Special functions	818	1, 333	2, 945	1, 805	
TOTAL	3,106, 705	3,366, 689	3,581, 017	3,875, 562	5,62

Please refer to pages 43 to 49 of the Management Report (Part 4) for a discussion on the use of appropriated funds.

2.5.2 Programme 1: Administration

Programme 1 consists of the following sub-programmes:

Sub-programme 1.1: Office of the Provincial Minister
Render advisory , secretarial and administrative support services to the Office of the Provincial Minister.

Sub-programme 1.2: Provincial management and support services
Policy formulation by the Provincial Minister and other members of management, implementing policy and organising the Health Department, managing personnel and financial administration, determining working methods and procedures and exercising centralised control (Public Service Act of 1994 and Public Finance Management Act, 1999 (Act 1 of 1999).

Sub-programme 1.3: Regional management and support services
Implementing policy and organising the Health regions, managing personnel and financial administration, determining working methods and procedures and exercising regional control (Public Service Act of 1994 and Public Finance Management Act, 1999 (Act 1 of 1999)).

Sub-programme 1.4: Sectoral education and training authority (SETA)
Contribution in terms of the Skills Development Act 1999 (No 9 of 1999) - the administrative levy cost of HWSETA. (Health & Welfare SITA)

2.5.2.1 Programme policy developments

- The implementation of Resolution 7 of 2002 resulted in organizational restructuring and the involvement of organized labour in the process of filling posts.
- The introduction of Supply Chain Management and Preferential Procurement Policies.
- The introduction of a computerized billing system and the implementation of the Uniform Patient Fees Structure (UPFS) to facilitate revenue generation and collection.
- An agreement was made with third party providers to interact with the Road Accident Fund (RAF) to ensure the optimal realization of patient revenues.

2.5.2.2 Delivery against performance targets

Table 4: Sub-Programme 1.1 Office of the Provincial Minister's performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Efficient administrative and trained support staff to assist the Minister	Number of complaints regarding access to or lack of responsiveness from the Minister's office.	No complaints	No complaints	No deviation

No complaints regarding the accessibility of the Provincial Minister were received.

Table 5: Sub-programme 1.1 Office of the Provincial Minister's trend in performance

Output	Performance measure	Year-3 1999-00 (actual)	Year-2 2000-01 (actual)	Year-1 2001-02 (actual)	Year-0 2002-03 (actual)	Average annual growth
Efficient administrative and trained support staff to assist the Minister	Number of complaints regarding access to or lack of responsiveness from the Minister's office.	N/A	N/A	N/A	0%	N/A

Table 6: Sub-Programme 1.2 Provincial Management and Support Services performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Policy formulation by the Provincial Minister and management.	Number of Health policy documents produced.	No target set	Number of Provincial Policies as well as National Policies and Directives Instituted; Health Facilities Boards Bill most significant	Not applicable
Implementing policy in organising the Health Department.	Number of instructions issued.	Target dependent on the dynamics of the organisation.	78 Finance Instructions issued. 3 Supply Chain Management Instructions issued	0% 0%
Adequately applied financial, personnel and procurement delegations to managers at lower levels	Adequate delegations & capacity to perform delegations.	Inspections conducted.	22 inspections conducted.	All planned inspections conducted
Improve management in the regions and institutions by means of a skills mix analysis and optimal deployment process.	Completion of the skills mix analysis. Optimal deployment process formulated	100%	100%	0%
Adequate interaction with Regional/ Institutional staff to ensure optimal performance.	Regular fora to ensure official interaction.	Monthly meetings	Monthly meetings were held.	0%
Indicators monitored on a regular basis.	Adoption of a set of key measurable objectives with indicators. Monthly monitoring of financial and performance indicators.	Adoption of Performance Management for senior management. Monthly reviews.	100% Monthly reviews.	0% 0%

Considerable progress has been made with regard to devolution of powers and responsibility. Reporting mechanisms and monitoring structures have been developed at all levels in the Department as well as with external agencies. The creation of Health Facility Boards has been achieved throughout the Province. This will promote representivity accessibility as well as openness and transparency.

Table 7: Sub-programme 1.2 Provincial Management and Support Services' trends in performance

Output	Performance measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
Adequate evaluation	All senior managers have a Performance Agreement.	N/A	N/A	N/A	100%	100%
	Monthly financial reporting to the office of the Chief Financial Officer (CFO). *	70%	85%	90%	100%	10%

* Percentage of financial reports per programme/region forwarded to CFO.

Table 8: Sub-Programme 1.3 Regional Management and Support Services performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Implement Circulars and Financial, Personnel and Procurement Instructions received.	Patient statistics.	Monthly reports by institutions to Regional offices.	100%	0%
	Financial Reviews		100%	0%
	Personnel Reviews		100%	0%
	Procurement Reviews		100%	0%
Adequately applied financial, personnel and procurement delegations to managers at lower levels.	Adequate delegations.	Monthly reviews of institutions by Regional offices.	100%	0%
Skills mix analysis and optimal deployment.	Skills mix analysis completed.	Human Resource Plan of institutions and Regions.	Plan in progress.	Incomplete*
		Optimal deployment process initiated.	Plan in progress.	Incomplete*
Adequate interaction with institutional staff to ensure optimal performance.	Regular for a to ensure official interaction.	Monthly meetings.	90%	10%
	Availability to assist and advise institutions.	Regular survey of institutions.	100%	0%
Indicators monitored on a regular basis.	Adopted a set of key measurable objectives with indicators.	Monthly financial reporting by institutions to regional offices.	100%	0%
	Monthly monitoring of financial and performance indicators.	Financial and Performance reporting to regional and provincial offices.	100%	0%
		Audit queries	Annually	0%

* Human Resource Plan can only be fully developed once all implications of Healthcare 2010 have been explored. The process of developing an integrated Human Resource Plan is continuing in a parallel fashion with the development of Healthcare 2010.

Table 9: Sub-programme 1.3 Regional Management and Support Services trend in performance

Output	Performance measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
Implement monitoring of indicators	Monthly financial reporting.	N/A	N/A	N/A	100%	-
	Monthly review of patient statistics.	N/A	N/A	N/A	100%	-

Table 10: Sub-Programme 1.4 Payment of administrative levy to HWSETA 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Payment of administrative levy to HWSETA	Payment of administrative levy, based on 10% of 1% of Salary Item 9010, submitted to HWSETA	Submit payment of administrative levy to HWSETA in 2002 / 2003	Administrative levy paid to HWSETA in 2002	Nil

Table 11: Sub-programme 1.4 Payment of administrative levy to HWSETA trend in performance

Output	Performance measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
Payment of administrative levy to HWSETA	Payment of administrative levy, based on 10% of 1% of Salary Item 9010, submitted to HWSETA	N/A	N/A	2367*	1440	128%

* Combined payment for 2000/01 and 2001/02

2.5.2.3 Use of appropriated funds

Table 12 Funds Allocated to Sub-Programmes and actual expenditure (R million)

Programme	Voted for 2002/03	Roll-overs & adjustments	Virement	Total voted programme	Actual expenditure	% over or under-spending	Funds to be rolled over in 2003/04
Sub-programme 1.1	2, 294	8	-	2, 302	2, 255	(2)	-
Sub-programme 1.2	97, 180	3, 891	(10, 948)	90, 123	85, 149	(5,5)	-
Sub-programme 1.3	42, 324	1, 939	(831)	43, 432	40, 659	(6,4)	-
Sub-programme 1.4	1, 440	-	-	1, 440	1, 440	-	-
TOTAL	143, 238	5, 838	(11, 779)	137, 297	129, 503	(5,7)	-

Table 13. Evolution of expenditure by Programme (R million)

Programme	Year – 3 1999/00 (actual)	Year – 2 2000/01 (actual)	Year – 1 2001/02 (actual)	Year – 0 2002/03 (actual)	Average annual growth (nominal)
Sub-programme 1.1	1, 476	1, 463	2, 516	2, 255	20,1
Sub-programme 1.2	46, 200	61, 922	75, 349	85, 149	22,9
Sub-programme 1.3	27, 902	40, 392	46, 206	40, 659	15,7
Sub-programme 1.4			2, 367	1, 440	(64,3)
TOTAL	75, 578	103, 777	126, 438	129, 503	20,5

Refer to pages 43 to 49 of the Management Report (Part 4) for discussion on the use of appropriated funds.

2.5.3 Programme 2: District Health Services

Programme 2 consists of the following sub-programmes:

Sub-programme 2.1: District Management and Support Services
Planning and administration of services and the co-ordinating and management of community health services rendered by local authorities and non-governmental organisations.

Sub-programme 2.2: Community Health Services
Rendering of primary health care services in respect of mother and child/family planning, health promotion, geriatrics, occupational therapy, physiotherapy, podiatry, speech therapy, malnutrition, port health, environmental health, forensic services, dental health services, communicable diseases, chronic diseases, mental health, etc.

Sub-programme 2.3: Emergency Medical Services
Rendering of emergency medical services and indigent patient transport.

Sub-programme 2.4: District Hospital Services
Rendering of a hospital service at general practitioner level.

2.5.3.1 Programme policy developments

Policy developments at National level have had a significant impact on the future development of the District Health System. The decision by the Minister of Local and Provincial Government to limit the role of Local Governments to the delivery of Environmental Health Services only has forced the Department of Health to re-evaluate its approach to the development of the District Health System. In effect this means that the proposed transfer of Primary Health Care services to Local Government is being reviewed.

2.5.3.2 Delivery against performance targets

The principal management targets revolved around the devolution of authority over Primary Health Care to Local Government. The input in paragraph 2.4.2 explains why this was not achieved.

In respect of clinical programmes notable success has been achieved with the implementation of the HIV/AIDS programmes. The TB programme has also shown a notable improvement in TB cure rates.

Table 14: Sub-Programme 2.1 District Management and Support Services performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Transfer selected Community Health Centres to Local Government.	Transfer of Community Health Centres to the Unicity.	Transfer of 35 CHC's to the Unicity	Not achieved.	Not applicable.
Skills mix analysis and optimal deployment.	Skill mix analysis completed and optimal deployment processes initiated.	100%	Not achieved.	Not applicable.

Table 15: Sub-programme 2.1 District Management and Support Services trend in performance

Output	Performance measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
Transfer of Community Health Centres to Local Government	Transfer of 35 Community Health Centres to the Unicity	Not applicable	Not applicable	Not applicable	Not applicable	Not calculated
Skill mix analysis & optimal deployment.	100% skill mix analysis completed.	Not achieved	Not achieved	Not achieved	Not achieved	Not calculated

As indicated above the proposed devolution of Primary Health Care to Local Government has not occurred. However, in order to comply with the requirements of the Public Finance Management Act, Act 1 of 1999, considerable work was done in developing Service Level Agreements in order to regularize the transfer of funds to Local Government for the provision of Primary Health Care services that it provides on behalf of the Province.

Table 16: Sub-Programme 2.2: Community Health Services performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
DPT3 vaccination rate.	Improve immunization.	85%	89%	4%
Training of public and private sector providers in syndromic approach to the treatment of HIV/AIDS	All professional nurses in Primary Health Care public sector to be trained.	100%	100%	0%
	Train an additional 100 general practitioners.	100	56	44% deviation below target.
Improve access to Voluntary Counseling and Testing (VCT) for HIV/AIDS.	Number of sites offering VCT.	An additional 100 sites to offer VCT	247	Target exceeded by 147%
Expansion of the Mother to Child Transmission Programme (MTCT)	Number of sites with the MTCT Programme.	75% of Ante natal clinics will run MTCT Programme.	100%	Target exceeded by 25%
Improve treatment of Tuberculosis (TB)	Improved TB cure rate.	74% cure rate.	72%	2% below target
Enhance community involvement in Primary Health Care services.	The % of facilities with community structures that meet at least twice a year.	30%	Not measured.	Not available

Table 17: Sub-programme 2.2: Community Health Services' trend in performance

Output	Performance measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
DPT3 vaccination rate.	Improve immunization.	-	87%	93%	89%	1%
Training of public and private sector providers in syndromic approach to the treatment of STD's	All professional nurses in Primary Health Care public sector to be trained.	0%	<10%	<40%	100%	33%
Improve access to Voluntary Counseling and Testing (VCT) for HIV/AIDS.	Number of sites offering VCT.	0	4	20	247	82
Expansion of the Mother to Child Transmission Programme (MTCT).	Number of sites with the MTCT Programme (Districts)	2	4	6	26	8

Table 18: Sub-Programme 2.3: Emergency Medical Services performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Improved response time.	All emergency services to be provincialised.	100%	Only remaining service to be provincialised is City of Cape Town with a staff complement of ± 300 against a total EMS establishment of 1200. Transfer is anticipated by 1 January 2004	25% (below target)
Improved quality of services.	Purchase additional ambulances.	100 ambulances.	60 Mercedes Benz Sprinter ambulances were procured.	40% less than target.
	Increase number of two-person ambulances in rural areas.	100%	100%	Zero
Emergency bed booking system.	Bed Booking System Operational	System set up	System not functional	100%

The 40% deviation from the performance target of purchasing 100 ambulances is due to the fact that the supplier was unable to comply with the tender requirements for smaller vehicles, necessitating the purchase of larger ambulances at greater cost.

Additional funding was provided to employ personnel on contract to provide an additional Emergency Care practitioner per ambulance. Personnel levels, however, remain inadequate the number of ambulances per shift have been reduced to accommodate the principle of the two person crews.

One-person ambulance crews were an entirely rural phenomenon and after twenty years of EMS it is a significant achievement in terms of quality of care in the rural areas that for the first time there is an emergency care practitioner looking after the patient in the back of the ambulance.

Table 19: Sub-Programme 2.4 District Hospitals' performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Greater local satisfaction with district hospital services.	Patient satisfaction surveys.	100%	100%	0%
Skills audit	Skills audit and training.	Skills audit completed and additional training provided with particular focus on Medical Officers.	100%	0%

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Specialist visits to District Hospitals.	Number of specialist visits per month per general specialty in each District hospital.	At least one specialist visit per month per specialty in each District hospital.	Metropole Region: 2 District hospitals at 19 CHC's. George Hospital: Paediatrics: 100% Orthopaedics: 75% Obs & Gynae: 25% Surgery: 100% Family Medicine: 0% Paarl Hospital: Medicine: 100% Paediatrics: 75%	Deviation Varies
% of AIDS related admissions in acute hospitals taking place in Level 1 beds.	Evaluate % of AIDS related admissions.	Not measured.	Not measured.	Not applicable.

1.5.3.3 Use of appropriated funds

Table 20 Funds Allocated to Sub-Programmes and actual expenditure (R million)

Programme	Voted for 2002/03	Roll-overs & adjustments	Virement	Total voted programme	Actual expenditure	% over or under-spending	Funds to be rolled over in 2003/04
Sub-programme 2.1	25, 936	(2, 806)	(572)	22, 558	22, 558	-	-
Sub-programme 2.2	705, 579	15, 218	(2, 236)	718, 561	702, 924	(2,2)	-
Sub-programme 2.3	145, 295	5, 299	3, 441	154, 035	152, 845	(0,8)	-
Sub-programme 2.4	283, 733	3, 669	7, 143	294, 545	298, 186	1,2	-
TOTAL	1,160, 543	21, 380	7, 776	1,189, 699	1,176, 513	(1,1)	-

Table 21 Evolution of expenditure by Programme (R million)

Programme	Year – 3 1999/00 (actual)	Year – 2 2000/01 (actual)	Year – 1 2001/02 (actual)	Year – 0 2002/03 (actual)	Average annual growth (nominal)
Sub-programme 2.1	16, 167	15, 562	17, 965	22, 558	12,4
Sub-programme 2.2	568, 904	596, 243	665, 133	702, 924	7,3
Sub-programme 2.3	127, 263	151, 467	131, 643	152, 845	7,3
Sub-programme 2.4	244, 644	268, 414	273, 774	298, 186	6,8
TOTAL	956, 978	1,031, 686	1,088, 515	1,176, 513	7,1

Please refer to pages 43 to 49 of the Management Report (Part 4) for discussion regarding the use of appropriated funds.

2.5.4 Programme 3: Hospital Services

Programme 3 consists of the following sub-programmes:

Sub-programme 3.1: General hospitals
Rendering of hospital services at specialised level.

Sub-programme 3.2: Specialised hospitals
Rendering of specialised health services, such as tuberculosis, psychiatry and rehabilitation.

Sub-programme 3.3: Karl Bremer Hospital Trading Account
Capital augmentation

2.5.4.1 Programme policy developments

The mental health services were engaged in detailed consultation in the development of the Strategic Position Statement, which led to the Cabinet Resolution regarding Healthcare 2010. The specialist psychiatric hospitals have daunting targets in terms of further bed closures, however, the challenges can be met if the appropriate community based networks and alternative services are in place to take over the chronic care services.

2.5.4.2 Delivery against performance targets

Table 22: Programme 3 Hospital Services' performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Address quality of care	Implement complaints & compliments procedure.	Monthly & quarterly reports submitted by all hospitals.	Procedure introduced at all hospitals. Out-standing reports:	10%
	Conduct patient satisfaction surveys.	Regular patient satisfaction surveys to be conducted and reported.	Patient satisfaction surveys done at all but one hospital. No reports submitted	Uniform approach not yet available. 50%
	Reduce patient waiting times	Implement booking system. Address waiting times for elective surgery.	Booking systems implemented. Waiting times for elective surgery not fully addressed. Waiting times for pharmacy reduced to 10 minutes. Waiting times for pre-booked OPD patients reduced from 5 to 3 hours.	50%

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
	Regular morbidity and mortality meetings.	Medico-legal issues addressed. Provide a structure for teaching of best practice.	Regular meetings conducted at all institutions.	0%
	Provide care for staff and monitor results.	Establish an effective Employee Assistance Programme (EAP).	Tender for EAP service provider accepted in March 2003.	0%
Improve procurement control structures.	Implementation of Logis to cost centre level at all institutions.	Hardware and software provided at all hospitals. Provision of additional staff for the system.	Roll out completed. Staff training ongoing. System evaluation not complete.	80% 60%
	Establish vetting committees.	Training and evaluation of staff.	Vetting committees established.	0%
	Establish an 'open to buy' cash flow control structure.	Reduce the turnaround time for the processing of requisitions from 25 days.	Turnaround time for the processing of requisitions reduced to 7 days. Open to buy structures in place.	72% improvement
Improve revenue collection.	Implement the Delta 9 Debtors' Module at all institutions.	Hardware and software provided at all hospitals. Staff trained at all hospitals. Monitoring of results at each hospital. Reduce the turnaround time for issuing accounts	Roll out completed. Staff training is ongoing. Monitoring is ongoing. Revenue collection increased by 3.52% compared to 2001/02. Accounts issued within 5 days of discharge.	0%

Implementation of the Batho Pele principles was achieved by extensive orientation by dedicated Human Resource Development staff in the Metropole Region. Orientation sessions were held both at the Regional Hospitals and the institutions.

The Patients' Rights Charter was launched and posters were printed in all three languages for all the institutions in the Metro Region. Patient awareness has improved but is difficult to measure and quantify.

Table 23: Sub-Programme 3.1 General Hospital's performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Increased bed capacity and upgrading of Worcester and George Hospitals.	Number of patient day equivalents (PDE's)	320 000 PDE's in rural regional hospitals. 575 000 PDE's in Metro regional hospitals.	George: 60 171 Paarl: 191 223 Eben Donges: 86 008 Metro Regional Hospitals: 648 665	5.4%
Increased specialist/registrars full time equivalents.	Number of specialist full time equivalents per general specialist department.	At least 1 specialist full time equivalent per general specialist department	George Hospital: 100% (5/5) Paarl Hospital: 1 specialist per specialty (5/5) Eben Donges: 4/5 specialties filled	(6.67%)
Upgrading of district beds to general specialist beds.	Number of beds upgraded to general specialist beds.	164 district beds in rural regions become specialist beds	Target revised in light of 2010 Proposals	No variability measurable
Increase number of specialists outreach to District Hospitals.	Number of hospitals receiving outreach specialists.	At least 1 specialist visit per general specialty per month at each District Hospital.	Metropole: 2 District Hospitals at 19 CHC's. George Hospital: Paediatrics: 100% Orthopaedics: 75% Obs & Gynae: 25% Surgery: 100% Family Medicine:0% Paarl Hospital: Medicine: 100% Paediatrics: 75%	Variable 20-80%
Improve efficiency and sustainability	Treating a % of surgery patients as day patients	9% of surgery patients to be treated as day patients.	Metropole Region 41% of all surgery. George Hospital: 1% of tonsillectomies and dental work.	Metropole Region: 32% over target. George: 8% under target.
Improve efficiency and sustainability by improving revenue generation.	Increase the % of revenue collected over that of the previous year.	3% increased revenue collection in comparison to 2001/02	Metropole Region 3.52%	See section on Income generation

The Trauma Unit at Paarl Hospital is far more efficient since the filling of the Chief Medical Officer post.

At George Hospital:

- Insufficient beds, lack of space to admit day surgery and insufficient high care beds and theatre time has impacted on service delivery. However, these problems will be addressed in the Revitalisation Project.
- More experienced medical officers are required. It is planned that this will be addressed in the restructuring process.
- At present too many patients requiring primary health care (PHC) are treated in the Emergency Unit out patient department. It is anticipated that this will be addressed by the new PHC clinic in the town.
- Long waiting times at admissions have been alleviated by the re-skilling of two cleaners as admission clerks.

