



ANNUAL REPORT 2008/2009



health

Department of
Health
FREE STATE PROVINCE

FREE STATE DEPARTMENT OF HEALTH ANNUAL REPORT 2008/2009

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PART A



VISION

The vision of the department is:
“A healthier Free State community”

MISSION

- The department endeavors:
- To lead in the delivery of quality and affordable public health care.
- To be a caring /empathic service provider.
- To be the preferred health sector employer.

VALUES

- The key determinants of relationships within the department are:
- Accountability,
- Batho Pele,
- Botho,
- Commitment,
- Integrity
- Interdependence
- Team work
- Respect
- Mutual respect and assistance
- Collectivism, openness and frankness.
- Deal with issues and not people

KEY ENABLERS

- Team approach.
- Government cluster approach and inter-sectoral collaboration.
- Team work
- Alignment
- Strategy to create a new culture
- Effective implementation
- Monitoring and evaluation
- Timely corrective actions

LIST OF ACRONYMS

Abbreviation Actual

Supply Chain Management and other finance related

AMR	Asset Management Reform
BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
EBT	Electronic Banking Transfer
EPWP	Expanded Public Works Programme
IYM	In Year Monitoring
PFMA	Public Finance Management Act
PROPAC	Provincial Public Accounts Committee
RAP	Risk Assessment Plan
SCM	Supply Chain Management
SMME	Small Medium and Micro Enterprises

Emergency Medical Services

EMS	Emergency Medical Services
ALS	Advanced Life Support
BLS	Basic Life Support
ECP	Emergency Care Practitioners
ILS	Intermediate Life Support
AEA	Ambulance Emergency Assistant (similar to ILS)
PPT	Planned Patient Transport
FSCOEC	Free State College of Emergency Care

Health Sciences and Training

ABET	Adult Basic Education and Training
CHW	Community Health Care Workers
CPD	Continuous Professional Development
CUT	Central University of Technology
FET	Further Education and Training
FSSON	Free State School of Nursing
HPT&D	Health Professionals Training and Development
HWSETA	Health and Welfare Sector Education and Training Authority
ICAM	Interactive Communication and Management System.
NQF	National Qualification Framework
RPL	Recognition of Prior Learning
SANC	South African Nursing Council
UFS	University of the Free State

Health Services

CHSC	Clinical Health Services Cluster
RMSC	Resource Management and Support Cluster
SHP & MSC	Strategic Health Programmes and Medical Support Cluster
DHS	District Health System
DHS	District Health Services
PHC	Primary Health Care
CHC	Community Health Centres
FPS	Forensic Pathology Services
QA	Quality Assurance
ICC	Inter Cluster Committee
ICT	Information, Communication Technology
IT	Information Technology
UAH	Universitas Academic Hospital
MMM	Mofumahadi Manapo Mopeli

Abbreviation Actual

FSPC	Free State Psychiatric Complex
AFP	Acute Flaccid Paralysis
ALOS	Average Length of Stay
ART	Anti-Retroviral Treatment
ARV	Anti-Retroviral
Ass D	Assistive Delivery
BCOCC	Border Control Coordinating Committee
BFHI	Baby Friendly Hospital Initiative
BME	Benefit Medical Examination (for ex miners)
BOR	Bed Occupancy Rate
BANC	Basic Antenatal Care
BUR	Bed Utilisation Rate
CBR	Community-based Rehabilitation
CDO	Chief Divisional Officer
CEO	Chief Executive Officer
CCMT	Comprehensive Care, Management and Treatment Plan for HIV and AIDS
CHPPIP	Children Perinatal Problem Identification Programme
CTOP	Choice on Termination of Pregnancy
DORT	Disease Outbreak Response Team
DOTS	Directly Observed Treatment Support
EAP	Employee Assistance Programme
EHP	Environmental Health Practitioner
EPI	Expanded Programme on Immunisation
ETR	Electronic TB Register
HAST	HIV/AIDS/STI and TB Control
HBC	Home Based Care
HTA	High Transmission Area
ICU	Intensive care Unit
IEC	Information, Education and Communication
IMCI	Integrated Management of Childhood Illnesses
KSMC	Khomanani Social Mobilisation Campaign
LBW	Low birth weight
MCWH	Maternal, Child and Women's Health
MDR	Multi Drug Resistant
NMR	Neonatal Mortality Rate
OHS	Occupational Health and Safety
OHS & EW	Occupational Health and Employee Wellness
OSD	Occupation Specific Dispensation
OT	Occupational Therapy
PCR	Polymerase Chain Reaction
PDE	Patient Day Equivalent
PEP	Post Exposure Prophylaxis (for victims of rape)
PHO	Port Health Officers
PLWA	People Living with HIV and AIDS
PMTCT	Prevention of Mother to Child Transmission
PNMR	Perinatal Mortality Rate
PPIP	Perinatal Problem Identification Programme
RED	Reach Every District
SMS	Short Message Service
STI	Sexually Transmitted Infections
STRETCH	Streamlining Tasks, Rules, Expanding Treatment and Care of HIV and AIDS
TAT	Turnaround Time

Abbreviation Actual

TB	Tuberculosis
TOP	Termination of Pregnancy
TTO	To Take Out
VCCT	Voluntary Confidential Counselling and Testing
VEP	Victim Empowerment Programme
YFS	Youth Friendly Service

Planning

APP	Annual Performance Plan
DMER	District Health Expenditure Review
IHPF	Integrated Health Planning Framework
MDG	Millennium Development Goals
MTS	Modernisation of Tertiary Services
MTEF	Medium Term Expenditure Framework
STP	Service Transformation Plan

Systems

BAS	Basic Accounting System
BMMS	Building Maintenance Management System
DHIS	District Health Information System
HISP	Hospital Information System
PADS	Patient Administration and Debtors System
PERSAL	Personnel and Salary System
OSD	Occupational Specific Dispensation

Other

CANSA	Cancer Association of South Africa
CBO	Community Based Organisation
COHSASA	The Council for Health Service Accreditation of South Africa
DPWRT	Department of Public Works, Roads and Transport
DSPN	Designated Service Provider Network
EPWP	Expanded Public Works Programme
FBO	Faith Based Organisation
GIAMA	Government Immovable Assets Management Act
ICF	International Classification of Functioning, Disability and Health
ITAC	Information Technology Advisory Committee
LG	Local Government
MRC	Medical Research Council
NCCEMD	National Committee on Confidential Enquiries into Maternal Deaths
NDoH	National Department of Health
NGO	Non-governmental Organisation
NPO	Non-profit Organisation
PPP	Public Private Partnership
SANDF	South African National Defence Force
SAPS	South African Police Services
SARS	South African Revenue Services
SEMDSA	Society for Endocrinology, Metabolism and Diabetes for South Africa
SITA	State Information Technology Agency
SLA	Service Level Agreement
DOD	Department of Defence
DOJ	Department of Justice
SAPS	South African Police Services
DCO	Department of Correctional Services
WCA	Workmen's Compensation Act

REGULATORY ENVIRONMENT

The Free State Department of Health derives its mandate from the following legislation:

- Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- National Health Act, 1977 (Act No. 63 of 1977)
- National Health Act, 2003 (Act No. 61 of 2003)
- Free State Hospitals Act, 1996 (Act No. 13 of 1996)
- Free State Health Act, 1999 (Act No. 8 of 2000)
- Free State School Health Services Act, 1998 (Act No. 11 of 1998)
- Free State Nursing Education Act, 1998 (Act No. 15 of 1998)

The Department functions within the provisions of all applicable legislation including:

- Public Audit Act, 1995 (Act No. 25 of 2004)
- Public Finance Management Act, 1999 (Act No. 1 of 1999 as amended by Act No 29 of 1999) [PFMA]
- Public Service Act, 1994, (Proclamation 103 of 1994)
- Labour Relations Act, 1995 (Act No. 66 of 1995)
- Basic Conditions of Employment Act, 1997 (Act No 75 of 1997)
- Treasury Regulations issued in terms of the PFMA
- Free State Provincial Revenue Act, 1998 (Act 12 of 1998)
- Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)
- Division of Revenue Act, 2007 (Act 1 of 2007)
- Free State Appropriation Act, 2005 (Act 1 of 2005)
- Free State Adjustment Appropriation Act, 2005 (Act 9 of 2005)

Health Sector Legislation

- Mental Health Act, 1973 (Act No. 18 of 1973)
- Mental Health Care Act, 2002 (Act No. 17 of 2002)
- Medicines and Related Substances Act, 1965 (Act No. 101 of 1965)
- Human Tissue Act, 1983 (Act No. 65 of 1983)
- Pharmacy Act, 1974 (Act No. 53 of 1974)
- Health Professions Act, 1974 (Act No. 56 of 1974)
- Health Laws Amendment Act, 1977 (Act No. 36 of 1977)
- Nursing Act, 1978 (Act No. 50 of 1978)
- Dental Technicians Act, 1979 (Act No. 19 of 1979)
- Prevention and Treatment of Drug Dependency Act, 1992 (Act No. 20 of 1992)
- Choice on Termination of Pregnancy Act, 1996 (Act No. 92 of 1996)
- Sterilisation Act, 1998 (Act No. 44 of 1998)
- National Health Laboratory Service Act, 2000 (Act No. 37 of 2000)
- Traditional Health Practitioners Act, 2004 (Act No. 35 of 2004)
- Free State Initiation School Health Act, 2004 (Act No. 1 of 2004)
- Atmospheric Pollution Prevention Act, 1965 (Act No. 45 of 1965)
- Hazardous Substance Act, 1973 (Act No. 15 of 1973)
- Health and Welfare Matters Second Amendment Act, 1993 (Act No. 180 of 199)
- Promotion of Access to Information Act 9 (Act No. 3 of 2000)
- Promotion of Administrative Justice Act (Act No. 2 of 2000)

REPORT OF THE EXECUTIVE AUTHORITY

This report accounts to the stakeholders for service delivery according to the mandate of the department and in line with the Annual Performance Plan for the 2008/2009 period.

The Annual Performance Plan was aligned with the political and strategic direction contained in the following policy documents:

- Government Programme of Action.
- State of the Nation Address of the President.
- State of the Province Address of the Premier.
- 2014 Vision.
- Millennium Development Goals.
- Free State Provincial Growth and Development Plan.
- National Department of Health Strategic Plan 2005/ 2006 to 2007/2008.

The priorities for the coming year have been aligned with the election manifesto of the new term of government on which the national health ten point plan is based. The department will continue with its aims for meaningful community participation in health care delivery.

For this ideal District Health plans were approved by District Health Councils. The department participated in a series of activities to support development of IDPs of local government and encouraged alignment of these with the District Health Plans.

The department of health remains a major contributor to the Free State economy with a strong bias for previously disadvantaged individuals. The following figures for the 2008/09 financial year for the Free State Department of Health illustrate this:

Free State Growth and Development strategy indicator	2008/09 actual
R value of contracts from FSPG awarded in total	R 260,728,888.88
R value of contracts from FSPG awarded to FS companies (Actual)	R103,453,051.43
Number of contracts awarded by Provincial Departments (Actual)	61
Number of contracts awarded by FSPG to FS companies (Actual)	31
Number of contracts awarded to FS black empowerment and HDI companies (Actual)	26
% of Contracts awarded to BEE/HDI companies by value (Actual)	32.28
R (million) of contracts from FSPG awarded to FS based BEE/HDI companies (Actual)	R73,714,622.83

BAS report and information system managed by Supply Chain Management

The department was under tremendous pressure from a high demand for care from HIV and AIDS patients. We have done our best and worked closely with our donor partners to improve coverage in this regard. We hope that the increase in patient numbers will stabilize and we can start reversing the trend. We remain committed to a healthy Free State community.

I hereby confirm that the Annual Report for 2008/2009 accurately reflects the performance of the Free State Department of Health.



Ms ES Mabe: Mec For Health Free State Provincial Legislature

Date:

REPORT OF THE HEAD OF DEPARTMENT

The past year has been characterized by major global and local economic challenges. These and other factors have seriously impacted on the health sector as a whole by increasing costs of medicines, consumables and other operations. The energy crisis together with higher interest rates brought about significant pressures on goods and services and personnel costs, which could not be compensated for from the fiscus.

Whilst the funding allocation to provinces is based on the population numbers, it ignores the provincial burden of disease, which is a significant variable in how resources are deployed within the department.

It has been difficult to balance priorities within the available resources and ensure implementation of all health programmes. Nevertheless the department has been able to sustain basic health services under difficult circumstances.

The need for additional funding in the sector cannot be downplayed.

The allocated budget of R 4,469,305 billion was used to deliver on the mandate of health service delivery as follows:

- The largest portion of the budget, an amount of R1,591,717 million was allocated to Primary Health Care Services at clinic and district hospital services. This is where patients enter the referral system
- An amount of R225,798 million was allocated to strengthen Emergency Medical Services. This is an increase of 17.86% from the previous financial year.
- Regional and Central Hospital Services were allocated R1 180 189 million, an increase of 23%, and R788 414 million, (an increase of 15%).
- Health Sciences received R121,733 million, an increase of 9%, to fund the training needs in the Department. This also makes provision for an increase of the student intake and the implementation of the expanded education and training programme for mid-level workers and professional nurses.
- R247 753 million was allocated to fund the current revitalisation and infrastructure projects.

We endeavour to recruit and retain health personnel and will continue the effort to accelerate training in health care in an equitable manner. I sincerely thank all our personnel for their dedication.

Projects to upgrade our health facilities and ICT will receive more focussed attention.

The department will focus its attention on improving the quality of the PHC and consolidate gains made, namely the District Health System.

As we align our plans with the priorities of government for the period 2009 to 2011/12, the anticipated changes in the funding of the health system may dictate the revision of our priorities and acceleration of others.

This annual report outlines in greater detail the operation of the department during 2008/09.



Professor PL Ramela Head Of Department

Date

Table 1: Budget allocation and expenditure incurred in 2008/2009

Budget allocation	2005/06 R' 000	2006/07 R' 000	2007/08 R' 000	2008/2009 R' 000
Original budget	3,076,013	3,249,613	3,643,438	4,287,858
Rollovers	42,315			
Additional adjustments			100,962	181,447
Final budget appropriated (adjustments budget)	3,118,328	3,369,410	3,744,400	4,469,305
Total expenditure	3,121,275	3,461,336	3,833,997	4,453,496
(Over)/under expenditure	(2,947)	(91,926)	(89,597)	15,809
(Over)/under-expenditure (%)	100.09	102.00%	102.39%	99.60%

Source: BAS System

SITUATIONAL ANALYSIS

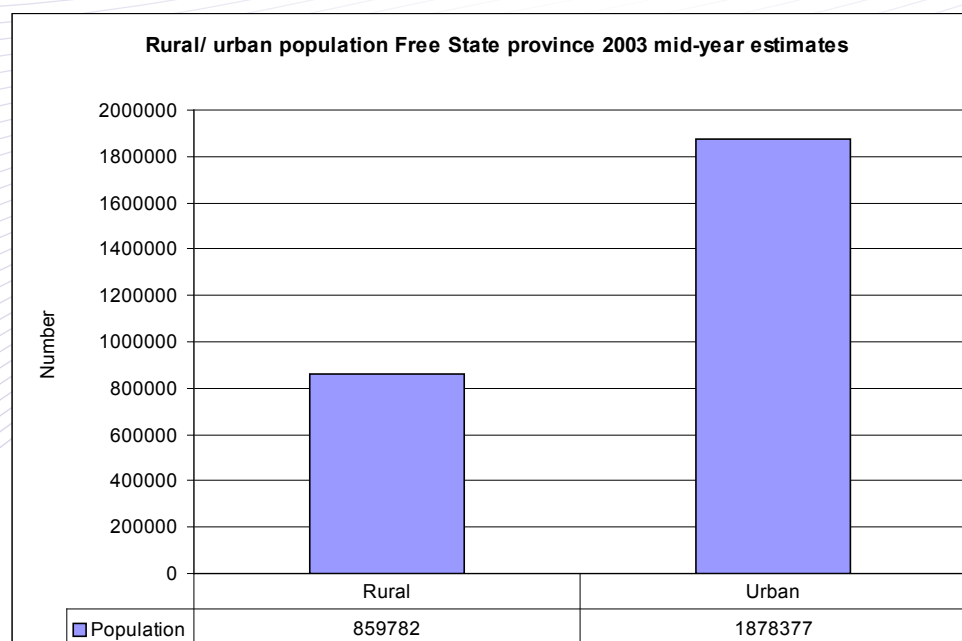
DEMOGRAPHIC PROFILE

Free State Population

Gender	2001 census	2003 mid year estimates	2004 mid year estimates	2005 mid year estimates	2006 mid year estimates	2007 mid year estimates	2008 mid year estimates
Male	1 297 605	1 302 523	1 305 420	1 308 294	1 428 301	1 462 889	1 462 889
Female	1 409 170	1 435 636	1 450 831	1 465 939	1 457 780	1 505 747	1 508 080
Total	2 706 755	2 738 159	2 756 251	2 774 233	2 886 081	2 968 636	2 972 993

Source: DHIS Mid year estimates

Graph 1. Rural and urban population Free State province



Source: 2002 midyear estimates.

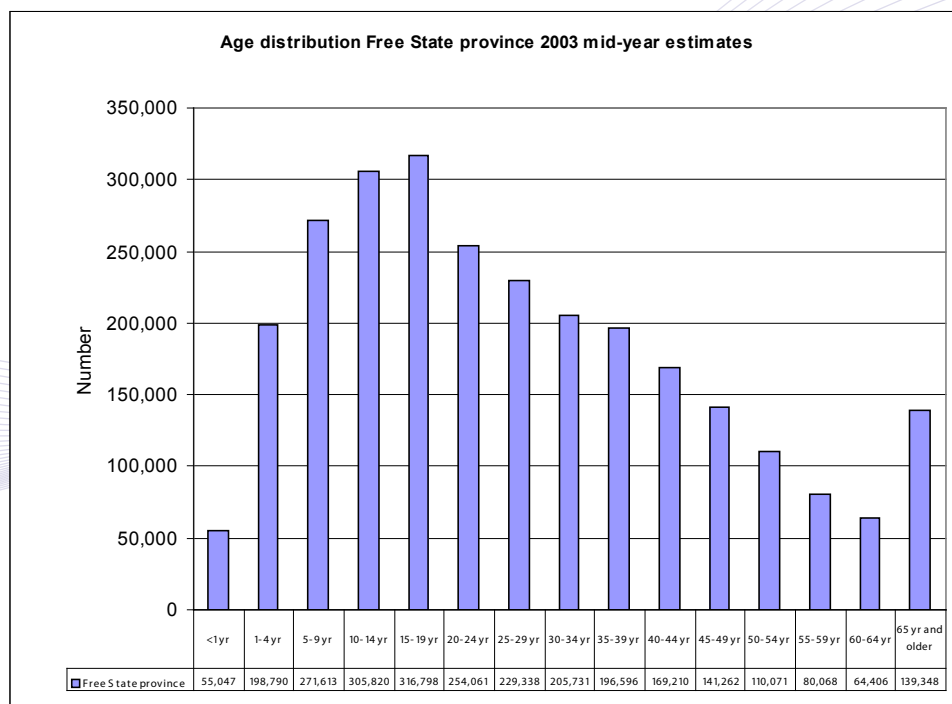
Urban population is 68.6% and rural 31.49%. The province is large and sparsely populated with most of its people living in urban areas.

Age distribution

Graph 2 below shows the age distribution of the population. This reflects a population structure that is characteristic of developing countries namely a large young, middle-sized adult and relatively small older population.

Challenges in providing health care services to the younger population include the prevalence of infective disorders such as gastro-enteritis, Tuberculosis, pneumonia and HIV and AIDS.

Graph 2 Age Distribution



Source: Statistics South Africa

ENVIRONMENTAL INFRASTRUCTURE PROFILE

(Source: Census in brief 2001 unless indicated otherwise)

The data presented here does not fall within the mandate of the department, but has an obvious impact on the health of the population and on the demand for health services.

Dwelling Type per Household

Structure	Xhariep		Motheo		Lejweleputswa		Thabo Mofutsanyana		Fezile Dabi	
	2001	1996	2001	1996	2001	1996	2001	1996	2001	1996
Formal	31267	24555	147762	119638	110848	94601	110570	85981	86903	65552
Informal	6136	4951	48038	38646	67849	58369	39698	28888	29466	31859
Traditional	1386	853	9963	11103	5104	5302	32425	40312	3799	6411
Other	89	293	598	619	669	2128	358	474	375	355

2089 households do not live in a structure which provides "adequate" shelter

Household Size

Household size	Xhariep	Motheo	Lejweleputswa	Thabo Mofutsanyana	Fezile Dabi
	2001	2001	2001	2001	2001
1	7605	38114	33369	27252	125660
2	8196	42607	36936	30432	141939
3	6694	37033	32228	31167	128487
4	6187	34892	30129	30459	122421
5	4075	23223	20796	23345	85779
6	2610	13407	13007	15925	53631
7	1461	7620	7483	9912	31850

Average household size in the Free State is 3.6.

Access to adequate water and sanitation

This is defined as a basic human right in terms of the Constitution. It is also an essential requirement to ensure human health.

Current status of sanitation needs

Situation	National Status	Status of the Free State Province
People without basic sanitation.	± 18 million people	± 1,3 million people (± 35% of population)
Schools with no sanitation facilities.	± 11% of schools	34 Urban Schools, 464 Rural Schools
Clinics without adequate sanitation facilities.	± 15% of clinics	0 clinics

Source STATS SA census 2001. Sanitation in clinics corrected

In the absence of proper basic sanitation, affected communities tend to suffer from high levels of infectious waterborne diseases leading to morbidity and mortality. Inadequate sanitation like bucket system, open defecation as a result of lack of toilets, lack of infrastructure and the absence of good hygiene practices constitute a major threat to public health. Thus improving environmental health is the most cost effective means of enhancing people's health and welfare. Eradication of the bucket system remains a national priority.

Level of service per District Municipality in the Free State

Percentage of households using pit latrine, bucket and no toilet facility by municipality: Census 2001 and Community Survey 2007

Municipality	Pit latrine		Bucket toilet system		No toilets	
	Census 2001	Community Survey 2007	Census 2001	Community Survey 2007	Census 2001	Community Survey 2007
Xhariep	10,6	11,3	7,6	10,6	16,0	6,9
Letsemeng Local Municipality	11,3	25,3	6,1	1,5	20,5	4,1
Kopanong Local Municipality	8,7	5,0	6,5	9,4	12,0	5,8
Mohokare Local Municipality	13,0	4,9	11,6	22,5	17,8	11,7
Motheo	22,8	28,5	17,9	11,9	9,8	3,9
Naledi Local Municipality	12,5	5,8	17,3	1,1	13,0	5,0
Mangaung Local Municipality	23,8	31,0	16,4	10,8	9,4	3,8
Mantsopa Local Municipality	14,8	7,9	37,7	31,1	13,0	4,7
Lejweleputswa	12,5	7,7	29,9	20,0	10,1	2,8
Masilonyana Local Municipality	9,2	2,5	55,8	30,2	11,6	1,9
Tokologo Local Municipality	13,2	28,2	46,5	34,0	22,0	16,8
Tswelopele Local Municipality	19,1	10,9	52,7	22,5	12,2	2,4
Matjhabeng Local Municipality	11,7	7,0	17,2	11,1	9,7	2,1
Nala Local Municipality	14,9	9,8	54,7	52,6	5,6	3,1
Thabo Mofutsanyane	41,2	42,4	19,5	12,7	9,5	3,7
Setsoto Local Municipality	11,0	21,7	52,0	37,5	13,2	6,5
Dihlabeng Local Municipality	10,1	9,4	16,0	9,6	16,8	3,2
Nketoana Local Municipality	17,7	24,0	54,6	41,7	14,4	5,4
Maluti a Phofung Local Municipality	70,1	65,2	2,1	0,2	3,4	1,8
Phumelela Local Municipality	20,9	21,3	27,1	21,2	19,3	11,2
Fezile Dabi	14,1	8,7	16,5	4,4	6,8	1,3
Moghaka Local Municipality	14,6	9,8	16,6	2,1	3,6	1,0
Ngwathe Local Municipality	16,5	8,9	23,4	13,5	7,2	1,5
Metsimaholo Local Municipality	15,0	9,1	4,7	1,4	10,4	0,5
Mafube Local Municipality	5,3	2,7	26,8	1,4	7,3	4,3
Free State	22,7	22,0	20,5	12,7	9,7	3,2

Source: Census in brief 2001 and Community Survey 2008

Refuse removal in the Free State

Municipality	Removed by local authority/private company at least once a week		Removed by local authority/private company less often		No refuse disposal	
	Census 2001	Community Survey 2007	Census 2001	Community Survey 2007	Census 2001	Community Survey 2007
Xhariep	65,0	72,2	2,5	3,9	3,9	4,0
Letsemeng Local Municipality	62,3	64,0	0,4	0,4	2,1	3,9
Kopanong Local Municipality	69,5	81,9	4,1	1,1	4,8	4,0
Mohokare Local Municipality	60,1	67,0	2,1	12,3	4,4	4,3
Motheo	59,8	80,4	2,4	0,6	11,3	5,2
Naledi Local Municipality	56,6	79,2	5,3	0,6	9,6	1,5
Mangaung Local Municipality	59,8	80,4	2,1	2,1	11,4	5,4
Mantsopa Local Municipality	61,7	80,3	5,9	2,0	10,8	4,8
Lejweleputswa	69,7	82,2	2,4	0,6	6,8	2,5
Masilonyana Local Municipality	51,0	57,9	11,8	2,6	10,2	1,7
Tokologo Local Municipality	46,3	48,1	3,6	1,2	6,8	22,1
Tselepele Local Municipality	29,8	80,3	2,8	0,0	9,8	1,4
Matjabeng Local Municipality	77,2	89,1	1,3	0,1	5,6	1,7
Nala Local Municipality	74,2	83,3	0,5	1,2	8,9	2,0
Thabo Mofutsanyane	40,8	47,1	3,0	2,5	13,7	10,5
Setsotho Local Municipality	52,0	55,5	12,0	12,2	10,4	12,0
Dilhabeng Local Municipality	63,0	81,1	1,8	0,8	11,9	4,6
Nketoana Local Municipality	63,6	62,9	1,6	1,9	10,4	10,3
Maluti a Phofung Local Municipality	22,3	27,8	0,6	0,5	16,4	11,5
Phumelela Local Municipality	60,9	70,9	1,5		10,9	14,9
Thabo Mofutsanyane	38,8	0,0	2,0	0,0	0,0	0,0
Fezile Dabi	64,3	89,5	6,2	0,8	6,2	2,5
Moqhaka Local Municipality	69,9	90,3	9,2	0,4	3,3	2,6
Ngwathe Local Municipality	57,8	84,4	3,6	1,5	11,5	2,8
Metsimaholo Local Municipality	60,2	94,5	2,5	1,3	5,4	2,1
Mafube Local Municipality	71,4	85,1	11,7		4,7	2,6
Free State	58,6	74,4	3,2	1,7	9,5	5,2

Source: Census in brief 2007

Management of health care waste

The department has outsourced the collection, transportation, treatment and disposal of health care waste to two companies. The contract period is from 1 August 2007 to 06 August 2010. The province is intending to continue with the outsourcing of health care waste to reputable companies that meet the provincial bid requirements.

Safe drinking water

The supply of potable drinking water quality is a high priority. The lack of a safe water supply and poor hygiene results not only in sickness and death, but also leads to increased costs to health services, decreased worker productivity, lower school enrolment figures and significantly reduced retention rates of girls already enrolled. It is an important factor in ensuring the rights of all people to live in dignity (WHO 2001b; WHO/UNICEF 2000; Cairncross 2003; World Bank 1993).

At present in the Free State province:

- 97.3% of the population has access to piped drinking water (piped water inside dwelling, piped water inside yard, piped water on community stand more and less than 200 metres away) within the ideal or good range as defined in the National Water Quality Guidelines.
- 2.7% of the population has no access to piped water but has access to water from sources that are not

necessarily safe (borehole, spring, rainwater tank, dam/pool/stagnant water, river/stream, water vendor, other). The implication is the risk in terms of waterborne diseases.

- Access to drinking water for communities is less of a challenge than the improvement of the quality of water provided to communities. Adherence to South African National Standards (SANS 0241:2005) by water services providers or authorities; remains a challenge.

ECONOMIC PROFILE

(Source Stats SA Census in brief 2001 unless stated otherwise)

Employment

483 205 of the economically active population in the Free State found employment within the formal sector in 2001.

Income

The Free State population is relatively poor. In 2001, 64.5% of households earned less than R30 000 per year. Poverty is predominantly rural, affecting mainly Africans and to a lesser extent Coloureds.

Approximately 22 254 million people in South Africa lived in absolute poverty during 2001. In the Free State alone, approximately 1,544 million people lived in poverty; the majority (97%: 1 503 million) of them are Africans.

Livelihood security

The proportion of people living in poverty in the Free State is 63.6%.

Overview of the District Municipalities in the Free State

District Economies (2002)	Population	GDP	Unemployment	People living in poverty	Growth p.a. ('90-'02)
Motheo	26,0%	30,9%	41,1%	61%	1,3%
Lejweleputswa	26,9	26,5	36,6	66	-2,3
Thabo Mofutsanyana	26,3	14,0	34,1	72	0,3
Fezile Dabi	16,3	25,5	38,3	62	0,4
Xhariep	4,5	3,1	38,3	57	0,9
Total	100,0	100,0	38,9	63.6 %	-0,1

Source: STATS SA census in brief 2001

EPIDEMIOLOGICAL PROFILE

Table 2: Trends in key provincial mortality indicators PHC and Hospital

Indicator	Free State Mortality database (Jan – Dec 05)	Free State Mortality database (Jan – Dec 06)	Target
Infant mortality (under 1) ¹	66.1 per '000 pop under 1yr	62.0 per '000 pop under 1yr	45 per 1,000 live births by 2006
Child mortality (under 5)	18.4 per '000 pop under 5yr	17.2 per '000 pop under 5yr	59 per 1,000 live births by 2006
Maternal mortality	267.6 per '00,000 live births	372.2 per '00,000 live births	100 per 100,000 live births by 2006

Source: Free State Department of Health Mortality database. No information available for 2008/2009.