Table 24: Sub-Programme 3.2 Specialised Hospitals performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Development of ambulatory care services equitably distributed throughout the Province.	Policy and plans accepted.	Home Based Care (HBC) Programme policy developed	Programme planning completed Draft policy developed	0%
Improve acute psychiatric services by increasing the number of acute psychiatric beds in regional hospitals.	Number of acute psychiatric beds in Regional Hospitals.	10 beds and 1 full time (FTE) psychiatrist in 3 rural Regional Hospitals, pending Hospital Rehabilitation & Redevelopment funding	Rural Regions all have full-time psychiatrist	0%
	At APH Acute unit for adolescents.	Plans ready	Still awaiting Works Dept to modify ward identified at Alexandra Hospital. Due to go to tender in March 2003, but no progress has been made. Overall budget constraints during 2002/03 prevented service expansion.	See explanation alongside
Improve the delivery of Tuberculosis hospital services	Increase the number of multi-drug resistant TB beds	20 beds at Brooklyn Chest Hospital	Planning done for 40 beds at Brooklyn Chest Hospital for Multi-drug resistant (MDR) TB patients.	90%

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
		10 beds at Brewelskloof Hospital	*Beds not commissioned due to overflow from Regional Hospital	100%

* Although the infrastructure at the Tuberculosis Hospital has not been created as planned, the number of patient day equivalents has increased appreciably through more effective utilisation of the existing beds. A significant improvement in management of MDR TB was also achieved by the implementation of a uniform protocol, which has led to a considerable cost saving, without compromising patient care.

Table 25: Sub-programme 3.2 Specialised Hospitals' trend in performance

Output	Performance measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
Increased de-institutionalisation of Psychiatric hospitals.	Number of beds for chronic patients.	1663	1565	1481	1397	Annual closure of 6% chronic beds
Improve the provision of beds for patients with acute mental illness.	Number of beds for acute patients.	586	586	603	600	3% increase in acute beds

There has been a steady decrease in chronic beds in the psychiatric services, and whilst the number of acute beds has been only marginally increased the distribution of beds has been adjusted to improve efficiency and stabilise service provision.

1.5.4.3 Use of appropriated funds

Table 26: Funds Allocated to Sub-Programmes and actual expenditure (R million)

Programme	Voted for 2002/03	Roll-overs & adjustments	Virement	Total voted programme	Actual expenditure	% over or under-spending	Funds to be rolled over in 2003/04
Sub-programme 3.1	575, 893	5, 821	831	582, 545	584, 835	0,4	-
Sub-programme 3.2	332, 878	3, 557	4, 404	340, 839	340, 518	0,1	-
Sub-programme 3.3	1			1			-
TOTAL	908, 772	9, 378	5, 235	923, 385	925, 353	0,2	-

Table 27: Evolution of expenditure by Programme (R million)

Programme	Year – 3 1999/00 (actual)	Year – 2 2000/01 (actual)	Year – 1 2001/02 (actual)	Year – 0 2002/03 (actual)	Average annual growth (nominal)
Sub-programme 3.1	467, 661	510, 720	542, 871	584, 835	7,7
Sub-programme 3.2	277, 528	298, 826	311, 494	340, 518	7,1
Sub-programme 3.3	-				
TOTAL	745, 189	809, 546	854, 365	925, 353	6,9

The Associated Psychiatric Hospitals have managed to breakeven year on year since 2000/01.

Please refer to pages 43 to 49 of the Management Report (Part 4) for discussion on the use of appropriated funds.

2.5.5 Programme 4: Academic Health Services

Programme 4 consists of the following sub-programmes:

Sub-programme 4.1: Academic Medical Services
Rendering of medical health services and a platform for the training of health workers.

Sub-programme 4.2: Academic Dental Services
Rendering of dental services and a platform for the training of health workers

2.5.5.1 Programme policy developments

- 2002/03 was the first of five phases of the reduction of the National Tertiary Services Grant (NTSG). This grant replaced the Central Hospital Grant. This saw a material change to the objectives and conditions of the Grant. The Department was requested to sign an agreement with the National Department of Health to provide a pre-determined quantum of highly specialized services. The Department realigned information systems and reporting mechanisms to adhere to this requirement. The Department furthermore called for a review of the costing and the quantum of the services. Departmental analysis proposes an increase of 28% to the NTSG to fully cover expenditure incurred.
- In order to meet the reduced amount of funds made available, Groote Schuur and Tygerberg Hospitals each had to close 100 beds. Whilst it helped to reduce expenditure, it increased inefficiencies due to fixed costs and less flexible overhead costs.
- The National Health Laboratory Systems (NHLS) was established as a National Agency and all laboratory staff have been transferred to the NHLS. Future costs will be according to unit costs on a fee for service basis. The Department expressed concerns about the financial impact, the full extent which will only be determined during the 2003/4 financial year.
- Financial escalations in medicine and medical equipment put further strain on the service. Inflation in pharmaceuticals was calculated at 20%.
- The programme established mechanisms to improve revenue generation.
- The Hospital Information System, with Clinicom (for clinical activities) and Billing (to manage accounts), has been implemented. The Materials Management System will be implemented during 2003.

2.5.5.2 Delivery against performance targets

Table 28: Programme 4 Academic Medical Services' performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Develop a package of services for the major disciplines.	List of service priorities for each discipline.	Completed lists.	Modernisation of tertiary services process at National level will be concluded in August 2003 which will enable the Province to finalise this.	N/A
Develop package for Highly Specialised Services.	List of service priorities for each discipline.	Package completed.		N/A
Single platform for expensive Highly Specialised Services (HSS).	List of HSS costs and locations.			0%
Implement bookings systems for out patients departments.	Booking System in Place	Booking system in all 3 Hospitals	Booking system implemented.	0%
Reduction of backlogs for key treatable conditions e.g. cataracts, joint replacements, oncology.	Reduction in backlogs.	Backlogs reduced by 10%.	Preparatory Work Completed; lists developed	Financial constraints hampered progress.

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Policies for upward/ downward referral of patients.	Number of new patients seen at Out patient departments.	One policy per sub-speciality as well as general policy available	Policies in general are in place.	20%
Plans for utilisation and negotiation for transfer of specialists.	Fewer referrals for admission to tertiary hospitals.	Reduced by 10%	Workstudy investigations during 2003 will facilitate this process.	10%
Develop capacity for monitoring and improving quality of care.	Develop capacity in QA methodology	Provincial QA committeee comprising Regional Reps.	A complaints and compliments monitoring system has been implemented.	0%
Implement morbidity and mortality committee at hospital and departmental levels.	Regular Morbidity & Mortality Meetings	Monthly report on Morbidity and Mortality.	Mortality and morbidity meetings are taking place regularly at all institutions.	0%
Develop a Central Institutional Quality Management Unit.	Unit commissioned.	Monthly report on important quality statistics.	A unit has been commissioned at Provincial level.	0%
Develop clinical protocols for priority conditions.	Number of protocols in place.	Protocols for 100% of priority conditions.	A clinical guidelines committee has been established	Committee presently developing guidelines
Develop a patient satisfaction survey.	Regular survey mechanism.	Survey tool at all Hospitals	A survey tool has been developed.	100%
Implement well designed skills development plans for all categories of staff.	Skills plan in place.	Number and categories of staff trained.	A skills plan is in place.	0%
Improve communication with all levels of staff via newsletter and websites and acknowledge above average performance.	Publish a monthly newsletter.	Newsletter published monthly.	Staff indabas and unit discussions happen frequently.	0%
	Creation of a website.	Website operational		
Employee Assistance Programme in place.	Number of persons using the EAP and survey of perceived benefits.	10% of employees.	Staff have access to the EAP as required.	0%
Compliance with Occupational Health and Safety Act.	Occupational Health Unit at all Institutions	Unit operational at all Institutions	OH Clinics are available and all staff have access to triple therapy.	0%
Catalogue of formal training for each Higher Education Institution.	Number of under graduate and post-graduate students in each discipline per Higher Education Institution.	All standards listed	Survey for under-graduate students done. Analysis of registrars completed.	0%

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Consolidation of some tertiary services.	Number of services consolidated.	As per Requireemnts of Modernization of Tertiary Services	Work in progress. Influenced by National Modernisation of Tertiary Services.	20%
Agreement between PGWC and the AAH on services to be provided.	List of services provided.	Completed lists produced	Progress limited to provisional agreement on principles.	90%
Service costs data.	List of service costs.	Costing in place for all services	Costing of tertiary services project to be completed in August 2003. Decision-making framework being developed.	
Develop fair rationing protocols with clinical and entrance criteria.				10%
Roll out of Hospital Information System, Cost Accounting and Asset Management Systems.	Progress with implementation of systems.	Systems in place in all Institutions	Implemented in all three institutions.	0%
Optimum utilisation of accommodation.	Consolidated ward space.	Ward space plan developed	Beds consolidated.	0%
Monthly business status reports of clinical and non-clinical information.	Various measures as in report.		Monthly reports are available.	10%
Establishment of Public Private Partnerships (PPP's).	Revenue in additions to budget targets.	See section on Revenue collection	Revenue generation of private wards enhanced by the implementation of the UPFS.	0%
Develop and implement strategies to increase the percentage of day surgery at the tertiary hospitals.	Policy and Business plans for Day Surgery.	Plans developed	Plans are available. Equipment is a limiting factor.	0%
Development of new organisational structure and job descriptions and appointment of staff.	Implementation of new structure and monitor the use of theatre capacity.	New Structure in place	Workstudy investigation commences in July 2003.	10%
Maintenance and facility upgrade and improvement plans.	Inspection reports.		Ongoing, funds are limited. Reports are available.	10%
Identify equipment needs, prioritise, cost, plan funding and set timeframe.	Team developed for monitoring of Equipment needs and developing annual list	Team developed Equipment procured	Team established to centrally manage equipment prioritisation and acquisition.	20%
Protocol for regular inspections of the hospital environment from a cleanliness and aesthetic perspective.	Infection control team in place Protocol for regular inspections developed	Protocol for regular inspections in place	Managed by Infection Control Units.	0%

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Assist staff in the appropriate use of computers and cyberspace.	Internet Café commissioned.	Internet cafes in Red Cross and Grootte Schuur	Internet Café's commissioned at Groote Schuur and Tygergerg Hospitals.	0%
Hospitals implement new Facility Boards Act to enhance community participation.	Hospital Boards at all	New Hospital Boards appointed.	Appointed at Groote Schuur and Red Cross Children's Hospital.	33%
Strengthen links with Universities, Technikons, Colleges to form a partnership for improved service delivery and quality of care.	Fixed meetings and lines of communication. Cancellation of old Joint Agreements and acceptance and implementation of a new co-operative framework.	Regular Meetings established	Meetings taking place	50%
		Joint Agreements scrapped	Agreements still in place	
		New cooperative framework developed	New cooperative framework being developed	

While 200 beds were closed over a period of 5 months, the hospitals still managed to provide reasonable access to Highly Specialised Services. The configuration of services in the Metro, however, leads to the tertiary hospitals managing a large burden of trauma. This has a negative impact on these institutions to perform elective surgery. Whilst the average length of stay (ALOS) has reduced by half a day, which is in the right direction towards Healthcare 2010, the acuity levels of patients are higher. This is mainly due to the impact of HIV/AIDS on the patient population, as well as the increased violence and trauma.

Table 29: Sub-Programme 4.2 Academic Dental Services' performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Dental graduates, post-graduates and oral hygienists.	Number of BChD students graduating per year.	80 BChD students to graduate per year.	78	0%
Number of patients treated.	Increase the number of patients treated by 10%.	10%	1 322 operations 16 200 visits	N/A
Number of patients on waiting lists.	Reduce the backlog of patients.	Reduce the number of patients on the waiting list by 25%.	Waiting list total: 3 500 Dentures: 500 Advanced orthotics: 720 Maxillo-facial: 14 Removal of wisdom teeth: 130	N/A
Increase the revenue generated.	Reduce the accounts receivable, i.e. outstanding debt.	Reduce the accounts receivable by 50%.	R1,500	R1,2m over target.
Improve efficiency by integrating the service delivery platform.	Integrated platform established.	Single service platform.	One service at two sites.	Completed.

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Revenue generation projects	Business plans and revenue systems in place.	5% of funding self generated.	Several projects have been implemented.	400% above target.

Academic dental faculties will merge by January 2004.
The budget for the two service sites has been combined for improved efficiencies.
Joint service planning and management have been established.

2.5.5.3 Use of appropriated funds

Table 30: Funds Allocated to sub-programmes and actual expenditure (R million)

Programme	Voted for 2002/03	Roll-overs & adjustments	Virement	Total voted programme	Actual expenditure	% over or under-spending	Funds to be rolled over in 2003/04
Sub-programme 4.1	1,362, 287	92, 833	11	1,455, 131	1,475, 930	1,4	-
Sub-programme 4.2	42, 397	139	(11)	42, 525	42, 525	-	-
TOTAL	1,404, 684	92, 972	-	1,497, 656	1,518, 455	1,4	-

Table 31: Evolution of expenditure by programme (R million)

Programme	Year – 3 1999/00 (actual)	Year – 2 2000/01 (actual)	Year – 1 2001/02 (actual)	Year – 0 2002/03 (actual)	Average annual growth (nominal)
Sub-programme 4.1	1,181, 510	1,275, 346	1,347, 392	1,475, 930	7,7
Sub-programme 4.2	35, 342	38, 103	40, 634	42, 525	6,4
TOTAL	1,216, 852	1,313, 449	1,388, 026	1,518, 455	7,7

Please refer to pages 43 to 49 of the Management Report (Part 4) for the discussion on the use of appropriated funds.

2.5.6 Programme 5: Health Sciences

Programme 5 consists of the following sub-programmes:

Sub-programme 5.1: Nursing Training Colleges
Nursing training colleges: training of nursing personnel.

Sub-programme 5.2: Ambulance Training College
Ambulance training college: training of ambulance personnel.

2.5.6.1 Programme policy developments

2.5.6.2 Delivery against performance targets

Successes with service delivery:

- 96% of training target for the Nursing Training College achieved.
- 158% above the training target at the Ambulance Training College achieved.

Table 32: Sub-Programme 5.1: Nursing Training College's performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Progression of successfully trained nurses based on year to year training	Number of student nurses as reflected in the budget of Western Cape College of Nursing	Number of nurses trained per year of 4-year course: 1st year: 150 2nd year: 289 3rd year: 239 4th year: 184 Total: 862	 159* 273 212 184 828	 6% (6%) (11%) - (4%)
	Number of nurses successfully completed training per year of 4-year course:	85% of nurses to successfully complete training for the academic year 1st year: 85% 2nd year: 85 % 3rd year: 85% 4th year: 85%	92% 95% 87% 92% 97%	7% (5%) (13%) (8%) (3%)

Bursaries awarded in first year of study reflected in Programme

Table 33: Sub-programme 5.1 Nursing Training College's trend in performance

Output	Performance Measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
Successfully trained nurses.	Number of nurses successfully completing training per year.	Not yet merged as one college: WCCN	705	758	763	29

Table 34: Sub-Programme 5.2 Ambulance Training College's performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Successfully trained Emergency Medical Services staff.	Number of students who attended training at the Ambulance Training College.	BAA Training: 120 AEA Training: 75 Paramedic Training: 30 BMR Training: 36 IMR Training: 24 AMR Training: 12 Management Training: 40 Flight Medical Training: 40 CPD Training: 12 *ACLS Training: 24 N Diploma EMC Enrolment: 20 Total: 433	294 75 27 99 16 8 30 17 60 0 35 full-time 25 part-time 686	145% 0% (10%) 175% (33%) (33%) (25%) (57%) 400% (100%) 200% 58%

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
	Number of students successfully completed training at the Ambulance Training College	Target 85% of above to complete their courses.	98%	13%
		BAA Training: 85%	98%	(2%)
		AEA Training: 85%	95%	(5%)
		Paramedic Training: 85%	96%	(4%)
		BMR Training: 85%	100%	15%
		IMR Training: 85%	100%	15%
		AMR Training: 85%	100%	15%
		Management Training:85%	100%	15%
		Flight Medical Training:85%	100%	15%
		CPD Training: 85%	100%	15%
		*ACLS Training: 85%	0%	(85%)
		N Diploma EMC 85%	100%	15%
		Enrolment: fulltime 85%	100%	15%
		part time 85%	100%	15%

Table 35: Sub-programme 5.2 Ambulance Training College's trend in performance

Output	Performance Measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-3 2002/03 (actual)	Average annual growth
Successfully trained Emergency Medical Services staff.	Number of graduates per annum.	373	394	584	674	100

2.5.6.3 Use of appropriated funds

Table 36: Funds Allocated to Sub-Programmes and actual expenditure (R million)

Programme	Voted for 2002/03	Roll-overs & adjustments	Virement	Total voted programme	Actual expenditure	% over or under-spending	Funds to be rolled over in 2003/04
Sub-programme 5.1	54, 608	1, 210	(40)	55, 778	55, 683	0,2	-
Sub-programme 5.2	3, 189	(849)	(534)	1, 806	1, 802	0,2	-
TOTAL	57, 797	361	(574)	57, 584	57, 485	0,2	-

Table 37: Evolution of expenditure by Programme (R million)

Programme	Year – 3 1999/00 (actual)	Year – 2 2000/01 (actual)	Year – 1 2001/02 (actual)	Year – 0 2002/03 (actual)	Average annual growth (nominal)
Sub-programme 5.1	52, 299	47, 766	52, 672	55, 683	2,4
Sub-programme 5.2	402	415	791	1, 802	73,9
TOTAL	52, 701	48, 181	53, 463	57, 485	1,7

Please refer to pages 43 to 49 of the Management Report (Part 4) for the discussion on the use of appropriated funds.

2.5.7 Programme 6: Health Care Support Services

Programme 6 consists of the following sub-programmes:

Sub-programme 6.1: Clinical Services
Rendering specialised orthotic and prosthetic services.
Rendering forensic and medico legal services in order to establish the circumstances and causes surrounding unnatural death.

Sub-programme 6.2: Non-clinical Services
Rendering of general engineering and clinical engineering services all provincial health institutions.
Rendering laundry services to hospitals, care and rehabilitation centres, laboratories and certain local authorities.

Sub-programme 6.3 MEDPAS Trading Account - CMD
Capital augmentation

2.5.7.1 Programme policy developments

The policy of the Programme 6 is to provide support services through the most sustainable and cost effective combination of in-house and outsourced services.

- The in-house engineering component provides an extremely cost effective service in respect of operational maintenance. The rapid response (24 hours a day) service is of great value in sustaining quality service delivery. Whilst they are capable of performing construction work this is normally outsourced by Public Works. There are, however, notable exceptions where rapid delivery is essential.
- Laundry Services have been progressively outsourced, yielding significant savings. Those that remain are considered strategic laundries to ensure sustainability if contractors were to default.
- The outsourcing of the Orthotic and Prosthetic Services in the Southern Cape has been successful in terms of both quality and cost effectiveness. The O&P Centre in Pinelands has not been outsourced as this is a strategic facility that provides training to ensure sustainability of this vital service.

2.5.7.2 Delivery against performance targets

The tables that follow indicate that the targets have largely been achieved. The targets are, however, based on affordability in terms of the budget rather than need. Significantly the backlog in maintenance of equipment, engineering installations and buildings has not been addressed. These maintenance issues are difficult to quantify. Public Works estimated the backlog in building maintenance at R500 million in 1999.

Table 38: Sub-Programme 6.1 Clinical Services: Orthotic and Prosthetic Services performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Orthotic and prosthetic devices.	The number of patients registered and the number of completed devices.	4 600 patient registrations. 3 500 completed devices.	4552 registrations 4617 completed devices.	0.1% 31% above target
Devices that meet the patient's needs the first time.	Number of devices re-manufactured.	Target not specified.	Noticeable re-manufacture only took place on above-knee prostheses due to a change in the casting method.	See explanation adjacent

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
			After training in Nov 2002 on the new casting method, re-manufacture figures have improved. Currently less than 5% of above-knee prostheses are being re-done. This problem is almost non-existent in other departments.	
Produce more devices for the same to reduce the backlog in production work.	Number of patients on the waiting list.		Current jobs in the center are 2091.	

Table 39: Subprogramme 6.1 Clinical Services: Orthotic and Prosthetic Service trend in performance

Output	Performance measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
Devices manufactured			3379	3186	4617	

Comment on Orthotic and Prosthetic Services:

- According to the above figures output is balanced by demand, although this will be difficult to maintain due to the attrition of qualified personnel.
- Replacing qualified staff is very difficult as Provincial salaries are not competitive with those offered by the private sector.
- The outsourcing of the service in the Southern Cape should continue as the workshop does not have the capacity to process the requirements for that area.
- The Orthotic and Prosthetic Workshop aims to provide the patient with their appliance within four weeks of measuring the patient for the prosthesis.
- The problems experienced by the Prosthetic component with regards to re-manufacture improved after attending a course on a new casting technique.

Table 40: Sub-programme 6.1 Clinical Services: Forensic Services performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Post mortem examinations, submission of medico legal reports and attendance at inquests.	Number of post mortems to be performed.	Approximately 7 500 post mortem examinations to be performed, documented and reports provided to the Department of Justice if required.	7239	(4%)

Table 41: Sub-programme 6.1 Clinical Services: Forensic Services trend in performance

Output	Performance measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
Number of post mortems performed	Completion of forensic examinations of all persons in the Metropole considered to have died from unnatural causes.	6394	7218	7109	7239	11.5%

Comment on Forensic Services:

- Shortage of SAPS technical and support staff at Tygerberg medico-legal mortuary resulted in critical delays in completion of forensic examinations. This situation was addressed by the SAPS recruitment drive and appointment of civilian staff to fill vacant posts at the mortuary.
- The Batho Pele principles are upheld by all staff of the Health Department. Better liaison between bereaved families and mortuary staff will be promoted as a priority when the transfer of the service from SAPS to Health takes place.

Table 42: Subprogramme 6.2 Non Clinical Services: Engineering Services performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Health facilities that are maintained, presentable and fit for purpose.	Number of maintenance jobs performed.	New indicator	9940	To be evaluated next year
Minimised cost of utilities and operation.	Benchmarking against best practice for a given installation.	Set up system to benchmark usage and costs	System set up	0%
Eliminate injury resulting from unsafe practices, poor maintenance and deficient design.	Number of injuries on duty.	Reduction in injuries.	421 in comparison to 436 in the previous year. NB. Compensation claims only.	3% improvement on the previous year.

Comment on Engineering Services:

The Bellville and Zwaanswyk workshops completed 200 projects during this period. The scope of projects range from the re-manufacture/overhaul of a washing machine to the replacement of hot water calorifiers, erecting partitions, etc. The following are examples of some of the larger projects carried out:

- The re-manufacture of five autoclaves for Mitchell's Plain CHC, Hermanus, Khayelitsha and Uniondale hospitals. The replacement cost of autoclaves is R600 000 whereas to re-manufacturing costs R200 000, resulting in a saving of R400 000.
- A re-manufacture programme of kitchen equipment, similar to that of the autoclaves, at the Western Cape College of Nursing, Mowbray and Brewelskloof hopsitals. Various items of kitchen equipment were stripped and as the cost of re-manufacture was R40 000 against the replacement cost of the equipment of R140 000 this resulted in a saving of ±R100 000.
- The conversion of oil fired steam boilers to point of use electrical heating at Victoria Hospital. The estimated saving by doing this conversion in-house is R500 000. An annual saving of R250 000 is predicted.

- The modification, upgrade and repair the services and facilities at Eerste River Hospital in order to accommodate the health services transferred there from Conradie Hospital. The work was completed timeously at an estimated saving of R700 000.
- The Clinical Engineering Department at Goodwood achieved a monthly saving of ±R35 000 by repairing clinical equipment for Red Cross Children's Hospital in-house, instead of outsourcing the work to private contractors.
- Through the creative use of alternative spares when original spares were no longer available equipment to the value of R60 000 was repaired instead of being condemned.
- Anaesthetic machines were upgraded at a cost of R24 000 against the replacement cost of R250 000, resulting in a saving of (R226 000).

The greatest value in doing work in-house is often the speed with which results can be obtained rather than the cost savings. This is because the often laborious tender process is eliminated. The rapid response possible by the relatively small in-house engineering component is of immeasurable value to sustained quality health service delivery.

Table 43: Sub-programme 6.2 Non Clinical Services: Laundry Services performance in 2002/03

Output	Performance measure	Performance target	Actual performance	% deviation from planned performance
Clean and disinfected linen.	Number of items per annum.	22 million pieces per annum	21 million pieces.	4.5% below target
Reduction in average cost per item of linen processed.	Cost per item of linen laundered.	Target cost of R1.50 per piece.	R1.47 per piece	2% saving on target cost.

Table 44: Sub-programme 6.2 Non Clinical Services: Laundry Services trend in performance

Output	Performance measure	Year-3 1999/00 (actual)	Year-2 2000/01 (actual)	Year-1 2001/02 (actual)	Year-0 2002/03 (actual)	Average annual growth
Number of items per annum	22 million	23 m	22m	22m	21m	Decreased by 5.8%
Cost per item of linen laundered		R1.16	R1.26	R1.19	R1.47	Increased by 22.5%

Comment on Laundry Services:

- The stock holding of linen at hospitals/institutions in the Western Cape has fallen over in the past few years as a result of losses, which are presumably due to theft and which in many cases have not been replaced.
- Improved efficiencies have enabled laundries to improve service delivery by providing a turnaround time of 24 hours, enabling the department to provide a satisfactory service with a three-par stock holding compared to the five-par level stock holding customarily used.
- A detailed Linen Control Policy has been introduced to the respective hospitals/institution, which when fully operational will facilitate loss control.
- By improving overall efficiencies in the strategic Tygerberg Laundry the operational costs per piece of linen processed was reduced from R1.72 to R1.57, resulting in a saving of R1.5 million in this financial year.

2.5.7.3 Use of appropriated funds

Table 45: Funds Allocated to Sub-Programmes and actual expenditure (R million)

Programme	Voted for 2002/03	Roll-overs & adjustments	Virement	Total voted programme	Actual expenditure	% over or under-spending	Funds to be rolled over in 2003/04
Sub-programme 6.1	12, 502	1, 116	(901)	12, 717	12, 625	(0,7)	-
Sub-programme 6.2	53, 557	(503)	(1, 562)	51, 492	51, 431	(0,1)	-
Sub-programme 6.3	1			1	2, 392	-	-
TOTAL	66, 060	613	(2, 463)	64, 210	66, 448	3,5	-

Table 46: Evolution of expenditure by Programme (R million)

Programme	Year – 3 1999/00 (actual)	Year – 2 2000/01 (actual)	Year – 1 2001/02 (actual)	Year – 0 2002/03 (actual)	Average annual growth (nominal)
Sub-programme 6.1	8, 751	10, 713	11, 659	12, 625	13,2
Sub-programme 6.2	43, 625	48, 004	47, 863	51, 431	5,7
Sub-programme 6.3	-	-	7, 743	2, 392	(69,1)
TOTAL	52, 376	58, 717	67, 265	66, 448	8,5

Please refer to pages 43 to 49 of the Management Report (Part 4) for the discussion on the use of appropriated funds.

2.6 Management and use of resources

Please refer to pages 43 to 49 of the Management Report (Part 4) for this information.

2.6.1 Financial Management

The Department has made a concerted effort to develop performance-based management within the Department. The new format for strategic plans and annual reports was implemented in 2002/03. In line with the national guidelines the Department aims to develop these documents to facilitate and extend performance based management throughout the Department. The strategic plan is the first step in the planning process in which the key measurable objectives (KMO) and measurable targets are identified by each of the Programme Managers. The KMO's of the programmes must be in line and support the strategic direction of the Department which is outlined in Healthcare 2010. To ensure that managers embrace the KMO's and targets, these are being written into each of the managers' performance agreements. The quarterly assessment of managers' performance against the Performance Agreement then becomes the basis for Monitoring and Evaluation. The quarterly performance of each component is collated and reported to the Departmental Top Management. At the end of the financial year the performance is then reflected in the annual report in relation to the targets.

As this is a new process the ability to identify appropriate and measurable KMO's and targets is still being developed and it is anticipated that this will improve.

2.6.2 Trends in revenue collection

Table 47: Departmental revenue collection: Department of Health

R'000	1999/00 Actual	2000/01 Actual	2001/02 Actual	2002/03 Target	2002/03 Actual	% deviation from target
Current revenue						
Tax revenue						
Non-tax revenue	84,190	98,722	117,180	92,000	119,861	30,3
Interest	547	485	540	385	720	
Hospital patient fees	61,677	70,455	88,893	70,718	95,066	34,4
Reimbursements						
Other sales	524	494	329	127	330	
Other revenue [a]	21,422	27,288	21,418	20,770	23,745	13,8
Capital revenue	73	59	14	35	11	(68,6)
Sale of land and buildings	4	5				
Sale of stock, livestock etc	69	54	14	35	11	
Departmental revenue	84,263	98,781	117,194	92,035	119,872	

Analysis

For the financial year ending 2002/03, the total surplus revenue collected by the Department amounted to R27 837 000, of which R24 348 000, (or 87%) was derived from hospital patient fees. The over collection in hospital fees can be attributed to the following:

- Roll-out of patient fee billing systems:
  The roll out of the Hospital Information System (HIS) at the three academic hospitals and the Delta 9 billing module at the secondary hospitals has ensured that patients attending health facilities are not only accurately accounted for but also billed for services rendered, barring patients that qualify for the statutory free services. The billing systems provide for a mechanised follow-up of outstanding accounts, which further ensures that outstanding debt is clearly stated with a credible debtors list.
- Uniformed patient fee schedule (UPFS):
  The Department charges the UPFS tariffs for all externally funded patients as well as for patients that exceed the means test. The UPFS is a tariff system that was determined and compiled by the National Department of Health and is applicable to all public health facilities. The introduction of the UPFS in the province has seen a distinct increase in the levies raised, with specific reference to the maximum-paying fee category, and directly accounts for a substantial part of the increased revenue collected by the Department.
- Once off activities:
  The following once off activities also accounted for the increased collection of revenue by the Department:
  - The use of a private debt collector enabled those hospitals that lacked the capacity to undertake its own follow up of outstanding debt.
  - Institutions were also allowed to utilise additional contract staff or overtime remuneration in order to address the follow up of long outstanding patient fee debt. This process was managed in the form of revenue business plans.

Table 48: Ilustrates where the Department exceeded its revenue targets and the reasons

Revenue source / items	Revenue collected R'000	Adjusted budget R'000	Over/under collection R'000	Main reasons for over collection above Budget
Contract debt	625	383	(242)	Increase in students violating their bursary contracts therefore the increase in the payback of the bursaries.
Hospital fees	95,066	70,718	(24,348)	Due to the implementation of the UPFS and the Delta 9 system as well as other revenue projects.
Interest receipts	95	3	(92)	Revenue incorrectly allocated.
Provincial Trade Capital Account	-	600	600	No Profit realised
Other monies	2,543	2,500	(43)	Due to increase in interest rate.
Miscellaneous Capital Receipts	1,904	1,342	(562)	Due to increase in tariffs.
Board and Lodging	6,245	6,072	173)	Due to increase in tariffs.
Contributions: UCT & Stellenbosch	8,804	7,800	(1,004)	Increase in student subsidy.
Administration fees	2,334	700	(1,634)	Item under budgeted.
Registration/tuition & examination fees	44	43	(1)	Nominal Increase
Vehicle repair services	36	21	(15)	Item not previously budgeted for.
Sales	330	127	(203)	Subject to demands and price fluctuation on tender prices, therefore variable in nature.
Stale cheques	527	438	(89)	Revenue variable in nature therefore under estimated.
Other receipts	357	1,105	748	Revenue variable in nature therefore under estimated.
Refunds previous financial year	590	108	(482)	Revenue variable in nature therefore under estimated.
Other	372	75	(297)	Revenue variable in nature therefore under estimated.
Total:	119,872	92,035	(27,837)	

2.6.3 Trends in current expenditure

Refer to pages 43 to 49 of the Management Report (Part 4).

2.6.4 Capital investment, asset management and maintenance

Capital investment

Eerste Rivier Hospital was purchased from the private sector at a cost of R12,5 million with the assistance of the Provincial Department of Works and Property Management; subsequently commissioned as a District Hospital. A new admissions ward was commissioned at Valkenburg Hospital. Construction at George and Worcester Hospitals was completed Hospital Reconstruction and Rehabilitation Programme. A new Community Health Centre and Paediatric Hospital have been commissioned at Worcester Hospital.

Asset Management

At this point in time hospitals have been maintaining inventory lists only. Asset management is being addressed by introducing Logis, Materials Management and other systems to ensure the effective recording of assets and the management thereof.

Maintenance

The following are examples of some of the larger projects carried out within the Department:

- The re-manufacture of five autoclaves for Mitchell's Plain CHC, Hermanus, Khayelitsha and Uniondale hospitals. This resulted in a saving of R400 000 per autoclave.
- A re-manufacture of kitchen equipment, similar to that of the autoclaves, at the Western Cape College of Nursing, Mowbray and Brewelskloof hospitals; this resulted in a saving of ±R100 000.
- A total of 9 940 maintenance jobs were logged in the previous financial year.

2.6.5 Conditional grants

Table 49: Summary of Conditional Grants for 2002/03

Conditional Grant	Total Allocation R'000	Total Transfers R'000	Actual Expenditure R'000*
National Tertiary Services	1,047,438	1,047,438	1,047,438
Professional Training and Development	316,364	316,364	316,364
HIV/AIDS	11,713	11,672	11,672
Integrated Nutrition Programme	28,789	28,789	28,789
Hospital Management Improvement	19,000	19,000	19,000
TOTAL	1,423,304	1,423,263	1,423,263

* Actual expenditure in the books of the receiving officers

2.6.6 Transfer payments

Name of institution	Amount transferred R'000
Seta	1,440
Universities	8,687
Cape Medical Depot Trading Account	2,392
Provincial Aided Hospitals	33,983
Non-governmental Organizations	99,900
Municipalities	174,603
Karl Bremer Hospital	58,399
TOTAL	379,404

2.7 Co-ordination, co-operation and outsourcing plans

2.7.1 Interdepartmental linkages

- The HIV/AIDS directorate provides the secretariat service for the monthly Provincial Interdepartmental AIDS Committee (PIDAC) meetings. This committee strives to mobilise all government departments to address the HIV/AIDS epidemic and to co-ordinate services. It also provides a secretariat service to the Provincial AIDS Council, a high level forum which aims to mobilise large sectors in the Province, such as the labour and religious sectors, in the fight against HIV/AIDS.
- Primary School Nutrition Programme
- The Interdepartmental Liaison Committee between the Departments of Health and Social Services handles matters of joint concern. In this regard, disability grant assessments, monitoring of old age homes, the home-based care programme as well as matters relating to places of safety are regularly discussed.

2.7.2 Local government entities

Not applicable.

2.7.3 Public entities

Not applicable.

2.7.4 Public, private partnerships, outsourcing, etc.

Please refer to section 7 on page 55 to 56 of the Management Report (Part 4).

2.7.5 Donor funding

Please refer to section 4 on page 52 to 53 of the Management Report (Part 4).

PART 3: REPORT OF THE WESTERN CAPE PROVINCIAL GOVERNMENT SHARED AUDIT COMMITTEE ON THE DEPARTMENT OF HEALTH (VOTE 6) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2003

1. Introduction

The Audit Committee is pleased to present its report for the above-mentioned financial year.

2. Audit Committee Members and Attendance

2.1 On 4 May 2000, the Head of the Provincial Treasury, in terms of section 17(2) and 77(c) of the Public Finance Management Act, 1999 (Act 1 of 1999) established a centralised Audit Committee for the Western Cape Provincial Government. The Audit Committee Charter required that the Audit Committee meet not less than four times per calendar year to address internal audit issues. However, since September 2001 this Audit Committee has not been operational due to an inability to appoint qualified members.

2.2 Subsequently, the Western Cape Provincial Cabinet (Cabinet Resolution No 75/2003 dated 30 April 2003) appointed 5 audit committee members as mentioned below on 23 June 2003 for the period 1 April 2003 to 31 March 2005 on the shared Audit Committee.

Members
Mr JA Jarvis (Chairperson)
Ms L Hendry
Mr J January
Mr VW Sikobi
Mr R Warley

2.3 The newly appointed shared Audit Committee officially met for the first time on 4 and 5 August 2003 to consider the Auditor-General Reports and the Annual Financial Statements for the financial year ended 31 March 2003 and its Terms of Reference related thereto.

3. Audit Committee Responsibility

3.1 The Audit Committee reports that as it has not had the opportunity to formally consider its Charter, inclusive of Terms of Reference, and that the G*uidelines for audit committee members* and the S*pecimen audit committee report* as contained in the National Treasury *Guide for the preparation of annual reports for national and provincial departments for the year ended 31 March 2003*, pages 31 to 35, has been adopted as its Terms of Reference for the purposes of this report.

3.2 The Audit Committee also reports that it has complied with its responsibilities arising from section 38(1)(a) of the Public Finance Management Act, 1999 (Act 1 of 1999) and Treasury Regulation 3.1.13.

4. Effectiveness of Internal Control

4.1 Although an improvement in internal control measures has been noted in respect of the year under review, significant instances of non-compliance with financial policies and prescripts were still reported as an emphasis of matter in the audit report by the Auditor-General. In many instances, notwithstanding the fact that control weaknesses have been reported on in previous financial years, it has not been addressed adequately by the Accounting Officer.

4.2 However, the Accounting Officer informed the Audit Committee of the following corrective actions:

- Implementation of Logis at all hospitals excluding the academic hospitals, where a materials management module will be implemented.
- Roll-out of Healthcare 2010.

4.3 The Audit Committee noted the Accounting Officer's explanation for deferring payments to the amount of R47,8 million to the 2003/2004 financial year and expresses its concern with this practice and the growth of the amount over the past financial year.

4.4 In view of the significant amount of the budget spent on the tertiary health services the committee requests the Auditor-General and Internal Audit to include their findings in respect of Red Cross, Tygerberg and Groote Schuur Hospitals separately within the audit report of the Department.

4.5 It was noted that the Department has not implemented any system of risk management. The internal control systems are therefore not based on an assessment of key risks and such internal control systems can therefore not be regarded as effective.

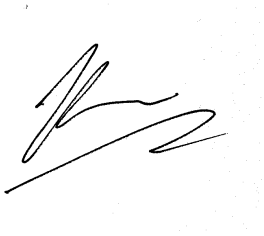
5. The quality of in year management and monthly/quarterly reports submitted in terms of the Division of Revenue Act, 2002 (Act 5 of 2002)

The Committee could not confirm whether sufficient internal controls were in place with regard to the management of the Integrated Nutritional Programme and HIV/AIDS conditional grants.

6. Evaluation of Financial Statements

6.1 The Audit Committee has reviewed the Auditor-General's report and discussed the audited annual financial statements included in the annual report with the Accounting Officer and the Auditor-General.

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



(JA JARVIS)
CHAIRPERSON OF THE WESTERN CAPE PROVINCIAL GOVERNMENT SHARED AUDIT COMMITTEE

DATE: 6 August 2003

PART 4: ANNUAL FINANCIAL STATEMENTS

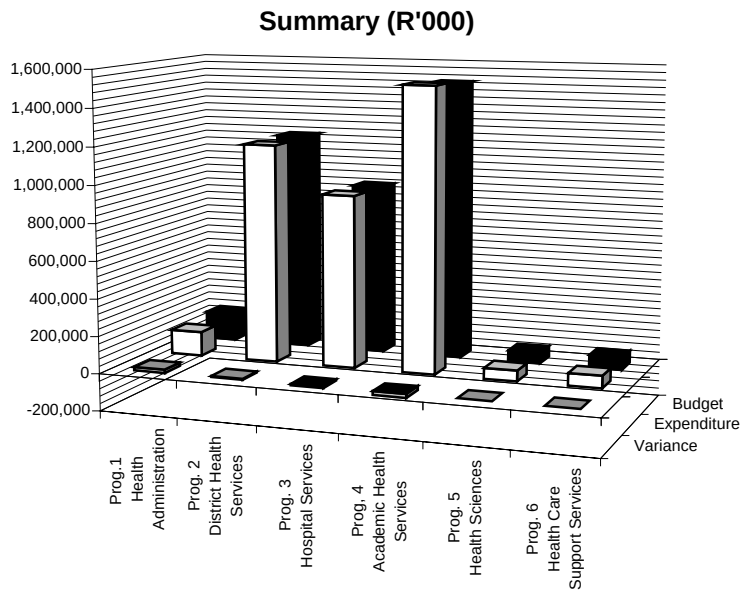
CONTENTS PAGE

Report by the Accounting Officer to the Executive Authority and the Members of the Western Cape Provincial Parliament.

1 General review of the state of financial affairs

1.1 Spending Trends

The graph hereunder indicates the Expenditure vs Budget trends for the six Programmes within the Health Department. Variances indicate under- and over-expenditure per programme. Note should be taken that budget figures presented exclude final virements.



	Prog. 1 Health Administration	Prog. 2 District Health Services	Prog. 3 Hospital Services	Prog. 4 Academic Health Services	Prog. 5 Health Sciences	Prog. 6 Health Care Support Services
Budget	149,076	1,181,923	918,150	1,497,656	58,158	66,673
Expenditure	131,308	1,176,513	925,353	1,518,455	57,485	66,448
Variance	17,768	5,410	(7,203)	(20,799)	673	225

The net result of Health expenditure amounted to an over-expenditure of R3,9 million for the 2002/2003 financial year. The over-expenditure can mainly be attributed to patient loads, the devaluation of the rand with increased inflation on medical and surgical sundries and pharmaceuticals in general as well as the utilization of Agency Staff as a result of the moratorium on the filling of posts. Without Agency Nursing Staff, services could have been severely compromised.