Top 5 causes of deaths under 1 year in Free State (January to December 2006)

Causes of death	Reported Cases	% of total cases (total = 3527)
Preterm delivery	762	21.6
Pneumonia (unspecified)	601	17.0
Other ill-defined and unspecified causes of mortality	465	13.2
Diarrhoea and gastro-enteritis	382	10.8
Nutritional deficiency (unspecified)	93	2.6

Source: 2006 DHIS Mid-year estimates (Statistics South Africa). No data available for 2007.

Under 5 years mortality (January to December 2006)

Causes of death	Reported Cases 2006	% of total notified cases (total = 3102)
Pneumonia (unspecified)	578	18.6
Other ill-defined and unspecified causes of mortality	499	16.1
Preterm delivery	408	13.2
Diarrhoea and gastro-enteritis	308	9.9
Bronco-pneumonia (unspecified)	185	6.0

Source: Free State Department of Health Mortality Database. No data available for later years.

Table 3: Top 10 Causes of Death per 100 000 (January to December 2007)

Cause of death	Cases	% of total cases (total = 30 818)	Per 100 000 population
Respiratory system	5241	25.9	188.9
*Infectious and parasitic diseases	4512	22.3	162.6
Symptoms, signs and ill-defined causes	4125	20.4	148.7
Circulatory system	2132	10.5	76.9
Nervous system	1278	6.3	46.1
Endocrine, nutritional and metabolic disorders	837	4.1	30.2
Neoplasms	729	3.6	26.3
External causes	703	3.5	25.3
Pregnancy, childbirth and puerperium	471	2.3	17.0
Digestive system	202	1.0	7.3
Total	20230	100	729.2

Source: 2007 DHIS Mid-year estimates (Statistics South Africa) Total Population = 2 909 687.

* Infectious and parasitic diseases include HIV and AIDS. Of course the immuno-suppressive impact of the AIDS virus can also precipitate other diseases

Table 4: Notifiable conditions

Notifiable condition	Type	2005/2006	2006/2007	2007/2008	2008/2009
Acute Flaccid Paralysis	No	0	0	0	1
Cholera	No	0	0	0	1
Malaria	No	54	18	4	21
Measles	No	1	0	0	3
Meningococcal infection	No	7	5	0	0

Poisoning agricultural stock remedies	No	56	71	37	63
Tuberculosis (all types)	No	19959	22220	5122	6494
Typhoid	No	2	0	2	3
Viral hepatitis (total)	No	60	31	19	86

Source: Cognos 2008/2009.

ALTERNATIVE SERVICE DELIVERY OPTIONS

In November of 2002, the Free State Department of Health entered into a 16,5-year concession agreement with Community Hospital Management (PTY) Ltd. This agreement was entered into through the guidance of the department of Public-Private Partnerships of National Treasury. Under this agreement, known as Universitas/Pelonomi Co-location PPP project, the private partner (Community Hospital Management: CHM) would inject capital into upgrading of 253-bed hospital and a total of 10 theatres at Pelonomi Hospital to the tune of R20 million. In return CHM would be allowed to operate private hospitals at both Universitas and Pelonomi, using state buildings, which buildings represented redundant capacity. In addition to the R20 million capital injection, the state would get a certain percentage of the turnover generated by the private hospital, as well as retain ownership of the buildings. Empowerment of the Free State public through creation of temporary jobs in the construction phase, as well as permanent jobs during the operational phases, is another major aim of the project.

Milestones achieved to date

The planned investment of each partner is detailed below:

Free State Department of Health investment

Facility Upgrades	Cost in R million
Upgrade of lifts at Universitas Hospital	2.5 % complete and lift service has improved.
Concession payment in terms of Pelonomi Practical Completion	1.693
Concession payment in terms of total completion Universitas	5.780 amount has been paid.
Patient Transfer building at Universitas	0.25 Building complete and is being used by Universitas academic patients who visit specialist clinics.

Private Partner Investment: Universitas and Pelonomi Construction

Facility Upgrades	Cost R million	Number of beds
First phase of Pelonomi Private facility complete	R 10 million	38 beds
Final phase of upgrading Pelonomi Private facility	R15 million	105
Upgrading of Renal Unit at Universitas	R3 million	The facility had to be renovated for a joint use, as per agreement.

BUDGET PROGRAMME PERFORMANCE: VOTE 5

Table 5: Evolution of expenditure by budget SUBPROGRAMME

Programme	2005/2006	2006/07	2007/2008	2008/2009	Variance -% under/ over- expenditure
	Exp R'000	Exp R'000	Exp R'000	Exp R'000	
Programme 1: Administration	142,866	154,665	197,284	174,721	94.15%
MEC	2,978	3,219	599	2,906	83.17%
Provincial Management	139,888	151,446	185,850	170,827	93.83%
Theft & Losses	3,682	6,092	3,548	988	
Programme 2: District Health Services	1,137,573	1,290,966	1,408,370	1,648,502	103.57%
District Management	86,459	78,147	50,089	36,869	55.75%
Community Health Clinics	188,991	191,641	237,252	388,107	106.04%
Community Health Centres	35,017	48,555	61,355	49,296	78.63%
District Hospitals	482,414	528,573	583,175	667,788	103.27%
Community Based Services	222,978	248,227	240,580	248,289	140.07%
Other Community Services	-	-	-	-	
Coroner services	316	35,592	54,486	35,802	76.67%
HIV/AIDS	108,969	151,690	170,032	214,453	98.58%
Nutrition	12,429	8,541	11,401	7,898	90.53%
Programme 3: Emergency Medical Services	146,339	164,704	191,585	225,798	100%
Emergency Transport	133,346	152,861	189,904	219,273	99.54%
Planned Patient Transport	12,993	11,843	1,681	6,525	118.51%
Programme 4: Provincial Hospital Services	856,209	951,963	997,366	1,170,676	99.64%
General Hospitals	730,083	820,054	820,821	995,804	98.78%
Psychiatric/Mental Hospitals	126,126	131,909	176,545	174,872	104.85%
Programme 5: Central Hospital Services	543,235	599,443	693,694	813,713	103.20%
Central Hospitals Services	342,491	360,165	438,911	813,713	103.20%
Provincial Tertiary Hospitals Services	200,744	239,278	254,783	-	-
Programme 6: Health Sciences and Training	95,873	98,149	98,727	107,762	88.52%
Nurse training colleges	46,605	57,166	(36)	50,482	103.27%
EMS training colleges	1,611	-	-	-	-
Bursaries	19,247	9,694	9,689	10,702	100%
Primary Health Care Training	16,607	18,243	74,786	32,897	70.67%
Other training	11,803	13,046	14,288	13,681	87.46%
Programme 7: Health Care Support Services	24,544	37,967	43,311	39,328	100%
Laundries	46,328	52,460	54,051	53,291	100.85%
Orthotic and Prosthetic Services	6,721	8,086	7,950	8,859	93.37%
Medicine (MEDPAS) Trading Account	2,000	2,000	2,000	2,000	100%
Internal Charges	(30,505)	(24,579)	(20,690)	(24,822)	99.29%
Programme 8: Health Facilities Management	170,953	157,387	210,947	272,996	81.11%
Community Health Facilities	28,321	10,549	-	53,748	67.37%
District Hospital Services	48,063	97,225	134,596	175,002	82.64%
Provincial Hospital Services	94,569	49,613	76,351	44,246	98.32%
Central Hospital Services	-	-	-	-	-
TOTAL VOTE 5	3,121,275	3,461,336	3,833,997	4,453,496	99.60%

Source: BAS System

**Table 6: Evolution of expenditure by budget per capita SUBPROGRAMME
(Constant 2008/09 prices)**

	2004/05	2005/06	2006/07	2007/2008	2008/2009
Total Population	2,857,519	2,857,519	2,857,519	2,857,519	2,857,519
% insured	14.8%	14.8%	14.8%	14.8%	14.8%
Uninsured population	2,434,606	2,434,606	2,434,606	2,434,606	2,434,606
Conversion to constant 2008/09 prices	1.041	1.000	1.200	1.110	1.000
EXPENDITURE PER CAPITAL UNINSURED					
Programme	R'000	R'000	R'000	R'000	R'000
Programme 1: Administration	70.85	60.19	79.24	86.62	71.77
Programme 2: District Health Services	442.55	467.25	636.31	642.11	677.11
Programme 3: Emergency Medical Services	52.87	60.11	81.18	87.35	92.75
Programme 4: Provincial Hospital Services	341.14	351.68	469.22	454.73	480.85
Programme 5: Central Hospital Services	197.81	223.13	295.46	316.27	334.23
Programme 6: Health Sciences and Training	39.89	39.38	48.38	45.01	44.26
Programme 7: Health Care Support Services	10.68	10.08	18.71	19.75	16.15
Programme 8: Health Facilities Management	4.03	70.22	77.57	96.18	112.13
Total: Programmes	1,158.81	1,282.05	1,706.07	1,748.02	1,829.25

NB:

- Previous years figures were adjusted according to the latest prescribed formula
- Population statistics used according to 2002 Stats SA.

EXPENDITURE ON CONDITIONAL GRANTS

An overview of expenditure on conditional grants is presented in Table 7.

Table 7: Expenditure on conditional grants

Grant	2004/05	2005/06	2006/07	2007/08	2008/2009
National Tertiary Services	384,148	432,018	458,043	480,945	550,719
HIV and AIDS	69,070	100,479	142,265	153,646	189,630
Hospital Revitalisation	47,436	92,157	63,810	86,324	168,615
Integrated Nutrition Programme	6,234	7,296	-	-	-
Hospital Management and Quality Improvement	13,076	13,393	14,197	-	-
Health Professions Training and Development	93,643	92,518	92,517	97,143	101,988
Other grants			-	-	
Infrastructure	24,133	49,144	74,376	105,490	69,350
Flood Relief	-	-	-	-	-
Medico-Legal	132	-	-	-	-
Drought Relief	1,900	-	-	-	-
Forensic Pathology Services	-	317	35,591	41,713	35,814
Provincial Infrastructure Grant	75,000	48,063	51,365	29,112	44,020

Source: BAS System

PART **B**
PROGRAMME PERFORMANCE



PROGRAMME I: ADMINISTRATION

AIM

Programme I is responsible for the overall management and administration of the department.

PROGRAMME DESCRIPTION

Programme I has the following sub programmes:

- Office of the MEC.
- Provincial Management.

Office of the MEC

The Office of the MEC delivers a support service to the MEC.

Provincial Management

The sub programme manages the offices of the executive management of the department.

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

Financial Situation of the Department: 2008/09 financial year

The Free State Department of Health experienced one of the most challenging periods since 1994. Cash flow restrictions as a result of spending pressures culminated into various problems that negatively impacted on service delivery in its broadest sense.

The Department of Health regularly informed Treasury since the first quarter of the 2009 financial year that the Department will overspend in 2009. Various challenges, ranging from under- and unfunded mandates to the impact of the global economic crisis, posed serious challenges to the Department's budget. This was not only evident in the Free State, but it also impacted on the whole sector with various Health Departments experiencing various levels of financial pressure.

Stringency measures have been implemented during each of the last four years in the department with various levels of impact on the performance of the department. In the 2009 financial year additional measures were implemented by the Provincial Treasury on departments in the Free State, which in certain cases had put additional pressure on administrative procedures.

The ultimate goals of any health system are:

- Improved Health Outcomes
- Financial Risk Protection
- Responsiveness to the health needs of the population it serves

It is important to note that cost containment measures have been applied over the past four years without fail, and therefore the impact of these measures has been felt by the health system even allowing for their "lag effect". In other words some of the system failures that are currently experienced are a result of the implementation of the stringency measures some four years ago.

A quick analysis of the Free State Provincial health system will indicate that it has the following features, which indicate

poor performance:

Impact of the financial situation on the performance of the department

- High and increasing maternal mortality rate
- High and increasing infant and child mortality rate
- Increasing deaths due to TB, HIV and AIDS
- Increasing incidence and prevalence of non-communicable diseases
- Increasing complaints about the quality of the services

With regard to the investigation of the Health Sector initiated by the National Minister of Health, it is crucial that the critical under-funding of health services in the country be addressed as a matter of urgency to minimise the undesirable consequences of some of the cost containment measures which have become unavoidable.

In some cases, additional funding is necessary to establish the required means of cost containment. In the longer term, savings are anticipated to result from some of these measures.

Service Transformation Plan (STP)

The Integrated Health Planning framework was the tool used for analysis to inform the development of the Service Transformation Plan.

Scenarios were the product of extensive analysis and consultation. Final decisions by the Executive Management informed the final plan which was presented to the EXCO of the Free State provincial legislature. The Service Transformation Plan informed the strategic direction contained in this plan.

The STP is an integral part of the departmental strategy to create a sustainable and affordable service platform over the longer term. There are however initial financial implications to implement this plan.

Implementation of Supply Chain Management (SCM)

- In terms of provincial Treasury assessment, the Department has attained 84.95% of the implementation of the Supply Chain Management system.
- The Demand Management and Supply Chain Performance Management need serious attention.
- SMME development needs to be stepped up so that 70% of procurement is spent on SMMEs, in line with Provincial Supply Chain Management guidelines. In order to improve on the development of the SMME in the province, the Department will arrange for workshop training for the SMME's of the Free State. In the first quarter a workshop has been arranged for Motheo districts and service providers have shown interest to attend these workshops.
- Budget programmes implementation of BBBEE and codes of good practice. While the decision for the implementation of BBBEE Codes of Good Practise is awaiting National Treasury approval, the Department will continue to train SCM officials to be ready for the implementation. The University of Free State Business School has a 3-day module which our officials attended training during 2008/09, but due to financial constraints that the Department is facing, training was stopped. Once a go-ahead is given, officials will be nominated to attend.
- The Department will implement the "Hubs" in the Districts Offices to support the complete implementation of supply chain with a fully functional "Demand Management Unit" once the concept is adopted in all the districts.

Asset Management Reform

Asset Management functions have been implemented in line with AMR guidelines and in terms of National Treasury norms. The functions implemented are Asset Management Life cycle (except depreciation, which is not yet a requirement), policies and procedures, Annual Financial reporting, evaluation of assets, classification of the assets, Asset Register and Asset Threshold.

Implementation of PFMA and related regulations

Strategies for increasing revenue from private patients are as follows:

- Private debt collectors are employed on tender.
- Revenue targets per institution are monitored and provincial targets exceeded.
- The Department implemented Electronic Data Interchange (EDI) for two institutions (Pelonomi and Universitas Hospitals) which are mainly for medical aid claims.
- Classification of patients as full paying patients where no proof of income is provided.

Pharmaceutical Services

The Medicines and Related Substances Act 101 of 1965 as amended, and the Pharmacy Act 53 of 1974 as amended, came into operation in July 2005. The legislation is applicable to all State facilities where medicines are kept, dispensed and administered. Current levels of compliance are as follows:

Registration of Free State Department of Health Pharmacies with SAPC 2008

Period of registration	Number of facilities registered
Until 2010	13
Until 2009	12
Due for inspection	10
Not Approved	9
Total registered	25

There are 19 facilities that are licensed and recorded but not registered due to various levels of non-compliance. At 2 of these facilities renovations are in process but at 8 facilities major infrastructural changes are needed. Management Sciences for Health (MSH) has offered to pay the registration fee for some of the 9 facilities that have difficulty with paying their registration fee to the Pharmacy Council.

Equipment and reference material was purchased and distributed to support services in achieving and maintaining this requirement. Despite this, certain facilities remain not yet fully compliant, citing financial constraints as the reason.

Free State Department of Health does not have the capacity for large scale manufacture of medicine. Extemporaneous preparation of ointments, lotions and solutions for wards and outpatients does, however, occur.

The pre-packing facilities at the hospitals and regional pharmacies do not comply with all the Good Manufacturing Practice / Good Pharmacy Practice requirements. A centralised pre-packing unit is planned at the Medical Depot phase 3 upgrading. In the meantime the province tenders for pre-packed items for items used mainly at PHC Level.

Universitas, Pelonomi and Boitumelo Hospitals currently have a comprehensive computerised MEDITECH Stores and Dispensing System. Management Sciences for Health donated the RX Solutions program, which was installed at 38 facilities. Stores management and dispensing staff were trained.

Emergency power systems should be available at all pharmacy facilities to prevent losses due to cold chain failure. At approximately 60% of hospitals, CHC's and clinics this is not available.

All hospitals and CHC pharmacies require direct, personal supervision of a pharmacist. The Free State province complies with that requirement, although at some facilities the responsible pharmacist might be a Community Service pharmacist.

A total of 60 Pharmacist Assistants completed their post basic training in 2008. There are currently 102 Pharmacist Assistant learners enrolled and at various stages of competency. Pharmacists are allocated to clinics, which they visit at least once a month to comply with prescripts for indirect supervision of the Pharmacist Assistants.

Information Technology

The department has for the past three (3) years successfully ensured that both infrastructure and software were available to support service delivery. Seven (7) clinics delivering ARV were connected to the central data information management system to access different programmes. Several databases were developed to address challenges such as transport management.

However from the 2006/07 financial year the infrastructure (especially servers) started to deteriorate and need urgent replacement. Critical information was lost as a result. Strategies are being finalised to implement alternatives to replace ailing servers and related infrastructure.

POLICIES, PRIORITIES AND STRATEGIC GOALS

Pharmaceutical Services

Full compliance with the Medicines and Related Substances Act 101 of 1965 as amended, and the Pharmacy Act 53 of 1974 as amended.

This required prioritisation of the following strategies:

- Upgrading of facilities
- Training of Pharmacy personnel
- Implement and monitor a computerised Pharmacy stores and dispensing system
- Monitor the implementation of Norms and Standards for Pharmacy.

Information Technology

In line with the government e-strategy; improved infrastructure will enable the department to implement e-health to meet millennium goals and Free State Growth and Development Strategy. This strategy includes the integration of electronic health records accessible at all health facilities nationwide.

CHALLENGES AND CONSTRAINTS

Revenue collection

It remains a challenge to increase revenue from private patients due among other things to:

- Late submission of claims to Medical Schemes
- Department of Defence (DOD) backlog of claims from 2002
- Low Recovery Rate: Department of Justice (DOJ) & Road Accident Fund (RAF)
- South African Police Services (SAPS) & Department of Correctional Services (DCO). Long outstanding claims which have never been paid which reflects no follow-up by the hospitals
- Workman's Compensation Act (WCA): Long outstanding claims, institutions do send the claims to WCA but is the claiming procedure that was lacking
- Low levels of payment of accounts by H2, H3 and private patients.
- Patients do not submit proof of income and are consequently classified incorrectly

Networks

The requirement is that 30 new facilities (ARV sites) be linked to departmental networks. However, due to funding constraints only 7 new facilities could be afforded. Infrastructure cannot be renewed due to a lack of funding. Funding is also not available to create back-up systems.

- There is a maintenance and equipment backlog that has accumulated over the years. The department is attempting to address this within the limited available resources.
- Purchasing process via SITAs (State Information Technology Agency) ITAC.

The cost of purchasing via SITA is much higher than on the open market, which limits the purchasing power of the department.

CORPORATE HUMAN RESOURCE MANAGEMENT

Current deployment of human resources in relation to service delivery requirements

For the 2008/2009 financial year, a total of 28 278 posts were on the staff establishment and a total of 16 015 were filled. This implies an overall vacancy rate of 43.4%.

Accuracy of the staff establishment at all levels of the system compared to service requirements

A total of 1 060 new appointments were handled. The annual turnover rate of the Department currently stands at 7.7%.

The implementation of the revised microstructure has been approved and implemented.

Staff recruitment and retention systems and challenges

A staff retention strategy was approved and implemented.

The Human Resource Plan was approved and implemented.

A total of 635 posts were upgraded and 0 posts were downgraded through the job evaluation process.

A total of 3 505 officials were paid performance rewards. This represents 20.9% of the total staff establishment.

Absenteeism and staff turnover rates

The Free State Provincial Government has contracted SOMA Health Risk Manager to address the issue of absenteeism and ill-health retirement. The relevant contract will be terminated on 31 March 2009, whereby a new national tender will be issued by the DPSA.

The Employee Assistance Programme

The programme is integrated into the whole Employee Health and Wellness Programme. This consists of Occupational Health and Safety Wellness and HIV and AIDS workplace programmes. The programme is functional at corporate office, district offices, regional hospitals and the academic hospital.

Service delivery structures have been established and staff appointed where possible to render the wellness services. There are five EAP committees at district level, four EAP committees at regional hospitals and one at the Academic Hospital. A Provincial EAP Committee has been established.

POLICIES, PRIORITIES AND STRATEGIC GOALS

Human Resource Management

Planned deployment of human resources in relation to the requirements for service delivery

The Human Resource Plan was approved and implemented however, due to the financial cost containment measures, the relevant plan will be revised in terms of the Service Transformation Plan. The said plan will inform possible staff deployment.

Plans to improve the accuracy of the staff establishment at all levels of the system compared to service requirements

With the implementation of the revised microstructure on the PERSAL system the correct placement of staff will be dealt with accordingly.

Approval was already granted to abolish a total of 535 unfunded vacancies. A second request was submitted for approval to abolish a total of 3 810 unfunded vacancies.

Staff recruitment and retention plans

The revision of the current recruitment policy was placed on hold due to the cost containment measures. The Retention strategy was approved and implemented.

Strategies to improve absenteeism and staff turnover rates

- Training of officials and supervisors throughout the province on a continuous basis on the management of leave, sick leave and unauthorised absenteeism.
- Aggressive campaigns to increase awareness on the utilisation of sick leave.
- The consistent application of the 8 week rule on utilisation of sick leave.
- The accurate updating of leave records on the PERSAL system.
- The implementation of SOMA findings and recommendations on personnel utilising incapacity leave.

CHALLENGES AND CONSTRAINTS

Finance and financial management

Approval was granted to place bulk standardized advertisements in the external media for nurse's posts as well as for registrars' posts. This not only saves expenditure, but enables quicker external recruitment.

Programme management capacity

A culture of accountability and responsibility must be instilled at all levels of management.

The recruitment and retention of scarce skills is of great concern to the department. If affordable, bursary holders and community service health professionals will be offered employment.

TABULAR REPORTING ON PERFORMANCE AGAINST PROVINCIAL ANNUAL PERFORMANCE PLAN FOR 2008/2009

PROGRAMME I: ADMINISTRATION

Table 8: Performance against targets from 2008/09 Annual Performance Plan for the Administration Programme

GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE						
BUDGET SUBPROGRAMME: OFFICE OF THE MEC						
Measurable Objective	Indicator (Performance Measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (target)
Implementation of the political strategic direction of the Free State Department of Health.	Report on the alignment of the corporate plans within the mandate of the department.	Alignment of reports and plans.	Plans aligned and reports submitted as prescribed.	Plans aligned and reports submitted as prescribed.	Plans aligned and reports submitted as prescribed.	Plans aligned and reports submitted as prescribed.
BUDGET SUBPROGRAMME: PROVINCIAL MANAGEMENT						
Ensure compliance with the Public Finance Management Act.	Statements/ reports/ certificates submitted in line with prescripts.	Compliance Certificate submitted in line with transcripts.	Compliance certificate was submitted monthly.	Compliance certificate submitted monthly within 10 days after month closure.	Compliance certificate submitted monthly within 10 days after month closure.	Submit monthly 10 days after BAS closure.
		BAS and PERSAL Training according to the needs of the Department.			Not Complied due to the fact that no BAS or PERSAL course was conducted by Provincial Treasury this quarter	Ensure at least 100 officials are nominated to attend at least one BAS or PERSAL course.
		Efficient functioning of Paymasters.			Complied	Ensure all paymasters are appointed and nominated for training.
		Revenue Report compiled and submitted in line with prescripts.	Revenue Report was submitted.	Revenue Report was submitted by the 15th of each month.	Revenue Report was submitted by the 15th of each month.	Submit in time, which is the 15th of each month.

GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE							
BUDGET SUBPROGRAMME: PROVINCIAL MANAGEMENT							
Measurable Objective	Indicator (Performance Measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Ensure compliance with the Public Finance Management Act. (continued)	Statements/ reports/ certificates submitted in line with prescripts. (continued)	In-Year Monitoring Report submitted to Treasury in line with prescripts.	In Year Monitoring was submitted monthly.	In Year Monitoring report submitted on the 15th of each month.	In Year Monitoring report submitted on the 15th of each month.	Complied	In Year Monitoring report submitted on the 15th of each month.
		Budget Statement No 2 submitted to Provincial Treasury in line with prescripts.	Budget Statement No2 was submitted to Treasury.	Budget Statement No2 submitted by 24 November.	Budget Statement No 2 submitted by end of November.	Complied	Budget Statement No 2 submitted by end of November.
		Monthly cash requisition submitted in line with prescripts.	Monthly cash requisition submitted to Provincial Treasury on 25th of each month.	Monthly cash requisition submitted to Provincial Treasury on 25th of each month.	Monthly cash requisition submitted to Provincial Treasury on 25th of each month.	Complied	Monthly cash requisition submitted to Provincial Treasury on 25th of each month.
		PROPAC Resolutions handed in line with prescripts.	Compiled PROPAC resolutions.	Compliance with PROPAC Resolutions Monthly report submitted as determined by the Office of the Premier.	Compliance with PROPAC Resolutions Monthly report submitted as determined by the Office of the Premier.	Complied	Compliance to PROPAC Resolutions Monthly report submitted as determined by the Office of the Premier.
		Fund Requisitions submitted within due dates.	Cash Flow compiled.	Reconciliation-monthly.	Compile and submit fund requisition to Provincial Treasury daily before 10h00.	Complied	Compile and submit fund requisition to Provincial Treasury weekly before 10:00 on Mondays.

GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE								
BUDGET SUBPROGRAMME: PROVINCIAL MANAGEMENT								
Measurable Objective	Indicator (Performance Measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/2009 (actual)	2008/09 (target)	
Implement effective supply chain management (SCM).	A functional departmental SCM forum.	SCM forum functional in terms of legislation.	No Forum established yet. Focused meetings conducted with Districts that experienced challenges on SCM implementation.	The Department only operating within the SCM Forum established by Provincial Treasury. No Departmental Forum established yet.	SCM forums functional i.t.o legislation.	Supply Chain Forums were established and were handled mainly by Asset Management Directorate. The Procurement Unit could not participate due to high vacancy rate. This was only made difficult as the Snr Manager was supposed to drive the process; was vacant until December 2008. Four Asset Management Forums were conducted at all Districts.	Monitor quarterly functioning against target.	
	%departmental procurement in line with BEE regulations.	BEE policy implemented.	Codes not Finalised	41 officials trained in BEE waiting for codes to be finalised.	70% of procurement spent in line with treasury guideline.	Only 49.9% was spent on BEE. Most of the most expensive equipment, RT contract on medicine & medical consumables were awarded to Gauteng Multinational companies. Free State doesn't have dedicated medical factories and this creates a challenge.	80% of procurement spent in line with treasury guideline.	
	% of SCM personnel trained on introductory course.	Personnel have knowledge of SCM through formal or in-service training.	40% of SCM	60% of SCM staff in 31 institutions trained.	70% of SCM staff in 31 institutions trained.	80% of SCM Practitioners trained in 31 institutions.	80% of SCM staff in 31 institutions trained.	
Implement an integrated strategic planning and reporting framework in line with PFMA and prescripts.	Compliance with national and provincial strategic planning and reporting prescripts.	Compliance with prescripts.	Complied.	Complied.	Compliance.	Compliance with national and provincial strategic planning and reporting prescripts.	Compliance.	

GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE							
BUDGET SUBPROGRAMME: PROVINCIAL MANAGEMENT							
Measurable Objective	Indicator (Performance Measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implementation of an integrated Security Plan.	% Reduction of crime incidents at Department of Health institutions.	Development of a plan for reducing crime Incidents.		Development of Security Policy for Department.	Implementation of Security Policy at all institutions of Department.	Implementing and monitoring of security policy including evaluation thereof	Implementation and Monitoring of Security Policy.
	100 % of institutions with security measures.	Implementation of fencing, gates, gun safes, uniform, guard houses, radios and security personnel at all institutions of the Department.	Implementation of Security of Security personnel (in-house and contracts) at all institutions except those that were taken over from Municipality.	Implementation of security personnel, (in-house and contracts) with inclusion of institutions from the municipality.	Implementation of security personnel (in-house and contracts) and two-way radio communication for Motheo District.	Only Boitumelo Hospital private security was successfully replaced with in-house security, Bophelo House and Laundries are still in progress	Implementation of security personnel (in-house and replace the contracts at Corporate office, laundries, Boitumelo.
					Guard houses for Elizabeth Ross and Katleho Hospitals.	Not yet implemented due to cost containment measures	Hospital with in-house and development of long term contracts for Motheo and Lejweleputswa clinics.
					Purchasing of the Security Uniform.	Gun safes and two-way radios are still in process and will be completed in the 2009/10 financial year	Installations of gun safes at all institutions of the Department and two-way radios for communication at Maluti-a-Phofung.

GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE							
BUDGET SUBPROGRAMME: PROVINCIAL MANAGEMENT							
Measurable Objective	Indicator (Performance Measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/2009 (actual)	2008/09 (target)
Optimal management of information.	Integration of information management.	Integration of hospital and Primary Health Care information.			Appointment of Provincial- and District Information Committee.	Not implemented yet moving to DHIS 1.4	Provide duties in relation to health information in the province.
	% data integrated in Data Warehouse and usable as information for managers.	Strategic information.	Revenue info system piloted.	Expand Human Resource system.	Incorporate stand-alone information systems into a single logical structure.	70% of stand-alone information systems incorporated into a single logical structure	70% incorporation of stand-alone information systems into a single logical structure.
			HR information system piloted.	ARV roll out information system piloted incorporated.	Expand ARV system.	Six additional ART sites went live with Meditech MPM.	Expand as necessary and guidance by Business intelligence.
					Expand TB information system.	Integration was done with Home Affairs.	
					Expand Notifiable Diseases information system.	TB and Notifiable Diseases information was integrated into the data warehouse.	
	% of facilities fully functional on DHIS and Hospital Info System.	Information available in a prescribed format.		DHIS – being used by facilities as from 2000.	Implement version 1.4 when funds are available	Funding is being secured and data clean up has been done	Implement version 1.4 when funds are available
	Establish a functional Monitoring and Evaluation unit.	Implementation of dept plans monitored and evaluated.			Business Intelligence Committee established.	A consultant employed to restructure this	Monitoring and Evaluation Unit established when funds are available.

GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE									
BUDGET SUBPROGRAMME: PROVINCIAL MANAGEMENT									
Measurable Objective	Indicator (Performance Measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)		
Implement the Department of Health Services Marketing Strategy	Number of institutions implementing institutional marketing plans.	Create awareness and improve customer satisfaction.			3 Districts are implementing marketing plans.	16 Institutions implementing services marketing plans.	7 institutions implementing services marketing plans.		
Implement the Service Transformation Plan for the Free State Department of Health.	Priorities implemented as per Plan.	Fully implemented Service Transformation Plan.		Use Integrated Health Planning Framework to inform development of final Service Transformation Plan.	Service Transformation Plan for 10 years commencing 2008 complied and submitted.	Functional implementation within available resources. Facility plans aligned. Plan to be reviewed in line with resource constraints	Implement Service Transformation Plan dependant on availability of funding.		
Ensure the upgrading of the pharmacy facilities to enhance service delivery.	% of pharmacy facilities in full compliance with the registration requirements with SAPC.	Licensing with NDOH.	100% (41) hospital and CHC pharmacy facilities licensed with NDOH: None recorded.	100% (41) hospital and CHC pharmacy facilities licensed and recorded: 20% (8) facilities fully compliant.	40% (18) of hospital and CHC pharmacy facilities fully compliant.	58.6% (25/44) of hospitals and CHC pharmacy facilities fully compliant.	60% (27) of hospital and CHC pharmacy facilities fully compliant.		
		Recording with SAPC.							
		Evaluation by SAPC.							
		Upgrading.							
		Registration.							

GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE							
BUDGET SUBPROGRAMME: PROVINCIAL MANAGEMENT							
Measurable Objective	Indicator (Performance Measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implement a comprehensive Human Resource (HR) plan for the department.	% of bursary holders and community service health professionals retained.	50 % of 37 completing bursary holders fully employed to ensure that skilled personnel are available at all service levels.	96% of 49 of 51 completing bursary holders were employed.	96% of 49 of 51 completing bursary holders were employed.	It was intended to employ 50% (all 10) completing bursary holders. However, due to budget constraints this will not be possible.	A total of 42 Bursary Holders were placed in permanent posts. This means 74% were retained	70% of bursary holders retained.
	% of institutions/ offices with fully functional Occupational Health- and Employee Wellness programme.	A fully functioning occupational health and employee wellness programme.	100% community service health professionals have been placed.	100% community service health professionals have been placed.	100 % community service health professionals would be placed.	A total of 128 community services health professionals who did not have Bursaries were retained This means 54% were retained.	50% of CS Health Professionals retained.
	% of institutions/ offices with fully functional Occupational Health- and Employee Wellness programme.	A fully functioning occupational health and employee wellness programme.	60% of institutions and offices with fully functional occupational health- and employee wellness programme.	62% of institutions and offices with fully functional occupational health- and employee wellness programme.	68% of institutions and offices with fully functional occupational health- and employee wellness programme.	Due to present stringency measures there is no change in the personnel structures in the districts – the structure is still incomplete. Three of the fifteen units expected to have fully functional structures are fully functional (the 15 units being the 8 regional hospitals, 1 academic hospital, 5 district offices and the corporate office). The percentage of fully functional units is 22%	70% of institutions and offices with fully functional occupational health- and employee wellness programme.

GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE							
BUDGET SUBPROGRAMME: PROVINCIAL MANAGEMENT							
Measurable Objective	Indicator (Performance Measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implement a comprehensive Human Resource (HR) plan for the department. (continued)	% of institutions that have complied with the Employment Equity targets.	A fully functional occupational health and employee wellness programme.	Wellness committees established in institutions and Head Office. Management trained.	Committees in institutions actively functioning and individual cases handled by the programme	Employees and management are aware of the services rendered by the programme	The EA practitioner at corporate office is responsible for HIV & AIDS coordination. Busy coordinating the service.	Employees and management are aware of the services rendered by the programme
		100% compliance with set Employment Equity target.	No data	07 out of 60 (11.6%) institutions of Health have Employment Equity plans developed	20 out of 60 (33.33%) institutions of Health have Employment Equity plans developed	The status remains the same – the matter has not yet been discussed at the Public Health Service Bargaining Council. Travelling is limited due to financial containment measures.	45 out of 60(75%) institutions of Health have Employment Equity plans developed
Improve measures to reduce absenteeism.	Number of personnel trained on leave record at institutions.	Capacity building done to all personnel officers to manage leave record.	No data	1377 personnel trained on leave record at all institutions	1400 personnel trained on leave record at all institutions	917 Officials were trained on management of leave and absenteeism at the institutions. The target was not reached due to financial containment measures.	1550 personnel trained on leave record at all institutions
Develop and implement a People/ Diversity Management Strategy for department.	People/ Diversity Management Strategy for department developed and approved.	A policy document for implementation and adherence.	Not applicable, not yet planned.	Not applicable, not yet planned.	People / Diversity Management Strategy for FSDH in first draft format and needs to be finalised and discussed with stakeholders.	Draft 1 of the People/Diversity Management Strategy has been completed and forms part of the HR Plan. The HR Plan will be implemented in the 2009/10 financial year.	Approval and implementation.

PROGRAMME 2: DISTRICT HEALTH SERVICES

AIM

Programme 2 focuses on service delivery at level 1 which includes non-institutional services, clinics, community health centres and district hospitals.

PROGRAMME DESCRIPTION

Programme 2 has the following Subprogrammes:

- District Management
- Community Health Clinics
- Community Health Centres
- District Hospitals
- Community Based Services
- Other Community Services
- Coroner Services (Forensic Pathology Services)
- HIV and AIDS
- Nutrition (includes maternal, child and women's health)
- Disease Prevention and Control

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

DEMOGRAPHIC AND SOCIO-ECONOMIC PROFILE

The Free State comprises five districts: Motheo in the central part of the Free State, Xhariep in the South and Western Free State, Lejweleputswa in central west, Fezile Dabi in the North and Thabo Mofutsanyana in the East. The total provincial population is estimated at 2,857,519 with an uninsured population of approximately 2,434,306.

PROGRESS TOWARDS EQUITY

The costly tertiary care for the whole province and beyond is provided at Bloemfontein and the secondary care is distributed across the province; at least one Secondary Care hospital in each region.

Comparison of District Health Services budget per district (R million)

District	% of total Free State population	2004/2005	% of total District budget	2005/2006 expenditure	2006/07	2007/08	2008/09	2009/10	% of total District budget
Xhariep	5.11	59	6.31	75	87	78	97	109	7
Motheo	27.23	271	30.94	305	341	336	411	454	31
Lejweleputswa	23.63	152	20.17	173	191	208	246	275	19
Fezile Dabi	16.94	128	15.12	149	192	166	208	251	16
Thabo Mofutsanyana	27.09	240	27.46	271	305	295	353	386	27
Total	100	850	100	973	1 116	1,083	1,315	1,475	100

The amounts above include the budgeted amounts for District Health Services and also District Hospitals and Admin costs. Figures exclude EMS.

Budgets from year to year are based on PDE's per hospital and amount of clinic visits per population member. This causes the different districts to have a different percentage of the total budget from year to year. Important mandates are also prioritized. These factors influence the total budget per district in any particular year. The cost efficiency of services will clearly have an impact.

The table above indicates that Primary Health Care allocation per capita is similar in all districts except Motheo district which consistently receives >30% allocation while serving 27.09% of the population. Thabo Mofutsanyana on the other hand serves the same proportion of the population but receives 3% less of the allocation. Lejweleputswa serves 23.63% of the population and receives 17.25 % of the allocation. Fezile Dabi and Xhariep allocations are more or less in line with the % of the population that they serve. However, both Xhariep and Thabo Mofutsanyana are poor rural areas with the most dispersed population over large areas. This could require a greater per capita allocation to ensure access. However, both these districts experience difficulty in attracting and retaining professional health staff.

In the Free State, 31.49% of the population live in rural areas and 68.6% in urban areas. The province is large and sparsely populated with most of its people living in urban areas. Xhariep district has been identified as a Rural Area by Provincial Government. Rural Health Services are rendered from 109 mobiles in all towns in the Free State on a 4 - 6 weekly basis.

Maluti -a- Phofung in Thabo Mofutsanyana has been declared as a presidential rural node.

District Health Services

The Primary Health Care package is comprehensive and can effectively and efficiently address the needs of the Free State community and has been fully implemented in line with the referral system in all Districts. In order to maintain the continuum of care, Primary Health Care services are supported by Level 2 and Level 3 hospitals. There are however challenges of a limited budget, shortage of personnel - especially health professionals - and equipment, which have an impact on service delivery. The Service Transformation Plan will address some of these challenges once implemented.

After consolidation of primary health care services, District Health Services- and clinic staff establishments have been approved, which take into consideration the principles of the District Health Services and provide for minimum staffing levels based on the utilisation of the clinic.

All 5 districts have District Health Plans, which are developed in consultation with stakeholders on a yearly basis. These plans are monitored on a quarterly basis.

Forensic Pathology Services (Coroner Services)

Forensic Pathology services are being rendered from 6 functional mortuaries in the Free State namely Bloemfontein, Bethlehem, Phuthadjithaba, Kroonstad, Welkom and Sasolburg. There are two functional holding facilities, i.e. in Botshabelo and Harrismith. The mortuaries in Phuthadjithaba and Bloemfontein are the only centres functioning with full time medical staff. Sessions doctors on contract serve other units. The Free State Forensic Pathology Services (FPS) is conducting approximately 4000 medico legal autopsies per year, of which 50% are performed in Bloemfontein by trained Forensic Pathologists.

Clinical Forensic Medicine Services

Services for live victims of violence are being provided by five designated Sexual Assault Victim Support Centres in the Free State. These Centres are within the following health facilities: Tshepong, Dr JS Moroka, Botshabelo, Kopano and Elizabeth Ross.

The Clinical Forensic Medicine Unit supports the delivery of these services by means of targeted training of medical- and nursing staff.

Services Marketing and Health Promotion

The introduction of Batho Pele Revitalisation Programme compelled the department to establish a Batho Pele component to monitor compliance with Service Delivery Improvement Plan (SDIP), Service Delivery Charter (SDC), Service Standards and Flagship Projects for the Free State Department of Health.

Batho Pele Component has been established and the program rolled out to 24 institutions within 5 districts supported by means of training of customer care coordinators, frontline staff and communication officers.

Healthy Lifestyles

The Healthy Lifestyle programme has been implemented in all five districts with the focus on the five priority areas, i.e. nutrition, safe sexual behaviour, tobacco control, substance and alcohol abuse as well as physical activity. The districts are implementing the five priority health promotion campaigns as well as specific plans for healthy lifestyles.

Health Promoting Schools

The Health Promoting Schools concept was introduced to several schools whereby the principles of health promotion; policy development; capacity building; reorienting health services; community participation and creating supporting environments, are practised. To date, there are 81 Health Promoting Schools in the Free State. All health-promoting schools participate in the healthy lifestyles programme and 81 of these schools are implementing the Tobacco Control Products Programme.

School health services have been rendered to the primary target of Grades R and Grade 1 in all five districts. The number of schools that received services: 275 schools; target learners reached with the service: 14306; secondary target: 545; and referrals: 3157.

Quality Assurance

The Quality Assurance programme of the department addresses the following areas: Accreditation, Clinical Governance, Infection Control and the licensing of Private Facilities.

At present 3 regional, 5 district- and 1 tertiary hospitals have received full COHSASA accreditation. Two hospitals withdrew because they could not meet the standard due to insufficient personnel (nursing and medical). One Hospital was awarded Recognition of Progress. Eight (8) hospitals have re-entered for the COHSASA 2009/2010 accreditation process, as they could not go through the process of accreditation due to cost containment measures. The Free State Department of Health has embarked on a pilot program with COHSASA to implement an Adverse Incident Monitoring System (AIMS) in 24 hospitals in the Free State. Second and third rounds of audits at 19 hospitals that are on the AIMS programme were completed (Intervention and Control Hospitals). Five hospitals are still outstanding and are scheduled for the financial year 2009/2010.

POLICIES, PRIORITIES AND STRATEGIC GOALS

District Health Services

- District Health Services in the Free State are aligned with the National DHS Policy.
- A road map for the implementation of DHS was developed and implemented.
- Priority Health Programmes are implemented by the provision of comprehensive Primary Health Care/Hospital Packages with special focus on Maternal, Child and Women's Health (MCWH), HIV and AIDS, Sexually Transmitted Infections (STIs), diseases of lifestyle, water borne diseases and infection control.
- District Governance structures, i.e. District Health Councils, Hospital Boards and Clinic Health Committees support and guide the delivery of District Health Services.
- The new District Organisational Structure was not implemented in the 2008/2009 financial year. The implementation process is anticipated for 2009/2010 financial year.

Rural development nodes and urban renewal nodes

Maluti-a-Phofung in Thabo Mofutsanyana has been declared as a presidential rural node and as such is one of the 18 priority Districts in the country. There are 33 clinics in Maluti-a-Phofung, which are rendering PHC services. There are two district hospitals and one regional hospital where patients are referred to.

Xhariep District

The Xhariep district has been identified as a Rural Area by the Provincial Government; scarce skills and rural allowances were thus implemented for selected occupational classes.

Health facilities in Xhariep District.

- 17 fixed clinics
- 21 mobiles
- 3 District Hospitals
- 1 Community Health Centre

Ten out of the 17 fixed clinics are rendering on call services after hours.

Emergency Medical Services

- 24 ambulances
- 5 response cars
- 11 patient transport vehicles

Forensic Pathology Services (Coroner Services)

The National Code of Guidelines for Forensic Pathology Practice in South Africa has been printed and distributed to the medico-legal mortuaries in the province for implementation. The previous standard operating procedures are still operational as they do not contain any directives contrary to the National Code of Guidelines, though it is envisaged that should there be a dispute the National Code of Guidelines will take precedence.

Quality Assurance

The following policies have been developed to improve quality care in health institutions:

Provincial Infection Prevention and Control Policy

Provincial Infection Control Manual

Management of Cultural Diversity Policy

Services Marketing

At present all 5 districts are implementing the school health services policy and 16/20 local areas are rendering a service. Inter-sectoral collaboration and integration of services are ensured through community structures that were established at provincial and some district levels. Cooperation, support and sustainability of these structures can be improved. The services marketing initiative with radio talks and campaigns as well as training of marketing coordinators in institutions and clinics, continue.

Health facilities are required to implement projects such as Service Standards, Patients' Rights Charter; Know Your Service Rights, Flagship Projects, Service Delivery Improvement Plans as well as Complaints Management procedures.

The following have been prioritised:

- Compliance with service standards
- Sustainability of Batho Pele Policies and Guidelines
- Implementation and sustainability of School Health Services
- Implementation of Healthy Lifestyles Programme based on Health Promotion Policy
- More resources are necessary to strengthen and implement health promotion in all districts.

CHALLENGES AND CONSTRAINTS

District Health Services

Finance

Primary Health Care remains under-funded which has an effect on the ability to deliver services. There needs to be greater prioritisation in terms of resource allocation given the high priority and strategic significance of this service. Allocation of the MDR Unit: An amount of R10 million was obtained from the National Treasury for the refurbishment of MDR TB Unit at Dr J.S Moroka Hospital and for the new Kopano TB Centre in Welkom.

Forensic Pathology Services (Coroner Services)

Forensic Pathology Services are funded through a National Conditional Grant which provides adequate funding for compensation of employees as well as for goods and services however, infrastructural development is severely under-funded due mainly to the prevailing economic climate.

The Clinical Forensic Medicine Service is currently inadequately funded. There are a significant number of nursing personnel specifically trained in Forensic Medicine, who are allocated to other units within the health system. This reflects the general shortage of personnel. A multidisciplinary approach is of paramount importance, including but not limited to the South African Police Service, the Departments of Social Development, Justice and Constitutional Development and Safety and Security. Currently, each of these departments is planning for services for victims without adequate interaction with the other stakeholders.

Quality Assurance

During the 2008/09 financial year 19 out of 24 facilities that are on the COHSASA AIMS programme, were visited. Personnel are being empowered through training.

Financial constraints prevented the unit from paying regular support visits to 5 hospitals resulting in these hospitals completing on their own. This affected the outcome of the audit.

Appointment of personnel is limited due to financial constraints.

The posts of District Quality Assurance Coordinators remain unfunded which prevented monitoring of quality standards in the districts.

Services Marketing

The target for school health services is to reach all 20 local areas with service delivery. A comprehensive and integrated approach from all stakeholders will ensure a quality service to the focus groups.

District and school health forums are to be strengthened and kept sustainable mainly through support from districts. Capacity building of these structures will ensure improved understanding of their expectations and roles, thereby improving community participation.

Marketing of services can be improved with health facilities continuously measuring themselves against set service standards and implementation of a service delivery improvement plan that has identified the gaps to be addressed. Batho Pele principles need to remain an integral part of everyday care given to all clients, irrespective of circumstances.

The SMS system through cell phones could enhance the client satisfaction surveys done annually to identify gaps in service delivery. Financial and human resources are required to attain all these goals.

Lack of human and financial resources at provincial and district level impede implementation of the programme. The current financial constraints limit the ability to appoint staff.

Human Resource

The challenge in terms of the recruitment and retention of staff can be addressed by the filling of critical funded posts and by implementation of the new Micro Structure in phases.

The financial management capacity of all levels of staff will be improved by the appointment of Managerial Accountants and by increasing the number of Supply Chain Management personnel. Dedicated DHIS managers are provided for in the new Micro Structure, but funding is a challenge.

Accommodation for health personnel poses a challenge.

Implementation of the standard compliance and traditional practice components is compromised by the inability to fill posts due to current financial constraints.

Support Systems

Support from donors/partners will enable purchasing of critical equipment to address the backlog. Information Management using the DHIS system poses challenges. Finances are required for implementation of Version 1.4 to ensure good quality of data.

Too few vehicles and personnel are available for mobile services. A total of 109 mobiles are currently used to render Rural Health Services on a 4 – 6 weekly basis.

Lack of human and financial resources at provincial and district level impede implementation of the programme. The current financial constraints limit the ability to appoint staff.

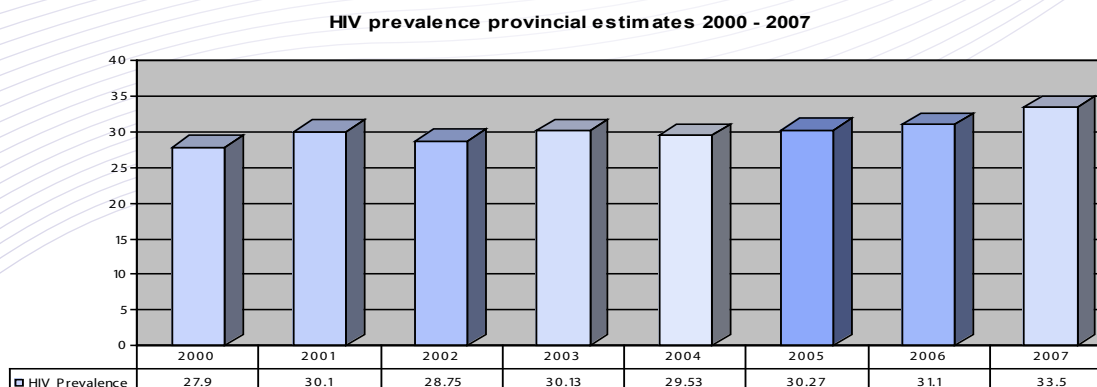
SUB PROGRAMME: HIV/AIDS AND TB

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

Epidemiological Information

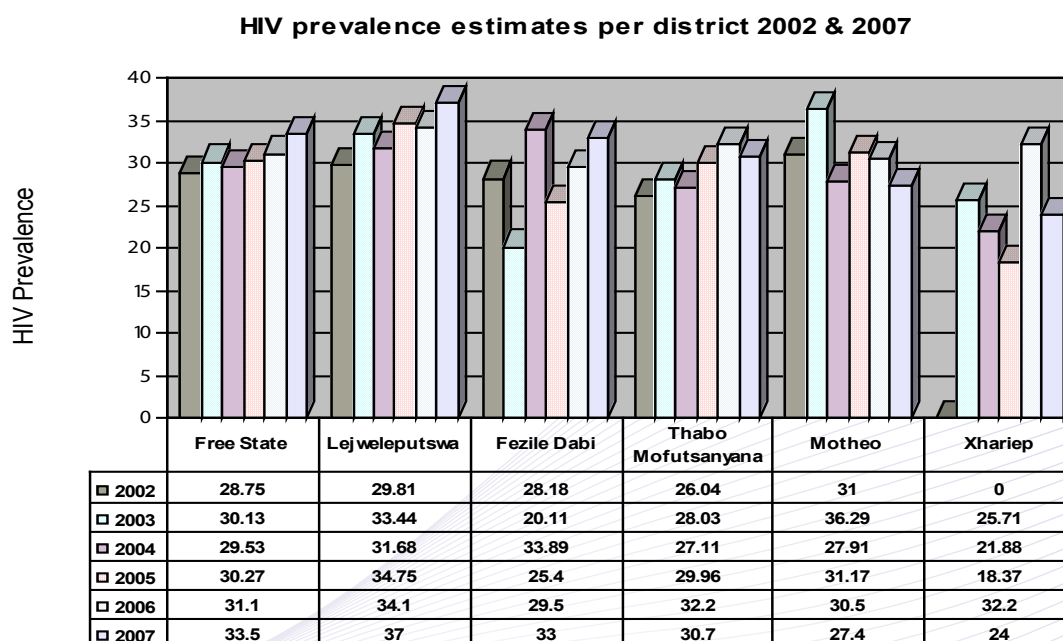
According to the 2007 National HIV Antenatal Prevalence Survey, the overall HIV prevalence estimates among first time antenatal care attendees in South Africa, is 28.0%. The Free State province is ranked second highest in the country with an HIV prevalence of 33.5% followed by Mpumalanga at 32% and Gauteng at 30.3%.

The Free State at 33.5% represents a 5.6% increase in HIV prevalence when compared to the 27.9% in 2000. Syphilis prevalence among the antenatal attendees in the same period remained at 2.2% in 2007.



Source: Free State Province report of the national HIV and syphilis sero prevalence survey of women attending public antenatal clinics in South Africa – 2006 and HIV Antenatal Prevalence Survey 2007

The HIV prevalence estimates among first time antenatal care attendees per district in the Free State are as follows:

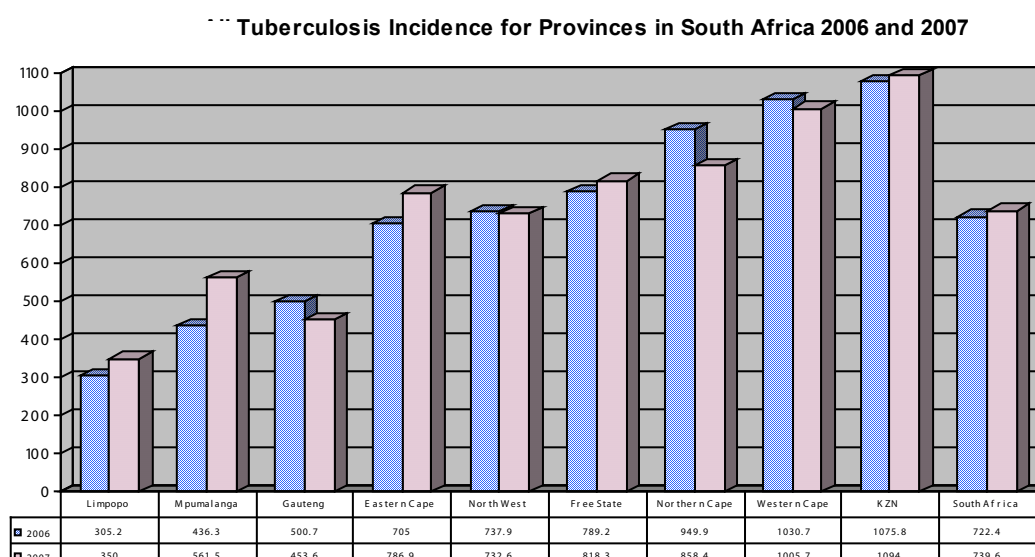


Source: Free State Province report of the national HIV and syphilis sero- prevalence survey of women attending public antenatal clinics in South Africa – 2006 and HIV Antenatal Prevalence Survey 2007

TUBERCULOSIS MANAGEMENT

Case Finding

A total of 25 592 TB cases, of which 17 083 were new Pulmonary TB cases, were reported in 2008. This translates to an incidence of 863/100 000 cases.



Source: 2006 and 2007 Final Province and Country TB Report – NdoH: (Latest data for 2008 not yet available from National Department of Health during time of reporting.)

Breakdown of all TB case incidence per district for 2008

District Name	Incidence
Lejweleputswa	1 102.5/100 000
Motheo	915.2/100 000
Thabo Mofutsanyana	701.2/100 000
Fezile Dabi	626.1/100 000
Xhariep	1 018.3/100 000

The district with the highest incidence and TB cases is Lejweleputswa. This is due to the gold mining industry in the district. This industry predisposes its employees to TB and most of its employees are resident within or interact with the communities of this area.

Smear Conversion

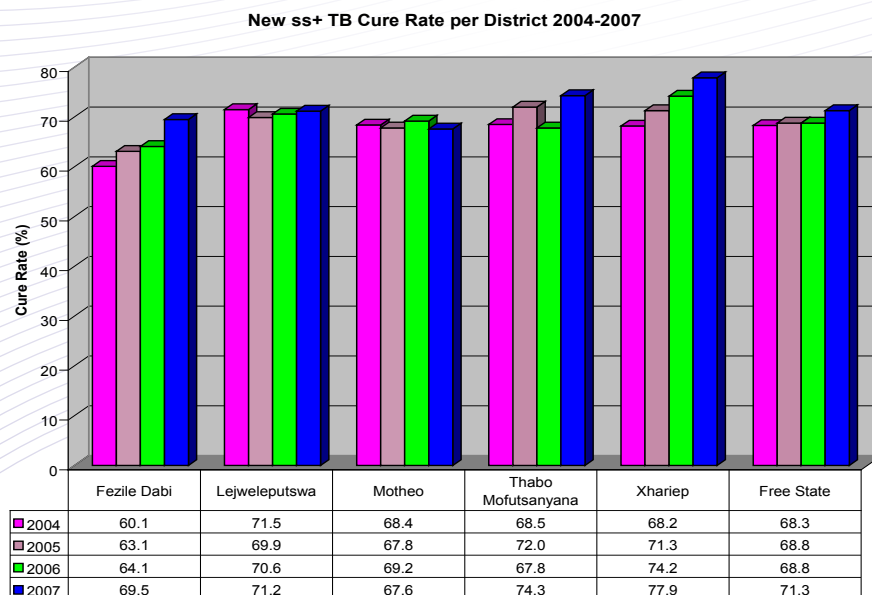
The province has a smear conversion rate of 72.2% (of 2 months for 2007) compared to 67.9% (2006 cohort) however, the patients remaining positive at the end of two months are still a cause for concern at 12.0%. To reduce the percentage of positive smears at the end of two months, emphasis is put on the integration of TB and HIV and direct treatment supervision in all health facilities.

Treatment Outcomes

The TB cure rate of new smear positive cases has been constant over the past three years and is still far below the national target of 85%, as determined by the World Health Organisation (WHO). The province, however, has the lowest percentage of patients defaulting treatment in the whole country and this could be due to, amongst other things, a strong Directly Observed Treatment (DOT) support provided by volunteers on a stipend program.

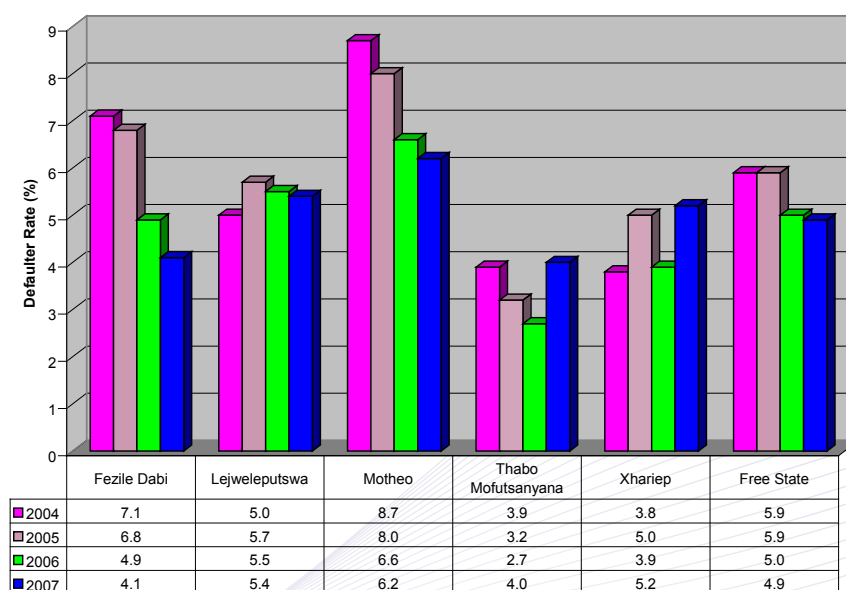
Cure Rate

The cure rate of new smear positive cases is 71.3% (2007 cohort) compared to 68.8% (2006 cohort) and treatment interruption rate of new smear positive cases for the same period is at 4.9% compared to 5.0% (2006 cohort).



Source: FSDoH ETR.Net 2004 -2007TB information (Access 25 May 2009)

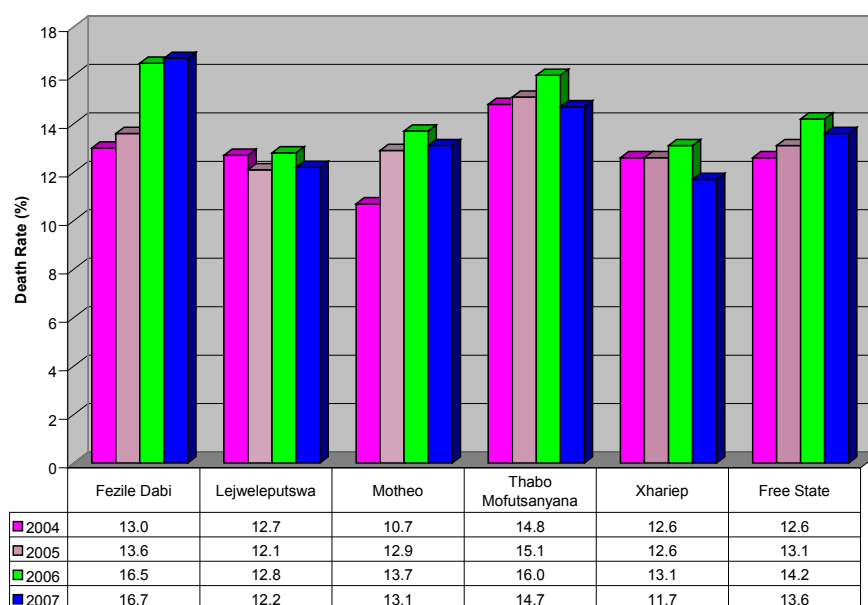
TB Defaulter Rate per District for 2004-2007



Source: FSDoH ETR.Net 2004 – 2007 TB information (Access 25 May 2009)

The death rate of all patients on TB treatment remains a concern at 13.6% for the 2007 cohort. This has decreased from 14.2% of 2006. TB and HIV collaborative activities have been strengthened including efforts to increase VCT uptake amongst TB patients as well as intensified TB screening among HIV positive patients.