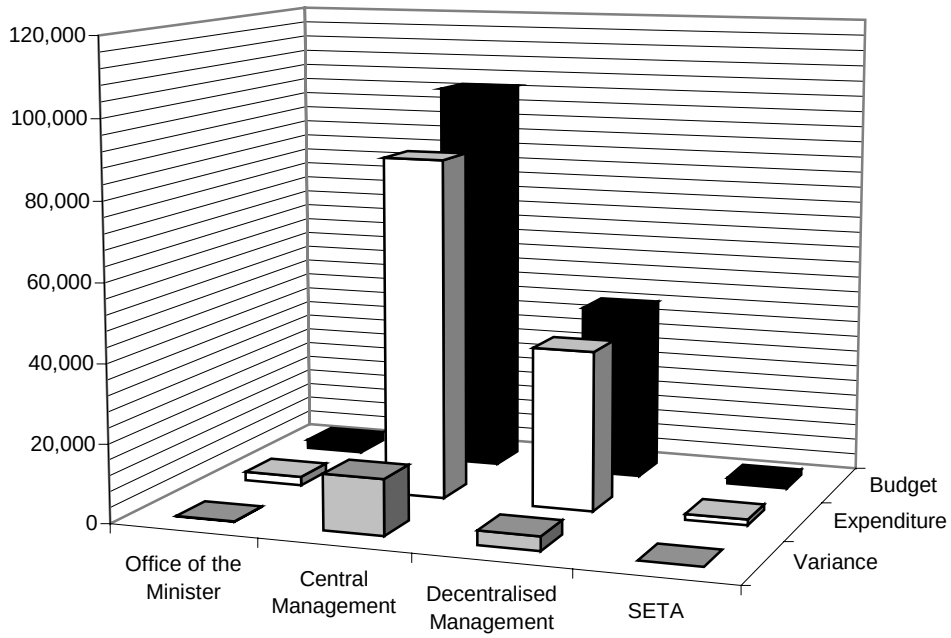
The above mainly affected Programmes 3 and 4 and as a result a concerted effort was made not to fill posts especially in Programmes 1, 2, 5 and 6. The following paragraphs deals with expenditure comparisons in respect of the individual Programmes, sub programmes and Standard Items contained in each.

Please note that an amount of R1,8 million in respect of Special Function objectives has been included in Programme 1: Health Administration.

Health Administration

A saving of R17,7 million has been recorded within this programme.

HEALTH ADMINISTRATION



	Office of the Minister	Central Management	Decentralised Management	SETA
	(R '000)	(R '000)	(R '000)	(R '000)
Budget	2,302	101,071	44,263	1,440
Expenditure	2,255	86,954	40,659	1,440
Variance	47	14,117	3,604	0

Again a concerted effort not to fill administrative posts was made as a result of budget pressures on service-related expenditure.

Savings were also achieved from hospital fee accounts being printed at hospitals resulting in a decreased expenditure on computer related time.

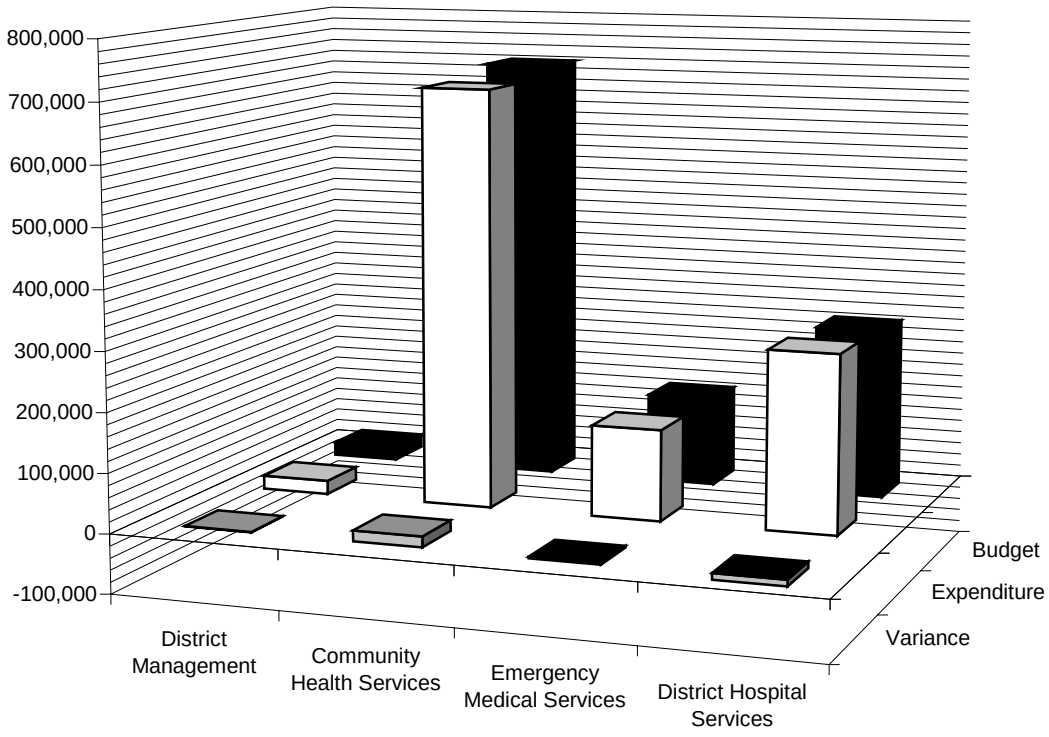
Equipment ordered not timeously delivered resulted in payments amounting to R3,5 million not made during the 2002/03 financial year.

The above together with a moratorium on travel and savings on bank charges due to a favourable contract with ABSA Bank gave rise to the planned savings achieved in this Programme.

District Health Services

A saving of R5,4 million has been recorded within this Programme.

DISTRICT HEALTH SERVICES



	District Management	Community Health Services	Emergency Medical Services	District Hospital Services
	(R '000)	(R '000)	(R '000)	(R '000)
Budget	23,130	720,797	150,594	287,402
Expenditure	22,558	702,924	152,845	298,186
Variance	572	17,873	(2,251)	(10,784)

Transfer payments not made resulted in the under-expenditure within the Sub-programme: Community Health Services. These payments will be made during the 2003/2004 financial year from a special budget allocation for deferred payments.

A second air rescue helicopter was attained during the 2002/2003 financial year resulting in an over-expenditure in the Sub programme: Emergency Medical Services

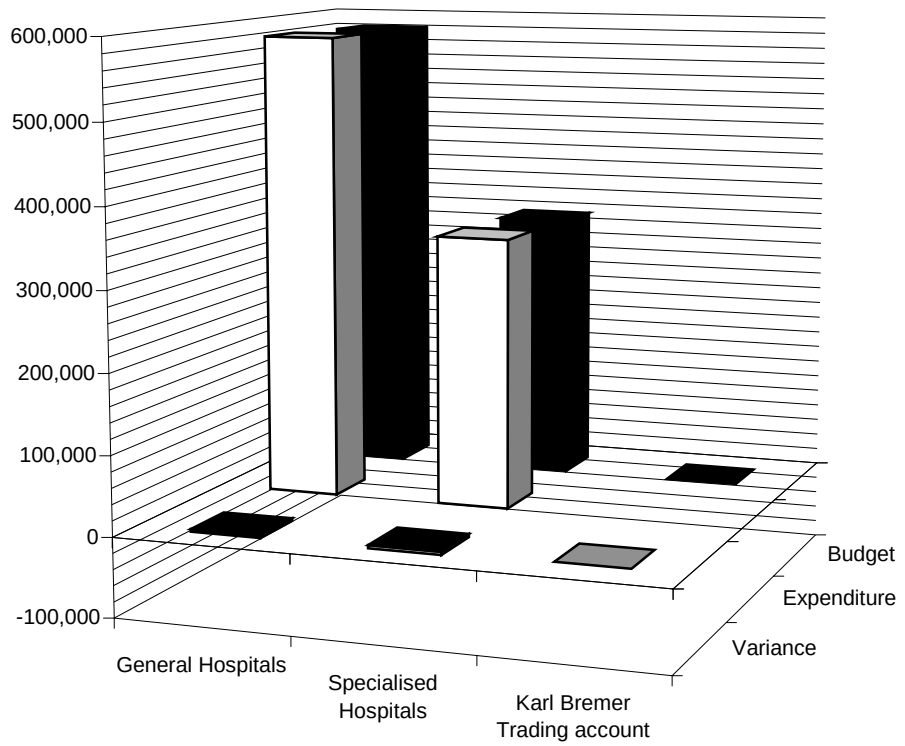
District Hospital Services over-expenditure can be attributed to increased inflation on pharmaceuticals, medical and surgical sundries as well as Laboratory costs.

Furthermore, patient loads and the cost of the devaluation of the rand gave rise to increased expenditure related to the treatment of patients in general.

Hospital Services

This Programme has been overspent by R7,2 million

HOSPITAL SERVICES



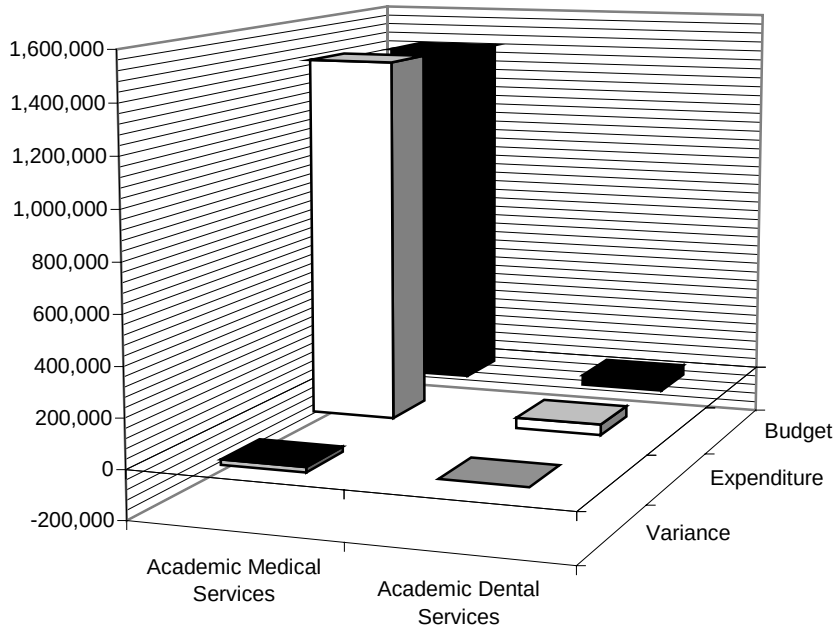
		General Hospitals	Specialised Hospitals	Karl Bremer Trading account
		(R '000)	(R '000)	(R '000)
	Budget	581,714	336,435	1
	Expenditure	584,835	340,518	
	Variance	(3,121)	(4,083)	1

Over expenditure in this programme can mainly be attributed to increased expenditure on Blood and Pharmaceuticals, the utilization of Agency Staff, increased cost of Security Services and Laboratory tests.

Academic Health Services

Academic Health Services has been overspent by R20,7 million.

ACADEMIC HEALTH SERVICES



		Academic Medical Services	Academic Dental Services
		(R '000)	(R '000)
	Budget	1,455,120	42,536
	Expenditure	1,475,930	42,525
	Variance	(20,810)	11

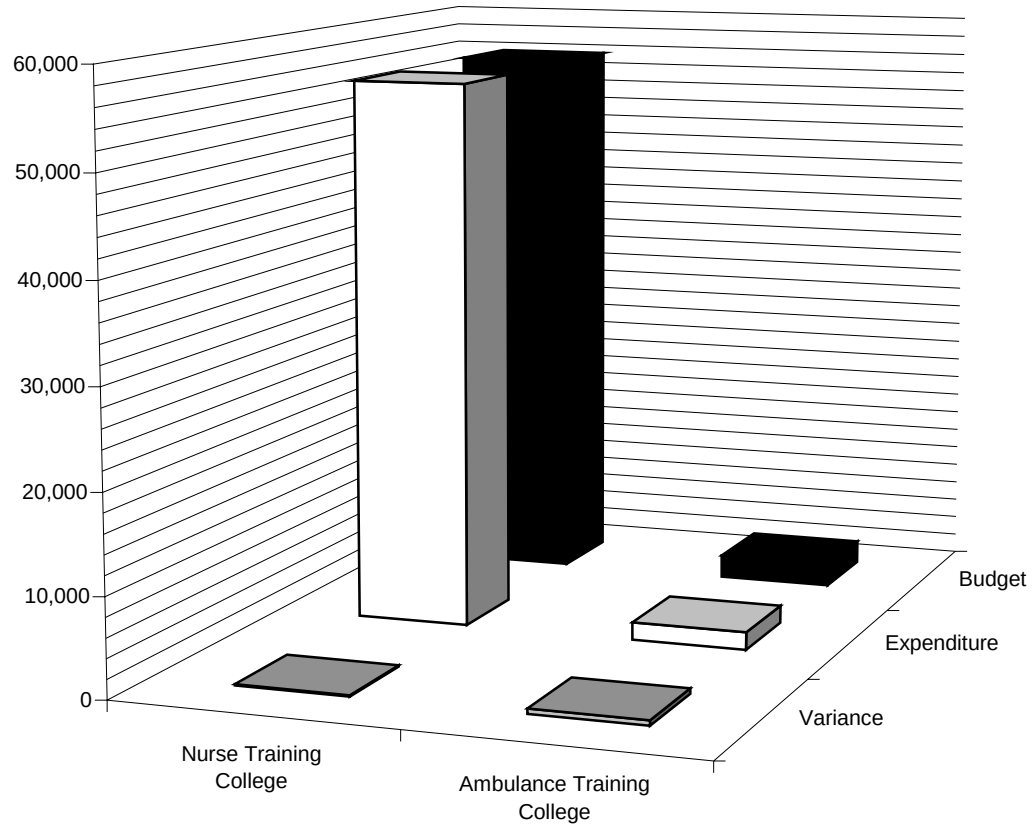
The major over-expenditure at the Academic Institutions were recorded in Inventories (medical consumables) and Professional and Special Services. The cost of Pharmaceuticals, Blood products, Surgical sundries and devices increased considerably against the budget allocation even after making allowance for an inflation rate of approximately 7%.

Extensive use was also made of Agency Staff especially nurses in view of the moratorium on the filling of posts with concomitant increased costs to these institutions.

Health Sciences

A saving of R600 000 has been recorded within this Programme.

HEALTH SCIENCES



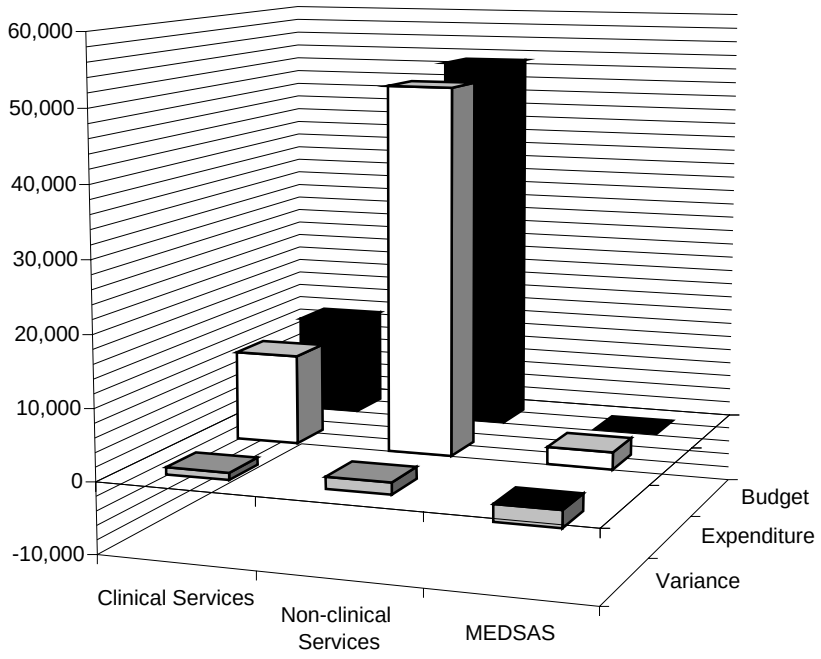
		Nurse Training College	Ambulance Training College
		(R '000)	(R '000)
	Budget	55,818	2,340
	Expenditure	55,683	1,802
	Variance	135	538

The provinciliasation of the City of Cape Town ambulance services did not take place, resulting in a saving as indicated within the Ambulance Training College budget. Posts were not filled at the Nursing College mainly in the Administrative section resulting in a saving of R135 000.

Health Care Support Services

This Programme has been underspent by R200 000.

HEALTH CARE SUPPORT SERVICES



	Clinical Services	Non-clinical Services	MEDSAS
	(R '000)	(R '000)	(R '000)
Budget	13,618	53,054	1
Expenditure	12,625	51,431	2,392
Variance	993	1,623	(2,391)

Provision was made for the outsourcing of orthopaedic appliances. The allocation was not utilized in full resulting in a saving within the Clinic Services Sub-Programme.

Provision was made for the filling of qualified artisans/technicians in the Non-clinic Sub-programme as a result of the current shortage of the latter at hospitals. Due to the shortage of staff with the required qualifications as mentioned all the identified posts could not be filled

Due to the budgetary pressures the turnover of the Cape Medical Depot decreased negatively, resulting in a net trading loss of R2,3 million.

1.2 Important policy decisions and strategic issues facing the department

During 2002/03 the pressure on Primary Health Care and Hospital budgets increased significantly. The replacement of the Central Hospital grant with the National Tertiary Services (NTS) grant required the department to render a specified quantum of highly specialised services at predetermined unit costs. A detailed analysis showed that the unit costs should be increased by at least 28% to fully cover the expenditure incurred in terms of the NTS grant requirements. In addition to this, an estimated R100 million was shifted from the general specialist (Level 2) services to highly specialised (Level 3) services in accordance with the specification of the new NTS grant. The increase in the equitable share to compensate for the reduction in the NTS grant did not compensate fully for the shift of funds from level 2 to level 3 services. As a result, 100 level 2 beds had to be closed in Groote Schuur Hospital.

The department enforced stringent measures to prevent over-expenditure. A review of 2002/03 clearly underlines the fact that the current configuration or shape of the health service is not affordable and sustainable. As a result, the department has developed a new strategic framework of health care delivery, i.e. Healthcare 2010. The framework was consulted with all the relevant stakeholders. The aim is to restructure the health services in order to treat patients at the appropriate level of care. One of the major challenges of the medium-term expenditure framework (MTEF) period is the future development and implementation of Healthcare 2010.

1.3 Significant events that have taken place during the year

Eerste River Hospital, i.e. private sector hospital, was purchased at a cost of R12,5 million with the assistance of the Department of Works and Property Management and subsequently commissioned as a district hospital. The estimated replacement value of this hospital is R56 million. The hospital was commissioned by shifting resources from Conradie Hospital, where the corresponding acute services were terminated. Patients with acute spinal injuries have been transferred to Groote Schuur Hospital. The development of a Provincial Rehabilitation Centre at Lentegeur Hospital site has commenced in order to accommodate the Conradie Rehabilitation service. When all the services have been relocated, Conradie Hospital will be closed and the property disposed of in order to fund other infrastructure requirements within the Department.

1.4 Major projects undertaken or completed during the year

The building of a new admissions ward at Valkenberg Hospital commenced during this financial year.

The Hospital Reconstruction and Rehabilitation Programme (HRRP) has been replaced by the Hospital Revitalisation Programme (HRP). The HRRP projects were funded through a conditional grant to upgrade the physical infrastructure only. It was realised that buildings without adequate operational funding and effective management would not necessarily provide optimal service to the community. The Hospital Revitalisation Programme is a holistic approach to upgrade not only the physical infrastructure but also to equip the health care facilities appropriately and to ensure adequate service delivery and quality of care.

The business cases for the three Hospital Revitalisation projects at Worcester, George and Vredenburg were approved. Construction at Worcester and George Hospitals is in progress and work at Vredenburg Hospital will commence in the new financial year. Additional hospitals will be identified in the new financial year for revitalisation.

The Hospital Management and Quality Improvement Grant was implemented to fund Organisational Development and Service Delivery and Quality of Care, primarily for the HRP. This grant is subject to strict conditions in terms of the Division of Revenue Act (DoRA). The Hospital Revitalisation Grant funds physical infrastructure as well as equipment (Health Technology).

A new Community Health Centre and paediatric wards were commissioned at Worcester Hospital.

Other upgrading included False Bay Hospital in the Metropole Region and major construction at Red Cross Children's Hospital.

The conversion of the District Surgeons' services to an integrated PHC model, congruent with the District Health System, which included the provision of the appropriate infrastructure within the existing clinics and hospitals

2 Services rendered by the department

2.1 Services rendered by the Department as well as an evaluation of output is addressed in the Performance Evaluation section of the Annual Report.

2.2 Tariff Policy

The fees charged for the services rendered at the institutions under the control of this Department has been calculated according to fees determined by the Board of Healthcare Funders and approved by the Provincial Treasury. The fee schedule comprises 279 different tariffs and due to the size of the document the detail is not included as part of this report.

The Uniform patient Fee Schedule (UPFS) was implemented in respect of private patients in the majority of the institutions under the control of this Department. The tariffs under the afore-mentioned schedule is calculated and distributed by the National Department of Health. Due to the size of the document setting out the tariffs it is also not included as part of this report.