Death Rate of all TB Patients per District 2004-2007



Source: FSDoH ETR.Net 2004 – 2007 TB information (Access 25 May 2009)

Drug Resistant TB

The province has strengthened its efforts to diagnosed MDR and XDR-TB patients. XDR-TB patients are nursed in Pelonomi Hospital Isolation. MDR-TB patients are nursed in Dr. J. S. Moroka Hospital, Thaba Nchu in the MDR-TB Unit that has a 70-bed capacity. With the increased demand for beds for the treatment of MDR-TB patients, a second 45-bed MDR-TB Unit is planned in Welkom at Kopano.

Diagnosed Drug Resistant TB for the Free State		
Year	Multi Drug Resistant	XDR TB
2007	158	10
2008	234	6

In the Free State, a functional provincial AIDS Council, 5 district AIDS councils and 20 local AIDS councils, ensure involvement of all stakeholders. The department is implementing the Comprehensive HIV and AIDS Management and Treatment Plan (CCMT). To date, all 5 districts are receiving the full package. By the end of the 2008/09 financial year, all sub districts will be receiving the full package.

Community Home Based Care (CHBC) and Step Down Facilities (SDF)

An integrated Community Home Based Care programme is available in 80 towns in the Free State, which takes care of patients with AIDS and other debilitating diseases in collaboration with 154 civil society organisations. This service has been extended to 42 farms in the province.

To date, 2005 volunteers (including DOT Supporters) receive stipends to render the service to 72 672 beneficiaries. In eight (8) functional step down facilities with a total of 84 beds, 122 trained volunteers render the service to 3 626 persons under the supervision of professional nurses. Support groups for people living with HIV and AIDS are capacitated on an ongoing basis. 18 sub districts have focussed programmes for People living with HIV and AIDS (PLWA).

Voluntary Confidential Counselling and Testing (VCCT)

All Primary Health Care facilities in the province, offer voluntary counselling services. All VCT sites are doing CD4 count tests to HIV positive clients. VCT services are provided to 142810 beneficiaries at 226 operational sites. To date, a total of 565 counsellors are active on the programme.

Flemish Government Fund for VCCT

Funding for the project has come to an end. Two projects have not been completed. These are the extension of the Nelson Mandela Clinic in Edenburg, which is at an advanced stage, and the Sasolburg Clinic extension, which will have to be abandoned since it had just started.

Prevention of Mother to Child Transmission (PMTCT) of HIV

In 2008/9 HIV testing rate among antenatal clients has increased to 95.1%. CD4 count testing is offered to pregnant women at the point of HIV diagnosis. Polymerase Chain Reaction (PCR) test is being provided to all HIV exposed infants at 6 weeks after birth.

Number of facilities that provide antenatal care per district:

Free State	Motheo	Xhariep	Lejweleputswa	Thabo Mofutsanyana	Fezile Dabi
210	49	17	45	62	37

The revised PMTCT dual therapy guidelines, which incorporate provision of AZT at 28 weeks to HIV positive pregnant women who are not on HAART, have been implemented in August 2008. These guidelines are implemented in 30 hospitals and 210/222 clinics in the province. Uptake of Nevirapine among antenatal clients has decreased due to the review of the national data element.

Education and Awareness Campaigns

Information, Education and Communication (IEC) awareness campaigns are being conducted and stakeholders are being trained on an ongoing basis.

Provision of Post Exposure Prophylaxis (PEP)

Antiretroviral medication is available at all hospitals in the province for PEP for rape survivors and personnel.

Antiretroviral Treatment Program (ARV)

The ARV programme is an integral part of the Comprehensive HIV and AIDS Care, Management and Treatment Plan (CCMT) and aims to prolong the lives of the people who progress from HIV infection to AIDS stage, making it possible for them to lead normal and productive lives.

The goal has been achieved to establish at least one ART accredited site in all 5 districts by the end of the 1st year of implementation and at least 1 ART accredited site in all 20 sub districts by the end of the 5th year of implementation. By October 2008, all 20 sub districts had at least one accredited ART site.

Antiretroviral Therapy accredited sites per district

5 Districts	20 Sub-districts	28 Accredited ART Sites
Lejweleputswa	Matjabeng	Bongani Hospital
	Tswelopele	Mohau Hospital
	Masilonyana	Masilo Clinic
	Nala	Albert Luthuli Clinic
	Tokologo	Tshwaraganang Clinic
Motho	Mangaung	National Hospital
		Heidedal CHC
		Botshabelo Hospital
		Dr J.S. Moroka Hospital
Thabo Mofutsanyana	Mantsopa	Mantsopa Hospital
	Naledi	Lebohang Clinic
	Maluti-a-Phofung	Mofumahadi Manapo Mopeli Hospital
		Harrismith Clinic
	Phumelela	Bophelong Clinic
	Nketoana	Petsane Clinic
Fezile Dabi	Dihlabeng	Phekolong Hospital
		Mamello CHC
	Setsoto	Phuthuloa Hospital
	Metsimaholo	Metsimaholo Hospital
Xhariep	Ngwathe	Tokollo Hospital
		Boitumelo Hospital
		PAX CHC
	Mafube	Philani Clinic
Xhariep	Letsemeng	Bophelong CHC
		Ethembeni clinic
		Lephoi Clinic
	Kopanong	Itumeleng Clinic
	Mohokare	Thembaletu Clinic

To date, 29 112 adults and 3 904 eligible children are on ART treatment.

Sexually Transmitted Infections (STI) / High HIV Transmission Areas (HTA)

This programme complements HIV prevention by effectively treating sexually transmitted infections, identifying high transmission areas in the province and by strengthening the prevention strategies in these areas. During 2008/09, 5336 clients were treated for STIs at HTA intervention sites compared to 5348 in 2007/08.

Provincial	2005/06	2006/07	2007/08	2008/09
Incidence of STIs treated	4/1000 STIs treated	7/1000 STIs treated	3/1000 STIs treated	3/1000 STIs treated
STI partner notification rate	83%	85%	90.3%	93.9%
STI partner tracing rate	28%	26%	24.5%	22.1%

Since 2006, the number of High Transmission Area intervention sites increased from 10 to 28 sites and female condom distribution sites from 28 to 42 sites. Sites are being maintained and clinics have been added to distribute female condoms as well.

District	High Transmission Area Sites	Condom Distribution Sites
Thabo Mofutsanyana	8	10
Lejweleputswa	5	6
Motheo	5	14
Fezile Dabi	5	6
Xhariep	5	6
Total	28	42

During 2008/09, 15 897 000 male condoms were distributed compared to 11 579 700 in 2007/08, with a condom distribution rate of 15 condoms per male per month in the public sector. In the same period, 292 080 female condoms were distributed compared to 163 668 in 2007/08.

NGO/CBO involvements and service level agreements

A total of 48 Non-profit Organisations (NPOs) have been contracted for Primary Health Care, including HIV and AIDS, for a period of 3 years starting from 2008/09 until 2010/11. A total of 182 NGO delegates from 56 non-governmental organisations have been trained on monitoring and reporting tools as well as financial management. 76 carers have been trained on reporting tools for their PHC service packages. Support visits have been conducted to funded NPOs focusing on Monitoring and Evaluation issues and financial management. NPOs are reporting on their activities and financial expenditure.

TUBERCULOSIS MANAGEMENT

TB Directly Observed Treatment Support (DOTS)

The DOT coverage of patients on TB treatment for 2008 is 90.1% compared to 92% in 2007 and only includes DOT provided by a volunteer on stipend. A total of 713 DOT Supporters are receiving a stipend to render treatment support to 24 797 TB patients (2008).

The decrease in DOT coverage is due to the attrition of volunteers. The "Mo Tsheetse" Campaign was launched during the TB Day Commemoration event. This campaign was a call to communities to volunteer their support to TB patients without expecting remuneration. This was aimed towards the improvement of DOT coverage.

HIV/AIDS/STI and TB Control (HAST)

Integrated HAST activities are carried out in health facilities to ensure comprehensive care and treatment of TB and HIV co-infected patients. The implementation of an integrated approach is monitored by HAST committees which consists of managers and coordinators of these programmes, in all five districts. The Belgium Donor funding which assisted with the implementation of these integrated activities will end in 2009.

Education and awareness

The province has developed an Advocacy, Communication and Social Mobilization (ACSM) plan that outlines various activities carried out to ensure education and awareness on TB issues. Involvement of communities and other stakeholders is of utmost importance and all efforts are made to bring them on board.

Quality assured tuberculosis sputum microscopy laboratory results turn around time (TAT)

Achieving the national target of 80% within 48 hours remains a challenge particularly in remote facilities situated in rural areas. The province achieved a TAT of 54.1% of sputum within 48 hours in 2008. The National Health Laboratory Services introduced a new system of providing sputa results via a SMS printer to improve the TAT.

Training of Service Providers

Health care professionals are being trained on TB Management with the assistance of Foundation for Professional Development who offers Integrated TB and HIV training. To date 14 doctors and 342 professional nurses have been trained and this has helped to strengthen the programme management in facilities with skilled personnel. Staff turnover and rotation remains a challenge.

Electronic TB Register (ETR.Net)

The Electronic TB register is successfully being expanded to include TB case finding information from hospitals. Thirty out of thirty-three hospitals are reporting on this system. Hospitals without a TB focal person are still posing a challenge. The National TB Control Programme has updated the monitoring tools to also include TB and HIV data elements. A new Electronic Drug Resistant (EDR) Register was also launched and implemented in all provinces.

POLICIES, PRIORITIES AND STRATEGIC GOALS

The HIV and AIDS and STI National Strategic Plan 2007 to 2011 was launched in 2007 with the following main objectives:

- Reduce the rate of new HIV infections by 50% by 2011.
- Reduce HIV infection and AIDS morbidity and mortality as well as its socio-economic impacts by providing appropriate packages of treatment, care and support to 80% of HIV positive people and their families by 2011.

The following policies and guidelines have been implemented:

- National Strategic Plan 2007/2011
- CCMT Operational Plan
- Adult- and Children Treatment Guidelines
- STI Guidelines
- VCT Guidelines
- National Home Based Care Guidelines
- Regulatory Framework on Step Down Care (draft)
- Guidelines to establish and maintain support groups for people living with and /or affected by HIV and AIDS

Prevention of Mother to Child Transmission of HIV (PMTCT)

The revised PMTCT dual therapy guidelines, which incorporate provision of AZT at 28 weeks, to HIV positive pregnant women who are not on HAART, have been implemented in August 2008. These PMTCT guidelines are implemented in 30 hospitals and 210/222 clinics in the province. Uptake of Nevirapine among antenatal clients has decreased due to the review of the national data element.

TB MANAGEMENT

The National TB Strategic Plan 2007 to 2011 was launched for implementation in October 2007.

The strategic objectives of this plan are as follows:

- To strengthen the implementation of the DOT strategy
- To address TB and HIV, MDR and XDR TB
- To contribute to health system strengthening
- To work collaboratively with all care providers
- To empower people with TB as well as communities
- To coordinate and implement research
- To strengthen infection control

The following policies are being implemented

- National Multi Drug Resistant TB Policy 2006
- TB Infection Prevention and Control Policy
- National TB Guidelines 2007

CHALLENGES AND CONSTRAINTS

Finance

- Conditional Grant: The programmes in CCMT particularly the ART, are underfunded. Antiviral drugs as well as laboratory costs are expensive. More funding will be sought during budget reviews of the conditional grant and other sources.
- The Equitable Share is perpetually operating under financial constraints, which negatively impact on the implementation of programmes.
- National Treasury made funding available to provinces for strengthening TB Management, with the focus on infrastructure development for MDR and XDR TB management. Operational costs for these units remain the responsibility of the provinces. An amount of R10 million which was obtained from the National Treasury was transferred to Independent Development Trust (IDT) for the refurbishment of the new MDR-TB Unit at Kopano in Welkom. The challenge still remains the inability to carry out TB activities due to the financial constraints of the equitable share in the department.

Human Resources

- Recruitment and retention of personnel in CCMT, remain a challenge. The establishment of partnerships with NGOs, is to a certain extent helping in this regard.
- CCMT is to be implemented at PHC facilities as an integral part of the Primary Health Care package rather than as a vertical programme. Staff awareness is being created.
- There are no dedicated TB coordinators at local and facility level. Rotation and staff turnover is a big challenge and a retention strategy needs to be put in place. Districts are looking at the appointment of coordinators at local area level in the province. Dedicated personnel for the TB program in hospitals remains a challenge. As a result TB activities are not properly coordinated in hospitals.

Support systems

- Volunteers are being placed in Ancillary Health Care training and are leaving the DOT Programme. A need exists for the recruitment of additional volunteers to improve DOT coverage in the Free State. The European Union (EU) TB defaulter project, which assists the TB Programme, has reached the end of its first phase. The Province is in the process of absorbing and maintaining this project.
- Information: A plan has been implemented to recruit data capturers through the Expanded Public Works Program (EPWP). Seventy-three (73) data capturers have been recruited, trained and placed at facilities in different districts and this has resulted in improved data quality. The financial resources to absorb these data capturers in permanent positions, remains a challenge for the programme.

SUBPROGRAMME: MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

WOMEN'S HEALTH

Cervical Cancer Screening Program

Cervical cancer screening is presently done on 5% of targeted women of age 30 and over. The aim is to have all women above 30, screened with 3 cervical smears done at 10-year intervals. Only 1 centre at Pelonomi Hospital in Motheo district is fully equipped for providing colposcopy services. There should be at least one appropriately equipped centre per district to provide colposcopy services.

The number of women screened for 2008/09, was 22 330 which is 82.7% of the target of 27 000 planned. The coverage rate decreased from 6.6 in 2007/08 to 4.4% in 2008/09.

Genetic Services

The purpose of the genetics component is to ensure that genetic disorders are appropriately managed at all levels of care. The emphasis is on primary prevention through health promotion and education, counselling and tests for early detection of abnormalities.

14/30 facilities are doing genetic screening. All five districts in the province are implementing the new standardized data collection tool. Genetic outreach clinics increase accessibility to services. A register of Birth Defects is available at each health facility in the province. Pivotal to genetic screening is obstetric ultrasound screening that is unfortunately not routinely available in the province. District genetic nurses are trained as facilitators for genetic disorder support groups.

The district genetics nurses link with the haemophilia treatment centre at Universitas Hospital. This has increased accessibility of services. There are 173 haemophilia clients in the province with an average age of 37 years.

Data on genetic disorders is collected from health facilities. Notification of priority birth defects attempts to establish a baseline of prevalence of genetic birth defects. For 2008/09 the numbers of reported priority birth defects are as follows: Albinism 7, Cleft lip 6, cleft palate 10; anencephaly 7, Down's syndrome's 208, Encephalocele 8, Spina bifida 9.

Termination of Pregnancy (TOP)

Deaths resulting from unsafe TOP are estimated at 68 000 annually in developing countries with 30 000 of these, occurring in Africa. Legalisation is an important measure in reducing the incidence of unsafe TOP.

In February 1997, South Africa legalized TOP with the implementation of the Choice on Termination of Pregnancy Act (Act of 1996) to reduce maternal morbidity and mortality that relates to unsafe methods of terminating pregnancy. The annual number of TOPs increased steadily from 1999 and peaked in 2005, then started declining in 2006 and 2007. The TOP rate per 1 000 live births, increased steadily from 97 in 1999, to 235 in 2005 and decreased in 2006 (208) and 2007 (176).

TOP rate per 1 000 live births

Year	Rate of TOP per 1000 live births
1999	97
2005	234
2006	208
2007	176
Total number of terminations in accredited facilities 1999 to 2008	65 021

TOP surveillance study conducted in the Free State for the period 1999 – 2007

There are 16 accredited TOP performing facilities in the Free State, 11 are public health facilities and 5 private. During 2008/09 the total number of TOPs was 8451, of which the <18 years TOPs was at 9% (762).

Age Group (years)	Frequency	Percentage
<15	1 643	3%
15-19	10 579	16%
20-24	20 555	32%
25-29	14 450	22%
30-34	10 031	15%
35-39	5 796	9%
>40	1 967	3%
Total	65 021	100%

The total number of pregnancies terminated in 2008 from the 16 functional designated facilities in the Free State Department of Health (including the 2 designated private doctors) was 9133, compared to 6 754 in 2007.

Accessibility and availability of the service

By the end of 2008, 16 out of 40 facilities (11 public- and 5 private) provided TOP services in the Free State. In addition 6, general practitioners' (GP's) sites have been designated.

Termination of Pregnancy (By Choice) Facilities	Termination of Pregnancy (Medical Referrals) Facilities	Private Facilities
Kopano Community Health Centre (Welkom)	Pelonomi Regional Hospital (Bloemfontein)	Marie Stopes
Elizabeth Ross Hospital (Qwaqwa)	Universitas Tertiary Hospital (Bloemfontein)	Hoogland Medi Clinic
	Thebe Hospital (Harrismith)	
Dr JS Moroka Hospital (Thaba Nchu)	Bongani Regional Hospital (Welkom)	Medi Clinic (Bloemfontein)
Katleho Hospital (Virginia)		
Metsimaholo Hospital (Sasolburg)		Medi Clinic (Welkom)
National Hospital (Bloemfontein)	Dihlabeng Hospital (Bethlehem)	Rosepark

- Health education campaigns need to be strengthened in our schools to resolve the problem of teenage pregnancy (<15 years and 15 to 19 years age cohorts).
- The sterilization outreach programme needs to be supported.
- Staff shortages and high staff turnover rates exacerbate the problem.
- Raising awareness among the users of the service, about the importance of early reporting for the service, will help decrease the chances of complications.

Contraceptive Services

Through the use of contraceptives, sexually active individuals may exercise their sexual rights without the risk and fear of unwanted pregnancy.

Contraceptive services have been included in the comprehensive Primary Health Care package of services. The service has been expanded to district hospitals in order to have a complete package for all levels of care. The budget is based in the districts and the DHS is discussing with pharmaceutical services for implementation.

The following is recommended:

- Designated contraceptive services, especially at district hospitals.
- A specialist contraceptive clinic addressing contraceptive complications needs to be established in every district.
- Emergency contraception must be available at every 24-hour facility.
- All services to be youth friendly.

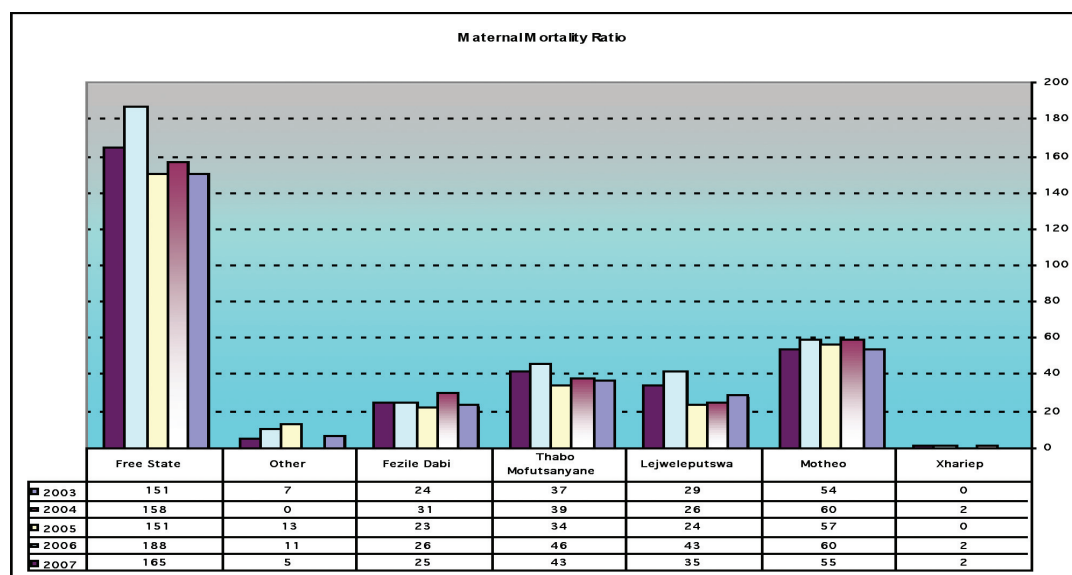
Maternal Health

The Annual Provincial Maternal Deaths Report for the 2008 calendar year reveals that a total of 146 maternal deaths were reported in the Free State, compared to 165 in the 2007 calendar year. This brings the maternal mortality ratio to 252/100 000 live births compared to 288/100 000 live births in the 2007 calendar year. The Maternal Death Notification Program aims to improve maternal health by reducing maternal death ratio by three-quarters, between 1990 and 2015.

Guidelines for maternity care, the Saving Mothers Report 2002 – 2004 and protocols to manage common conditions leading to maternal deaths were distributed and are implemented in all facilities rendering maternity services.

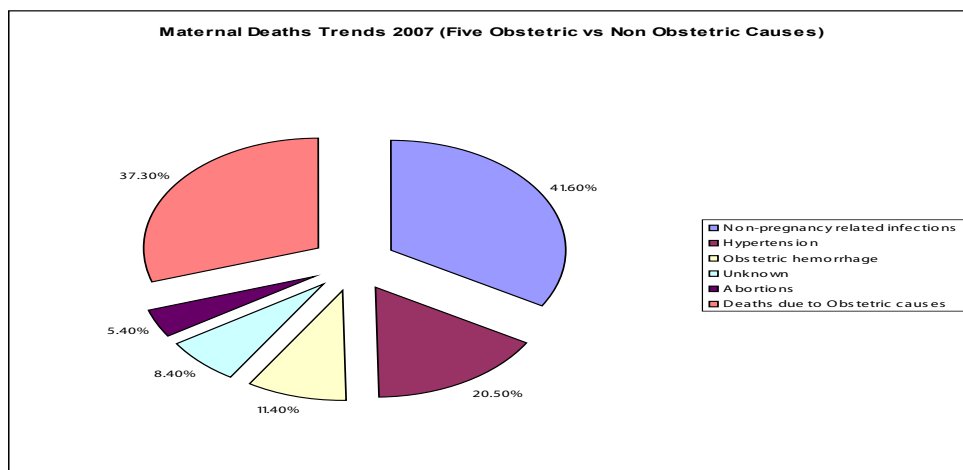
Basic Antenatal Care (BANC) is an initiative aimed at training Midwives to identify problems already present or those that can develop in the pregnant woman and her unborn child. This was introduced at 119 sites throughout the province to ensure proper management and care. Sites per districts are as follows: Xhariep 7, Motheo 9, Lejweleputswa 17, Fezile Dabi 26 and Thabo Mofutsanyana 70.

Rapid test kits for onsite testing of syphilis for pregnant women were procured (patients receive results immediately). This will facilitate early identification and treatment of syphilis, which will impact positively on neonatal deaths due to syphilis (unexplained stillbirths and pre-term labour).



Source: Maternal Death Register 2001 – 2007 Department of Health Free State

The 2008 data is as follows: Fezile Dabi 26, Thabo Mofutsanyana 35, Motheo 42, Lejweleputswa 36, Xhariep 4, other 4 and the figure for the Free State is 147.



Source: Maternal Death Register 2001 – 2007 Department of Health Free State

Child Health

Trends in key provincial mortality indicators PHC and Hospital

Indicator	Free State Mortality database (Jan – Dec 05)	Free State Mortality database (Jan – Dec 06)	DHIS (Jan – Dec 07)	Target
Infant mortality (under 1) ²	66.1 per '000 pop under 1yr	62.0 per '000 pop under 1yr	113.0 per '000 pop under 1yr	45 per 1,000 live births by 2006
Child mortality (under 5)	18.4 per '000 pop under 5yr	17.2 per '000 pop under 5yr	89 per '000 pop under 5yr	59 per 1,000 live births by 2006
Maternal mortality	267.6 per '00,000 live births	372.2 per '00,000 live births	372.2 per '00,000 live births	100 per 100,000 live births by 2006

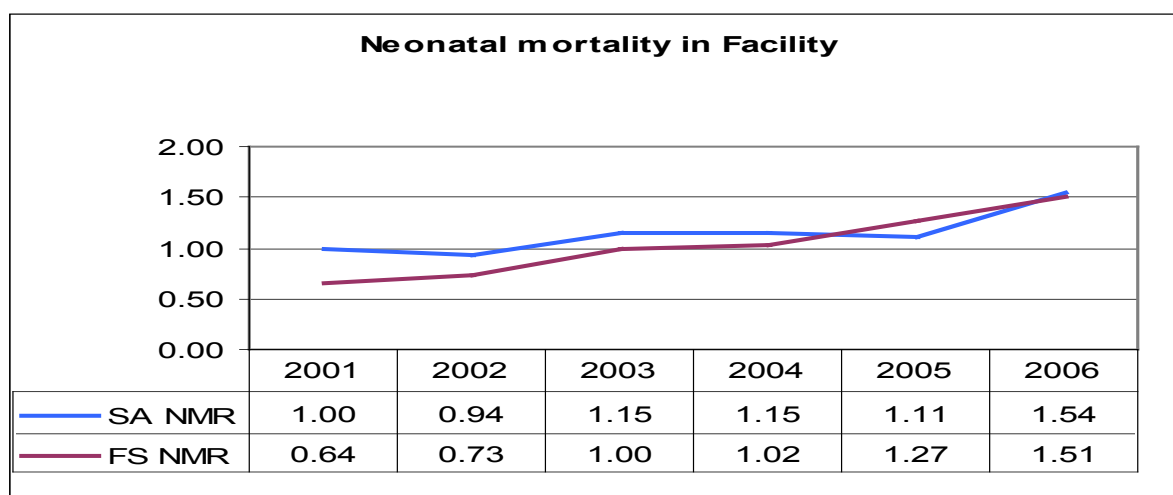
Source: Free State Department of Health Mortality database. No information available for 2007/2008.

The provincial infant mortality rate of 66.1 per 1000 population under one year in 2005 decreased to 62.0 per 1000 for 2006. The under-five mortality rate decreased from 18.4 (population under 5 years) in 2005 to 17.2 per 1000 in 2006. Amongst many other factors, the decrease may be attributed to the child survival strategies that are in place. The goal of child survival strategies is to reduce child and infant mortality by 0.5% annually. The strategies implemented in this regard include the Integrated Management of Childhood Illnesses (IMCI), the Expanded Programme on Immunisation (EPI) and the Vitamin A Supplementation Programme and the Child Health Problem Identification Programme (ChPIP).

(No population-based data is available for Infant and Child Mortality rates for Jan-December 2007. The DHIS sourced data reflected in table above is facility based.)

Perinatal and Neonatal Health

The fifth "Saving Babies" Report for the period 2003-2005, was published in July 2007 by the Medical Research Council (MRC). The province launched this report in January 2008 and five national recommendations were adopted for implementation in 2008/09. This report covers the perinatal (0-7 days), stillbirth and neonatal (0-1 month) death rates. The recommendations are aimed at reducing the incidences of avoidable factors that cause death. Copies of the report were disseminated in the province to ensure implementation of the five national recommendations.



Source: DHIS Data 2001 - 2007

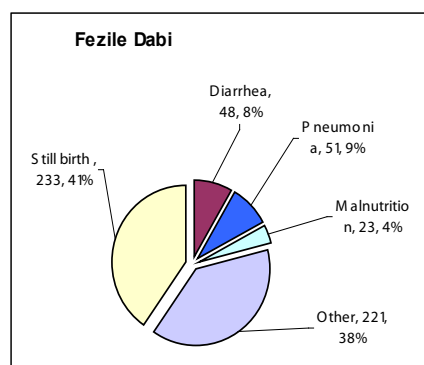
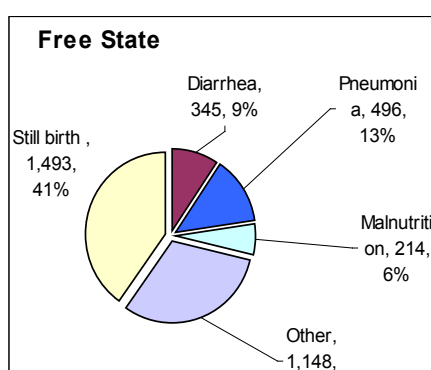
Currently 262 facilities (30 hospitals, 10 community health centres, 222 clinics) are implementing the recommendations of the "Saving Mothers" and "Saving Babies" reports. The quality of implementation is being monitored.