Certain sundry tariffs are also charged. The basis of these tariffs are market related. These sundry tariffs apply to:

- Meals
- Laundry
- Incineration of medical waste
- Lecture notes
- Post-basic courses for nursing
- Day care centres
- Ambulance courses
- Foreign Elective Students
- Accommodation
- Parking

2.3 Free Services

Certain free services are rendered at institutions that fall under the control of this Department. The criteria that applies are in line with policies as determined by the National Department of Health in this regard, and include the following:

- Children under the age of six years (not including private/private hospital patients)
- Pregnant women
- Family Planning
- Infectious diseases
- Certified psychiatric patients
- Termination of pregnancy patients
- Children attending school who are referred to hospital
- Legal medical service
- Oral health services
- Immunisations
- Hospital personnel employed before 1976

3. Capacity constraints

The department continued to be constrained by the backlog in funding of medical equipment that was quantified as being over R300 million in a survey done in January 2002.

The national shortages of particular categories of staff such as pharmacists and nurses, in particular operating theatre-, intensive care-, paediatric- and psychiatric trained nurses continue to be a problem for the Western Cape. The shortage of nurses with specialist training compromises the quality of care provided and also impacts on the ability to optimise the utilisation of operating theatres and other aspects of service delivery. This will be addressed by additional staff training.

Shortage of pharmacists is one of the factors resulting in long queues at community health centres and out-patient facilities. Insufficient clinical technicians results in a backlog of maintenance and repair of equipment, compounding the existing equipment problems.

Insufficient numbers of personnel in the professions allied to medicine (PAMS) also result in the quality of care being compromised.

The cross border migration of patients to make use of the primary and secondary level health care services of the Western Cape continue to tax the overburdened services in the province. Given that funding for primary and secondary level services is based on the size of the population served, no provision is made in the equitable share of the budget for patients from other provinces who use these services.

4. Utilization of donor Funds

The Department has received Donor Funding from the European Union for the following projects:

4.1 Implementation of a municipal-based district health system in the Western Cape.

An amount of R171 562 was used to further the establishment of a district Health system in the Metropolitan Region. The company Organisation Development Africa was contracted to facilitate with joint service planning, staffing analysis and the drafting of a Service Level Agreement between the Provincial Administration and the City of Cape Town

4.2 Decentralised Hospital Management

An amount of R1,4 million was allocated for the period 1 April 2002 – 31 May 2003 towards the following projects:

Twinning

Funding was utilised to create a link between Groote Schuur Hospital, Tygerberg Hospital and Red Cross Children's Hospital as well as hospitals performing similar functions in England, France and Holland.

Cost Centres and Systems Development

Funding has been used towards the creation of a cost centre structure and the implementation of materials management systems at the Academic Hospitals.

SA Consultants

The creation of cost centres and the establishment of adequate internal systems to enhance cost centre budgeting and accounting has been actively furthered by the consultants appointed.

Please note that expenditure in this regard is being paid by the Department of National Health and is therefore not accounted for or reflected in the books of the Department of Health: Western Cape.

5. Trading Entities

Trading Entities have not been established by the Department. Trading Entities are regarded as autonomous legal entities functioning under the auspices of a Department. This implies that the entity should maintain amongst others an own bank account and own accounting system in accordance with Generally Accepted Accounting Practice. Trading accounts on the other hand, however, function as an integral part of the Department. The Department to date has established two trading accounts namely Cape Medical Depot (CMD) and the Karl Bremer Hospital Trading Account.

5.1 Cape Medical Depot (CMD)

The CMD was established in terms of Ordinance no 3 of 1962.

The Trading Activities of the CMD can be described as follows:

The provisioning of Pharmaceutical and Non-pharmaceutical supplies in bulk from suppliers, thereby enabling users to keep lower stock levels and rely on shorter delivery lead-times. Better control is exercised over purchases and the advantage of buying bulk results in lower costs in respect of medical supplies.

The CMD reports to the Accounting Officer of the Department and all financial arrangements governing the Department is *mutatis mutandis* applicable to the CMD.

The trading entity charges a levy of 8% on the price of goods purchased to fund its operational activities.

Separate Financial Statements are compiled for the entity, which forms part of the Department's annual financial statements.

5.2 Karl Bremer Hospital Trading account

The Karl Bremer Hospital trading account is not a fully-fledged trading account as determined by the provisions of category 1 and 2 trading accounts. As indicated in the 2000/2001 management report the Karl Bremer Hospital trading account has been piloted for the last five years.

The creation of this trading account was to establish a mechanism where revenue generated could be retained by the institution. However, the Provincial Treasury has indicated that surplus revenue can in future be re-appropriated in the adjustment estimates, therefore allowing for a mechanism of full revenue retention by Departments.

The continuation of this account is therefore not deemed necessary and will be terminated on 1 April 2004.

6. Other organisations to whom transfer payments have been made

Transfer payments were made to Local Authorities, Universities, Non-Governmental Organisations (NGO) and the Sectorial Education and Training Authority (SETA), Provincially Aided Hospitals, Rehabilitation Centres and Karl Bremer Hospital.

Local Authorities

An amount of R174,6 million has been transferred to Local Authorities to render Comprehensive Primary Health Care Services e.g. Environmental Health Care, Primary Health Care (PHC), Nutrition: Protein Enrichment and Malnutrition (PEM), Primary School Nutrition Programmes (PSNP), Community Based Nutrition Programmes (CBNP), HIV/AIDS, Tuberculosis (TB) as well as Emergency Medical Services. Transfers were made to 54 Local Authorities.

According to section 154(1) of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), the National Government and Provincial Governments by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs to exercise their powers and to perform their functions.

Universities

An amount of R8,6 million has been allocated to Universities for bursaries to further education and training. Funding has been provided to fund training interventions to ensure competently trained staff.

Non-Governmental Organisations

An amount of R99,9 million has been transferred to the following Non-Governmental Organisations to assist the Department in reaching its goals:

- Day Care Centres
- Group Homes
- Psycho Social Groups
- Licensed Homes
- Primary School Nutrition Programmes
- Community Based Nutrition Programmes
- HIV/AIDS
- Home Based Care
- Health Care Workers
- etc

Funding has been made available in accordance with the Non-Profit Organisation Act, 1997 (Act 71 of 1997).

SETA

An amount of R1,4 million has been transferred to SETA to further the training of Health Workers.

SETA will be required to assist in ensuring a system of training needs requirements as well as the development of a Workplace Skills Plan.

Provincially Aided Hospitals

An amount of R33,9 million is transferred to Provincially Aided Hospitals annually. These hospitals perform district health care services and are virtually fully subsidized by the Department to render these services.

Karl Bremer Hospital (KBH)

An amount of R58,3 million has been transferred to KBH for the 2002/2003 financial year. For more detail regarding this account you are referred to paragraph 5.2 of this report.

Accounting Arrangements

Payments are made in accordance with Section 26 of the Health Act, 1977 (Act 63 of 1977) on a subsidy basis, and are subject to the conditions as prescribed in section 38(1)(j) of the Public Finance Management Act, 1999 (Act 1 of 1999) as amended by Act 29 of 1999, National Treasury Regulation 8.4, Provincial Treasury Instruction 8. To ensure compliance Local Authorities and other beneficiaries were requested to submit certificates indicating the expenditure was utilized for the purpose of the transfer.

7. Public/Private Partnership (PPP)

The Department is currently pursuing four PPP projects which are in various phases of the PPP project life cycle. The table below indicates the project, status and the transaction Advisor responsible for them.

Project	Status	Transaction Advisor	Preferred Bidder
Hermanus	Waiting for proposal from Mediclinic	Ignis	Mediclinic Holdings
Swellendam Hospital colocation	Feasibility study completed	Ignis	Afrox Healthcare
Eerste River Hospital Facility Management	Feasibility study almost completed	Ignis	Not appointed yet
Conradie Hospital replacement	Transaction advisor appointed	KPMG Consortium	Not yet appointed

Hermanus Provincial Hospital

The Department of Health identified Hermanus as a level two hospital. An upgrade of the hospital through a PPP project was then initiated. This upgrade will be achieved by doing the following:

- The refurbishment of the Public Sector beds
- The refurbishment of the female ward for private use
- Upgrade of theatre
- Upgrade of Pharmacy
- Upgrade of Radiology
- High Care Facility
- Pathology
- Casualty Centre

Swellendam Project

The establishment of a private hospital facility adjoining or within the current building of Swellendam Provincial Hospital to be designed, built, financed and operated by the PPP partner under a concession agreement for a period of up to 15 years.

Eerste River Hospital

The Eerste River Hospital PPP project is a Facility Management (FM) project. It is proposed that it will include the following:

- Hard FM (eg maintenance of the buildings and plant) and soft FM (including non-core services eg cleaning, catering and security services)
- All non-clinical equipment and plant

- IT hardware systems
- Utilities
- Non-clinical services
- Energy management

Conradie Replacement

The purpose of these projects is to construct suitable Physical Rehabilitation and Chronic Care Facilities in the Cape Metropole. The projects involve the procurement of private partners for the design, build, operate and transfer of the two hospitals and it will consolidate the rehabilitation service currently offered at Karl Bremer and Conradie Hospitals at a new accessible site on the land of Lentegeur Hospital in the Cape Metropole Region. It will also include the elements of facility management similar to the Eerste River Hospital PPP. The costs for the feasibility study as charged by the appointed Transaction Advisor is R2,3 million. This amount will be shared between the Departments of Health and Transport and Public Works. No fee has been paid to date.

Conclusion

The PPP projects discussed above are in various phases of the project lifecycle. The projects as indicated have not been completed and information regarding PPP's can therefore not be disclosed in the Financial Statements.

8. Corporate Governance arrangements

The Provincial Government of the Western Cape has opted for a Central Internal Audit Unit and Audit Committee. Given the amount of work as well as the diversity of functions to be performed, Cabinet decided that the function be devolved to the bigger departments w.e.f. 1 April 2003. Specifications are in the process of being compiled whereafer a tender for the outsourcing and later co-sourcing of the function will be called for. The Department has already conducted a Macro Risk Assessment but it is the intention to task the outsourced Internal Audit Unit with the Assessment of Risk.

Once the risk has been established a further tender will be called for to ensure the implementation of a Fraud/Risk Prevention Strategy.

9. Discontinued activities/activities to be discontinued

Acute services at Conradie Hospital were relocated and it is planned that the hospital closes during 2003/04. The reasons for this are:

- The hospital buildings are in a very poor physical condition;
- There is spare capacity at other Provincial Hospitals;
- The purchase of the Eerste River Hospital provided the opportunity to improve the equitable distribution and accessibility to health care facilities.

There are no adverse financial implications to this as the services will be relocated.

10. New/proposed activities

Child Health

Reduction in infant and under 5 mortality: guidelines and training manuals completed and distributed for Meningitis, upper respiratory tract infections, management of the critically ill child, growth monitoring and malnutrition.

Nutrition

Participation in Community Integrated Management of Childhood Illness (IMCI) sites in the poverty-stricken areas in the Metropole.
Transfer of the Primary School Nutrition Programme (PSNP) to the Department of Education.
Disengagement of crèche feeding in collaboration with the Department of Social Services.
Community service for dieticians commenced in January 2003. Dieticians, funded by Province have been placed in the rural regions to increase human resource capacity.
Development of draft policies for Food Service Management and Enteral Feeding. These areas have been neglected in the past and the policies will provide guidance and standardisation in health facilities.
Assessors trained for implementation of the Baby Friendly Hospital initiative and re-assessment of Groote Schuur Hospital.
Food service managers were trained as Tourism, Hospitality and Sport Education Training Authority (THETA) accredited assessors for the implementation of staff training in the food service units.
Development of infant feeding and HIV guidelines in collaboration with the HIV/AIDS directorate.

HIV/AIDS

Mother to child transmission (MTCT):

Eighty five percent of obstetric facilities offer a Mother-to-child transmission programme.

Voluntary testing and counselling (VCT):

The Voluntary testing and counselling programme has been integrated into the Primary Health Care Service.
Two hundred and forty seven VCT sites have bee established in the Province.
The number of people presenting for VCT has increased over the past year to ± 90 000.

Condom programme:

23 million male condoms were distributed as at December 2002.
The annual projected distribution of female condoms is 200 000 and the programme will be extended during 2003.

Sexually transmitted infections (STI):

Training of professional nurses in the syndromic management of STI's and the use of the DISCA tool for evaluating STI services is ongoing in all regions.
There is a STI initiative with general practioners in terms of which general practitioners are trained and contracted by the Department to provide free STI treatment to patients who are unable to afford the treatment. The general practitioners are still able to charge a consultation fee. Currently there are six general practitioners participating in the project, two each in the Metropole, Southern Cape and the West Coast Winelands. Further roll-out of the project is planned.

Survivors of rape

Two workshops per region were conducted to train staff in the management of rape survivors.
Fifty two centres for the management of rape survivors and child abuse have been set up at Community Health Centres of Primary Health Clinics and/or hospitals in the Province

Additional termination of pregnancy service

Service points: Termination of pregnancy (TOP) services were re-established at two regional facilities in the South Cape/Karoo Region and a new one was established. Three additional facilities were designated and became functional, one in the Boland and two in the Metropole Region.

Training: Eight Values Clarification and eight Counselling Workshops, attended by 127 and 115 health care workers respectively, were held. Two TOP Care Courses were held and eight nurse-midwives were trained in TOP provisioning. Two health care workers were trained in medical TOP.

Quality care: The quality of care rendered by all practising nurse-midwives was monitored and found to be of a high standard.

Staff support: Quarterly staff support meetings were held as well as a one-day TOP Seminar.

Tuberculosis (TB)

District TB co-ordinators were appointed in all the sub-districts and an improvement can already be detected in the cure and reduced interrupter rates.

A new Simplified Electronic TB Register was introduced to expedite timeous delivery of verified accurate data for monitoring, evaluating and managing the programme.

A Medium-term TB Development Plan was developed for 2002/03 for the Province.

A standardised approach to the management of multi-drug resistant (MDR) TB was adopted. A survey of MDR in the Province was completed. The results indicate that MDR TB rates have not increased over the last seven years, which indicates that the TB Programme is effectively applying DOTS and protecting the efficacy of the main TB medications, i.e. Rifampicin and Isoniazid.

The incidence of TB continues to rise due to the HIV/AIDS epidemic.

An Assistant Director: TB Control has been permanently appointed.

Emergency Medical Services (EMS)

The provincialisation of EMS has been finalised except for the City of Cape Town.
Additional funds have been allocated to eliminate one-person ambulances.
Over 100 ambulances have been replaced in a combined project with Government Motor Transport.
The EMS communication centre needs to be urgently replaced. This will be a collaborative project with the relevant provincial and national government departments.

Quality of care

The Provincial Quality of Care Policy and Strategic Implementation Plan has been adopted, aiming to:

- Improving consumer quality.
- Improving technical quality.
- Caring for the carers.

Systems and tools related to the three focus areas which have been implemented are the following:

- Consumer satisfaction: Assessment of client satisfaction has been launched and the roll out to other facilities scheduled for this financial year.
  A structured system for monitoring client/patient complaints and compliments has been implemented, this has facilitated the identification of strengths and weaknesses of service delivery.
  Waiting times are being addressed through the implementation of booking systems.

- Technical quality: Adverse incident management has improved and monitoring systems are in planning phase.
  Clinical protocols are being standardised.

- Caring for the carers: The provision of Employee Assistance Programmes is being addressed.

A permanent post of Deputy Director: Quality Assurance has been created and advertised.

11. Progress with Financial Management Improvements

The implementation of the PFMA is a continuous process where policies and processes are constantly measured against the requirements of the Act. To this extent Finance and Supply Chain Management Instructions are compiled to ensure compliance. Training has also been taking place on a continuous basis and staff have been nominated for courses and have been subjected to in-house and person-to-person training.

In an effort to evaluate the current state of implementation the Department appointed the former Accountant General of the Western Cape Province on a 4 month contract from 1 February 2003 to present training sessions on the PFMA to the management of all institutions. During these sessions an evaluation of implementation was also conducted.

12. Performance information

In order to ensure that the information on performance meets the requirements of equity, efficiency, quality and effectiveness the following process has been established:

- Key measurable objectives (KMO's) are formulated by responsible managers and compiled into a single document per programme. The key measurable objectives are then incorporated into the departmental strategic plan and aligned with the budget.

- Achievement of the targets is the responsibility of the individual managers and therefore all the key measurable objectives are incorporated into the respective managers' performance agreements.

- The quarterly assessment of the managers against their performance agreements therefore forms the basis of evaluating departmental performance.

- The quarterly assessments of managers will be collated and exceptions from the objective/targets identified and submitted to a Monitoring and Evaluation Committee. The Monitoring and Evaluation Committee will evaluate the progress and report to Top Management.

13. Other

Local Authority claims

Local authorities have indicated that backlogs have accumulated over the years and claims have been submitted in this regard. The Department in response have called for an Internal Audit to verify the authenticity of the claims. The investigation will be completed by mid June 2003 whereafter the backlogs will be addressed.

Emergency Medical Services Volunteers

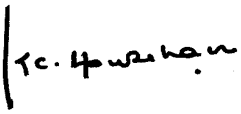
In order to further motivate the Emergency Medical Services volunteers a contribution towards an overseas visit to the USA was made by the Department.

Statement of Changes in Net Assets/Equity

A statement of Changes in Net Assets/Equity is required in terms of the accounting policy as prescribed by National Treasury. The Department, however, has not complied with this requirement as the statement is attuned to accrual accounting and the Department is still functioning on a cash accounting basis and therefore not in a position to comply.

Approval

The attached annual financial statements set out on pages 74 to 107, 111 to 118 and 123 to 128 have been approved by the Accounting Officer



Professor KC Household
Accounting Officer
31 May 2003

WESTERN CAPE PROVINCE
DEPARTMENT OF HEALTH

REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE WESTERN CAPE DEPARTMENT OF HEALTH (VOTE 6) FOR THE YEAR ENDED 31 MARCH 2003

TABLE OF CONTENTS PAGE

AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE WESTERN CAPE DEPARTMENT OF HEALTH (VOTE 6) FOR THE YEAR ENDED 31 MARCH 2003

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 74 to 107, for the year ended 31 March 2003, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995). These 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 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 financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the 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.

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

3. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the department as at 31 March 2003 and the results of its operations and cash flows for the year then ended in accordance with prescribed accounting practice and in the manner required by the relevant act.

4. EMPHASIS OF MATTER

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

4.1 Matters affecting the financial statements

4.1.1 Deferred payments not recognised in the income statement: R47,8 million

[Included in note 22 on page 101 of the financial statements]

The department's projected over-expenditure was discussed at the departmental Financial Control Committee meetings, held on 11 and 12 February 2003, as well as a meeting of the departmental Inter Regional Finance Committee, held on 21 February 2003. At the afore-mentioned meetings it was agreed that the projected over-expenditure for the 2002/03 financial year would be deferred to the 2003/04 financial year. In this regard an amount of R47,8 million, included in accrued payments of R89,7 million, was deferred to the 2003/04 financial year.

In the department's budget for the 2003/2004 financial year provision is made to fund an amount of R51,5 million for the deferred payments.

The deferred payments not recognised in the income statement are regarded as material and have an impact on the fair presentation of the amounts and disclosures in the financial statements. Furthermore payments deferred in this manner do not comply with the National Treasury Regulations, which states that all payments due to creditors should be settled within 30 days from receipt of an invoice or, in the case of civil claims, from the date of settlement or court judgement.

4.1.2 Revenue

The audit performed at various institutions for the year under review, revealed the following shortcomings in respect of control measures over revenue which were brought to the attention of the accounting officer by way of management letters. These findings include, *inter alia*, the following:

(a) Admission forms

The medical superintendent or a designated official (on behalf of the medical superintendent) and/or the patient did not sign the hospital admission forms.

Institution	Extent	Reply from accounting officer
1. Paarl Hospital	16 out of 25 samples (representing 64%) and amounting to R44 863.	The internal control weakness has since been addressed. The medical superintendent or a designated official will sign the necessary form, as well as the patient. If the patient is however unable to sign the admission form, said form will be endorsed indicating the reason why it could not be done.
2. Victoria Hospital	16 out of 17 samples (representing 94%) amounting to R2 262.	
3. Valkenberg Hospital	10 out of 13 samples (representing 76%) amounting R22 649.	
4. Red Cross Hospital	23 out of 51 samples (representing 45%).	
6. Tygerberg Hospital	150 out of 200 samples (representing 75%).	
7. Groote Schuur Hospital	124 out of 197 samples (representing 63%).	

(b) Other Income - Day care fees

Institution	Finding	Reply from accounting officer.
1. Groote Schuur Hospital	Attendance registers for the period 1 November 2002 to 31 December 2002 could not be produced for audit purposes.	At the time of compiling this report a conclusive reply was still outstanding.

Institution	Finding	Reply from accounting officer.
2. Tygerberg Hospital	The Persal deduction schedules were not reconciled with the day care register (83% in a sample of 6 months) and the personnel accommodation register (100% in a sample of 6 months) at the hospital	Day care registers will be implemented. Procedures to reconcile the Persal deduction schedules with the personnel accommodation and day care fee registers will be implemented.

The corrective measures indicated in the various replies will be followed up in the normal course of auditing.

4.1.3 Revenue outstanding - hospital fees, R95,5 million

[Note 26 on page 102 of the financial statements]

The total outstanding hospital fees amounted to R95,5 million at 31 March 2003 (R122,5 million at 31 March 2002).

Included in the amount of R95,5 million, is an amount of R70,2 million (73.50%) representing debtors outstanding on the Cape Hospital System (CHS). The age analysis from the CHS system indicates that approximately R61,2 million (87%) had been outstanding for more than 365 days. It therefore appears that the amount of R16,2 million, disclosed in note 26.1 on page 102 of the financial statements as irrecoverable may be understated.

It should further be noted that the total outstanding hospital fees, of R95,5 million, excludes debtors in respect of the Billing Module of the Health Information System (HIS) of the three academic hospitals – Groote Schuur, Tygerberg, and Red Cross. At present management reports from the system are not available.

4.1.4 Reconciliation between the personnel and salary system (PERSAL) and the financial management system (FMS)

The department's human resource management and salary administration information is recorded and processed on the national transversal PERSAL computerised system. Information stored on this system pertains mainly to salary payments and related processes. Expenditure processed within the PERSAL system is programmatically transferred to the national transversal FMS. However, certain transactions in respect of personnel expenditure are processed directly through the FMS, without transferring the information to the PERSAL system. In practice a discrepancy may, therefore, be found between the PERSAL system and the FMS as far as information on personnel expenditure is concerned.

In response to a management letter in this regard the accounting officer indicated that this matter has been thoroughly explained, verbally and in writing (management letter 16241REG00/01-710/1 dated 2 July 2001 and the department's letter referenced 7/2/10 dated 20 July 2001, refer.) This matter was considered finalised in July 2001.

Audit is however still of the opinion that reconciliations should be performed in future to verify the validity of any adjustments and payments on FMS.

4.1.5 Debt recovery services

The services of a debt-collecting agency were acquired for the collection of outstanding hospital fees. It was noted that monies collected by this agency have not been paid over to the department since June 2002 and as a result legal implications exist with regard to their contractual obligations.

The accounting officer indicated in reply to a management letter, that the department has initiated a process, in conjunction with the Department of Legal Services, to dismantle the process due to the inability and unwillingness of the contractor to rectify the breach of contract. Furthermore it was indicated that correspondence and the amount owing, in this regard, will be forwarded to audit once the process is finalised.

The matter will be followed up in the normal course of auditing.

4.2 Matters not affecting the financial statements

4.2.1 Unauthorised expenditure: R3,9 million

[Note 10 on page 97 of the financial statements and the appropriation statement on page 79]

As reflected in the income statement on page 97, note 10 to the financial statements and the appropriation statement on page 79, the budget of programmes 3, 4 and 6 were exceeded by R1,9 million; R20,7 million and R2,2 million respectively (total R25 million). The budget of the vote was also exceeded by a total of R3,9 million (0,11%). These amounts are reported as unauthorised expenditure in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999). Due to the aforementioned expenditure, the standard items inventories and professional and special services were also exceeded by R28,1 million and R7,3 million respectively (total R35,5 million) which caused a net unauthorised expenditure of R3,9 million for the standard items.

Explanations regarding the unauthorised expenditure were included in paragraph 1.1 on page 43 of the department's management report.

Attention is also drawn to paragraph 4.1.1 on page 63 of this report in respect of deferred payments not recognised in the income statement which may have impacted on the quantum of the unauthorised expenditure disallowed.

4.2.2 Personnel expenditure: R2,407 million

[Page 90 of the financial statements]

During the audit of personnel expenditure various deficiencies and shortcomings were brought to the attention of the accounting officer by way of a management letter and informal queries. The more material aspects can be summarised as follows:

(a) Overtime remuneration

(i) *Commuted overtime*

Commuted overtime paid by the department in the financial year 2002-03 amounted to R119,6 million compared to R112,8 million in the previous financial year. Commuted overtime represents 4.97% (R119, 6 million) of the total personnel expenditure (R2, 407 million). Notwithstanding the previous year's audit findings and the corrective steps indicated by the department the following shortcomings were once again encountered during the audit of the year under review:

- Weaknesses in the internal control and checking of commuted overtime payments to the regulations governing commuted overtime, resulting in overpayments to three officials amounting to R56 788 (representing 13% of the sample value amounting to R422 305 tested).

- Weakness in the internal control and checking to ensure that commuted overtime is reduced by periods during which officials are on leave, i.e. sabbatical; special; family responsibility or sick leave, resulted in overpayments amounting to R8 975 (representing 46% of the sample of 13 tested).

The accounting officer indicated in his reply to the management letter that the department is in the process of recovering the said overpayments during the 2003/04 financial year.

The recovery of the said overpayments will be followed up in the normal course of auditing.

(ii) *Normal overtime*

- Payments in respect of normal overtime for the department amounted to R41,6 million for the financial year 2002-03. The audit revealed that approximately 266 employees received monthly overtime remuneration of more than 30% of their basic salaries. The latter excessive overtime payments amounted to R7,4 million.

- Attendance registers to control and monitor overtime worked by officials were not adequately completed and in some instances the register was not implemented.

The accounting officer in his reply to the management letter indicated that:

- The main reason for the excessive overtime payments is due to personnel shortages at the hospitals. This results in excessive overtime worked to ensure service delivery in key areas of the hospital.

- The Personnel Advisory Services component of the Directorate Human Resources Management is addressing the overtime and attendance register during the internal control investigations at the institutions. The matter will accordingly be taken up with the management of the affected institutions.

The corrective measures will be followed up during the normal course of auditing.

(b) Control over paysheets

The following matters were noted which indicates that the control over paysheets at the various hospitals were inadequate.

- The paymasters of paypoints did not sign paysheets, prior to pay date.
- A reconciliation between paysheets distributed and received back, adequately certified by the paymasters, were not in all instance performed.
- A central official at certain of the hospitals did not control the distribution and return of paysheets for the hospital.
- At the GF Jooste hospital paysheets for paypoints could not be submitted to audit for the entire period under review.

The above inadequacies could lead to salary overpayments.

The various institutions indicated in replies to management letters that stricter control measures will be implemented in this regard which will be followed up in the normal course of auditing.

(c) Leave entitlement: R226 million
[Note 24 on page 102 of the financial statements]

The value of leave entitlement at 31 March 2003 amounts to R226 million.

A Persal report drawn indicated that leave was recorded on Persal between 181 days and 335 days after the leave was actually taken i.e. the report highlighted that 2 761 leave forms were recorded 335 days after the leave was taken. The control weaknesses identified raises doubt over the correctness of the leave credits and consequently the value of the leave entitlement.

In his reply to a management letter the accounting officer indicated that the late recording of leave as indicated in the reports drawn is to a large extent as a result of the internal auditing of leave and that the majority of late recordings occurred at the Groote Schuur, Tygerberg Hospital and Community Health Services Organisation. These hospitals and institution only started the leave audits in the 2002/03 financial year.

4.2.3 Control over expenditure

Government Garage Transport

Audits at various hospitals revealed deficiencies and shortcomings regarding the internal checking and control over GG transport. Examples of findings were brought to the attention of the accounting officer by way of management letters and include, *inter alia,* the following:

Hospital	Finding	Reply
1. Red Cross Hospital	*Utilisation Report* An utilisation report of vehicles was not available for audit purposes. It would therefore appear that the effective utilisation of vehicles is not monitored.	The department indicated that the utilisation reports for all vehicles will be generated and regularly reviewed.
2. Tygerberg Hospital	*Trip authorities* 51% of the sample of 35 trip authorisation forms were not signed by the driver of the official state vehicle. Furthermore the mileage driven was not indicated on the said forms.	The accounting office indicated in a reply to the management letter that oversights do occur, when large volumes of workload is experienced, but that every effort will be made to ensure that trip authority forms are completed correctly to minimise the risk factor. He further indicated that this matter will be brought under the attention of all users.

The corrective measures indicated in the various replies will be followed up in the normal course of auditing.

4.2.4 Transfer payments made by regional offices and hospitals: R379 million

[Note 7 on page 96 of the financial statements]

During the audit of transfer payments made during the year under review, various shortcomings in respect of proper control measures over these payments, including non-compliance with finance instructions, were brought to the attention of the accounting officer by way of management letters. These findings include the following:

(a) Financial assistance was given or granted for the current financial year whilst audited financial statements were not submitted by institutions for the previous financial year (2001/02) in the following cases:

Region	Extent	Reply from the accounting officer:
1. Metropole Region	One institution did not submit audited financial statements.	Follow-up work was done on the outstanding financial statements and institutions were informed that no further funding would be made available until the necessary documentation is received.
2. West Coast/ Winelands Region	Ten institutions did not submit audited financial statements.	
3. Red Cross Hospital	Three institutions did not submit audited financial statements.	

The corrective measures indicated will be followed-up during the normal course of auditing.

(b) Contract or agreements between local authorities, non-governmental organisations (NGO's) as well as institutions and the department for the rendering of Primary Health Care (PHC) could not be submitted to audit, despite this office' request in the previous year's management letters and audit report.

Region	Extent	Reply from the accounting officer:
1. Metropole region	Seven local authorities.	It can be confirmed that service level agreements have been drafted for the 2003/04 financial year and is in the process of being concluded.
2. West Coast/ Winelands	Eleven local authorities and NGO's.	The department is in the process of signing contractual agreements with the local authorities and non-governmental organisations.

Region	Extent	Reply from the accounting officer:
3. Head office (EMS)	One institution.	The City of Cape Town Ambulance Service is in the process of being transferred to the Province and as a result no agreements with respect to service levels were concluded. Repeated delays in the transfers due to legal technicalities have perpetuated the unsatisfactory situation, which is beyond the department's immediate control. As an interim measure until transfer is effected the department is negotiating an interim service level agreement. It is trusted that the service will be transferred by 1 September 2003.

The corrective measures indicated above will be followed up in the normal course of auditing.

4.2.5 General ledger

An audit of the department's general ledger accounts revealed various unsatisfactory matters. These issues included, *inter alia,* the following:

(a) Receivables - Staff debtors, R12,5 million
[Note 13.1 on page 98 of the financial statements]

The age analysis of staff debtors as well as a breakdown of the categories of debt owed by personnel, in respect of the national debtors system utilised by the department, could not be submitted to audit. The aforementioned has restricted the evaluation of the recoverability of staff debtors.

(b) Advances - R1,8 million
[Note 13.3 on page 99 of the financial statements]

An audit revealed that R0,7 million (40%) of the advances had been outstanding for more than one year in the financial records of the Metropole Regional Office. Documentation submitted by the department in this regard indicates that the outstanding amounts are in the process of being recovered.

4.2.6 Asset and inventory management

Audits at head office as well as various hospitals of the department, as indicated below, revealed several deficiencies and shortcomings regarding asset and inventory management. These findings were brought to the attention of the accounting officer by way of several management letters and include, *inter alia,* the following:

(a) Asset registers

(i) Additions, disposals and movement of assets were not recorded in the asset register.

Institution	Finding	Reply from the accounting officer:
1. Paarl Hospital	No disposals or movement of assets were recorded on the asset register for the year under review.	All disposals as well as the movement of assets has since been recorded on Logis. The process of attaching internal control numbers (ICN) to assets will be commenced.

Institution	Finding	Reply from the accounting officer:
2. Victoria Hospital	No additions, disposals or movement of assets were recorded on the asset register for the year under review.	The necessary control measures will be implemented i.e. All disposal and additions will be recorded on the Logis system. All assets under the control of the hospital will be marked with identification tags, which include internal control numbers as soon as possible. The movement of assets will be monitored strictly and recorded on the Logis system as soon as possible.
3. Red Cross Hospital	The movement of assets is not adequately controlled.	The asset controller would be informed of all movement or transfer of assets between locations.
4. Community Health Services Organisation (CHSO)	The movement of assets is not adequately controlled.	The matter has again been brought to the attention of the staff at the CHSO by means of an internal memorandum.

(ii) No asset register or incomplete asset registers maintained

Institution	Finding	Reply from the accounting officer:
1. Valkenberg Hospital	An asset register is not maintained. Instead incomplete inventory lists were utilised to control assets.	An asset register for moveable assets was implemented on 8 June 2003.
2. Red Cross Hospital	Insufficient and incomplete information is recorded in the asset register (i.e. no serial number, cost and location). Furthermore no asset identification numbers were affixed to equipment.	The recommendation that the asset register be updated with the relevant information required for an adequate audit trail and that the identification numbers should be affixed to all assets is noted and will be implemented.
3. Tygerberg Hospital	The asset register does not identify the hospital's own unique internal control numbers (ICN). Furthermore, no disposal dates of assets are reflected in the fixed asset register.	The assets register is inadequate and that the department is in the process of evaluating several computerised asset management systems for hospital services.
4. GF Jooste	An asset register was not maintained.	An inventory clerk (Logis) is in the process of being appointed.
5. Lentegeur Hospital	An asset register was not maintained. Instead incomplete inventory lists were utilised to control assets.	Inventory lists are used in place of asset registers because the institution does not have access to adequate computer hardware and software to implement asset registers.

(iii) Maintenance plans

Institution	Finding	Reply from the accounting officer:
1. Groote Schuur Hospital	A formal maintenance plan or program is not in place at the institution.	A computer based maintenance planning and control system was utilised for the maintenance of buildings, plant and machinery until about 1995 when it ceased operating due to technical problems. With the voluntary severance packages being accepted by numerous engineering personnel in 1996, the costly repairs or replacement of

Institution	Finding	Reply from the accounting officer:
		the maintenance management system seemed fruitless, and therefore nothing was done to re-instate it or obtain a replacement. He further indicated that the department will endeavour to maintain all equipment, machinery and services, where a lack of maintenance will lead to additional expenditure or detrimentally affect the service to the public.
2. Lentegeur Hospital	No formal maintenance plan was available at the institution to ensure that equipment is properly maintained and is fully functional at all times	Repairs and maintenance are also performed on a daily basis via a requisition system managed by the hospital workshop. The development of a formal maintenance plan for Psychiatric Hospitals will be discussed with the regional office.

(iv) Control over linen

Institution	Finding	Reply from the accounting officer:
1. Community Health Services Organisation (CHSO)	No stock-take of linen was performed for the year under review. Furthermore a reconciliation of the movement of linen between the hospital and the laundry is not performed.	A stock count was not performed due to a shortage of staff but that the post has been advertised. He further indicated that regular inventory checks are performed and that a inventory count was performed in May 2003.
2. Groote Schuur Hospital	Spot checks of linen at the Western Province Laundry was not performed by staff of the hospital.	A procedure was implemented in May 2002 whereby the hospital staff should perform spot checks, however due to a shortage of staff the control procedure was not regularly performed.

The corrective measures indicated in the various replies will be followed up in the normal course of auditing.

4.2.7 Pharmaceutical stock

[Note 4.2 on page 95 of the financial statements]

Audits at the following hospitals revealed various deficiencies and shortcomings in the control over pharmaceutical stock. These shortcomings were brought to the attention of the accounting officer by way of management letters and include, *inter alia,* the following:

Hospital	Findings	Reply from the accounting officer:
1. Paarl Hospital	An annual stock count was not performed for pharmaceutical stock for the year under review. In the prior year audit report it was also noted that no annual stock count was performed.	No annual stock take for pharmaceutical stock was performed due to a shortage of manpower.
2. Victoria Hospital	No stock control system existed for the receiving and issuing of pharmaceutical stock within the pharmacy.	A stock control system will be implemented as soon as possible.
3. Community Health Services	An inspection of the pharmacy store revealed that no computerised stock control system was in place, as no updated stock figures could be provided at date of audit. Furthermore no register was maintained to monitor and identify expired stock.	A stock control system will be implemented as soon as possible.

The corrective measures indicated in the various replies will be followed up in the normal course of auditing.

4.2.8 Correctional Service and other receipts

A number of hospitals still have Correctional Services' patients' monies outstanding. Enquiries at hospitals indicate that monies were paid over to head office, but the necessary accounting entries to allocate the monies to the specific hospitals have to date not taken place.

In his reply to a management letter the accounting officer indicated that it is not always possible to identify the recipients of the income from the bank statement. A process is being implemented to ensure the identification of the recipients by Correctional Services.

The progress on the accounting entries will be followed up in the normal course of auditing.

4.2.9 Conditional Grants

During the audit it was noted that no agreements exist between the West Coast Regions and the following institutions.

- Schoolfeeding
- SMS Distributors
- Heidi Kleuterskool
- Weskus District Municipality
- Stellenbosch Municipality

Furthermore, copies of the business plans for National Tertiary and Professional Training and Development could not be submitted at the date of audit.

At the time of compiling this report the accounting officer had not replied to the query.

4.2.10 Housing guarantees: R50 million

[Note 20 on page 101 of the financial statements]

Financial guarantees provided by the administration in respect of the 100% housing loan scheme, for which loans were granted by various financial institutions, involved 3 298 cases and a contingent liability of R50 million at 31 March 2003.

The verification of financial guarantees revealed the following matters:

(i) Financial guarantees amounting to R1,2 million were identified where the specific official's services had been terminated, whilst, the related financial guarantees had not been recalled from the financial institution.

(ii) Financial guarantees amounting to R2,4 million, dating back to more than 10 years, should have been recalled and reviewed to account for property revaluations.

4.2.11 Financial management

(a) Internal audit

During the year under review, internal audit focused mainly on transfer payments and hospital asset management and although the internal audit was relevant, no other internal audit work was performed that could be used for external audit purposes.

(b) Audit committee

On 4 May 2000, the Minister of Finance, in accordance with the powers assigned to him in terms of section 17(2) and 77(c) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), established a centralised audit committee for the Western Cape Province for a period of two years. The audit committee charter required that the audit committee

meet not less than four times per calendar year to address internal audit issues. However, with effect from September 2001, the audit committee has not been operational due to an inability to appoint qualified members.

At a cabinet meeting held on 30 April 2003 a shared audit committee consisting of five members were appointed for the period 1 April 2003 to 31 March 2005. The shared audit committee would also perform all its assigned functions in terms of the national treasury regulations for all departments up to 31 March 2003. Beyond this the department will have to appoint their own audit committee as previously resolved by cabinet. The shared audit committee's function would continue for the remainder of the departments of the Western Cape Province. In this regard the department has indicated on page 56, paragraph 8, of its management report that the specifications are in the process of being compiled whereafter a tender for the outsourcing and later co-sourcing of the function will be called for. The department has already conducted a Macro Risk Assessment but it is the intention to task the outsourced Internal Audit Unit with the Assessment of Risk.

4.2.12 Computer audits

(a) Groote Schuur Hospital

A follow-up audit of the general computer controls surrounding the information technology (IT) environment at Groote Schuur Hospital for the 2002/03 financial year has been performed. The findings were included in a management report dated 5 May 2003 and submitted to the IT manager of the hospital.

The follow-up computer audit indicated that management have made a significant effort in implementing the recommendations previously put forward. This has led to an overall improvement in the control environment, despite the restrictions placed on resources. However there were still some control weaknesses persisting from the previous review as well as some new issues. The risks introduced by these weaknesses lead audit to conclude that the general control environment cannot be relied upon to ensure reliable processing of information.

The most significant control weaknesses were the following:

- Developers from the HIS application vendor, HST, have access to the production server, where they can manipulate source code.
- PAWC IT staff has not been compelled to use up their leave and as a result a great dependence is placed on these few key individuals.
- A number of vacancies of key positions have not been filled in the last three years. As a result a greater dependence is placed on existing staff, often requiring them to complete duties that conflict, thereby compromising controls.
- Users are allowed to log onto the network with a blank password.

At the time of compiling this report the IT manager of the hospital as well as the Chief Information Officer had not commented on the management report.

(b) Tygerberg Hospital

A computer audit of the general controls surrounding the information technology (IT) environment at the Tygerberg Hospital for the 2002/03 financial year has been performed. The findings were included in a management report dated 5 May 2003 and submitted to the IT manager of the hospital.

The computer audit indicated that although some controls were in place, there were several control weaknesses in the general control environment. Moreover the general control environment at SITA, where the transversal financial systems reside, was also found to have weaknesses in the control environment. As a result this control environment does not ensure reliable processing of information.

The most significant control weaknesses were the following:

- The Border Manager Firewall has not been configured to enforce the content rules contained in the PAWC End User Policy.

- The NetWare user account settings were found to be weak in a number of respects, thus increasing the risk of unauthorised access to network resources and financial data.
- While PAWC has a policy on compulsory leave, this policy is not enforced. Thus IT staff have worked for the last three years without a compulsory break. This increases the risk and weakens the segregation of duties control and could lead to collusion and consequently control/data manipulation.

However at the time of compiling this report the IT manager of the hospital as well as the Chief Information Officer had not commented on the management report.

4.2.13 Performance audit

A performance audit of the Joint Staff Establishment Agreements between the Universities of Cape town and Stellenbosch with the Department of Health of the Provincial Administration Western Cape has recently been completed. A separate audit report (PR/38/2003) was tabled in the Provincial Parliament on 24 July 2003.

4.2.14 Acquisition of Aero Medical Services

During an audit of the procedures followed to acquire aero medical services from a private organisation, it was confirmed that the department had made use of this service for more than 30 years. Although the acquisition process and the financing of the services was done with the knowledge of and approval by the Western Cape Executive Authority and supported by the provincial treasury, the process was apparently never subjected to the normal tender process. It was also noted that no formal agreement existed between the administration and the organisation.