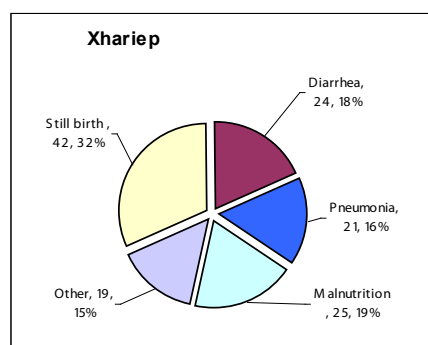
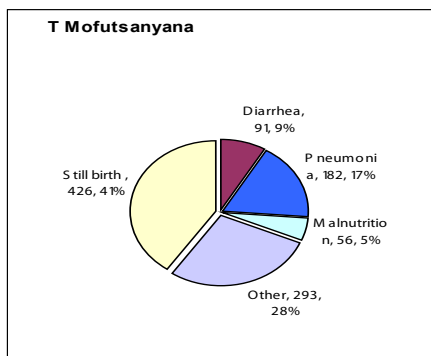
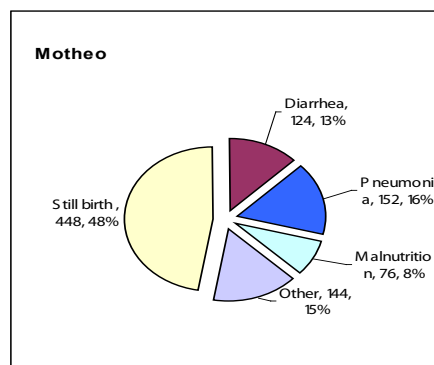
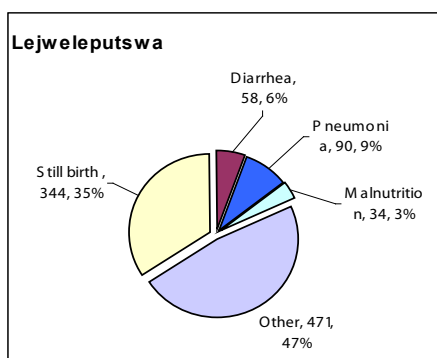
PPIP sites were increased from 12 to 28 to support neonatal health care. The primary causes of perinatal deaths were identified and key recommendations were made. Resuscitation equipment was purchased to train health care workers on resuscitation techniques of newborn babies. Training on resuscitation was conducted, 28 midwives were trained on neonatal resuscitation in November 2008.

In order to avoid a delay in transportation of pregnant women, a colour coded sticker system for transportation of pregnant women is implemented in all districts as part of 10 recommendations to reduce maternal deaths. Emergency transport is designated specifically for pregnant women and newborn babies. Partogram training was conducted and support in this regard is maintained on a continuous basis in all five districts.

Under 5 mortality

The following tables represent deaths in children under 5 years at health facilities in the Free State for 2006





Source: DHIS Data 2006

Recommendations

It is clear that all districts need to focus on the provision of safe and accessible services around pregnancy and birth. The level of malnutrition in Xhariep also indicates a priority area.

The collection and collation of updated data by the DHIS on factors influencing the under-5 mortality needs to be strengthened.

The pneumococcal conjugate and rotavirus vaccines, which are new, will improve child health and therefore reduce child mortality.

Integrated Management of Childhood Illness (IMCI)

IMCI is an effective strategy for managing common childhood illnesses at primary health care level. The current (2008/09) implementation coverage is 96% for all the districts. Training is conducted by trained facilitators, mostly as district co-ordinators, who are also responsible for implementation of the programme in their respective districts. There are 710/994 professional nurses who have been trained on the IMCI strategy.

A total of 82.4 % of PHC services have 60% saturation of IMCI trained personnel. 178/232 primary health care facilities implementing IMCI, have IMCI personnel trained on the CCMT (Comprehensive Care Management and Treatment) Plan.

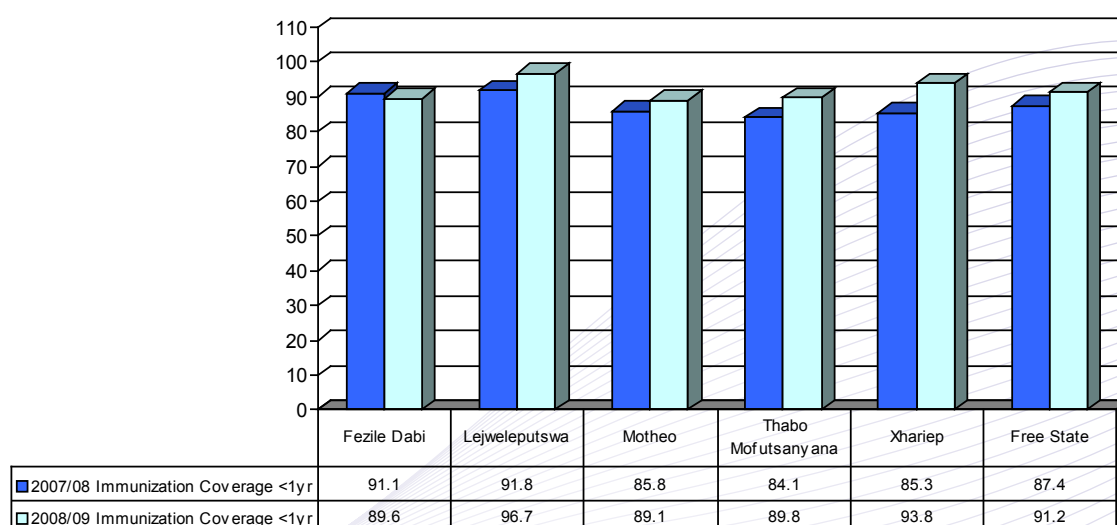
Expanded Programme on Immunisation

EPI is a child survival strategy mainly provided at the PHC facilities that aims to prevent and control vaccine preventable childhood diseases. Immunization coverage was 91.3% in 2008/09. The national target for 2008/09 was 80%.

The measles elimination strategy has been strengthened by the implementation of the Reach Every District (RED) strategy in 4 districts and sub-districts with low immunization coverage. Due to cost containment measures, training has not yet been conducted in Fezile Dabi. The Td vaccine has been successfully included in the current EPI schedule.

A total of 29 suspected measles cases were investigated in the following districts: Motheo 19, Lejweleputswa 6 and Xhariep 4, with one positive measles case reported at Motheo.

Children fully immunised (under 1 year) per district - 2007/08 and 2008/09



Source: DHIS Data 2007 – 2009

AFP (Acute Flaccid Paralysis)

During 2008/09 the Free State remained Polio Free. AFP surveillance has been implemented in all (5) districts. Surveillance sites have increased from 33 to 41 sites of which 5 are based in regional hospitals, 24 in district hospitals, 1 in the tertiary hospital and 11 at private hospitals.

The target for AFP cases is 2 cases per 100'000 population of children under the age of 15 with a stool adequacy rate of 80%. The AFP detection rate has dropped in 2008/2009 by 0.4% from 2.2 to 1.8 and stool adequacy rate dropped by 14% from 85% to 71%. The drop was due to a decrease in the number of children under 15 years who presented with symptoms of AFP.

Child Health Problem Identification Programme (ChPIP)

The ChPIP initiative is a mortality audit tool currently implemented in three facilities in the Free State. It serves as a tool to identify factors contributing to child mortality and is used to plan and identify strategies within facilities to improve child health services with the aim of decreasing child mortality. The plan is to increase the number of facilities implementing ChPIP to nine within the Free State by 2010/2011.

Nutrition

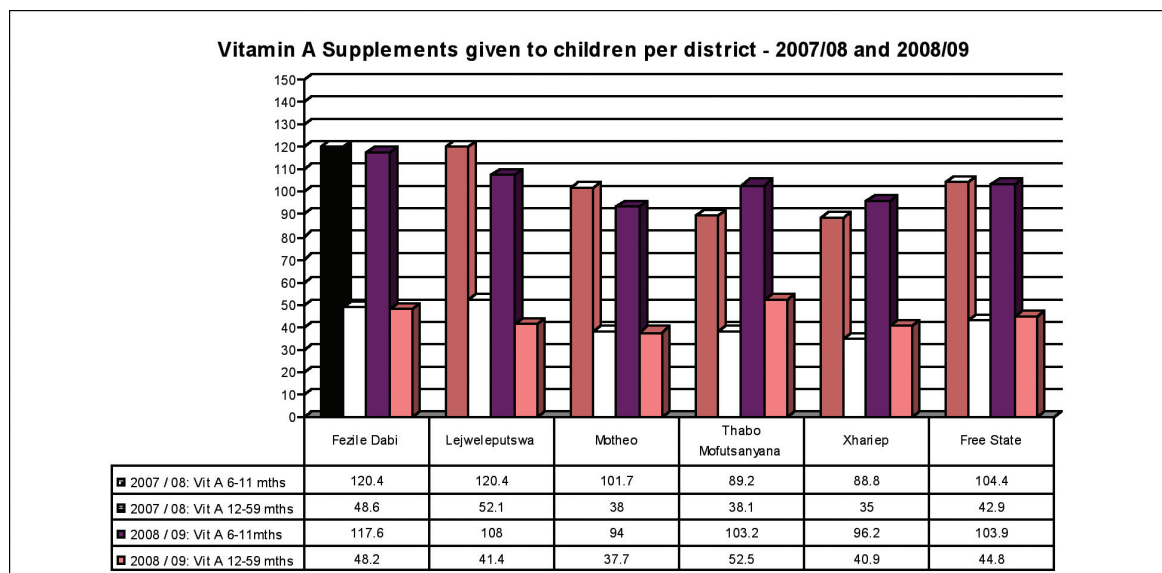
The goal of the nutrition programme is to enhance community nutritional status through:

- Nutrition promotion, education and advocacy
- Promotion and support of breastfeeding
- Growth monitoring and promotion
- Micronutrient malnutrition control

The nutrition programme entails dietetic services which are rendered at all levels of care. Promotion and support of breastfeeding is advocated using the Baby Friendly Hospital Initiative (BFHI) Eighteen (18) hospitals and 1 community health centre have been certified as baby friendly facilities. Due to financial constraints, facilities were not reassessed during the 2008/09 financial year.

Vitamin A supplementation amongst infants (6-11 months), children (12-59 months) and post-partum mothers form part of the micronutrient malnutrition control programme and the coverage rates were 104%, 44.8% and 114.2% respectively during 2008/2009. A Vitamin A campaign was held in September 2008 with the aim of increasing coverage amongst the 12- 59 months children. The coverage from the campaign was above 65%.

Another strategy aimed at micronutrient malnutrition control, is food supplementation at the facility level. Districts experience challenges with the provision of food supplements as a result of under-funding



Source: DHIS Data 2007 – 2009

POLICIES, PRIORITIES AND STRATEGIC GOALS

The objective is to improve maternal health by reducing Maternal Mortality Ratio (MMR) by three quarters, between 1990 and 2015. Strategies to improve maternal health include:

- Implementation of the ten key recommendations as set by the National Committee on Confidential Enquiries into Maternal Deaths (NCCEMD) from Saving Mothers report, 2002-2004.
- Facilities and District to conduct monthly maternal morbidity and mortality review meetings
- Pregnant women and their babies to be managed by skilled personnel. This includes implementation of Basic Antenatal Care (BANC) at all clinics offering Antenatal Care Service.

The target for 2008/09 to reduce maternal mortality was 300/100 000 which was exceeded by reaching 252/100 000 in 2008. To get a target of reducing a MMR by $\frac{3}{4}$ in 2009 the MMR will have to be at 240/100 000.

Strategies to reduce under 5 morbidity and mortality

The objective is to reduce child mortality through reduction by two thirds, between 1990 and 2015;

- PPIP sites (28) implement recommendations from Saving Babies report 2003 – 2005 (published in 2007 and launched in January 2008) and adopted for implementation in 2008/09.
- All Districts conducted monthly perinatal morbidity and mortality review meetings. Support training offered where gaps were identified.
- Facilities conducting deliveries should aim to implement Perinatal Problem Identification Program (PPIP).
- Increase the number of facilities within the province implementing child mortality audit tools e.g. Child Health Problem Identification Program (ChPIP).

- Train health care workers in ChPIP and provide ongoing support for its implementation.
- Facilitate and support Paediatric outreach programmes to improve health care of children.
- Sustain IMCI case management training to increase implementation and saturation levels.
- Strengthen monitoring and evaluation initiatives
- Accelerate training of other health workers on the IMCI strategy
- The Choice on Termination of Pregnancy Act (Act 92 of 1996), as amended
- National Contraceptive Guidelines
- National Contraceptive Service Delivery Guidelines
- A draft policy on Contraception for the Free State Department of Health was developed.
- The Supplementary Nutrition programme has been implemented in all health facilities to support the treatment and management of people living with HIV and AIDS, TB, debilitating conditions and various forms of malnutrition (underweight, kwashiorkor, marasmus and marasmic kwashiorkor).
- Food supplements were given to prevent malnutrition amongst orphans and vulnerable children.
- The nutritional supplementation programme is available at all public health facilities.
- Nutrition support has been implemented in hospitals to strengthen the management of severe malnutrition amongst children younger than 5 years.

Child Health and Nutrition Policies

Expanded Program on Immunisation (EPI)

- The policy on anaphylactic shock is being developed by National EPI Directorate and is still in draft format.
- The final draft policy on measles immunisation for children admitted to hospitals, awaits approval from the National Department of Health.
- The department contributes to the reduction of malnutrition in children through the supplementary nutrition programme and health education. The rate of children not gaining weight under 5 years for 2008/09 was 2.7%. Which has improved by 0.3% compared to 2007/08, when it was 3.0%.

CHALLENGES AND CONSTRAINTS

Finance

- Funding is limited for implementation of Maternal Health and other health programme activities. The maternal deaths assessors meeting could not be held but will be prioritised within available resources. Other means like teleconference or ICAM are not practical for this purpose as this meeting is an interactive process where patients' records are evaluated.
- Failure to have assessors meeting in the province delays the process by NDOH to finalize NCCEMD.
- The analysis of maternal deaths follows the National NCCEMD meeting.
- Lack of funding in the districts for food supplements for adults and children.

Human resources

The following needs attention:

- Staffing norms for maternity facilities must be developed. High attrition rate of IMCI trained personnel
- Shortage of trained Integrated Management of Childhood facilitators
- Shortage of dieticians in the districts
- Lack of assessors for the Baby Friendly Hospital Initiative
- Lack of computer-literate personnel to implement Child Health Problem Identification Programme
- Inability to fill vacant funded posts
- Lack of disease surveillance officers in districts
- Accessibility of Termination of Pregnancy service remains a challenge due to scarce human resources.

Support systems

The following needs attention:

- Institutions do not adhere to the set time frames to report and send files on maternal deaths files to the provincial Maternal Deaths Committee.
- Follow up of maternal deaths reported by community members (home deaths).
- Institutions/districts do not hold regular Maternal Mortality Review meetings.
- Maternity Care Guidelines available but not implemented, institutional protocols not developed.
- Posters with management guidelines not put in relevant places.
- Delay of EMS in transporting pregnant women with complications.
- EMS policy: Priority given to clients outside the facility.
- Some institutions do not have blood on site for emergency obstetric cases.
- Delay in blood replacement time, even in institutions where blood is available.
- Partogram quality assurance programme not implemented.
- PPIP recommendations not adopted and implemented at the PPIP sites.
- Lack of management support to implement BFHI
- Lack of computer hardware to implement ChPIP
- Inability of IT server to relay ChPIP software to facilities.

SUB PROGRAMME: DISEASE PREVENTION AND CONTROL

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

Disease Surveillance

Malaria is not endemic to the Free State province. Imported cases are appropriately managed at health care facilities. One case of cholera was admitted at Bongani Hospital and successfully treated. The patient travelled from Mozambique via Zimbabwe to Welkom. A case of Congo Fever was diagnosed and laboratory confirmed in Parys and was admitted in Gauteng Hospital and successfully treated. No deaths from priority communicable diseases were reported during 2008/2009. The provincial outbreak response time is 2 days, aligning it with the national target. All districts responded appropriately to diseases and food borne outbreaks experienced.

A system to monitor targeted diseases is in place however, needs to be strengthened to ensure that appropriate actions are taken to prevent and eradicate the targeted diseases and prevent development of acute epidemics.

The following diseases are at present monitored:

- AFP (Acute Flaccid Paralysis)
- Measles
- Diseases have been gazetted as Notifiable Conditions

The communicable disease profile of the FSDH for the last four years

Diseases	2005	2006	2007	2008
Congo Fever	0	4	1	2
Meningococcal	8	18	16	10
Malaria	38	40	42	54
Food poisoning	8	22	10	913
Typhoid Fever	3	3	0	0
Hepatitis A	28	24	15	13
Haemophilus Influenza B	1	2	0	2
Human Rabies	0	0	1	0
Diarrhoea	56	77	83	0

Source: DHIS Information

Eye Care Services

Eye Care Services focus on prevention of blindness in partnership with the University of the Free State: Department of Ophthalmology and Optometry as well as the National Council for The Blind (Bureau for the Prevention of Blindness). The objective of this partnership is to reduce the incidence of blindness due to cataract and refractive error. The optometry outreach program is conducted in Fezile Dabi, Lejweleputswa, Thabo Mofutsanyana and Xhariep districts.

During the 2008 calendar year 3012 cataract operations were performed compared to 2374 in 2006. The cataract operations per million population for 2008, was 1391. The Free State was awarded the National Cataract Trophy for eye surgery for the fourth time. A total of 7132 spectacles were provided for the 2008 calendar year. It is not expected that services will be negatively affected for the financial year 2009/2010 as the contract with the Bureau for Blindness runs until 2010.

Oral Health Services

The National PHC package and National Norms, Standards and Practice Guidelines for Oral Health, defines the basic package to be provided for oral health services. In the province, 28 out of 81 oral health facilities provide the basic package as prescribed whilst other clinics provide extractions only. Oral Health services focus on prevention, promotion and treatment of oral diseases. The provincial extraction to filling ratio stands at 8:1, compared to 7:1 last year.

Orthodontic Services are provided at Pelonomi Regional Hospital and outreach programmes are being conducted in four districts in the Free State. These are however, threatened by the financial situation that the Department finds itself in. 18 Community Service Dentists commenced in January 2009.

Mental Health Services

The Mental Health Care Policy implemented in 2004 as directed by the Mental Health Care Act 2002 (Act No 17 of 2002), will be reviewed during 2009. Progress over the period of 5 years in terms of implementing Mental Health Care legislation and the Mental Health Care Policy, can be outlined as follows:

- Mental Health services are integrated and rendered as part of PHC services at about 142 clinics of fixed and mobile clinics.
- 20 fully functional mental health service delivery points (specializing clinics) at the level of community health centres are available in the five districts. Three additional specialising clinics added to the outreach programme in Motheo namely Mantsopa, Dewetsdorp and National District Hospital Gateway clinic.
- 23 District Hospitals are rendering 72-hour assessment services in the province.
- Two Regional Hospitals are designated as Mental Health facilities in terms of the Act.
- The Free State Psychiatric Complex is recognized and designated as a Mental Health facility and rehabilitation centre for people with intellectual disabilities. The Psychiatry outreach programme has been implemented in 19 facilities at the level of community health centres (specializing clinics).
- District Mental Health and Substance Abuse Coordinating structures comprising stakeholders indicative of inter-sectoral collaboration; have been established in all 5 districts however, are only functional at 4 districts. Xhariep District is still not functional.
- Three Mental Health Review Boards were reappointed in April 2008 for three years term of office and all are fully functional.
- Thirty (30) NPO's that are rendering Mental Health services were identified and 20 are receiving funding from EU partnership to improve Primary Health Care Programmes. The outstanding challenge is around licensing of Residential Mental Health facilities.

Substance Abuse Services

Substance Abuse services focus on implementing the mandate of the department as prescribed by the National Drug Master Plan 2006-2011. Progress on the activities can be outlined as follows:

- Health Professionals were trained on substance abuse screening, management and referral.
- District Hospitals were supported to implement detoxification services.
- The provincial Substance Abuse Policy was finalised and outlines substance abuse services to be provided at all levels of care. 32 Primary Health Care Clinics, 16 District Hospitals, 4 Regional Hospitals and 1 Tertiary Hospital were supported to implement the policy.

Chronic Diseases, Geriatrics and Palliative Care

Stroke is the third killer disease. Stroke units need to be established, as there are no stroke units in the Free State at the moment. The 2nd draft of guidelines for the management of strokes is circulating for comments.

The Free State was awarded a national trophy for best performance in Geriatrics Programme. Workshops to create awareness on health days have been conducted for Active Ageing, Arthritis and Osteoporosis.

Awareness of diabetes was raised during November through various radio talks and newspapers. The first United Nations' recognised Diabetes Day was celebrated in Bloemfontein in partnership with SEMDSA. This event was preceded by a health walk after which 827 clients were screened for diabetes. Screening for Diabetes was done on 187 school children and some of them were found to be malnourished and were referred to the nearest health facilities. 107 professional nurses from the five districts were trained on management of Diabetes, medication and lifestyle modification.

Training on support systems for chronic diseases with focus on Diabetes were attended by 57 persons, including 41 professional nurses and other categories as well as diabetic children and their parents. 95 health care providers in four districts were trained on the management of Chronic Obstructive Pulmonary Disease and Long Term Domiciliary Oxygen.

Disabilities and Rehabilitation

Disabled persons are an isolated and vulnerable section of the population with restricted access to health information and services and are often dependant on others thus, at risk for ill health.

The programme addresses and plays an advocacy role regarding the general health care and information needs of people with disabilities.

Disabled population in the Free State per type of disability

Type of disability	Number of persons	% of total
Sight	19 105	13.96%
Physical	61 861	45.19%
Hearing	9 709	7.09%
Multiple	9 083	6.63%
Emotional	22 487	16.43%
Intellectual	8 181	6.0%
Communication	6 445	4.7%
Total	136 872	100%

Source: Stats SA 2007 Community Survey Results

Physiotherapy Services

Physiotherapy Services are rendered at tertiary, secondary and primary health care levels, which include all hospitals, CHC and clinics. Outreach programmes exist at Old Age Homes, Health Promotion schools and day care centres for disabled. Critical care interventions provide a 24-hour service for patients in intensive and high care units. The new microstructure has provided 23 additional senior posts. 24 Community service placements were made.

Occupational Therapy (OT) Services

Occupational Therapy Services are rendered at all hospitals in the province. Twenty-three (23) community Therapists were accommodated in the province of which 13 took up permanent employment at the end of the community service year.

Speech Therapy and Audiology Services

Services are rendered at tertiary level, five secondary hospitals and at Thusanong/Nala /Mohao-, Phekolong and Metsimaholo hospital complexes. During 2008/09 services expanded to Botshabelo and Dr JS Moroka Hospitals. One community service Audiologist took up permanent employment. Training has been split at many of the universities where students can only study either Speech Therapy or Audiology.

Medical Social Welfare Services

Due to the financial situation the newly created post of Chief Social Worker at provincial office remained vacant throughout the financial year. The Assistant Manager (Social Worker) at ARV Provincial level, assisted in terms of a service level agreement.

Vocational evaluation and rehabilitation unit

Community and Senior Occupational therapists were permanently appointed. 201 clients were evaluated, 49 government disability grants were finalised and 49 students have been trained during 2008/09. A referral system was established and agreements entered into with stakeholders.

Environmental Health Services

The programme consists of Food and Port Health, Pollution Control and Waste Management. The department has a legislative mandate to render provincial functions such as Port Health, Hazardous Substances, Pollution and Malaria Control as well as a constitutional mandate to monitor Municipal Health Services.

Food and Port Health Service

Port Health Service functions as a first line of defence by taking measures to prevent the spread of diseases and reservoirs of diseases or vectors from entering and/or leaving the province. Food services mainly focus on the safety and quality of food within the province.

Designated ports of entry at Bloemfontein Airport, Van Rooyen's Gate, Ficksburg, Caledonspoort and Maseru Bridge are manned by provincial Environmental Health Practitioners (EHPs). A draft strategy for implementation of a Port Health Service was developed and awaits approval. Port Health Officers received basic training and equipment to render the service.

Port Health Service Strategy

The full spectrum of Port Health Services are not rendered due to resource challenges. This service has a significant role in the management of diseases at ports of entry. Improved coordination in dealing with the outbreak of disease is of critical importance. Health education to prevent the spread of diseases is conducted on an ongoing basis. Interdepartmental meetings address infrastructural and operational issues affecting ports of entry.

Food Safety

Removal and disposal of non-compliant products such as infant formulae at affected stores were monitored. In partnership with the Department of Microbiological, Biochemical and Food Biotechnology, Faculty of Natural and Agricultural Science, 55 cooking oil samples were analysed. The samples included both used and unused oil as well as olive oil. Two representatives from the province attended a mycotoxin workshop. Most of the districts have developed food sampling programmes. A challenge is the non-availability in the province of food analysis laboratory services (both private and public).

Pollution Control Service

Pollution Control Service includes monitoring, coordination and evaluation of health and hygiene education on water and sanitation projects, and the monitoring of compliance of drinking water to South African National Standards (SANS 0241:2005).

The water sampling programme prevents public health risks. Inspection of consignments in compliance with the Foodstuffs, Cosmetics and Disinfectants Act (Act 54 of 1972) are conducted.

Four of the five district municipalities have developed a drinking water quality management strategy which seeks to ensure compliance with to SANS 0241:2005. The full implementation of strategies that were developed is hampered by financial constraints.

Control of hazardous substances

The manufacture, sale, letting, use and application of hazardous substances are regulated by the Department of Health. Licenses are issued for a business to carry or supply Group I or Group II hazardous substances and to manufacture, sell, let, use or apply any Group I or Group II hazardous substances. During the 2008/09 financial year, 111 licenses were issued.

Health-care Risk Waste Management

The management of waste that poses a health-care risk in all provincial hospitals has been outsourced to private service providers. A new contract was awarded to Millennium Waste Services and Compass Waste Services with effect from 01/09/2007 for a period of three years. Institutions serviced include hospitals, clinics, state mortuaries, laundries, community health centres and emergency medical centres. During 2008/09 the waste tonnage removed from Motheo was 657,291.72. Information from other districts is outstanding due to the sudden liquidation of one service provider.

POLICIES, PRIORITIES AND STRATEGIC GOALS

Eye-care Services

- The provincial Eye-care Policy is being implemented in all districts.
- National guidelines on cataract surgery, prevention of blindness, management of eye conditions at primary level and refractive errors have been implemented in the districts.
- The national and provincial priority is to reduce blindness due to cataract and refractive errors.
- The strategic goal is to strengthen initiatives to prevent and reduce blindness through partnerships and increase the cataract surgery rate.

Oral Health Services

- The Oral Health Policy, aligned with the National Oral Health Strategy, is available and being implemented. The Oral Health Infection Control Policy was drafted and will be included in the departmental infection control policy.

Mental Health Services

- Mental Health services are provided in line with the Mental Health Care Act and the approved provincial Mental Health Policy.
- The provincial priority is to strengthen community-based Mental Health Services in partnership with relevant stakeholders.
- The strategic goal is to establish community-based Mental Health Services per district.

Substance Abuse Services

- A provincial draft Substance Abuse Policy is available.
- The priority is to implement the objectives of the Drug Master Plan 2006 to 2011.
- The strategic goal is to reduce and prevent the harmful effects of the use of alcohol and other drugs in collaboration with other stakeholders.

Environmental Health

- Environmental health indicators were developed and implemented.
- A provincial Environmental Health Policy was developed and presented to the Provincial Health Council, the national and Free State Institute of Environmental Health, the South African Local Government Association (SALGA) Free State, the Central University of Technology and the Free State Environmental Health Forum. It awaits final approval by the MEC of Health, the MEC of Local Government and Housing and SALGA Free State.
- The Hazardous Substances Act is currently under review.
- Health-care Risk Waste was outsourced to comply with the Environmental Management Act (Act 107 of 1989).
- A Port Health Strategy was developed and awaits approval.
- A Health Care Risk Waste Management Policy for the Free State was developed and awaits approval.

Chronic Diseases

- National guidelines on priority chronic diseases were implemented.
- The policy on management and administration of long-term domiciliary oxygen therapy was implemented and is to be reviewed in 2009 in line with the new tender.

Disabilities and Rehabilitation Services

- The Policy on the Provisioning of Assistive Devices in the Free State was implemented.
- The Policy on Free Health Care for People with Disabilities was implemented.

The priorities and strategic goals are as follows:

The following priorities were addressed:

- Provision of assistive devices (wheelchairs, walking aids, white canes, hearing aids) and other accessories.
- Provision of free health care to people with disabilities.
- Training of therapists and implementation of International Classification of Functioning, Disability and Health (ICF).
- Accessibility of health facilities to people with disabilities.
- Training of frontline health personnel in basic Sign Language.

Physiotherapy Services

The following clinical practice guidelines were compiled and implemented:

- Cerebral palsy
- Stroke
- Back care
- Chronic lung diseases

Service guidelines were developed for the following:

- Service standards at clinics
- Referral guidelines
- An information system was developed and implemented.
- A monitoring tool was developed and implemented.
- A performance development management system (PDMS) tool for all levels of posts was developed and implemented.
- Minimum standards for equipment and facilities were developed and implemented.

Provincial decentralisation strategy for district health system development

Municipal Environmental Health Officers in three district municipalities were devolved to the district municipalities in line with the National Health Act (Act 61 of 2003).

CHALLENGES AND CONSTRAINTS

Human Resource

- With current funding and incentive packages it remains a challenge to appoint and retain staff in the scarce categories essential for priority health programmes such as environmental health, physio- and other therapy disciplines, geriatric and other care disciplines.
- Regional and district hospitals lack the capacity to render effective and efficient mental health care, treatment and rehabilitation services. This needs to be addressed through continuous training and capacity building.

Finance

- Insufficient funding to replace old and procure new equipment is causing a safety hazard.
- There is a dedicated budget for Geriatrics for the implementation of the Older Persons Act No 13 of 2006.
- In order to implement the long-term care model additional funding will be required for self-monitoring tools e.g. glucometers for patients.
- There is a lack of funding for eye-care equipment and human resources, dental equipment as well as community-based mental health services.

Environmental Health Services

- The municipalities are experiencing financial constraints for rendering municipal health services. District municipalities were funded at R12 per household for rendering these services.
- The province conducted a financial viability analysis and the findings indicated that municipalities required R30 741 498 to render minimum municipal health services within their area of jurisdiction. On further analysis, the findings indicated R14 803 512 for rendering municipal health services in the Free State was allocated during the 2007/08 financial year as opposed to the required R30 741 498. While it is not within the mandate of this department, it renders a legal oversight function. Shortfalls in municipal health services have a direct and critical impact on provincial health care services.

Disability and Rehabilitation

- The budget to purchase furnished facilities with minimum standard equipment and to have accommodation that complies with the minimum standards where services are being rendered, poses a challenge.
- There is insufficient funding for the health programmes especially to purchase assistive devices. Funding allocated for assistive devices does not meet the demand for these devices. Hence a serious backlog exists which accumulates each year.
- The long waiting periods for clients to access much needed assistive devices create problems. The waiting period in this case means the time from when the client is assessed, the time taken by the procurement process, the delivery period by the suppliers and finally, the time when the client receives an assistive device. This process is time-consuming, especially at the end of financial years and during the festive seasons, when companies are closed. The waiting period for assistive devices is now eight months or longer from identification of the need until delivery.

Support Systems

Environmental Health Services

Constraints experienced are as follows:

- Lack of office accommodation at ports of entry
- Minimum sampling equipment
- Lack of port health assessment areas
- Resources required to render a comprehensive port health service (including basic PHC at Bloemfontein point of entry),
- Lack of transport for Environmental Health Practitioners (EHPs) to perform their duties.

Measures to overcome constraints

- Approval to headhunt for filling of posts.
- More funding to be made available to purchase basic assistive devices and repair spares.
- Increase the number of rehabilitation staff and improve relations among them to cater for disability programmes.
- Disability and rehabilitation programmes to be seen as a priority since they play a major role in promotion, prevention and curative as well as rehabilitative health care.

TABULAR REPORTING ON PERFORMANCE AGAINST PROVINCIAL ANNUAL PERFORMANCE PLAN FOR 2008/2009

Table 9: Performance against targets from 2008/2009 Annual Performance Plan for the District Health Systems Programme

GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
BUDGET SUBPROGRAMME: DISTRICT MANAGEMENT							
Measurable Objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implement the provincial health promotion strategy.	Number of health promotion structures functioning at appropriate levels.	Healthy lifestyles.	1 provincial forum	1 provincial forum Nil district health forums	1 provincial forum 3 district health promotion forums	Provincial and all district health forums functional and active in health promotion activities.	1 provincial forum 4 district health promotion forums
	Number of community projects implemented.		5 community-based projects	10 community-based projects	18 community-based projects	29 community-based projects implemented in all 5 districts.	21 community-based projects
	Number of settings-approach projects implemented.		36 health promoting schools, 2 workplaces, 1 village	Health promoting schools- 59 Workplaces-7 Hospitals-3 Village-1	53 settings-approach projects implemented.	81/110 health promoting schools 10/16 workplaces 7/8 hospitals 3/6 villages Target not achieved due to financial constraints.	Health promoting schools 110 Workplaces-16 Hospitals-8 Villages-6
Enhance the promotion of healthy lifestyles and encourage changes from risky behaviour, especially among the youth.	Number of districts implementing the 5 priority health promotion campaigns (nutrition, substance abuse, tobacco and physical activity).	Healthy lifestyles.	3 districts implemented the 5 priority campaigns	5 districts implementing the 5 priority campaigns	5 districts implementing the 5 priority campaigns	All five districts have implemented the five priority campaigns.	5 districts implementing the 5 priority campaigns.
	Number of districts implementing context-specific plans for the promotion of a healthy lifestyle.		3 districts implemented specific plans for healthy lifestyles	5 districts implementing specific plans for healthy lifestyles	5 districts implementing specific plans for healthy lifestyles	All five districts have implemented and maintained specific plans for healthy lifestyles.	5 districts implementing specific plans for healthy lifestyles

GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
BUDGET SUBPROGRAMME: DISTRICT MANAGEMENT							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Enhance the promotion of healthy lifestyles and encourage changes from risky behaviour, especially among the youth (continued)	Number of (provincially agreed upon) strategies implemented in each district, which are aimed at reducing chronic diseases of lifestyle; 1. Build healthy public policies 2. Create supportive environments 3. Develop personal skills 4. Reorient health services 5. Strengthen community participation 6. Awareness campaigns	Healthy lifestyles.	3 districts implemented specific strategies for healthy lifestyles.	5 districts implementing specific strategies for healthy lifestyles.	5 districts implementing specific strategies for healthy lifestyles.	All five districts have implemented specific strategies for healthy lifestyles	5 districts implementing specific strategies for healthy lifestyles.
Implement the District Health System according to legislation.	% compliance with legislation requirements.		District health plans implemented.	District health plans implemented.	District health plans implemented.	District health plans implemented in the 5 districts.	Implementation of district health plans
Implement the Free State Department of Health Services Marketing Strategy	Number of institutions implementing institutional marketing plans.	Customer satisfaction.	Not in plan	3 institutions implementing district marketing plans.	Service marketing plans 100% implemented in all facilities in the 5 districts, including district hospitals.	16 institutions implemented services marketing plans.	15 institutions implementing marketing plans.

Measurable Objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implement the Provincial Quality Assurance Strategy.	% compliance with quality assurance standards.	Quality patient care in all health facilities.	2 hospitals fully accredited. 6 hospitals received focus status. 8 hospitals received recognition of progress.	1 hospital received a focus survey	4 hospitals received full accreditation, 1 reconfirmation of progress.	5 district hospitals received full accreditation. 1 was given progress and 2 were withdrawn from the programme. 3 regional hospitals and the academic hospital were also accredited	12 hospitals re-entered for the accreditation process and 1 hospital that completed revitalization process to re-enter for accreditation.
			Clinic Supervisory Manual being developed to assist in implementation of the Primary Health Care Package.	Clinic Supervisory Manual foreword to be finalised.	Clinic supervisory manual to be finalized.	Monitoring of quality standards done in 5 local areas.	Coordinate monitoring of standards in 1 local area per district using the supervisory manual.
Monitor the implementation of Batho Pele and Patient Charter.	% implementation of approved service standards.	Customer satisfaction and quality service.	Not in plan	10 institutions implementing approved service standards.	15 institutions implementing approved service standards.	30 institutions implementing approved service standards	20 institutions implementing approved service standards.
	% compliance with standards.		Not in plan	10 institutions complying with service standards	15 institutions complying with service standards	24 institutions (at an average of 72% compliance) with service standards.	20 institutions complying with service standards
	% patient satisfaction rate according to national survey instrument.		Not in plan	91% patient satisfaction rate	92% patient satisfaction rate	The patient satisfaction survey was suspended due to cost containment measures.	93% patient satisfaction rate

GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
BUDGET SUBPROGRAMME: DISTRICT MANAGEMENT							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implement the District Health System according to legislation.	Implementation of District Plans.	All 5 districts have approved and evaluated District Health Plans.	Implemented 5 District Plans.	Implemented 5 District Plans.	Implemented 5 District Plans.	District plans implemented for 2008/2009. District Health Plan for 2009/2010 drafted.	Implementation of 5 District Plans.
Provide appropriate and accessible level of health care services for the designated catchment population.	% of appropriate primary health care service packages rendered per local area in line with the referral system.	Improved efficiency of PHC services.	Appropriate service package 100% implemented in all 20 local areas and in line with referral system.	Appropriate service package 100% implemented in all 20 local areas and in line with referral system.	Appropriate service package 100% implemented in all 20 local areas and in line with referral system.	Service package implemented in the 5 districts in line with the referral system.	Implement STP and develop new baselines.

GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
BUDGET SUBPROGRAMME: DISTRICT HOSPITALS							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Provide appropriate and accessible level of health care services for the designated catchment population.	Number of institutions implementing the appropriate service packages.	Improved efficiency of level 1 service.	Not in plan.	Not in plan.	District hospital package piloted.	District Hospital Service Package partially implemented in 24 District hospitals. The challenge is recruitment and retention of Health professionals and budgetary constraints.	District Hospital Package incrementally implemented.
	Progress on achievement of efficiency targets. (Provincial PHC expenditure per headcount at provincial PHC facilities) (National target R99) (QRS) Cost per PDE (R814) ALOS (3.2 days) Bed occupancy rate (72%)		Cost per PDE R970.96 ALOS 3.2 days BOR 71.1%	Cost per PDE R939 ALOS 3.1 days BOR 68.2%	Achievement of provincial district hospitals' efficiency targets for 2007/08: Cost per PDE R1119 ALOS 3.1 days BOR 69.5%	ALOS (target: 3 days): Xhariep (3 hospitals) 2.6 Motheo (4 hospitals) 4 Fezile Dabi (4 hospitals) 2.8 Lejweleputswa (5 hospitals) 2.4 Thabo Mofutsanyana (8 hospitals) 2.7 DHS: 2.9 Cost per PDE: Xhariep: R967 Motheo: R1597 Fezile Dabi: R1327 Lejweleputswa: R1363 Thabo Mofutsanyana: R1469 DHS: R1345 Bed occupancy rate: Xhariep: 67% Motheo: 73% Fezile Dabi: 65% Lejweleputswa: 79% Thabo Mofutsanyana: 53% DHS: 67%	Developed a baseline to measure following indicators: Cost per PDE, ALOS, bed occupancy rate.
Implement the provincial quality improvement strategy.	Number of district hospitals compliant with Free State Department of Health infection control plan.		Provincial plan not in place. Districts implement national health plan	Provincial plan not in place. Districts implement national health plan	Infection control management implemented in all district hospitals, community health centres and PHC clinics in all 5 districts.	Infection control manual and plan have been developed and distributed to all district hospitals - compliance were monitored in 3 district hospitals.	Compliant with Free State Department of Health infection control plan when it is available.

GOAL 1: COMPASSIONATE AND QUALITY SERVICES								
BUDGET SUBPROGRAMME: DISTRICT MANAGEMENT								
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)	
Implement the provincial quality improvement strategy.	Number of hospitals compliant with hospital emergency preparedness plans in line with provincial guidelines.	Improved maintenance of district hospitals	Plans in place and drills conducted quarterly in all hospitals	Plans in place and drills conducted quarterly in all hospitals	24 district hospitals with emergency preparedness plans in place. Hospital drills are conducted on a continuous basis.	Emergency Preparedness Plans are in place. No hospital drills have been conducted during 2008/09.	Compliance with hospital emergency preparedness plans in line with provincial guidelines.	
	Number of hospitals utilising 5% of their budgets for facilities maintenance.		None	None	None	None, due to cost containment measures	5% of budgets for facilities maintenance	
	Number of institutions/districts with costed maintenance backlog and a plan to rectify.		Maintenance backlog plan for clinics in place in all districts	Maintenance backlog plan for clinics in place in all districts	Maintenance backlog plan for clinics in place in all districts	Maintenance backlog plan for clinics in place in all districts	Costed maintenance backlog and a plan to rectify.	
Provide appropriate and accessible health care services for the designated catchment population.	Number of local areas implementing the appropriate primary health care package.	Access to PHC	Not measured	20 local areas implementing the appropriate primary health care package in line with the referral system	20 local areas implementing the appropriate primary health care package in line with the referral system	20 local areas implementing the appropriate primary health care package in line with the referral system.	Appropriate primary health care package implemented per local area.	

GOAL 1: COMPASSIONATE AND QUALITY SERVICES
BUDGET SUBPROGRAMME:

Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Provide appropriate and accessible health care services for the designated catchment population (continued)	Progress on the achievement of efficiency targets Utilisation rate (3.5 days) Expenditure per headcount (R78) Total headcount.	Efficient primary health care	Utilisation rate (3.5 days) DHS: 2.2	Utilisation rate (3.5 days) DHS: 2.0	Utilisation rate (3.5 days) Xhariep: 2.9 Motho: 1.9 Fezile Dabi: 1.5 Lejweleputswa: 2.3 Thabo Mofutsanyana: 2.4 DHS: 2.2	Utilisation Rate (3.5 days) Xhariep: 3 Motho: 3 Fezile Dabi: 1.8 Lejweleputswa: 2 Thabo Mofutsanyana: 2.3 DHS: 2.4	Utilisation rate (3.5 days) Expenditure per headcount (R78)
			Expenditure per headcount DHS: R79.80	Expenditure per headcount (R78) DHS: R89.00	Expenditure per headcount (R78) Xhariep: R78 Motho: R92 Fezile Dabi: R69 Lejweleputswa: R81 Thabo Mofutsanyana: R67 DHS: R79	Expenditure per headcount (R78) Xhariep: R96 Motho: R104 Fezile Dabi: R132 Lejweleputswa: R69 Thabo Mofutsanyana: R83 DHS: R97	
			Total headcounts DHS: 6 186 261	Total headcount DHS: 5 914 358	Total headcount: Xhariep: 541,426 Motho: 1,487,190 Fezile Dabi: 978,902 Lejweleputswa: 1,134,714 Thabo Mofutsanyana: 1,851,817 DHS: 5,994,049	Total headcount: Xhariep: 401,236 Motho: 1,680,926 Fezile Dabi: 1,064,898 Lejweleputswa: 1,321,371 Thabo Mofutsanyana: 2,005,409 DHS: 6,473,840	

GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
BUDGET SUBPROGRAMME: COMMUNITY HEALTH CLINICS							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Provide appropriate and accessible health care services for the designated catchment population.	Number of local areas implementing the appropriate primary health care package.	Access to full package per sub- district.	Not measured	20 local areas implemented appropriate PHC package.	20 local areas implemented appropriate PHC package.	Primary health care package has been implemented in all districts in line with the referral system	Appropriate primary health care package implemented per local area.
	Progress on the achievement of efficiency targets Utilisation rate (3.5 days) Expendi-ture per head-count (R78) Total head-count.		Utilisation rate (3.5 days) DHS: No data for CHC	Utilisation Rate (3.5 days) DHS:	Utilisation rate (3.5 days) Xhariep: 3.6 Motheo: 2 Fezile Dabi: 2 Lejweleputswa: 2.5 Thabo Mofutsanyana: 2.4 DHS: 2.4	Utilisation rate (3.5 days) Xhariep: 3 Motheo: 2 Fezile Dabi: 1.6 Lejweleputswa: 2.2 Thabo Mofutsanyana: 3.4 DHS: 2.5	Utilisation rate (3.5 days) Expenditure per headcount (R78)
			Expenditure per headcount DHS: No data for CHC	Expenditure per Headcount DHS: R89.00	Expenditure per headcount (R78) Xhariep: R78.42 Motheo: R101.57 Fezile Dabi: R80.63 Lejweleputswa: R74.45 Thabo Mofutsanyana: R69.25 DHS: R79	Expenditure per headcount (R78) Xhariep: R61.80 Motheo: R145.70 Fezile Dabi: R440.61 Lejweleputswa: R390.41 Thabo Mofutsanyana: R80.16 DHS: R165.17	
Implement Free State Rural Health Strategy.	Number of mobiles that visit farms 4, 6 and 12 weekly (depends on resources).	Access to full package per sub- district in rural areas.	Total headcounts DHS: 526 456	Total Headcounts DHS: 549 941	Total headcount. Xhariep: 58,271 Motheo: 242,512 Fezile Dabi: 243,361 Lejweleputswa: 136,75 Thabo Mofutsanyana: 40,028 DHS: 594,804	Total headcount. Xhariep: 54,675 Motheo: 270,512 Fezile Dabi: 239,910 Lejweleputswa: 15,601 Thabo Mofutsanyana: 40,077 DHS: 620,775	Number of mobiles per district that visit farms 4, 6 and 12 weekly.
			Not measured	Not measured	Not measured	78 mobiles	

GOAL 2: REDUCE THE BURDEN OF DISEASE							
BUDGET SUB ROGRAMME: CORONER SERVICES (Forensic Pathology Services)							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implementation of forensic regulations.	Alignment of provincial forensic policies with regulations.	Standard operating procedures document produced.	Not in 2005/06 plan.	Standard operating procedures aligned to regulations.	Standard operating procedures aligned to regulations	The National Code of Pathology Practice in South Africa was printed and distributed to institutions for implementation	Alignment with national code of practice for forensic pathology service.
GOAL 3: OPTIMAL FACILITIES AND EQUIPMENT							
Infrastructure development for forensic pathology services.	Planning of new infrastructure.	Plans for future building made.	Not in 2005/06 plan.	1 functional mortuary planned.	2 holding facilities planned.	No additional funding was available for holding facilities. The planned facilities in Vrede and Smithfield have been put on hold. Due to the revitalization of Diamant Hospital a holding facility was included in the plan and will be functional in the next financial year.	2 holding facilities planned.
	Construction of new facilities.	New mortuary constructed.	Not in 2005/06 plan.	Constructions started on Bloemfontein mortuary.	Construction of Bloemfontein mortuary to be 60 % completed. Construction of 2 holding facilities to begin.	Construction of the Bloemfontein mortuary 98% completed (shortfall of R7.5 million to complete the project). The Botshabelo holding facility - referring to this institution - was successfully refurbished.	Bloemfontein and holding facilities construction to be 100% completed.
GOAL 4: APPROPRIATE AND SKILLED PERSONNEL							
Appropriate training of forensic pathology officers.	Number of staff enrolled with tertiary institutions.	Personnel with specific qualification for Forensic Pathology Services.	Not in 2005/06 plan.	0	0	No members enrolled due to the non-availability of a service provider for the Diploma in Forensic Pathology Support Service. The HPCSA needs to recognize and register the course first.	25
	Number of in-house training workshops.	In-service training conducted.	Not in 2005/06 plan.	4	4	No debriefing sessions conducted due to financial constraints. However, members are referred to the Employee Assistance Programme when necessary.	4

SUBPROGRAMME: HIV AND AIDS, STIS AND TB CONTROL

GOAL 5: STRATEGIC AND INNOVATIVE PARTNERSHIPS								
BUDGET SUBPROGRAMME: HIV AND AIDS								
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)	
Ensure sustainability of strategic partnerships.	Number of active partnerships per district with NGOs, NPOs, CBOs and FBOs.	Increased co-ordination of NGO activities.	4 per district	4 per district	4 per district 20 provincial	Fezile Dabi = 6 Motho = 13 Xhariep = 8 Thabo Mofutsanyana = 13 Leribe = 10 Provincial = 50	10 per district 50 provincial	
Develop a provincial partnership plan.	Number of Khomanani social mobilisation campaigns. (KSMC).	All calendar events honoured.	5	5	5	4/5 Khomanani social mobilisation campaigns hosted. Target not achieved due to cost containment measures.	5	
	Number of other partnerships established including international donors.	Healthy relations benefiting department.	2 (Flemish and Ireland AID)	2 (Flemish and Ireland AID)	Sustain Flemish and Ireland AID	The Flemish Government project ended on 30 June 2008. The Ireland Aid project commenced with the evaluation process. Service providers for evaluation of the Ireland Aid project were selected. Ireland Aid evaluation will commence in June 2009 and all activities will be ending on 30 June 2009.	Sustain DOH/EU and CIDA partnership programme.	
					Establish DOH/EU and CIDA partnership.	Partnerships were established with 50 NPOs for primary health care including HIV and AIDS, funded by the European Union donor fund. Meetings were held with the gender focal persons of various departments to establish contact for the training of CBOs and NGOs on gender policies. For the CIDA Programme: The work plan was reviewed by CIDA in collaboration with DOH.		

GOAL 2: REDUCE THE BURDEN OF DISEASE								
BUDGET SUBPROGRAMME: HIV AND AIDS								
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)	
Improve access to ART for children under 5 years of age.	% of PHC facilities implementing IMCI with at least 1 IMCI practitioner updated or trained in CCMT operational plan.	Facilities with nurses trained comprehensively trained in IMCI and CCMT operational plan.	54% (191/353 PHC facilities)	54% (191/353 PHC facilities)	45% of facilities have staff trained as specified for 2007/08.	76.7% (178/232 PHC facilities)	75% (265/353 PHC facilities)	
Improve access to antiretroviral therapy (ART) for pregnant women.	% of facilities providing maternal services, which have staff trained in the Prevention of Mother to Child Transmission and Antiretroviral Therapy Programme.	Facilities rendering maternal health services with nurses trained comprehensively in PMTCT and CCMT operational plan.	33% facilities have staff trained in PMTCT.	66% facilities have staff trained in PMTCT.	199/227 (87.6%) of facilities have staff trained in PMTCT.	210/222 (94.5%) fixed clinics have staff trained in PMTCT.	Sustain 100% facilities with staff trained in PMTCT.	
			No data	No data	35% facilities have staff trained in ART.	100% facilities have staff trained in ART.	50% facilities have staff trained in ART.	
Improve access to ART for youth and adolescents.	% of primary health care facilities with at least 1 health care provider trained in the CCMT plan. (from both treatment and assessment sites).	Facilities providing youth and adolescents services with nurses trained comprehensively in CCMT operational plan.	20% facilities have staff trained as specified.	30% facilities have staff trained as specified.	57% PHC facilities (178/311) have staff trained as specified.	100% facilities have at least 1 health care provider trained in CCMT plan.	70% facilities have staff trained as specified.	

GOAL 2: REDUCE THE BURDEN OF DISEASE							
BUDGET SUBPROGRAMME: HIV AND AIDS							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Comprehensive Care Management and Treatment Plan for HIV and AIDS (CCMT)	Provincial STI partner notification rate (notify partner to come for treatment)	STI notification programme in place.	83%	85%	90.3% STI partner notification rate for 2007/08.	93.5% STI partner notification rate for 2008/09	88%
	Provincial STI partner tracing rate.	STI Partner Tracing Programme in place.	28%	26%	24.5% STI partner tracing rate for 2007/08.	22.1% STI partner tracing rate for 2008/09	29%
	Number of operational high transmission area (HTA) intervention sites.	HTA established	10 HTA Sites	10 HTA Sites	15 HTA Intervention Sites for 2007/08.	42 HTA Intervention sites operational by end 2008/09.	20 HTA Sites
	Number of health care workers trained in the comprehensive management of HIV and AIDS.	Health care workers trained in CCMT	1251 HCWs trained in CCMT	2000 HCWs trained in CCMT	3050 HCWs trained in CCMT for 2007/08.	2173 HCWs trained in CCMT - cumulative up to the 3rd quarter	3000 HCWs trained in CCMT
	Number of sub-districts; farms and rural areas with community home-based care programmes.	HBC extended to farms and rural areas.	20 sub-districts	20 sub-districts	HBC available in 20 sub-districts and extended to 34 farms for 2007/08.	Community home-based care programmes sustained in 20 sub-districts and extended to 42 farms.	Sustain 20 and extend to 20 farms
	Number of sub-districts with a focused programme for people living with HIV and AIDS (PLA).	PLA programme established in sub-districts	15 sub-districts	20 sub-districts	Focused programmes for PLWA sustained in 18 sub-districts.	Focused programmes for PLWA sustained in 18 sub-districts.	Sustain 20 sub-districts
	Number of sub-districts with at least two accredited service points for the comprehensive plan.	Accredited service points increased	2/20	7/20	6 out of the targeted 7/20 sub-districts for 2007/08 (Letsemeng, Kopanong, Mangaung, Mochaka, Maluti A Phofung and Setsoto).	6 out of 20 sub-districts with at least two accredited ART sites (total of 20 sub-districts with at least one accredited service site but the total accredited service points are 28)	10/20
	% of public health facilities offering voluntary counselling and testing.	VCT offered in public health facilities.	97% (225 clinics and 10 CHCs)	98%	95% of public health facilities offer VCT.	100% (222) of all PHC facilities offer VCT.	235

GOAL 2: REDUCE THE BURDEN OF DISEASE								
BUDGET SUBPROGRAMME: HIV AND AIDS								
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)	
Comprehensive care management and treatment plan for HIV and AIDS. (continued)	% of PHC facilities that offer prevention of mother to child transmission (PMTCT).	Facilities offering PMTCT.	97% of facilities that provide maternal and child health services (224 clinics, 10 CHCs and 30 hospitals).	100% of facilities that provide maternal and child health services (225 clinics, 10 CHCs and 30 hospitals).	92% of fixed PHC facilities offer PMTCT for 2007/08.	210/222 (94.5%) fixed clinics providing PMTCT	Sustain 100% of facilities providing maternal and child health services.	
	Male condom distribution rate (equal to the number of condoms issued per month per male 15 years and above).	Condoms distributed at designated sites.	9 issued p/m as identified. (denominator: male in 15-64 reproductive age group, according to Free State population)	10 issued p/m as identified.	6 condoms per male per month for 2007/08.	15 condoms per male per month for 2008/09.	11 issued p/m as identified.	
	Number of female condom distribution sites.	Condom distribution sites established.	22 sites	28 sites	42 female condom distribution sites for 2007/08	42 female condom distribution sites for 2008/09	36 sites	
	Number of female condoms distributed.	Female condoms distributed at designated sites.	10 549 female condoms distributed	10 000 female condoms distributed	163 668 female condoms distributed for 2007/08.	292 080 female condoms distributed for 2008/09.	15 000 female condoms distributed	
	Provincial incidence of sexually transmitted infections (STIs) treated (per 1000 population).	Reduced incidence of STIs.	10.3/1000 STIs treated	7/1000 STIs treated	3/1000 STIs treated for 2007/08.	3/1000 STIs treated for 2008/09	5/1000 STIs treated	

GOAL 2: REDUCE THE BURDEN OF DISEASE (continued)							
BUDGET SUBPROGRAMME: HIV AND AIDS							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implement the TB crisis plan.	Smear conversion rate of new positive cases at 2 months in high priority district (Fezile Dabi), increased by 2% above baseline, per annum.	Improved TB management in Fezile Dabi.	51% smear conversion rate	54.6%	69,6% for Fezile Dabi at 3 months (Jan-Dec 2006) vs target of 56,6%	66,3% at 2 months (Jan -Dec 2007)	58,2%
	TB cure rate of new smear positive cases in Fezile Dabi in high priority district, increased by 2% above baseline, per annum.		58% cure rate	64.1%	64,2% for Fezile Dabi (Jan-Dec 2006) vs target of 63,5%	69.5% (Jan-Dec 2007)	65,5%
Strengthen the implementation of the National TB Control Strategy.	% of TB cases with DOT supporters.	Improved treatment compliance.	93%	94,6%	92,2 % (Jan-Dec 2007) vs target of 94%	90,1.% (Jan-Dec 2008)	96%
	TB treatment interruption rate decreased by 2% by 2009.	Adherence to TB treatment.	No data	5.0%	5% (Jan - Dec 2006) vs target of 5,7%	4,9% (Jan-Dec 2007)	4,7%
	% of facilities with a TB sputa turnaround time of less than 48 hrs by 2007.	Prompt initiation of TB treatment.	No data	20.9%	30% (232 PHC facilities)	54.1% (Jan-Dec 2008)	45 % (232 PHC facilities)
	% successful treatments increased by 0,2% per annum.	Cure rate and completion rates improved.	76,7 %	76.2%	77,1 %	77.4% (Jan-Dec 2007)	77,3

*TB crisis only declared in 2005/2006.

GOAL 2: REDUCE THE BURDEN OF DISEASE (continued)								
BUDGET SUBPROGRAMME: NUTRITION								
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)	
Reduce infant and under-5 child morbidity and mortality.	% of PHC services that have a 60% saturation of IMCI-trained personnel.	Implement the IMCI.	96.4% (226 / 235 PHC facilities)	96% (226 / 235 PHC facilities)	75% PHC facilities for 2007/08.	82.4% PHC facilities for 2008/09.	80% (185 / 232 PHC facilities)	
	Number of health districts implementing the household and community component of IMCI.	Reduce the infant and child mortality rate.	2 health districts	3 health districts	5 health districts	5 health districts	Sustain	
	% of health facilities with maternity beds assessed as baby-friendly (BFHI) (re- assessments included.)		18 hospitals out of 31 hospitals and 1 CHC out of 10 CHCs (45.2%)	21 hospitals out of 31 hospitals and 1 CHC out of 10 CHCs (52.4%)	25 hospitals out of 31 hospitals and 1 CHC out of 10 CHCs (61.9%)	18 hospitals and 1 community health centre have been certified as baby- friendly facilities (19/40 i.e. 47.5%). The target of having 26/40 health facilities assessed as baby-friendly was not met due to cost containment measures during 2008/09 financial year.	26 hospitals out of 31 hospitals and 1 CHC out of 10 CHCs (64.3%)	
Reduce the under-5 mortality rate annually with 0.5%.	Reduce the under-5 mortality rate annually with 0.5%.		18.5 per 1000 population (children 1-5 years)	17.2 per 1000 population (children 1-5 years)	89/1000 population (children 1-5 years) for 2007/08.	Data for 2008/09 is not yet available	10 per 1000 population (children 1-5 years)	
	Reduce the infant mortality rate annually with 0.5%.		66.6 per 1000 population (children under 1 year)	62.0 per 1000 population (children under 1 year)	113/1000 population (children under 1 year) for 2007/2008	Data for 2008/09 is not yet available	42 per 1000 population (children under 1 years)	
	EPI coverage per district (expressed as a % of the population under 1 year).		87.4% (immunization coverage)	92.5% (immunization coverage)	87.4% provincial coverage for 2007/2008	91.6% provincial coverage for 2008/09	94% (immunization coverage)	

GOAL 2: REDUCE THE BURDEN OF DISEASE (continued)							
BUDGET SUBPROGRAMME: NUTRITION							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Ensure that children 0-60 months receive vitamin A supplementation.	% population of children 0-60 months receiving vitamin A supplementation.		31.2% (vitamin A coverage)	96% (vitamin A coverage)	100.9% of children 0-60 months received vitamin A supplementation for 2007/08.	104% of children under 1 yr and 44.8% of children between 1 – 5 yrs received vitamin A supplementation for 2008/09	96% (vitamin A coverage)
BUDGET SUBPROGRAMME: MOTHER, CHILD AND WOMEN'S HEALTH							
Ensure that postpartum mothers receive vitamin A supplementation.	% of postpartum mothers receiving vitamin A supplementation. (Total number of postpartum mothers who received vitamin A / Total number of deliveries x 100%)	Reduce maternal deaths.	132.2% (vitamin A coverage)	101% (vitamin A coverage)	105% of postpartum mothers received vitamin A supplementation in 2007/08 vs the target of 87%.	114.2% of postpartum mothers received vitamin A supplementation in 2008/09 vs the target of 88%.	88% (vitamin A coverage)
Ensure all eligible people receive food supplements.	Number of people who receive food supplements .	Reduce malnutrition.	54 763	75000	71 544 people received food supplements in 2007/08.	93 741 people received food supplements in 2008/09	78 000

GOAL 2: REDUCE THE BURDEN OF DISEASE (continued)								
BUDGET SUBPROGRAMME: MOTHER CHILD AND WOMEN'S HEALTH								
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)	
Improve women's health and reduce maternal mortality and morbidity.	Maternal mortality ratio.	Reduce maternal deaths.	262/100 000	Maternal death ratio: 321/100 000	Maternal mortality ratio for 2007 calendar year is 288/100 000 live births vs the target of 310/100 000	256/100 000 (2008 data)	300/100 000	
Reduce infant, child, youth and adult morbidity and mortality caused by genetic disorders/birth defects.	Number of facilities doing genetic screening.	Increased access to genetic services.	6 facilities offering genetic screening	6	14/30 facilities are doing genetic screening.	22/30 facilities are doing genetic screening. (The 30 is total no of hospitals that a target of 25 is worked from)	25	
Improve surveillance of birth defects.	Number of districts implementing the new standardized birth defects data collection tool.	Improved reporting on birth defects.	Not implemented	2	5	All five districts implementing and reporting on the new standardized birth defects data collection tool.	5	
Reduce adolescent and youth morbidity and mortality.	% of PHC facilities accredited as youth-friendly	Increase access to health services for youth and adolescents.	5	5	20% of PHC facilities accredited as youth-friendly (19 clinics out of the targeted 108) for 2007/08.	9% of PHC facilities accredited as youth-friendly (21 clinics out of the targeted 222) for 2008/09.	10	
Improve women's health.	Number of targeted women screened for cervical cancer (women of reproductive age).	Increased access to cervical cancer screening services.	22 892 out of 481 800 (4.75)	22 128 out of 25000 (88.1)	34 895 targeted women screened for 2007/08, exceeding the target of 25000.	22 330 out of 25 000	25 000 targeted women screened	

GOAL 2: REDUCE THE BURDEN OF DISEASE (continued)							
BUDGET SUBPROGRAMME: OTHER COMMUNITY SERVICE: DISEASE PREVENTION AND CONTROL							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Improve disability and rehabilitation services.	Number of clinics implementing programmes in developmental delays in children for occupational therapy programme.	Disability and rehabilitation services improved.	No data	No data	5/222 (2%) Clinics implementing a screening programme in developmental delays.	On target 16/15 achieved	15/222 (6.7%) 10 additional clinics implementing a screening programme in developmental delays.
	Number of hospitals implementing an audiology screening programme for newborns.		No data	No data	3/31 (9.6%) Hospitals implementing an audiology screening programme.	5 hospitals: *Pelonomi *Metshimaholo *Parys *Bongani *Katlheho	6/31 (19%) Hospitals implementing an audiology screening programme.
	Number of schools/day care centres having early physiotherapy intervention programmes implemented at health promoting schools.		No data	No data	4 schools	Target of 6 reached	6 schools
BUDGET SUBPROGRAMME: COMMUNITY-BASED SERVICES							
Improve eye-care services.	Number of cataract operations per million of population per year:	Eye-care services improved.	1289 cataract operations per million of population	1200 cataract operations per million of population	1415 cataract operations per million population for 2007 calendar year vs target of 1400.	3012 cataract operations per million population for 2008 calendar year compared to target of 1600.	1600 cataract operations per million of population
	Number of spectacles issued per year:		1578 spectacles issued	3000 spectacles issued	4601 spectacles issued for the 2007 calendar year vs the target of 4000	7132 spectacles issued for the 2008 calendar year compared to the target of 5000.	5000 spectacles issued

Table 11: District Health System

Indicator	Type	05/06 actual	06/07 actual	07/08 actual	08/09 actual	08/09 target
Input						
Uninsured population served per fixed public PHC facility	No	17 574	14,512	10725	10 493	
Provincial PHC expenditure per uninsured person	R	170.17	67.70	134.73	250	148.00
LG PHC expenditure per uninsured person	R	10.73	NA	NA	NA	
PHC expenditure (provincial plus local government) per uninsured person	R	201.35	No data	290	250	
Professional nurses in fixed public PHC facilities per 1,000 uninsured people	No	34	31.87	No data	0.4	
Sub-districts offering full package of PHC services	%	100	92	100	100%	100
EHS expenditure (provincial plus local government) per uninsured person	R	2.60	No data	No data	No data	
Process						
Health districts with appointed manager	%	98	100	100	100%	
Health districts with plan as per DHP guidelines	%	100	100	100	100%	
Fixed public PHC facilities with functioning community-participation structure	%	No data	80.5	No data	215	
Output						
PHC total headcount	No	6 186 261	5 900 659	5,903,503	6,473,840	4 796 356
Utilisation rate – PHC	No	2.2	2.0	2.0	2.4	2.0
Utilisation rate - PHC under 5 years	No	3.5	3.5	3.9	3.9	3.9
Quality						
Supervision rate	%	36.2	46.8	59%	55%	73.2
Fixed PHC facilities supported by a doctor at least once a week	%	60.6	70	56	56.07	60
Efficiency						
Provincial expenditure per visit (headcount) at provincial PHC facilities	R	79.80	89	119	97	141.15
Expenditure (provincial plus local government) per visit (headcount) at public PHC facilities	R	84.19	No data	No data	R97.05	
Outcome						
Health districts with a single provider of PHC services		0	4	5	5	5
Input						
Clinic headcounts		5 319 070	5 065 926	5 038 793	6,473,840	
CHC headcounts		526 456	549 941	59 174	620,775	
Mobile headcounts		367 968	293 940	281 226	241 271	

1 'Fixed PHC facilities' means fixed clinics plus community health centres. 'Public' means provincial plus local government facilities.