In response to a management letter in this regard, the accounting officer confirmed that a draft written contract was with the Legal Services Department of the province. He further indicated that the process was entirely transparent and no information or detail had been withheld. The Emergency Medical Services (EMS) also pro-actively requested the internal audit division to assist with an ad-hoc audit to review the draft emergency aero medical service contract to identify areas of improvement. As a result of this audit, recommendations were made by internal audit to improve the contract. It was also stated that the procurement procedures for these services had been complied with and no new tender process is necessary. The accounting officer was also of the opinion that any further tender processes would be in breach of the new agreement with the organisation. In a departmental report to the Western Cape Standing Committee on Public Accounts on the acquisition of these services, it was also indicated that the facilities of the organisation are made available to the province in a comprehensive integrated aero medical service and that this service has been inextricably linked and integrated into the EMS and health system in the Western Cape.

In a further management letter in this regard it was pointed out by audit that, although it appears that a proper process was followed within the department in the procurement of this service, audit is still of the opinion that the process should be referred to the Western Cape Tender Board to formalise the procurement process, by applying limited tendering in terms of the applicable regulations.

At the time of compiling this report, the matter was still under correspondence.

5. APPRECIATION

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

W J Brits
for AUDITOR-GENERAL

Cape Town
30 July 2003

WESTERN CAPE PROVINCE
DEPARTMENT OF HEALTH

REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE CAPE MEDICAL DEPOT TRADING ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

TABLE OF CONTENTS PAGE

AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE CAPE MEDICAL DEPOT TRADING ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 111 to 118 for the year ended 31 March 2003, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995). These 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 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 financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the 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.

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

3. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the trading account at 31 March 2003 and the results of its operations and cash flows for the year then ended in accordance with prescribed accounting practice and in the manner required by the relevant act.

4. EMPHASIS OF MATTER

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

4.1 Matters not affecting the financial statements

Accounting policies: billing of debtors

The value of goods in transit, (ie awaiting delivery) are billed to hospitals resulting in debtors being created before goods are delivered. This is contrary to generally accepted accounting practice.

In reply to a management letter the accounting officer indicated that the MEDSAS system is owned by the National Department of Health and that the system was designed to accommodate best commercial practice at the time of the institution of the system.

This matter will be followed up during the normal course of auditing.

5. APPRECIATION

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

W.J. Brits
for Auditor-General

Cape Town
30 July 2003

WESTERN CAPE PROVINCE
DEPARTMENT OF HEALTH

REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE KARL BREMER TRADING ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

TABLE OF CONTENTS PAGE

AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE KARL BREMER TRADING ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 123 to 128 for the year ended 31 March 2003, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995). These 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 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 financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the 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.

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

3. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of Karl Bremer Hospital at 31 March 2003 and the results of its operations and cash flows for the year then ended in accordance with prescribed accounting practice and in the manner required by the relevant act.

4. EMPHASIS OF MATTER

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

4.1 Matters affecting the financial statements

4.1.1 Deficit of income over expenditure

In order to create an incentive for hospitals to generate and retain more revenue, the Joint Minmec of Finance and Health accepted the proposal to launch a hospital trading account in some of the provinces. The Karl Bremer Hospital was selected as a pilot project in the Western Cape with effect from 01 April 1999.

Since its inception, the financial position of the trading account was as follows:

Financial year	Funded by Department R'000	Own revenue generated R'000	Net surplus/(deficit) of income over expenditure R'000
1999/2000	43 052	2 362	(15)
2000/2001	50 196	3 168	4 817
2001/2002	55 717	5 805	(2 358)
2002/2003	58 399	8 654	(3 422)

As indicated in the above table, the trading account had a deficit of R 3,422,000 for the year under review.

4.1.2 Linen losses not recorded in the financial statements

No supporting documentation in respect of the linen losses for the year under review could be submitted to audit. Furthermore there are no linen losses disclosed in the financial statements for the year under review.

In reply to a management letter the Senior Medical Superintendent indicated that no linen losses for the 2002/03 financial year was recorded in the theft and losses register as well as the financial statements of the hospital, as the Tygerberg: Laundry Services determines the annual amount of losses incurred for the hospital. This amount has now been determined and will be recorded once a central loss number is obtained from the head office of the department.

This matter will be followed up during the normal course of auditing.

4.2 Matters not affecting the financial statements

4.2.1 Incomplete fixed asset register

It was noted that the fixed asset register was incomplete, as it does not contain the full details of all the assets of the hospital. Proper controls to prevent or eliminate, thefts, losses, wastage or misuse could therefore not be exercised over fixed assets.

In reply to a management letter the Senior Medical Superintendent indicated that the hospital only went live on the Logis System on 17 March 2003 and that the details of the fixed assets are currently being captured on the system by the two provisioning clerks, which will eliminate the risk factors as stated. The updating of this register will take approximately three months.

This matter will be followed up during the normal course of auditing.

4.2.2 No Internal Control Number (ICN) on the fixed assets

On inspection of the fixed assets of the hospital it was noted that the assets do not have an ICN number which should be used to trace the assets to the fixed asset register.

In reply to a management letter the Senior Medical Superintendent indicated that two provisioning clerks were currently busy searching for the ICN numbers of unallocated equipment on the Logis system and that this was an on-going process.

This progress of this process will be followed up during the normal course of auditing.

4.2.3 No reconciliation between the income registers and the FMS system

It was noted that the hospital does not maintain reconciliations in respect of creche fees and nurses home accommodation and meal fees between the income registers amounting to R153, 352 and the Financial Management System (FMS) system amounting to R165, 824. Income may, therefore, not be valid, accurate and complete.

In reply to a management letter the Senior Medical Superintendent indicated that monthly reconciliations are performed in respect of creche funds. However, on a regional basis the reconciliations are not required. The matter has since been revised to comply with the recommendations of the auditors.

This matter will be followed up during the normal course of auditing.

4.2.4 Under-utilisation of theatres

It would appear that Theatre 5B and 6A were not being utilised by the hospital. On enquiry audit was informed that the theatres were not being utilised due to a lack of personnel.

In reply to a management letter the Senior Medical Superintendent indicated that the areas identified are ward areas and not theatre areas, these areas cannot be utilised without the authorisation of Provincial Treasury.

4.2.5 Hospital fees as per FMS does not reconcile to the income register

An irreconcilable difference amounting to R41, 821 exists between the income as per FMS and the income as per the income register. Revenue may therefore be misstated.

In reply to a management letter the Senior Medical Superintendent indicated that the income as per FMS is correct. In future better control mechanisms would be put in place to ensure that monthly reconciliations between the income registers and FMS are performed.

This matter will be followed up during the normal course of auditing.

5. APPRECIATION

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

W.J. Brits
for Auditor- General

Cape Town
30 July 2003

PART 5: HUMAN RESOURCE MANAGEMENT (OVERSIGHT REPORT)

2 Expenditure

Departments budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1) and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary bands within the department.

Table 2.1: Personnel costs by programme, 2002/ 03

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)	Total number of employees
	A	B	C	D	E	F	G
Programme 1	129,503	79,889	536	556	62%	134	596
Programme 2	1,176,513	556,677	309	9,608	47%	93	6000
Programme 3	925,353	611,993	7	12,586	66%	93	6578
Programme 4	1,518,455	1,075,187	4	28,446	71%	119	9053
Programme 5	57,485	50,362	57,485		88%	66	759
Programme 6	66,448	33,820	25	137	51%	74	456
Special Functions	1,805						
Total	3,875,562	2,407,928	58,366	51,333	62%	103	23442

Notes:

- The above expenditure totals and personnel totals excludes the Medsas(100) and Trading Account (563).
- Expenditure of sessional, periodical and abnormal appointments are included in the expenditure but not in the personnel totals which will inflate the average personnel cost per employee.
- Expenditure of the joint establishment is also included in the above and will inflate also the average cost per employee.

Table 2.2: Personnel costs by salary bands, 2002/ 03

Salary bands	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Total number of employees
Lower skilled (Levels 1-2)	209,975	8.96	46	4566
Skilled (Levels 3-5)	496,420	21.18	66	7480
Highly skilled production (Levels 6-8)	980,243	41.83	113	8671
Highly skilled supervision (Levels 9-12)	501,706	21.41	260	1931
Senior management (Levels 13-16)	47,595	20.03	517	92
Other	107,571	4.59	153	702
Total	2,343,510	100.00	100	23442

Notes:

- The above expenditure totals excludes the Medsas (100) and Trading Account (563).
- Expenditure of sessional, periodical and abnormal appointments are included in the expenditure but not in the personnel totals which inflate the average personnel cost per employee.
- Expenditure of the joint establishment is excluded in the above for this reason the average is lower than that of Table 2.1.
- The SMS average is higher because 112 SMS personnel were paid during the year, but only 92 was in service on 31-03-2003.

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, home owners allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

Table 2.3: Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2002/ 03

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Programme 1	R60,357	75.55	R608	0.76	R1,977	2.47	R4,079	5.11
Programme 2	R388,943	69.87	R27,642	4.97	R15,939	2.86	R30,359	5.45
Programme 3	R400,903	65.51	R37,613	6.15	R18,789	3.07	R30,765	5.03
Programme 4	R663,905	61.75	R95,318	8.87	R30,259	2.81	R44,736	4.16
Programme 5	R35,030	69.56	R281	0.56	R699	1.39	R2,244	4.46
Programme 6	R23,670	69.99	R1,508	4.46	R1,583	4.68	R1,764	5.22
Total	R1,572,808	65.32	R162,970	6.77	R69,246	2.88	R113,947	4.73

Notes:

- The above expenditure totals exclude the Medsas and Trading Account.
- Expenditure of sessional, periodical and abnormal appointments are included in the expenditure.
- Expenditure of the joint establishment is excluded in the above.
- Commuted overtime is included in salary bands Highly skilled supervision (Levels 9-12) and Senior Management (Levels 13-16).

Table 2.4: Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands, 2002/ 03

Salary Bands	Salaries		Overtime		Home Owners Allowance		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Lower skilled (Levels 1-2)	R144,804	68.96	R5,706	2.72	R10,529	5.01	R9,534	4.54
Skilled (Levels 3-5)	R342,084	68.91	R11,620	2.34	R20,962	4.22	R30,129	6.07
Highly skilled production (Levels 6-8)	R690,547	70.45	R24,103	2.46	R30,235	3.08	R54,597	5.57
Highly skilled supervision (Levels 9-12)	R297.166	59.23	R109,887	21.90	R6,208	1.24	R15,121	3.01
Senior management (Levels 13-16)	R24,278	51.01	R6,155	12.93	R185	0.39	R1,440	3.03
Other	R73.929	68.73	R5,499	5.11	R1,127	1.05	R3,126	2.91
Total	R1,572,808	67.11	R162,970	6.95	69,246	2.95	R113,947	4.86

Note:

- The above expenditure totals excludes the Medsas and Trading Account.
- Expenditure of sessional, periodical and abnormal appointments are included in the expenditure.
- Expenditure of the joint establishment is excluded in the above.
- Commuted overtime is included in salary bands Highly skilled supervision (Levels 9-12) and Senior Management (Levels 13-16)
- Other refers to employees on a personal salary notch.

3 Employment and Vacancies

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table3.3). Departments have identified critical occupations that need to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department. The vacancy rate reflects the percentage of posts that are not filled.

Table 3.1: Employment and vacancies by programme, 31 March 2003

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Programme 1: Administration	862	573	33.53	23
Programme 2: District Health Services	7587	5983	21.14	17
Programme 3: Hospital Services	9036	7129	21.10	12
Programme 4: Academic Health Services	11768	9040	23.18	13
Programme 5: Health Services	1362	759	44.27	
Programme 6: Health Care Support Services	603	456	24.38	
Medsas Trading Account	166	99	40.36	1
Total	31384	24039	23.40	66

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- Number of posts includes ± 7000 unfunded posts.

Table 3.2: Employment and vacancies by salary bands, 31 March 2003

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2)	6986	4710	32.58	5
Skilled (Levels 3-5)	9847	7692	21.88	11
Highly skilled production (Levels 6-8)	11283	8889	21.22	19
Highly skilled supervision (Levels 9-12)	2433	1960	19.44	4
Senior management (Levels 13-16)	138	95	31.16	
Other	697	693	0.57	27
Total	31384	24039	23.40	66

Notes:

- Nature of appointments (03) Sessions are excluded
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- The above figures include the Medsas (169) and Trading Account (718) posts.
- Number of posts includes ± 7000 unfunded posts.

Table 3.3: Employment and vacancies by critical occupation, 31 March 2003

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Clinical Psychologists	67	53	20.90	0
Clinical Technologists	82	71	13.41	0
Environmental Health Officer	15	13	13.33	3
Industrial Technicians	90	52	42.22	0
Pharmacists	317	208	34.38	0
Total	571	397	30.47	3

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.

The information in each case reflects the situation as at 31 March 2003. For an indication of changes in staffing patterns over the year under review, please refer to section 5 of this report.

4 Job Evaluation

The Public Service Regulations, 1999 introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister for the Public Service and Administration that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 4.1: Job Evaluation, 1 April 2002 to 31 March 2003

Salary band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	6993	1	0.01				
Skilled (Levels 3-5)	9858	17	0.17	3	17.65	1	5.88
Highly skilled production (Levels 6-8)	11317	29	0.26	12	41.38		
Highly skilled supervision (Levels 9-12)	2448	37	1.51	8	21.62		
Senior Management (Service Band A)	106	106	100.00				
Senior Management (Service Band B)	28	28	100.00				
Senior Management (Service Band C)	3	3	100.00				
Senior Management (Service Band D)	1	1	100.00				
Other	724						
Grand Total	31478	222	0.71	23	10.36	1	0.45

Notes:

- Nature of appointments (03) Sessions are excluded.
- Number of posts includes ± 7000 unfunded posts.

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 4.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2002 to 31 March 2003

Beneficiaries	African	Asian	Coloured	White	Total
Female	0	0	1	2	3
Male	1	0	4	5	10
Total	1	0	5	7	13
Employees with a disability	0	0	0	0	0

Notes:

- Nature of appointments (03) Sessions are excluded.

The following table summarises the number of cases where remuneration levels exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 4.3: Employees whose salary level exceed the grade determined by job evaluation, 1 April 2002 to 31 March 2003 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Technical and Associated Professionals (Med Tech Off)	1	6	8	Scarce skills
Medical/Dental/Pharmaceutical Professionals (Specialist)	1	12	3rd notch	Higher salary due to scarce skills
Medical/Dental/Pharmaceutical Professionals (Specialist)	3	11	12	Higher salary due to scarce skills
Nursing Professionals (CPN)	1	8	3rd notch	Higher salary due to scarce skills in rural area

Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2002/03: 6
Percentage of total employment: 0.025

Table 4.4 summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 4.4: Profile of employees whose salary level exceed the grade determined by job evaluation, 1 April 2002 to 31 March 2003 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female				2	2
Male	2			2	4
Total	2			4	6

5 Employment Changes

This section provides information on changes in employment over the financial year.
Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2). (These "critical occupations" should be the same as those listed in Table 3.3)

Table 5.1: Annual turnover rates by salary band for the period 1 April 2002 to 31 March 2003

Salary Band	Number of employees per band as on 1 April 2002	Appointments	Terminations	Turnover rate
Lower skilled (Levels 1-2)	4884	195	207	4.24
Skilled (Levels 3-5)	8141	622	755	9.27
Highly skilled production (Levels 6-8)	9719	663	942	9.69
Highly skilled supervision (Levels 9-12)	2138	434	468	21.89
Senior Management Service Band A	82	3	8	9.76
Senior Management Service Band B	18	0	1	5.56
Senior Management Service Band C	3	0	0	0
Senior Management Service Band D	1	0	0	0
Total	24986	1917	2381	9.53

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- Calculations are per Persal number.

Table 5.1: Annual turnover rates by salary band for the period 1 April 2002 to 31 March 2003

Salary Band	Number of employees per band as on 1 April 2002	Transfers into the department	Transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	4884	2	18	0.37
Skilled (Levels 3-5)	8141	6	54	0.66
Highly skilled production (Levels 6-8)	9719	38	284	2.92
Highly skilled supervision (Levels 9-12)	2138	9	106	4.96
Senior Management Service Band A	82	0	8	9.76
Senior Management Service Band B	18	0	1	5.56
Senior Management Service Band C	3	0	0	0
Senior Management Service Band D	1	0	1	100
Total	24986	55	472	1.89

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- Calculations are per Persal number.
- Transfers out includes 373 laboratory personnel transferred to Department of National Health (NHLS).

Table 5.2: Annual turnover rates by critical occupation for the period 1 April 2002 to 31 March 2003

Occupation	Number of employees per occupation as on 1 April 2002	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Clinical Psychologists	55	28	32	58.18
Clinical Technologists	67	13	6	8.96
Environmental Health Officer	12	4	0	0.00
Industrial Technicians	51	1	2	3.92
Pharmacists	233	90	103	44.21
Total	418	136	143	34.21

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- Calculations are per Persal number.
- Any differences in numbers between 2002 and 2003 is a result of the rectification of occupational classification and Job Title codes.

Table 5.3 identifies the major reasons why staff left the department.

Table 5.3: Reasons why staff are leaving the department

Termination Type	Number	% of total
Death	47	1.65
Resignation	1088	38.14
Expiry of contract	863	30.25
Dismissal – operational changes	9	0.32
Dismissal – misconduct	64	2.24
Dismissal – inefficiency	0	0.00
Discharged due to ill-health	80	2.80
Retirement	151	5.29
Transfers to other Public Service Departments	472	16.54
Other	79	2.77
Total	2853	100.00
Total number of employees who left as a % of the total employment		11.42

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- Calculations are per Persal number.

Table 5.4: Promotions by critical occupation

Occupation	Employees as at 1 April 2002	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
Clinical Psychologists	55	1	1.82	0	0
Clinical Technologists	67	4	5.97	0	0
Environmental Health Officer	12	0	0.00	0	0
Industrial Technicians	51	1	1.96	0	0
Pharmacists	233	5	2.15	2	0.86
Total	418	11	2.63	2	0.48

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- Calculations are per Persal number.

Table 5.5: Promotions by salary band

Salary Band	Employees 1 April 2002	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	4884	2	0.04	522	10.69
Skilled (Levels 3-5)	8141	43	0.53	844	10.37
Highly skilled production (Levels 6-8)	9719	94	0.97	1121	11.53
Highly skilled supervision (Levels 9-12)	2138	57	2.67	167	7.81
Senior management (Levels 13-16)	104	11	10.58	0	0
Total	24986	207	0.83	2654	10.62

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- The above figures includes personnel of the Medsas and Trading Account.

6 Employment Equity

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

Table 6.1: Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2003

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2	10	2	11	0	2	1	7	35
Professionals	149	388	94	996	636	2807	98	1505	6673
Technicians and associate professionals	85	218	2	62	300	1958	14	491	3130
Clerks	113	738	3	203	166	1017	3	597	2840
Service and sales workers	230	1173	28	171	554	4023	8	382	6569
Craft and related trades workers	3	77	1	84	0	2	0	0	167
Plant and machine operators and assemblers	12	131	2	3	0	15	0	0	163
Elementary occupations	415	1136	1	87	460	2340		89	4528
Total	1009	3871	133	1617	2116	12164	124	3071	24105
Employees with disabilities	5	23	0	35	2	21	0	29	115

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- The above figures includes the Medsas and Trading Account.

Table 6.2: Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2003

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	1	1	0	0	0	1	3
Senior Management	2	11	7	57	0	2	1	12	92
Professionally qualified and experienced specialists and mid-management	58	212	73	835	43	157	59	629	2066
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	173	1150	45	505	804	4848	53	1774	9352
Semi-skilled and discretionary decision making	307	1377	4	149	735	4662	9	628	7871
Unskilled and defined decision making	469	1121	3	70	534	2495	2	27	4721
Total	1009	3871	133	1617	2116	12164	124	3071	24105

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- The above figures includes the Medsas and Trading Account.
- Senior Management includes Senior Professionals.

Table 6.3: Recruitment for the period 1 April 2002 to 31 March 2003

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									0
Senior Management	1	1	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	13	39	24	148	11	29	19	152	435
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	21	85	25	93	56	178	24	181	663
Semi-skilled and discretionary decision making	67	230	19	41	64	156	4	41	622
Unskilled and defined decision making	20	40	0	2	37	78	0	18	195
Total	122	395	68	284	168	441	47	392	1917
Employees with disabilities	0	2	0	0	0	0	0	1	3

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- The above figures includes the Medsas and Trading Account.
- Senior Management includes Senior Professionals.

Table 6.4: Promotions for the period 1 April 2002 to 31 March 2003

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	1	0	0	0	0	1
Senior Management	0	2	1	4	0	1	0	2	10
Professionally qualified and experienced specialists and mid-management	2	11	2	13	1	11	2	15	57
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	5	31	2	7	3	25	1	20	94
Semi-skilled and discretionary decision making	3	19	0	1	2	18	0	0	43
Unskilled and defined decision making	1	0	0	0	0	1	0	0	2
Total	11	63	5	26	6	56	3	37	207
Employees with disabilities	0	0	0	0	0	0	0	0	0

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- The above figures includes the Medsas and Trading Account.
- Senior Management includes Senior Professionals.