Source: DHIS database (financial data is from 01 April 2008 to 31 March 2009 and statistical data for the 2008 calendar year: 01 January – 31 December 2008)

Table 12: District Hospitals

Input	Type	05/06 actual	06/07 actual	07/08 actual	08/09 actual	08/09 target
Expenditure on hospital staff as percentage of total hospital expenditure	%	71.3	68.4	73	78	
Expenditure on drugs for hospital use as percentage of total hospital expenditure	%	6.21	No data	32	4	
Expenditure by district hospital per uninsured person	R	217.50	No data	239	272	
Process						
District hospitals with operational hospital board	%	100	100	100	100	
District hospitals with appointed (not acting) CEO in place	%	96	100	100	92	
Facility data timeliness timelines???? rate for district hospitals	%	100	100	100	100	100
Output						
Caesarean section rate for district hospitals	%	10.7	11.7	11.8	11	11
Quality						
District hospitals with a patient satisfaction survey using DoH template	%	Not implemented	100	25	24	100
Hospitals with clinical audit (MandM) meetings every month	%	No data	No data	50	24	100
Efficiency						
Average length of stay in district hospitals	Days	3.2	3.1	3.1	2.9	3
Bed utilisation rate (based on useable beds) in district hospitals	%	71.1	68.2	68.7	67	73
Expenditure per patient day equivalent in district hospitals	R	970.96	939	1 119	1 345	1 272.85
Outcome						
Case fatality rate for surgery separations in district hospitals	%	2.0	2.2	3.5	3.1	2.5
Service volumes						
Separations - Total	No	122 652	121 868	122 274	122 435	130 896
OPD total headcounts	No	245 589	282 291	280 898	308,118	290 795
Day cases	No	8818	12 852	14 463	No data	
Casualty headcount	No	143 208	150 859	151 245	138 832	
Patient day equivalents	No	1 825.2	43 000.7	521 256	491,496	57 450

Source: DHIS database (financial data is from 01 April 2008 to 31 March 2009 and statistical data for the 2008 calendar year: 01 January – 31 December 2008)

Table 13: HIV/AIDS/STIs and TB

Indicator	Type	05/06 actual	06/07 actual	07/08 actual	08/09 target
Input					
ARV-treatment service points compared to plan	No	15 service points	20 service points	26 service points	27 service points
Fixed PHC facilities offering PMTCT	%	97	87.3	92	94.2
Fixed PHC facilities offering VCT	%	97	86.4	95	98.2 (225 PHC facilities)
Hospitals offering PEP for occupational HIV exposure	%	100	100	100	100
Hospitals offering PEP for sexual abuse	%	25 hospitals 3 VSCs	87	100	78.3
HTA intervention sites compared to plan	%	10	10	15	20
Process					
TB cases with a DOT supporter	%	89	92	92.2	91
Male condom distribution rate from public sector health facilities	Per k male >15 years	9	6.8	6.0	7.6
Male condom distribution rate from primary distribution sites	Per k male >15 years	22	24	11	11
Fixed facilities with any ARV drug stock-out.	%	0	4.8	3	0
Hospitals drawing blood for CD4 testing	No	10 sites	17 sites	87%	21 sites
Fixed PHC facilities drawing blood for CD4 testing	%	30 sites	45 sites	95%	221 sites
Fixed facilities referring patients to ARV treatment points for assessment	%	30 sites	45 sites	95%	221 sites
Output					
STI partner treatment rate.	%	25	20.2	22	22.5
Nevirapine uptake rate among babies born to women with HIV	%	102	62.7	102	69
Clients HIV pre-test counselled rate in fixed PHC facilities	%	100	100	100	2.8
Patients registered for ART	No	11 000	36 481	22 389	27 000
TB treatment interruption rate	%	5.9	7.6	5 (2006)	5.2
Quality					
CD4 test at ARV treatment service points with turnaround time >48 hours	%	0	0	0	0%
TB sputa specimens with turnaround time > 48 hours	%	64	51.3	55.6	
Efficiency					
Dedicated HIV/AIDS budget spent	%	99	97	100	
Outcome					
New smear-positive PTB cases cured at first attempt	%	65.5	57.1	68 (2006)	
New MDR-TB cases reported - annual % change	%	No data	No data	1.8 (2006)	
STI case new episode		No data	74 763	63 372	
STI-treated new episode among ART patients – annual % change		No data	No data	1 539	
ART-monitoring visits measured against WHO performance scale 1 or 2		No data	No data	No data	No data

Source: DHIS database (financial data is from 01 April 2008 to 31 March 2009 and statistical data for the 2008 calendar year: 01 January – 31 December 2008)

Table 14: Maternal, Child and Women's Health

Indicator	Type	05/06 actual	06/07 actual	07/08 actual	08/09 actual	08/09 target
Input						
Hospitals offering TOP services.	%	33	40	45.2	33	33
CHCs offering TOP services.	Number	1	1	1	1	10
Process						
Fixed PHC facilities with DTP-Hib vaccine stock-out.	%	22	20	37	60	38.8
AFP detection rate.	%	2.4	2.87	2.2	1.8	1.6
AFP stool adequacy rate	%	100	80	85	71	71
Output						
Schools at which phase I health services are being rendered.	%	47 schools	12.4%	26.7%		
(Full) immunisation coverage under 1 year (population < 1 years)	%	89.82	89.8	87.82	91.3	91
Antenatal coverage	%	93	88.9	97		100
Vitamin A coverage under 1 year	%	101	106.44	104.1	104.0	100.3
Measles coverage under 1 year	%	92.22	89.2	89.6	92.6	92.4
Cervical cancer screening coverage	%	5	3.65	3.1		3.6
Quality						
Facilities certified as baby-friendly.	%	45.2	52.4		47.5	66.6
Fixed PHC facilities certified as youth-friendly.	%	5	5		9	9.3
Fixed PHC facilities implementing IMCI.	%	96.4	96		96	96.2
Outcome						
Institutional delivery rate for women under 18 yrs	%	3.7	8.6	8	8	8.6
Non-gaining of weight under 5 years	%	3.18	4.00	3	2.7	

Source: DHIS database (financial data is from 01 April 2008 to 31 March 2009 and statistical data for the 2008 calendar year: 01 January – 31 December 2008)

Table 15: Non-communicable Diseases

Indicator	Type	05/06 actual	06/07 actual	07/08 actual	08/09 actual	08/09 target
Input						
Trauma centres for victims of violence (sexual assault, family violence)	No	1	1	1		5
Process						
CHCs with fast queues for elder persons	%	60	100	100	100	100
Output						
Health districts with health-care waste management plan implemented	No	5	5	5		5
Hospitals providing occupational health programmes.	%	94	100	100		100
Schools implementing health-promoting schools programme (HPSP)	%	48	48	88		94
Integrated epidemic preparedness and response plans implemented	Y/N	Yes	Yes	Yes		Yes
Integrated communicable disease control plans implemented	Y/N	Yes	Yes	Yes		Yes
Quality						
Schools complying with quality index requirements for health-promoting schools programme.	Number	23	58	65		92
Outbreak response time	Days	1 day	1 day	1 day		1 day
Efficiency						
Waiting time for cataract surgery	Months	3 months	7	6		
Waiting time for a wheelchairs	Weeks	2 weeks	2 weeks	2 weeks	8 months	2 weeks
Waiting time for hearing aids	Weeks	6 weeks	4 weeks	4 weeks	8 months	4 weeks
Outcome						
Dental extraction to restoration rate	%	7:2	7:1	7:1	9,8:1	8:1
Malaria fatality rate	%	0	0	0		0
Cholera fatality rate	%	0	0	0		0
Cataract surgery rate	No per million	1289	2309	*1415	1391	2062

Source: DHIS database (statistical data for the 2008 calendar year: 01 January – 31 December 2008)

*It should be noted that cataract surgery rate is calculated annually per calendar year, and not per financial year.

PROGRAMME 3: EMERGENCY MEDICAL SERVICES

AIM

The aim of programme 3 is to provide emergency medical services and patient transport services in the Free State.

PROGRAMME DESCRIPTION

Programme 3 has the following subprogrammes

- Emergency Transport. This is provided through ground ambulances as well as through a helicopter service.
- Planned Patient Transport

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

Services rendered include:

- Pre-hospital emergency care
- Emergency rapid response services
- Aero-medical services
- Rescue services
- Ambulance services
- Inter-facility medical care
- Patient transport services

The emergency medical care (EMS) staff establishment for the five districts was approved in January 2008. This allows for a structure of 2008 Emergency Care Practitioner posts. 1056 of these posts are filled. Assistant Managers were appointed in each of the five districts and work closely with District Managers.

The EMS Control Centre was opened on 18 December 2007. The control room functions of the districts were gradually taken over. There is a need to increase the functional capacity. The current single call centre in Bloemfontein cannot cope with the demand. An additional centre needs to be established in the Eastern Free State (Thabo Mofutsanyana). A dedicated radio network must be created to replace the current outsourced and ineffective network.

The aero-medical service was introduced during February 2008. The inter-provincial negotiations with Northern Cape Department of Health to acquire the services of a fixed-wing aircraft on a partnership basis have not been finalized.

The EMS College was re-established with effect from 01 April 2008. The approved staff establishment enabled the appointment of a Principal and three lecturers. Three EMS Operational Paramedics have been seconded to the college in support of the accreditation process. Joint training with the Central University of Technology (CUT) has commenced. Two courses on Intermediate Life Support (4-month course) were conducted during the year.

The national norm is one ambulance per 10 000 population with a response time of urban 15 minutes and rural 40 minutes. With the current population estimate of 2,9 million, 290 ambulances and 2900 emergency care practitioners are required to render the service. The department has 168 ambulances operated by 1024 emergency care practitioners and 84 planned patient transport buses. These numbers fall far short of what is expected based on national norms.

POLICIES, PRIORITIES AND STRATEGIC GOALS

The 2008/09 Annual Performance Plan intended the implementation of the following:

- Establishment of a provincial Communications Centre in Pelonomi Regional Hospital.
- Establishment of a provincial Disaster Management Unit for Health.
- Establishment of an Emergency Care College in the Free State.
- Procurement of additional vehicles.
- Recruitment and selection of additional staff.
- Improvement of response times to all calls.
- Purchasing of capital equipment.
- Improving communications network.
- Strengthening of middle management of EMS.

The status of this implementation is as follows:

- The provincial Communication Centre was established at Pelonomi Regional Hospital in the Motheo district and commenced operations in December 2007.
- The provincial Disaster Management Unit for Health has not been established due to financial constraints. This has been put on hold as the Local Government has made strides to establish a unit for the province.
- The Emergency College in the Free State was established in April 2008 and is still to achieve full accreditation with the HPCSA. This college will in future report as part of Programme 6.
- Funds available for procurement of vehicles are currently catering for 10% of the total required fleet however, attrition rate of the fleet is estimated at 30% per year.
- The recruitment of additional staff was seriously affected by the overall financial situation of the Department.
- There has been no improvement of response times to all calls as planned.
- The improvement of communications networks has been referred to the appropriate government department.

CHALLENGES AND CONSTRAINTS

- National norms regarding response times and patient care, are currently not met by the province. Provincial Emergency Medical Services are funded within the equitable share. In an environment where the required service platform still has to be established and where there are many expedient demands, it is necessary to set aside earmarked funds for this service. Additional funding (for procurement of the necessary resources) has not been realized to enable this service to be delivered within national norms.
- In rural areas there is a diminishing availability of medical personnel. This proportionately increases the demand for emergency medical services.
- The ratio between advanced to intermediate to basic life support skills are still too heavily biased towards the less skilled levels.
- Currently the EMS is housed in non-standardized accommodation settings without consistent support from other sections and institutions of the Department of Health.
- It is too much of a risk to operate all services from a single provincial communications centre. A second communications centre is urgently needed for back-up purposes as well as spare capacity in times of greater need.
- Radio networks do not cover the whole province all the time leading to many delays in communication and less efficient service delivery.

TABULAR REPORTING ON PERFORMANCE AGAINST PROVINCIAL ANNUAL PERFORMANCE PLAN FOR 2008/09

Table 16: Performance against targets from 2008/09 Annual Performance Plan for the EMS programme

GOAL 1: COMPASSIONATE AND QUALITY SERVICES								
BUDGET SUBPROGRAMME: EMERGENCY TRANSPORT								
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)	
Ensure effective EMS response to disasters in the Free State.	Report on readiness to respond to disasters in line with the Free State Disaster Plan.	Quicker response times	Maintained	Maintained	Maintained	Collaboration with the Local Government Disaster Management Unit maintained.	Disaster Management Unit established.	
Implementation of provincial quality improvement strategy.	% compliance with QA indicators.	Quality service	0%	0%	0.7%	15% compliance with Free State Department of Health health and safety auditing tool. The station has been assessed; awaiting feedback.	15%	
	% compliance with Free State Department of Health's health and safety auditing tool.	Risk-free service	0%	0%	10%	50% occupational health is currently implemented in the district.	50%	
	% compliance with Free State Department of Health's clinical risk management plan.	Reduced morbidity	0%	0%	10%	50% compliance. Risk management plan in place; training will take place in the 1st quarter of the new financial year.	50%	
	% compliance with FSDoH's infection control plan.	Reduced morbidity	0%	0%	33%	50% infection control plan has been finalised; training will commence in the 1st quarter of the new financial year.	64%	
	% compliance with provincial emergency hospital preparedness plan.	Improved service	20%	33%	50%	50% hospital plans are in place.	77%	

GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
BUDGET SUBPROGRAMME: PLANNED PATIENT TRANSPORT							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Provide an efficient pre-hospital and inter-hospital patient transport service.	Number of ambulances per 1000 people.	Quicker response times	0.06	0.08	0.1	0.06. No additional funding is available to procure additional vehicles	0.2
	% of BLS, ILS and ALS staff.	Motivated and well trained workforce	BLS 84% ILS 14% ALS 2%	BLS 80% ILS 17% ALS 3%	BLS 74% ILS 22% ALS 4%	BLS 86.9% ILS 11.6% ALS 1.5%	BLS: 68% ILS:25% ALS:5%
	% of call responses within national, urban and rural target (15 minutes and 40 minutes).	Improved service delivery	Urban 39.9% Rural 17.7%	Urban 39.9% Rural 17.7%	Urban 53% Rural 27%	Urban 52% Rural 29%	Urban 64% Rural 40%
	% call-outs serviced by single person crew.		0.08%	0.08%	0	0%	0
	% of ambulance journeys used for hospital transfers.		10.3%	10.7%	12%	6.8%	15%
	% green code patients transported by ambulance.		68.7%	70%	65%	69%	61%
	% ambulances with less than 500,000 kilometres clocked.		43%	38%	25%	24%	18%
Provide an effective and efficient planned patient transport service in line with the referral system.	% of hospitals covered by planned patient transport.	Improved service delivery	100%	100%	100%	100%	100%
	Number of patients transported by planned patient transport per 1000 separations.		488	520	567	594%	600
	% of patients arriving at next referral levels on time.		13%	17%	33%	18%	45%

REPORTING ON STANDARD NATIONAL INDICATORS

Table 17: Emergency medical services and planned patient transport

Indicators		2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Input						
Total rostered ambulances	No	No data	No data	151	70	200
Rostered ambulances per 1000 people	No	0.122	0.06	0.06	0.04%	0.7
Hospitals with patient transporters (excluding those not managed by EMS)	%	Emergency Medical Services provide service to 100% of clinic patients. Inter-hospital ambulances not yet in place				0
Process						
Kilometres travelled per ambulance (per annum)	Km	No data	50,358		59 298	
Locally based staff with training in BLS BAA	%	77.1	80	85	86.9	68
Locally based staff with training in ILS AEA	%	18.3	17	13	11.6	25
Locally based staff with training in ALS (Paramedics)	%	4.6	3	2	1.5	7
Quality						
PI red calls with a response of time <15 minutes in an urban area	%	39.9	39.9	40	52%	64
PI red calls with a response time of <40 minutes in a rural area	%	17.7	17.1	18	29%	40
All calls with response time within 60 minutes	%	No data	No data	8205	57,8%	
Efficiency						
Ambulance journeys used for hospital transfers	%	10.3	10.7	11	6,8%	15
Green code patients transported as % of total	%	68.7	70	71	69%	61
Cost per patient transported	R	78.42	93.63		127,18	
Ambulances with less than 200,000 km clocked	%	42.8	38	30	23	35
Output						
Patients transported (by PTS) per 1,000 separations	No	186	520	559	594	600
Volume indicators						
Number of emergency call-outs			131 217	217 641	460 809	276 385
Patients transported (routine patient transport)			118 686	925 199	1 795 572	986 172

Source: EMS database and call centre (statistical data for the 2008 calendar year: 01 January – 31 December 2008)

PROGRAMME 4: PROVINCIAL (GENERAL) HOSPITALS

AIM

This programme renders general specialised health services at five regional (provincial) hospitals. Psychiatric services are rendered at the Free State Psychiatric Complex (FSPC) and also at designated hospitals

Programme 4 has the following subprogrammes

- General (regional) hospitals
- Psychiatric hospitals

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

Programme 4 consists of five regional hospitals and one psychiatric hospital. The mandate of the five regional hospitals is to provide nine disciplines of specialist services. A detailed situation analysis is provided for each hospital which indicates that only Pelonomi Hospital is able to attract and retain specialists to provide the full package of regional hospital services. The other regional hospitals provide these services mainly with sessional specialists and Cuban specialists. Budgetary constraints and staff accommodation contribute to the inability of these hospitals to recruit the specialists.

The Psychiatric Hospital has all its specialist posts filled, because it is situated in Bloemfontein.

The major contributor to budgetary constraint of provincial hospitals in the 2008/2009 financial year was the occupation-specific dispensation (OSD) for nurses. The budget needed for OSD was not available. The vacant nursing posts could not be filled because the available funding had to be used for the shortfall in OSD funding.

As a result of budgetary constraints, the provincial hospitals were not able to employ more doctors, nurses and other health professionals, hence the need to consolidate and rationalize the hospital services for the 2009/2010 financial year for efficiency and affordability.

Pelonomi Regional Hospital

Pelonomi Regional Hospital is a 659-bed hospital situated in Bloemfontein. Five out of nine of its theatres are operational. It has a total of 1540 personnel, including 35 Medical Specialists.

It provides the full package of regional hospital services, i.e. nine speciality disciplines for the communities of Motheo and Xhariep districts, with a catchment population of 842 015. In addition to regional hospital services, Pelonomi Regional Hospital provides four tertiary disciplines for the entire Free State, parts of the Eastern Cape, Lesotho and Northern Cape. These disciplines cover Trauma, Burns, Spinal and Specialised Infectious Diseases.

The state-of-the-art Trauma Unit in Pelonomi Regional Hospital has been newly built. This unit is ready for 2010 FIFA World Cup. The beds at Pelonomi Regional Hospital were reduced as part of the transformation process. The spare capacity is used as Public Private Partnership (PPP) with Community Health Management. The PPP agreement provides for sharing of some services such as Radiology and theatres.

The hospital is being revitalised. The current phase of the revitalisation project is the Pharmacy and the services passage. The intensive care unit (ICU) tender has been advertised.

Pelononi Regional Hospital is a training platform for Nurses, Medical Registrars and Medical Interns. This hospital has taken the lead in the Free State to implement cost centres. Pelononi is the ARV centre of excellence which means that patients who experience side effects from medication are treated here. The centre is also conducting research on the subject. This centre is the training platform for various health professionals in the Free State.

Bongani Regional Hospital

Bongani Regional Hospital is a 450-bed hospital situated in Welkom and has five theatres that are operational. It has a total of 788 personnel, inclusive of 17 full- and part-time Specialists.

It provides the full package required for regional hospitals comprising eight speciality disciplines for the communities of Lejweleputswa district, with a catchment population of 762 858. Psychiatric services are not provided.

Bongani Regional Hospital is a training platform for Nurses, Medical Registrars and Medical Interns. The hospital has been accredited by COHSASA for three years.

Boitumelo Regional Hospital

Boitumelo Regional Hospital is a 312-bed hospital situated in Kroonstad. Two of its five newly renovated theatres are operational.

It has a total of 579 personnel, inclusive of 7 Specialists (four specialities are rendered in sessions and two specialities are rendered by Cuban specialists). Boitumelo provides regional hospital services for the Fezile Dabi district with a catchment population of 502 521.

The revitalisation is progressing very well in Boitumelo Regional Hospital. The maternity wards have been completed. The world-class Psychiatric Unit was completed in January 2009.

The hospital is a designated psychiatric unit for Fezile Dabi and Lejweleputswa districts. The outpatient department (OPD) clinics are modern and compliant with infection control guidelines, with UV lights.

Dihlabeng Regional Hospital

Dihlabeng Regional Hospital is a 135-bed hospital situated in Bethlehem. It has four theatres that are operational. It has a total of 367 personnel, inclusive of six full-time Specialists and 11 part-time sessional Specialists.

It provides a regional hospital package comprising eight speciality disciplines for part of Thabo Mofutsanyana district with a catchment population of 323 380. The psychiatric discipline is not available in Dihlabeng.

The hospital has not yet been revitalised. As a result the hospital has high maintenance needs. This hospital is able to a large extent to treat mainly level 2 patients.

Mofumahadi Manapo Mopeli Regional Hospital (MMM)

MMM Regional Hospital is a 290-bed hospital situated in Phuthatdijhaba of which 20 are private beds. It has four operational theatres. It has a total of 536 personnel, inclusive of eight Specialists, four of whom are Cuban Specialists.

MMM Regional Hospital provides services to the eastern part of Thabo Mofutsanyana district, with a catchment population of 437 458.

MMM Regional Hospital has been accredited by COHSASA for two years. This is a great achievement for a rural hospital. MMM Regional Hospital has been in existence for 21 years.

It has a designated Psychiatric Unit with a functional Mental Health Care Review Board (MHCRB) and provides services for the whole of Thabo Mofutsanyana district. One of the challenges is accommodation for health professionals.

Free State Psychiatric Complex (FSPC)

The one specialized psychiatric hospital for the Free State is situated in Bloemfontein, with a catchment population of 2 857 519. The hospital has 877 beds and provides comprehensive psychiatric services from level 1 to 3. It has a total of 920 personnel of which 6 are Specialists. The Mental Health Act is fully implemented at the FSPC.

The hospital conducts outreach and training sessions for the whole province, including Northern Cape. The Mental Health Care Review Board (MHCRB) is fully functional at the FSPC for the Xhariep and Motheo districts.

Fezile Dabi and Lejweleputswa districts are provided for by MHCRB of Boitumelo, and for Thabo Mofutsanyana the MMM MHCRB is functional. This institution has been accredited by COHSASA for two years. One of its major achievements is that there is no waiting list in the Free State for observation patients.

POLICIES, PRIORITIES AND STRATEGIC GOALS

The functioning of provincial hospitals are guided by the following policies:

- National Health Act no 61 of 2003.
- Division of Revenue Act (DORA), PFMA, Labour Relations and UPFS and Supply Chain Management Policy.
- Mental Health Act, 2002 (Act no 17 of 2002)
- Free State Hospitals Act, 1996 (Act No. 13 of 1996).
- Free State Health Act, 1999 (Act No. 8 of 2000)
- Policy on PDMS.
- Norms and standards for regional hospitals.
- Community Service Policy.
- Policy on Service Transformation Plan.
- Human Resource Plan of the Free State Department of Health.
- National Health Systems Priorities.
- Referral policy.
- National and Provincial Policy and Quality Assurance and Infection Control.
- Policy on Hospital Boards.
- Policy on Occupation-specific Dispensation (OSD).
- Treasury directives and regulations

The priorities for provincial hospitals are the following

- Rehabilitation, rationalisation and development of the hospital facility network in relation to the data presented in the situation analysis, the provincial IHPF and the hospital revitalization strategy.
- Continued revitalisation of Pelonomi and Boitumelo Hospitals to strengthen certain areas of revitalisation e.g. appointment of a project manager for Pelonomi and to align projects for revitalisation.
- Rationalization of Provincial Hospital Services for efficiency and affordability.

Hospital systems development

- Implementation of the micro-structure of provincial hospitals including the implementation of the new nursing practice model.
- Implementation of strategy to improve the training of Nursing Assistants and Staff Nurses to address the needs of provincial hospitals.
- Improvement in implementation of cost centres in provincial hospitals

Human resources development

- Continued development of CEOs and the executive management team of the provincial hospitals (MPH and MBA and executive development programmes).
- Fast-tracking implementation of CEO delegations.

Implementation of the core quality standards

- Maintaining quality standards in all provincial hospitals.
- Strengthening psychiatric services :
 - Provision by FSPC of both level 2 and 3 services for Xhariep and Motheo
 - Provision of services by Boitumelo Hospital to Fezile Dabi and Lejweleputswa.
 - Provision of services by MMM Hospital to Thabo Mofutsanyane district.
- Strengthening disaster preparedness of hospitals - upgrade plans, disaster drills (training of staff and purchase of disaster coats).
- Establishment of the Provincial Infectious Diseases Unit in Pelonomi Hospital.
- Strengthening infection control systems in provincial hospitals (UV lights, installation of elbow taps in all clinical areas, alcohol-base sprays in entrances of clinical care areas and posters with instructions).

Implementation of regional hospital service packages and the designated tertiary services.

- Secondary hospital service packages are not fully implemented in the four provincial general hospitals due to a lack of a full complement of resident Specialists. Bongani has eight, Dihlabeng seven, Mofumahadi Manapo Mopeli four and Boitumelo five of the required nine resident Specialists. Pelonomi implements the full regional hospital package.
- Strengthening the relationship between levels of care (level 1, 2 and 3) and implementing regional forums.
- Developing equipment package for regional hospitals.

Strengthening governance in provincial hospitals

- Hospital boards to be appointed in line with Free State Provincial and National Health Act.
- MHCRB to be appointed in line with Mental Health Care Act.

CHALLENGES AND CONSTRAINTS

Finance and financial management

- The appointment of health care professionals and the procurement of essential equipment could not be finalised because funding was inadequate.