Table 6.5: Terminations for the period 1 April 2002 to 31 March 2003

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	1	1	9	0	0	0	0	11
Professionally qualified and experienced specialists and mid-management	8	50	21	167	9	28	15	168	466
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	31	64	13	91	115	367	30	231	942
Semi-skilled and discretionary decision making	48	208	0	33	72	287	2	105	755
Unskilled and defined decision making	35	55	1	2	21	86	0	7	207
Total	122	378	36	302	217	768	47	511	2381
Employees with disabilities	0	1	0	2	0	0	0	3	6

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- The above figures includes the Medsas and Trading Account.
- Senior Management includes Senior Professionals.

Table 6.6: Disciplinary action for the period 1 April 2002 to 31 March 2003

	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	1	5	0	0	1	16	0	1	24
Correctional Counselling	1	4	0	0	3	20	0		28
Verbal warning	1	4	0	0	3	20	0		28
Written warning	1	7	0	2	2	25	0		37
Final written warning	1	10	0	1	3	8	0		23
Suspension without pay	0	0	0	0	0	0	0	0	0
Fine	0	0	0	0	0	0	0	0	0
Demotion	0	0	0	0	0	1	0	1	2
Dismissal	10	26	0	3	2	5	0	0	46
Not guilty	0	0	0	0					
Case withdrawn					0	0	0	0	0
Total	14	52	0	6	11	75	0	2	160

Table 6.7: Skills development for the period 1 April 2002 to 31 March 2003

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	3	1	1	0	1	0	0	6
Professionals	137	337	7	135	391	1844	37	1215	4103
Technicians and associate professionals	46	428	2	155	64	290	6	317	1308
Clerks	23	110	0	42	11	414	0	170	770
Service and sales workers	42	191	0	35	133	974	2	158	1535
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	42	2	42	0	0	1	5	92
Plant and machine operators and assemblers	1	33	0	1	0	53	0	3	91
Elementary occupations	47	239	0	39	81	234	0	6	643
Total	296	1383	12	447	680	3810	46	1874	8548
Employees with disabilities	0	0	0	0	0	0	0	0	0

7 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability (Table 6.1), salary bands (table 6.2) and critical occupations (Table 6.3).

Table 7.1: Performance Rewards by race, gender, and disability, 1 April 2002 to 31 March 2003

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	3	1009	0.00	13	4
Female	4	2116	0.00	16	4

	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
Asian					
Male	0	133	0.00	0	0
Female	0	124	0.00	0	0
Coloured					
Male	17	3871	0.00	114	7
Female	50	12164	0.00	294	6
White					
Male	9	1617	0.01	170	19
Female	31	3071	0.01	361	12
Employees with a disability	11	115	0.10		
Total	114	24105	12.47	968	8

Notes:

- Nature of appointments (03) Sessional are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- Calculations are per Persal number.
- Performance awards includes merit awards, allowances 0228 and 0411.
- Notch increments were not granted for reporting period.
- Employees with a disability is included in "TOTAL".
- Excluding Senior Management.

Table 7.2: Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2002 to 31 March 2003

Salary Bands	Beneficiary Profile			Cost		
	Number of bene-ficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	35	4721	0.74	R110	3	0.00
Skilled (Levels 3-5)	18	7871	0.23	R103	6	0.00
Highly skilled production (Levels 6-8)	52	9352	0.56	R570	11	0.02
Highly skilled supervision (Levels 9-12)	9	2066	0.44	R185	21	0.01
Total	114	24010	0.47	R968	8	0.04

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- Calculations are per Persal number.
- Performance awards includes merit awards and allowances 0228 and 0411.
- Excluding Senior Management.
- Notch increments were not granted for year under review.

Table 7.3: Performance Rewards by critical occupations, 1 April 2002 to 31 March 2003

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Clinical Psychologists	0	53	0.00	0	0
Clinical Technologists	2	71	2.82	29	15
Environmental Health Officer	0	16	0.00	0	0
Industrial Technicians	0	52	0.00	0	0
Pharmacists	0	208	0.00	0	0
Total	2	400	0.50	29	15

Notes:

- Nature of appointments (03) Sessions are excluded.
- Nature of appointments (17) Periodical and (32) Abnormal are also excluded. No posts.
- Calculations are per Persal number.
- Performance awards includes merit awards, and allowances 0228 and 0411.
- Notch increments were not granted for year under review.

Table 7.4: Performance related rewards (cash bonus), by salary band, for Senior Management Service

Salary Band	Beneficiary Profile			Cost			
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure	Personnel cost per Band (R'000)
Band A	15	74	20.27	179	12	0.006	30,162
Band B	5	18	27.78	83	17	0.010	8,661
Band C	2	2	100.00	46	23	0.040	1,148
Band D	1	1	100.00	25	25	0.034	739
Total	23	95	24.21	333	14	0.008	40,710

8 Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 8.1: Foreign Workers, 1 April 2002 to 31 March 2003, by salary band

Salary Band	1 April 2002		31 March 2003		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	12	6.98	6	3.59	-6	-120.00
Skilled (Levels 3-5)	7	4.07	10	5.99	3	60.00
Highly skilled production (Levels 6-8)	66	38.37	52	31.14	-14	-280.00
Highly skilled supervision (Levels 9-12)	82	47.67	94	56.29	12	240.00
Senior management (Levels 13-16)	5	2.91	2	1.20	-3	-60.00
Other	0	0.00	3	1.80	3	60.00
Grand Total	172	100.00	167	100.00	-5	100

Notes:

- Nature of appointments 03, 17 and 32 are not included.

Table 8.2: Foreign Worker, 1 April 2002 to 31 March 2003, by major occupation

Major Occupation	1 April 2002		31 March 2003		Change	
	Number	% of total	Number	% of total	Number	% change
Admin Office Workers	1	0.58	2	1.20	1	-20.00
Craft Related Workers	1	0.58	1	0.60	0	0.00
Elementary Occupations	11	6.40	5	2.99	-6	120.00
Professionals and Managers	137	79.65	143	85.63	6	-120.00
Service Workers	2	1.16	8	4.79	6	-120.00
Soc Nat Tech Med Science Prof	9	5.23	0	0.00	-9	180.00
Technical and Ass Professionals	11	6.40	8	4.79	-3	60.00
Grand Total	172	100	167	100	-5	100.00

Notes:

- Nature of appointments 03, 17 and 32 are not included.

9 Leave utilisation for the period 1 January 2002 to 31 December 2002

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 9.1) and disability leave (Table 9.2). In both cases, the estimated cost of the leave is also provided.

Table 9.1: Sick leave, 1 January 2002 to 31 December 2002

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	42542	78.17	4114	20.87	10.34	5,209
Skilled (Levels 3-5)	61542	81.38	6760	34.29	9.10	10,778
Highly skilled production (Levels 6-8)	69536	80.02	7964	40.40	8.73	20,895
Highly skilled supervision (Levels9-12)	5430	71.62	846	4.29	6.42	3,059
Senior management (Levels 13-16)	183	87.98	29	0.15	6.31	174
Total	179233	79.80	19713	100	9.09	41,686

Notes:

- Nature of appointments 03, 17 and 32 are not included.
- The number of 720 "Other" under total 24105 (Table 3.2) is included in "Levels".

Table 9.2: Disability leave (temporary and permanent), 1 January 2002 to 31 December 2002

Salary Band	Total days taken	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	8594	8580	424	28.49	20.27	1,051
Skilled (Levels 3-5)	9623	9584	469	31.52	20.52	1,743
Highly skilled production (Levels 6-8)	10853	10818	567	38.10	19.14	3,242
Highly skilled supervision (Levels 9-12)	605	606	26	1.75	23.27	341
Senior management (Levels 13-16)	50	50	2	0.13	25.00	74
Total	29725	29638	1488	100.00	19.98	6,451

Notes:

- Nature of appointments 03, 17 and 32 are not included.
- The number of 720 "Other" under total 24105 (Table 3.2) is included in "Levels".

Table 9.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000, requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 9.3: Annual Leave, 1 January 2002 to 31 December 2002

Salary Bands	Total days taken	Average days per employee
Lower skilled (Levels 1-2)	120,098	25
Skilled (Levels 3-5)	229,791	29
Highly skilled production (Levels 6-8)	298,572	31
Highly skilled supervision (Levels 9-12)	46,532	21
Senior management (Levels 13-16)	2,564	23
Total	697,557	28

Notes:

- Nature of appointments 03, 17 and 32 are not included.

Table 9.4: Capped leave, 1 January 2002 to 31 December 2002

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2002	Number of employees as at 31 December 2002	Total number of capped leave available as at 31 December 2002
Lower skilled (Levels 1-2)	9703	2	19	4804	90661
Skilled (Levels 3-5)	18895	2	30	8280	245242
Highly skilled production (Levels 6-8)	24064	3	44	9206	405621
Highly skilled supervision (Levels 9-12)	3834	2	23	1979	46403
Senior management (Levels 13-16)	223	2	73	94	6835
Total	56719	2	33	24363	794762

Notes:

- Nature of appointments 03, 17 and 32 are not included.

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

Table 9.5: Leave payouts for the period 1 April 2002 to 31 March 2003

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2002/03 due to non-utilisation of leave for the previous cycle	684	322	2
Capped leave payouts on termination of service for 2002/03	4,263	259	16
Current leave payout on termination of service for 2002/03	1,967	761	3
Total	6,914	1342	5

10 HIV/AIDS & Health Promotion Programmes

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
Medical & Nursing Staff (Needle stick injury)	Posts exposure profile access

Table 10.2: Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Mrs B Arries Chief Director: Human Resources
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		All expenses was funded by the Branch Special health projects
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes (EAP)		A number of regions have already instituted EAP services (internal and outsourced models) for staff within their regions. Some regions do not have such support available as yet nor do they have the capacity to provide such a service. The existing gaps in provision of EAP services are being addressed. A Departmental EAP Programme is in the process of being developed with the intention to improve co-ordination of the EAP service and to serve those regions that do not currently offer an EAP service.
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.		No	
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.		No	Employment policies and practices do not unfairly discriminate against employees on basis of HIV status
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.		No	
7. Does the department encourage its employees to undergo Voluntary Counseling and Testing? If so, list the results that you have you achieved.	Yes		Will only be available for period 1/4/03 – 31/3/04
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		A knowledge attitude conducted by the Department during period under review.

Note:

- The HIV/AIDS Programmes will be addressed in the period 1 April 2003 – 31 March 2004
- R1.1 million has been budgeted for this purpose.

11 Labour Relations

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

Table 11.1: Collective agreements, 1 April 2002 to 31 March 2003

Total collective agreements	None

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 11.2: Misconduct and disciplinary hearings finalised, 1 April 2002 to 31 March 2003

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	24	15
Verbal warning	28	17.5
Written warning	37	23
Final written warning	23	14.4
Suspended without pay	0	0
Fine	0	0
Demotion	2	1.3
Dismissal	46	28.8
Not guilty	0	0
Case withdrawn	0	0
Total	160	

Table 11.3: Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Absent from work without permission	93	58.1
Fails to comply with or contravenes an act	39	24.4
Fails to carry out order or instruction	9	5.6
Assault/attempts to threaten to assault	2	1.3
Conduct him/herself in improper/unacceptable manner	1	0.6
Possess or wrongfully uses property of the state	4	2.5
Wilfully or negligently mismanages finances of the state	4	2.5
Damages and/or causes loss of state property	2	1.3
Falsifies records or any document	1	0.6
Contravenes any code of conduct of the state	1	0.6
Theft, bribes and commit fraud	4	2.5
Total	160	

Table 11.4: Grievances lodged for the period 1 April 2002 to 31 March 2003

	Number	% of Total
Number of grievances resolved	1	3.7
Number of grievances not resolved	27	96.3
Total number of grievances lodged	28	

Table 11.5: Disputes lodged with Councils for the period 1 April 2002 to 31 March 2003

	Number	% of Total
Number of disputes upheld	10	52.6
Number of disputes dismissed	9	47.4
Total number of disputes lodged	19	

Table 11.6: Strike actions for the period 1 April 2002 to 31 March 2003

Total number of person working days lost	2 days (22 person)
Total cost (R'000) of working days lost	R 1931.33
Amount (R'000) recovered as a result of no work no pay	R 1931.33

Table 11.7: Precautionary suspensions for the period 1 April 2002 to 31 March 2003

Number of people whose suspension exceeded 30 days	6
Average number of days suspended	524
Cost (R'000) of suspensions	R 108 036.40

12 Skills development

This section highlights the efforts of the department with regard to skills development.

Table 12.1: Training needs identified 1 April 2002 to 31 March 2003

Occupational Categories	Gender	Number of employees as at 1 April 2002	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	7		Oliver Tambo Fellowship Programme Provincial Executive Program (PEP) Senior Executive Management Programme (SEMP) J&J Hospital Leadership		7
	Male	23		Oliver Tambo Fellowship Programme Provincial Executive Program (PEP) Senior Executive Management Programme (SEMP) J&J Hospital Leadership		12
Professionals	Female	6520		Middle Management Skills Development Facilitator (SDF) Women in Management Project Management Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Basic Supervision Supervision	Financial assistance: Post Basic Nurse Training (Professional category i.e. RN) Full-time bursaries: B Cur Degree: Nursing Full-time bursaries: Health Science students	541

Occupational Categories	Gender	Number of employees as at 1 April 2002	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
				HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	Full-time Bursaries: Support Service Part-time Bursaries: Non Nursing	
	Male	1839		Middle Management Skills Development Facilitator (SDF) Project Management Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Basic Supervision Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	Post Basic Nurse Training (Professional category i.e. RN) Full-time bursaries: B Cur Degree: Nursing Full-time bursaries: Health Science students Full-time Bursaries: Support Service	344
Technicians and associate professionals	Female	271		Middle Management Women in Management Project Management Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	Basic Nurse Training (R425 Diploma/ Degree) Part-time Bursaries: Non Nursing	104

Occupational Categories	Gender	Number of employees as at 1 April 2002	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	Male	125		Middle Management Project Management Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Supervision HR Management Presentation skills	Basic Nurse Training (R425 Diploma/ Degree) Part-time Bursaries: Non Nursing	81
				Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training		
Clerks	Female	1809		Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	Full-time Bursaries: Support Service Part-time Bursaries: Non Nursing	550
	Male	1090		Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Basic Supervision Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	Full-time Bursaries: Support Service Part-time Bursaries: Non Nursing	470

Occupational Categories	Gender	Number of employees as at 1 April 2002	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Service and sales workers	Female	6226		Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Basic Supervision Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Applied Computer Literacy and Office Management (ACLOM)	Financial Assistance: Bridging Nurse Training	626
	Male	1321	Pharmacist Assistants	Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Basic Supervision Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Applied Computer Literacy and Office Management (ACLOM)	Financial Assistance: Bridging Nurse Training Part-time Bursaries: Non Nursing	346
Skilled agriculture and fishery workers	Female	0				0
	Male	0				0
Craft and related trades workers	Female	2		Basic Supervision Communication Problem solving & Decision making ABET Applied Computer Literacy and Office Management (ACLOM)	Part-time Bursaries: Non Nursing	5

Occupational Categories	Gender	Number of employees as at 1 April 2002	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	Male	186		Basic Supervision Communication Problem solving & Decision making ABET Applied Computer Literacy and Office Management (ACLOM)	Part-time Bursaries: Non Nursing	27
Plant and machine operators and assemblers	Female	27		Basic Supervision Communication Problem solving & Decision making ABET Applied Computer Literacy and Office Management (ACLOM)		10
	Male	175		Basic Supervision Communication Problem solving & Decision making ABET Applied Computer Literacy and Office Management (ACLOM)		38
Elementary occupations	Female	3525		ABET Applied Computer Literacy and Office Management (ACLOM) Client Care Interpersonal Skills Life Skills Stress Management Basic Supervision Communication Problem solving & Decision making	Part-time Bursaries: Non Nursing	
	Male	1874		ABET Applied Computer Literacy and Office Management (ACLOM) Client Care Interpersonal Skills Life Skills Stress Management Basic Supervision Communication Problem solving & Decision making	Part-time Bursaries: Non Nursing	
Sub Total	Female	18398				
	Male	6700				
Total		25098				

Table 12.2: Training provided 1 April 2002 to 31 March 2003

Occupational Categories	Gender	Number of employees as at 1 April 2003	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	9		Oliver Tambo Fellowship Programme		1
	Male	23		Oliver Tambo Fellowship Programme Provincial Executive Program (PEP) Senior Executive Management Programme (SEMP) J&J Hospital Leadership		5
Professionals	Female	4647		J&J Hospital Leadership Skills Senior Executive Management Programme (SEMP) Skills Development Facilitator (SDF) Women in Management Project Management Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Basic Supervision Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	<u>Bursaries</u> Full-time Health Science students Total: 213 Full-time Nurse Training (FTNT): B Cur Degree: Nursing Total: 115 <u>In Student Posts</u> FTNT: B Cur Degree Total: 146 FTNT: R425 Nursing Diploma Total: 325 Full-time Post Basic Nurse Training: (FTPBNT) (Professional category i.e. RN) Total: 20 Part-time Post Basic Nurse Training (PTPBNT) (Professional category i.e. RN) Total: 89 Part-time Bursaries: Non Nursing Total: 33	3487
	Male	1264		J&J Hospital Leadership Skills Senior Executive Management Programme (SEMP) Skills Development Facilitator (SDF) Project Management Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management	<u>Bursaries</u> Full-time Health Science students Total: 38 Full-time Nurse Training (FTNT): B Cur Degree: Nursing Total: 15	616

Occupational Categories	Gender	Number of employees as at 1 April 2003	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
				Basic Supervision Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	In Student Posts FTNT: B Cur Degree Total: 15 FTNT: R425 Nursing Diploma Total: 115 Full-time Post Basic Nurse Training: (FTPBNT) (Professional category i.e. RN) Total: 2 Part-time Post Basic Nurse Training: (PTPBNT) (Professional category i.e. RN) Total: 9 Part-time Bursaries: Non Nursing Total: 9	
Technicians and associate professionals	Female	2691		Women in Management Project Management Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	Bridging Course: ENA to EN and EN RN Total: 80 Part-time Bursaries: Non Nursing Total: 6	677
	Male	362		Project Management Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Supervision HR Management Presentation skills Group Dynamics Orientation	Bridging Course: ENA to EN and EN RN Total: 4 Part-time Bursaries: Non Nursing Total: 4	631

Occupational Categories	Gender	Number of employees as at 1 April 2003	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
				Communication Diversity Management Problem solving & Decision making Computer training Finance Training		
Clerks	Female	1706		Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	Bursaries Full-time: Support Services Total: 5 Part-time Bursaries: Non Nursing Total: 13	596
	Male	1042		Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Basic Supervision Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Finance Training	Bursaries Full-time: Support Services Total: 2 Part-time Bursaries: Non Nursing Total: 18	175
Service and sales workers	Female	4881	Pharmacist Assistants Total 85 Pupil Nurse Auxiliary (18.2, unemployed learners) Total 20	Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Basic Supervision Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management		1267

Occupational Categories	Gender	Number of employees as at 1 April 2003	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
				Problem solving & Decision making Computer training Applied Computer Literacy and Office Management (ACLOM)		
	Male	1482	Pharmacist Assistants	Client Care Interpersonal Skills Life Skills Meeting Skills Stress Management Basic Supervision Supervision HR Management Presentation skills Group Dynamics Orientation Communication Diversity Management Problem solving & Decision making Computer training Applied Computer Literacy and Office Management (ACLOM)		268
Skilled agriculture and fishery workers	Female	0				0
	Male	0				0
Craft and related trades workers	Female	2		Basic Supervision Communication Problem solving & Decision making ABET Applied Computer Literacy and Office Management (ACLOM)		6
	Male	164		Basic Supervision Communication Problem solving & Decision making ABET Applied Computer Literacy and Office Management (ACLOM)	Part-time Bursaries: Non Nursing Total: 2	86
Plant and machine operators and assemblers	Female	14		Basic Supervision Communication Problem solving & Decision making ABET Applied Computer Literacy and Office Management (ACLOM)		56

Occupational Categories	Gender	Number of employees as at 1 April 2003	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
	Male	147		Basic Supervision Communication Problem solving & Decision making ABET ACLOM		35
Elementary occupations	Female	2847		ABET Applied Computer Literacy and Office Management (ACLOM) Client Care Interpersonal Skills Life Skills Stress Management Basic Supervision Communication Problem solving & Decision making		321
	Male	1628		ABET ACLOM Client Care Interpersonal Skills Life Skills Stress Management Basic Supervision Communication Problem solving & Decision making	Part-time Bursaries: Non Nursing Total: 1	322
Sub Total	Female	16891				6410
	Male	6112				2133
Total		23003				8548

13 Injury on duty

The following tables provide basic information on injury on duty.

Table 13.1: Injury on duty, 1 April 2002 to 31 March 2003

Nature of injury on duty	Number	% of total
Required basic medical attention only	191	47.16
Temporary Total Disablement	212	52.35
Permanent Disablement	2	0.49
Fatal	0	
Total	405	100

14 Utilisation of Consultants

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
Health Care 2010	1	182	38 360.10
"Stichting Overlerlegorgaan Geestelijke Gezondheidszorg" (SOGG)	2	365	127 120.00
Persal	1	365	336 558.76
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
3	4	912	502 038.36

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
0	0	0	0

Table 14.3: Report on consultant appointments using Donor funds

Project Title	Total Number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
EU Funding	1	20	76 990.74
World Population Fund	1	365	120 000.00
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
2	2	385	196 990.74

Table 14. 4: Analysis of consultant appointments using Donar 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
0	0	0	0