Human resources

- Recruitment of all health professionals and the implementation of the Occupation Specific Dispensation (OSD) is a priority.
- Hospitals frequently utilise professional nurses sourced from nursing agencies. This has a negative impact on the quality and sustainability of services.
- An increasing number of rural provincial hospitals are unable to recruit and retain specialists in certain clinical disciplines. The full package of services can thus not be delivered.
- Due to inadequate availability of medical doctors in some district hospitals, some level 1 patients are referred and treated inappropriately at level 2 hospitals.

Support systems

- The unavailability of level 1 hospitals in the Kroonstad and Welkom areas, results in level 1 patients being treated at Boitumelo and Bongani regional hospitals.
- The shortage of ambulances and personnel in the EMS results in inconsistencies in the referral system.

Information

- There are no Hospital Information Officer posts on the current staff establishments. Consequently, their functions are performed by persons employed for other functions. This has a negative impact on information management.
- Dihlabeng, Mofumahadi Manapo Mopeli and Free State Psychiatric Complex are not on the electronic Meditech patient information system which makes it difficult to share information among hospitals.

TABULAR REPORTING ON PERFORMANCE AGAINST PROVINCIAL ANNUAL PERFORMANCE PLAN FOR 2008/09

Table 18: Performance against targets from 2008/09 Annual Performance Plan

GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
BUDGET SUBPROGRAMME: GENERAL REGIONAL HOSPITALS							
Measurable Objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Provide appropriate and accessible level of health care services for the designated catchment population.	% implementation of the appropriate service packages.	Specialised services rendered by specialists.		Bongani: 8/9 Boitumelo: 5/9 Dihlabeng: 7/9 MMM: 2/9 FSPC: 1	Bongani: 8/9 Boitumelo: 5/9 Dihlabeng: 7/9 MMM: 4/9 FSPC: 1	Bongani: 8/9 Boitumelo: 9/9 Dihlabeng: 8/9 MMM: 4/9 FSPC: 1	Bongani: 9/9 Boitumelo: 5/9 Dihlabeng: 8/9 MMM: 4/9 FSPC: 1
	Progress on achievement of efficiency targets per hospital (QRS).	Consistent monitoring of quality of services.	ALOS: 5.34 BUR: 71.65% Cost/PDE: R1002	ALOS: 4.6 BUR: 69.9% Cost/PDE: R1286	ALOS: 5.34 BUR: 73% Cost/PDE: R1350	ALOS: 4.9 BUR: 76% Cost/PDE: R2044 FSPC Cost/PDE : R650	ALOS: 5.34 BUR: 75% Cost/PDE: R1350
	Number of institutions with an outreach programme(s) to district hospitals as a % of the total population	District hospitals supported through outreach programme.		100%	100%	100%	100%
	Number and type of disciplines conducting outreach programme(s) per regional hospital.	Improved quality of care at district hospitals.		Paeds (2) Fam Med (1) Psychiatry (1) Optometry (1)	Paeds (3) Fam Med (4) Psychiatry (2) Optometry (2) Anaesthetics (1)	Bongani: 4 (O&G, Surgery, Ortho, Fam Med) Boitumelo: 2 (Psych & Fam Med) Dihlabeng: 4 (Paeds, Anaesthetic, Surgery, O&G) MMM: 2 (Psych, O&G) Pelonomi: 5 (Paeds, Maxillo Facial, Burns, O&G, Fam Med) FSPC: 1	Paeds (4) Fam Med (4) Psychiatry (2) Optometry (2) Anaesthetics (2)
	Number of patients, training sessions, procedures, etc. per discipline on outreach.	Improved quality of care at district hospitals.		1 training session per quarterly visit	6	Minimum of 12 sessions per institution for the year.	6
	Referral rate between different levels (number referred / 1000 population).	Effective referrals between levels of care.		IN: 35% OUT: 13%	IN: 35% OUT: 13%	IN < 35 % OUT < 13 %	IN: 35% OUT: 13%

GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
BUDGET SUBPROGRAMME: GENERAL REGIONAL HOSPITALS							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Provide appropriate and accessible level of health care services for the designated catchment population (continued)	A strategy for telemedicine should be in place.	Effective support for regional hospitals from tertiary hospital.		Provincial telemedicine. strategy developed	3 hospitals on telemedicine	2 Pelonomi & MMM	3 hospitals on telemed
	Number institutions linked and functional on tele-medicine.	Improved quality of care at regional hospitals.		2	3	2 (Pelonomi & MMM)	4
Maintain and extend level 2 mental health care services.	Number of regional hospitals with designated mental health care services.	Effective implementation of Mental Health Care Act.		1	2	3 (FSPC, MMM, Botumelo)	3
Monitor the implementation of Batho Pele and Patient Charter.	% implementation of approved service standards.	Consistent quality of care.		Service standards documented per regional hospital	10 key service standards monitored and reported per regional hospital	COHSASA standards use all above 80 %	15 key service standards monitored and reported per regional hospital
	% compliance with standards.	Consistent quality of care.		Service standards documented per regional hospital	80% compliance achieved per service standard	Ranges between 70% and 80%.	80% compliance achieved per service standard
	% patient satisfaction rate.	Consistent patient satisfaction.		85%	85%	All institutions > 75%.	85%

GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
BUDGET SUBPROGRAMME: GENERAL REGIONAL HOSPITALS							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Rendering quality patient care by implementing clinical governance.	Progress on COHSASA accreditation.	Effective implementation of quality management systems.		1 accredited 3 assessed	2 accredited 1 assessed	3 (Bongani, FSPC, MMM) accredited	4 accredited
	% of departments having M&M meetings.	Consistent quality of care per clinical discipline.			Bongani: 3 Boitumelo: 2 Dihlabeng: 3 MMM: 2 FSPC: 2	M & M meetings are held per institution at least once a month	Bongani: 4 Boitumelo: 2 Dihlabeng: 4 MMM: 4 FSPC: 2
	% of departments/ disciplines doing peer review.	Consistent quality of care per clinical discipline across the province.		None	2 clinical disciplines	FSPC and Pelonomi	2 clinical disciplines
	Percentage of medical records reviewed.	Improved quality of care and compliance.		Inpatient files audited per month	Inpatient files audited per month	Ranges between 2% and 10%	5% of all inpatient files audited per discipline per month

GOAL 2: REDUCE THE BURDEN OF DISEASE							
BUDGET SUBPROGRAMME: GENERAL REGIONAL HOSPITALS							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Rendering quality patient care by implementing clinical governance.	Nosocomial infection rate.	Effective prevention of nosocomial infections.		1.6%	2	Below 3%	2
	Provincial infectious diseases unit established.	Effective management of infectious diseases.		Unit established	Admission and bed utilisation rates monitored	Established. improvements in progress (Infrastructure, equipment and personnel)	Admission and bed utilisation rates monitored
Implementation of the provincial health promotion strategy.	Number of health promotion activities implemented per regional hospital.	Improvement in health lifestyles.		4 annually	4 annually	4 annually.	4 annually

GOAL 3: OPTIMAL FACILITIES AND EQUIPMENT									
BUDGET SUBPROGRAMME: GENERAL REGIONAL HOSPITALS									
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)		
Provision of essential equipment to provincial health facilities.	Number of facilities with equipment surveys done.	Equipment needs verified.	1	3	4	2 (MPM & Bongani)	5		
	% implementation of the equipment plan per regional hospital.	Improved quality of care.		40%	50%	50 %	50%		
	Number of hospitals with appropriate clinical engineering support at facility level.	Equipment safety standards.		3	3	4 (Boitumelo, Bongani, Dihlabeng, Pelonomi)	4		
	Essential equipment packages available at regional hospital.	Improved quality of care through appropriate health care technology.		Essential equipment lists approved	Essential equipment lists approved	100%	Multi-term acquisition plans developed		
Implementation of the provincial equipment maintenance plan.	Number of facilities with appropriate clinical engineering support at facility level.	Equipment safety standards.	1	3	4	4 (Boitumelo, Bongani, Dihlabeng, Pelonomi)	4		
	Asset register in place.	Effective asset management.		Electronic asset register in place	Quarterly asset management reports submitted	All, but not up to date.	Quarterly asset management reports submitted		
Ensure sustainability of strategic partnerships.	Number of hospitals that are part of the designated service provider network (DSPN).	Improved revenue generation.		2	3	5 - only FSPC is not part of the DSPN	4		
Well functioning management and governance structures.	Boards functioning according to NHA , PHA and Mental Health Care Act.	Effective governance.		2 MHC review boards in place	3 MHC review boards in place	3 MHC review boards in place	4 MHC review boards in place		

REPORTING ON STANDARD NATIONAL INDICATORS

Table 19: Reporting against standard national indicators

Indicator	Type	2005/06 actual	2006/07 actual	2007/08 actual	2008/09 actual	2008/09 targets
Input						
Expenditure on hospital staff as % of regional hospital expenditure	%	54.7	No data	78	71	67
Expenditure on drugs for hospital use as % of regional hospital expenditure	%	6.5	No data	12	4.2	5
Expenditure by regional hospitals per uninsured person	R	224.20	No data	364	481	475
Useable beds		2093	1874	22 014	2844	2844
Process						
Regional hospitals with operational hospital board	%	100	100	100	100	100
Regional hospitals with appointed (not acting) CEO in place	%	100	60	100	100	100
Facility data timeliness rate for regional hospitals	%	100	100	100	100	100
Output						
Caesarean section rate for regional hospitals	%	39	58.7	45	44	40
Quality						
Regional hospitals with patient satisfaction survey using DOH template.	National instrument not implemented. Some hospitals use their own instrument to conduct survey			100	100	100
Regional hospitals with clinical audit (M&M) meetings every month	%	100		100	100	100
Efficiency						
Average length of stay in regional hospitals	Days	5.34	4.6	69.2	4.9	4.8
Bed utilisation rate (based on useable beds) in regional hospitals	%	71.65	69.9	86.5	76	76.5
Expenditure per patient day equivalent in regional hospitals	R	1301.30	1286.62	1458	2044	1682.28
Outcome						
Case fatality rate for surgery separations in regional hospitals	%	3.3	4.15	3.9	3.8	3.9
Service volumes						
Separations - total		100571	1312	1400	50 678	1400
OPD headcounts - total		210396	197881	209080	133 598	209130
Day cases		6249	5948	7169	7 103	No target
Casualty headcount		114406	118829	107984	101 560	No target
Patient day equivalents		9924.2	470434	475000	306 622	475000

Source: DHIS database (financial data is from 01 April 2008 to 31 March 2009 and statistical data for the 2008 calendar year: 01 January – 31 December 2008)

PROGRAMME 5: CENTRAL HOSPITAL SERVICES

AIM

The aim of the programme 5 is to manage, monitor, organise and render level 3 and 4 tertiary services in the Free State Province and to monitor and organize training, education, research and service delivery of the medical school and other schools in the Faculty of Health Sciences.

Programme 5 has only 1 subprogramme

Central Hospital

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

During the 2008/09 financial year, programme 5 experienced financial constraints. The main pressure was with the modernisation of the tertiary services budget, hence the rationalization of activities covered by this budget.

Tertiary services

Universitas Academic Hospital (UAH) and Pelonomi Hospital are the major providers of tertiary care in the Free State. Tertiary services are also rendered at Pelonomi, Dihlabeng, Bongani and to a lesser degree at Mofumahadi Manapo Mopeli and Boitumelo regional hospitals.

Flow of patients across provincial boundaries

Universitas Tertiary Hospital is providing a substantial part of tertiary services (some T1, all T2 and some T3) to the Northern Cape population of 822 727.

In addition to the above, the Eastern Cape population, bordering the province in the south, come to Pelonomi Hospital for regional services. It is estimated that the level 3 cross-border population from Northern Cape will remain constant for at least the next five years. The level 3 cross-border population from Lesotho is estimated at 1 000 000 (the total population of Lesotho is approximately 2 million based on the 2002 census according to the Lesotho Embassy) while the Eastern Cape will be the same as for regional services at 270 000, also for the foreseeable future.

Waiting lists

Universitas Academic Hospital has extended waiting lists for surgical procedures. Two examples are Arthroplastia (hip, knee and shoulder replacements) and Cardiothoracic Surgery. Erasing the backlog for surgical cases will depend on a number of factors to be addressed, such as:

- shortage of scrub nurses (posts are available, but cannot be filled due to unavailability of applicants)
- shortage of anaesthetists (supervision is a concern since there are not enough consultants available)
- availability of sufficient beds (addressed in revitalisation business case for UAH)
- operational budget.

For arthroplasty procedures, for example, a total of R11,7 million will be needed per year, whereas R20,7 million per year is needed to erase the backlog for cardiothoracic procedures. These backlogs only represent two surgical departments, as an example of the under-servicing situation, which exists due to personnel shortages and budgetary constraints.

Quality assurance

The hospital has an established Quality Improvement Unit which assists all supervisors and managers to maintain accreditation by COHSASA (The Council for Health Service Accreditation of South Africa). The next external survey was in May 2008. UAH plans to maintain accreditation for a further two years.

POLICIES, PRIORITIES AND STRATEGIC GOALS

Policies and legislation

- National Health Act No 61 of 2003.
- Division of Revenue Act (DORA), PFMA and UPFS and Supply Chain Management policies
- Policy on PDMS.
- Community Service Policy.
- Policy on Service Transformation Plan.
- Human Resource Plan of the Free State Department of Health.
- National Health Systems Priorities.
- Referral policy.
- National and Provincial Policy on Quality Assurance and Infection Control.
- Policy on Occupation Specific Dispensation (OSD).

Strategic goals

- Redefinition of the academic platform
- Addressing facility, equipment and maintenance backlogs
- Strengthening of outreach programme and referral system
- Developing a viable telemedicine model
- Addressing tertiary services backlogs
- Clinical risk management
- Implementation of Quality Assurance Policy and Strategy
- Quality improvement projects and maintenance of COHSASA accreditation
- Clinical governance and patient safety
- Infection control and service standards
- Designated service provider networks
- PPP and public private initiatives (PPI) projects
- Appointment of community Principal Specialist in Obstetrics & Gynaecology, Urology, Anaesthetics and Paediatrics to address the burden of diseases in the province (reduce maternal death rate and child and infant mortality)

CHALLENGES AND CONSTRAINTS

CONSTRAINTS	MEASURES PLANNED TO OVERCOME
Finance and financial management	
<ul style="list-style-type: none"> • Financial constraints continue to pose a threat to tertiary services in the province. • Increasing costs of services. • Decreasing funding envelope. • Increased demand for services (maternity and casualty services in Bloemfontein). 	Modernization of the Tertiary Services Project has assisted in relieving the financial pressures to a certain extent. The programme will put mechanisms in place to contain over-expenditure.
Human resources	
<ul style="list-style-type: none"> • Personnel shortages. • The implementation of the new approved staff establishment was hampered in 2007 by financial constraints. • Monitoring and evaluation of performance. 	<p>Implementation of macrostructure in 2008.</p> <p>The key appointments of Community Principal Specialists in the following disciplines: Obstetrics and Gynaecology and Anaesthesiology will be made to address problematic service delivery.</p>
Support systems	
Rationalisation of services and structures.	An extensive outreach programme supported by a hub, and spoke telemedicine system is in place between the tertiary, regional and districts hospitals in order to ensure fully functional district and regional hospitals. A budget for the roll-out of the telemedicine project has been set aside.

TABULAR REPORTING ON PERFORMANCE AGAINST PROVINCIAL ANNUAL PERFORMANCE PLAN FOR 2008/09

Table 20: Performance against targets from 2008/09 Annual Performance Plan for the Central Hospital Services Programme

PROGRAMME 5: CENTRAL AND TERTIARY HOSPITALS							
GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implement the service transformation plan (STP) for the Free State.	Implement service transformation plan according to specific indicators in line with funding.	Appropriate configuration of services.			UAH beds to increase from 634 to 664	Progress on projects externally funded: a) Oncology upgrade of ablation facilities and security 40 % completed and renovation of SAIMR building for new OPD 70 % completed. Harmony to consider further funding of work to the value of an additional R1 million. b) White block upgrade will commence in May 2009. Funds only partly secured. c) Renovation of the 10th floor will commence in June 2009. Funding secured. d) Upgrade of lifts and aircon. at UAH externally funded. Will commence in June 2009. e) Master plan for revitalisation of AHC currently reviewed. f) Consolidation of AHC under discussion.	Planning concluded for Revitalisation of UAH.
Implement modernisation of tertiary services (MTS) for the Free State.	Implement MTS in line with indicators as contained in plan.	Appropriate staffing levels and equipment.			3% of additional posts on revised staff establishment filled.	Allocated budget of R45 million available on 1 April 2009 to cover upgrades to two accelerators, a Brachytherapy Unit and a new CT planning system. No funding available for new accelerator.	10% of additional posts on revised staff establishment filled
						Oncology equipment procured for R54 million	
						No funds available for Diagnostic Radiology.	Diagnostic Radiology equipment for R100 million procured

PROGRAMME 5: CENTRAL AND TERTIARY HOSPITALS

GOAL 1: COMPASSIONATE AND QUALITY SERVICES

Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Establish the therapeutic need for tertiary services.	A baseline study in place.	Baseline study completed.			Baseline study completed	Population needs for health care and budget required study; burden of disease study protocol available in draft. Funding still a problem.	
	The gap in tertiary service rendering established and costed per discipline.				Gap quantified	Serious reduction in service rendering due to a lack of funding. Only provided emergency and urgent care to tertiary patients. No elective work done since 19 November 2008. A study commissioned to determine the impact of cost reduction strategies on service delivery.	Gap costed
	% achievement of efficiency targets by established clinical and clinical-support cost centres.	Consistent monitoring of quality of services.			Develop flow diagrams for all processes at UAH	Separations 5 938	Effect a 10% saving on resource utilisation with streamlining of processes
						PDE: 50 171	
						OPD headcount: 41 470	
						BUR: 60.82 %	
						Caesarean section rate: 70.71 %	
						Fatality rate surgery: 1.17	
						ALOS: 7.68 days	
						Expenditure per PDE: R3 320.14	
						Maternal deaths: 3	
						Infant mortality rate: 1.15	
						Nosocomial infection: 4.64	

PROGRAMME 5: CENTRAL AND TERTIARY HOSPITALS							
GOAL 1: COMPASSIONATE AND QUALITY SERVICES							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Establish the therapeutic need for tertiary services (continued)	Number of departments/ disciplines participating in the outreach programme(s) as a % of the total.	Regional hospitals supported through outreach programme.			10 (25%)	12 departments involved in outreach. Four departments in registrar rotations.	12(33%)
	Number and type of disciplines covered per regional hospital from the tertiary services complex.	Improved quality of care at regional hospitals.			Bongani: 8, Dhiabeng: 5, MMM: 4, Boitumelo: 4	12 disciplines: Oncology, Urology, Paeds, Orthopaedic, Human Genetics, Maxillo Facial, Haematology, Ophthalmology, Optometry, Psychiatry, Burns Unit, Internal Medicine and Dermatology. Bongani: 9 disciplines in outreach and 4 rotated registrars. Dhiabeng: 7 disciplines, MMM: 7 disciplines, Kimberley Hospital Complex: 2 disciplines and 5 disciplines rotated registrars.	Bongani : 10, Dhiabeng: 8, MMM: 7, Boitumelo: 7
	Number of patients, training sessions, procedures done by outreach programme per discipline.	Improved quality of care at regional hospitals.			11 000 patients seen at outreach facilities.	12 188 patients seen at outreach facilities. 3 training sessions	13 000 patients seen at outreach facilities
	Number of patients per institution effectively serviced through telemedicine hub and spoke service.	Effective support for regional hospitals from academic hospital.			1 300 teleradiology	2 600 teleradiology	3 000 teleradiology 5 000 other telemedicine.

PROGRAMME 5: CENTRAL AND TERTIARY HOSPITALS

GOAL 1: COMPASSIONATE AND QUALITY SERVICES (continue)

Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Rendering quality patient care by implementing clinical governance.	Progress on COHSASA accreditation.	Effective implementation of quality management systems.			Accreditation confirmed for next three years.	Accreditation renewed for three years as from August 2008. Current score: 97 %.	Accreditation maintained.
	% of departments having meetings on mortality and morbidity.	Consistent quality of care per clinical discipline.			29 (80%)	Meetings on mortality and morbidity in all departments.	33 (100%)
	% of departments/ disciplines doing peer review.	Consistent quality of care per clinical discipline across the province.			100%	Peer review done by all departments as part of weekly academic discussions and academic ward rounds.	100%
	Percentage of medical records reviewed.	Improved quality of care and compliance.			10% sample per month.	A 10 % sample of all records is reviewed per month. In addition, every ward reviews the randomly selected records.	10% sample per month.
	Serious nosocomial infection rate.	Effective prevention of nosocomial infections.			< 3%	6.4 %	< 3%
	Infectious Diseases Unit established.	Effective management of infectious diseases.				The Infectious Disease Unit functioning well.	Yes
	% patient satisfaction rate according to national survey instrument.	Effective management of complaints.			97%	Patient satisfaction rate was on average 99.7 %	97%

PROGRAMME 5: CENTRAL AND TERTIARY HOSPITALS								
GOAL 2: REDUCE BURDEN OF DISEASE								
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)	
Reduce the burden of disease through level 3 services and expert outreach and support programmes to other levels of care.	The number of hip replacements, number of CAB procedures and number of neonatal ICU bed days.	Improved quality of care.			No data	Hip replacements: 118 neonatal ICU bed days: 4 094 CABG academic procedures: 167	As many as possible.	
GOAL 3: OPTIMAL FACILITIES AND EQUIPMENT								
Hospital facilities essential maintenance programme.	% budget allocated and spent for facilities maintenance.				3.5%	UAH spent 5% of total budget on maintenance.	3.5%	
Develop and implement business case for revitalisation.	Facilities match needs for tertiary services per discipline.	Improved quality of care through appropriate healthcare technology.			Business case developed.	Business case submitted to Physical Planning. No feedback on this yet. A master plan for the AHC (including UAH, PRH) currently being developed to replace the business case on revitalisation of UAH.	Planning commences.	
Provision of essential equipment to department.	Essential equipment packages available by discipline per level of care.	Improved quality of care through appropriate healthcare technology.			70%	Equipment procurement still totally insufficient for UAH. Not enough funds available. Awaiting further allocations from MTS.	80%	
	Equipment asset register implemented.	Effective asset management.			Implemented	Asset register implemented on Logis.	Implemented	

PROGRAMME 5: CENTRAL AND TERTIARY HOSPITALS

GOAL 3: OPTIMAL FACILITIES AND EQUIPMENT

Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Implementation of equipment maintenance plan.	Appropriate clinical engineering support at facility level.	Improved quality of care through appropriate healthcare technology.			Yes	A full contingent of clinical engineers are available to support all procurement, monitoring and maintenance of medical equipment at Universitas Academic Hospital.	Yes
Implementation of hospital facilities essential maintenance programme.	% budget allocated and spent for facilities maintenance.	Maintenance budget managed effectively.			3.5	5 %	3.5

GOAL 4: APPROPRIATE AND SKILLED PERSONNEL

Recruiting/retaining appropriate expertise and building capacity through staff development, and creating opportunities in an environment conducive to personal and professional growth.	Staff establishment in line with MTS and STP.	Appropriate staffing levels.		Staff establishment approved		A new staff establishment approved in March 2007 and being implemented in a phased approach.	
	Filling posts in phased manner to implement new staff establishment over next 10 years.	Appropriate staffing levels.			3% of additional staff implemented	For 2008, 1 % was implemented. For 2009, no further implementation took place.	10% of additional staff establishment implemented
The dedicated performance of an adequate, motivated and well trained work force.	Skills audit matches job requirements.				Yes	Skills audit conducted on a monthly basis.	Yes
	Motivation and EAP programmes.	Motivated and well trained work force.			EAP programme in place	EAP programme in place.	EAP programme in place

PROGRAMME 5: CENTRAL AND TERTIARY HOSPITALS							
GOAL 4: APPROPRIATE AND SKILLED PERSONNEL							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Provision of facilities for training, education and research at Academic Health Services Complex.	Accreditation by statutory bodies for training of health professionals.				Accredited	HPCSA accreditation in place.	Accredited
	Endorsement of Academic Health Complex by Faculty of Health Sciences: University of the Free State.				Yes	A new structure and vision for the Academic Health Complex was developed and approved.	Yes
	Sufficient training and research opportunities at AHC.				Yes	The academic platform is supported and maintained.	Yes
GOAL 5: STRATEGIC AND INNOVATIVE PARTNERSHIPS							
Public private partnership with CHM/Netcare.	% achievement of PPP agreement targets.				100%	PPP on track. All targets are being achieved.	
	Number of additional services added to shared services in PPP.					Bone Marrow Transplant Unit and Renal Transplant Unit added to shared services. No new additions.	2
GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE							
Well functioning management and governance structures.	Boards functioning according to NHA and PHA and King II Report.	Effective governance			Yes	The Board is functional and supports management and advocates for the communities they represent.	Yes

REPORTING ON STANDARD NATIONAL INDICATORS

Table 21: Central Hospital Services

Indicator		2005/06 actual	2006/07 actual	2007/08 actual	2008/09 actual	2008/09 target
Input						
Expenditure on hospital staff as percentage of total hospital expenditure	%	61.9	65.6	63.92		
Expenditure on drugs for hospital use as percentage of total hospital expenditure	%	9.4	10.14	8.67		
Hospital expenditure per uninsured person	R	146.39		154.59		
Useable beds		632	632	7584	7584	
Process						
Hospitals with operational hospital board	%	100	100	100	100	100
Hospitals with appointed (not acting) CEO in place	%	100	100	100	100	100
Facility data timeliness rate	%	100	80	100	100	100
Output						
Caesarean section rate	%	60.8	71.1	70	74.7	74.7
Quality						
Patient satisfaction survey using DoH template	Y/N	Not yet implemented	Not yet implemented	Yes		Yes
Mortality and morbidity meetings at least once a month.	Y/N	No data	No data	Yes		Yes
Clinical audit (M and M) meetings at least once a month	Y/N	Yes	Yes	Yes		Yes
Efficiency						
Average length of stay	Days	5.8	5.8	6.8	5.6	5.6
Bed utilisation rate (based on useable beds)	%	64.1	72.8	70	71.7	72.3
Expenditure per patient day equivalent	R	2934	3153	2766	3676	1876
Outcome						
Case fatality rate for surgery separations	%	1.4	0.9	2.5	0.7	0.7
Service volumes						
Separations		26193	28626	28930	29142	22138
OPD total headcounts		133349	169497	175692	189458	144781
Day cases		3384	4110	4820	5301	
Casualty headcount		2774	1840	452	0	
PDEs		189445	222080	226836	217942	171794

DHIS database (financial data is from 01 April 2008 to 31 March 2009 and statistical data for the 2008 calendar year: 01 January – 31 December 2008)

PROGRAMME 6: HEALTH SCIENCES AND TRAINING

AIM

This programme organises and funds the training of health professionals.

PROGRAMME DESCRIPTION

Programme 6 has the following subprogrammes:

- Nurse training colleges
- Bursaries
- Primary health care training
- EMS training college
- Other training

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

Human resource development

Training needs assessment and gap analysis, both in-service and pre-service

- All (100%) cost centres have submitted their training needs which were collated into a master workplace skills plan. These training needs include the strategic priorities, national skills development plan, individual training needs and competencies required for a job holder.
- Various training programmes were implemented to address identified training needs.

Relevance, quality and capacity of training programmes, including numbers trained and attrition rates

- Personnel are nominated for courses in line with criteria, which include the relevance of a course to the job of an individual.
- Evaluation tools have been developed and are being used by participants to assess the quality of training provided by the service provider.
- Personnel are being evaluated after courses, to determine whether they can do the work the training was meant to equip them for.

POLICIES, PRIORITIES AND STRATEGIC GOALS

Legislation, plans and policies

- Nursing Education Act of the Free State No. 34 of 1998
- South African Qualification Authority Act No. 58 of 1995
- Higher Education Act No. 101 of 1997
- Further Education Act No. 98 of 1998
- National Health Act No. 61 of 2003
- Nursing Act No. 33 of 2005
- Health Profession Act of 1994
- Skills Development Act No. 97 of 1998
- Skills Development Levy Act No. 9 of 1999
- Employment Equity Act No. 55 of 1998
- Labour Relations Act No. 66 of 1995

- Public Finance Management Act No. 1 of 1999
- Basic Conditions of Employment Act No. 75 of 1997
- Human Resource Plan
- National Skills Development Strategy 2
- Bursary Policy
- White Paper on Public Service Education and Training
- White Paper on Human Resource Management in the Public Service
- Human Resource Development Strategy for the Public Service
- Millennium Development Goals

Legislation, plans and policies

- Batho Pele White Paper
- White Paper on Transforming the Public Service
- White Paper on New Employment Policy of the Public Service
- Green Paper on New Law for a New Public Service
- Presidential pronouncements and budget speech
- IDPs
- Medium Term Strategy Framework
- National spatial development strategies
- Provincial Growth and Development Strategy

Plans to address shortfall in the number of professionals being trained in order to meet future service requirements

Expand the education system for nurses in the Free State Department of Health;

- Expand support services for nursing education institutions;
- Revitalise and expand infrastructure for nursing education institutions;
- Align education and training programmes to needs of Free State Department of Health, e.g. intake increased from average of 120 basic students to 300 every year;
- Plan to increase pass rate by 2% (2007/08 - 74%) every year.
- Strengthen the collaboration with higher education institutions and the private sector to increase the student intake.

Plans to address any shortfall in the relevance, quality and capacity of training programmes

- Officials are nominated for courses according to job description and performance development plans.
- In order to address the quality of training programmes, accredited service providers are appointed and training programmes are evaluated for the quality.
- The Free State School of Nursing (FSSON) is an accredited service provider of nursing education.

Training programmes for primary health care nurses;

- Primary health care nurses are being trained through the University of the Free State and the duration of the programme is one year.
- In the 2008/9 financial year a total of 40 professional nurses were registered for Primary Health Care.

Training programmes for mid-level workers (e.g. in nursing, pharmacy, emergency medical services, dentistry, radiography, physiotherapy, occupational therapy)

- In 2008, 227 mid-level health care workers (103 Nursing, 80 Auxiliary Nursing, 18 Basic Pharmacist Assistants, 9 Post-basic Pharmacist Assistants and 17 Radiographers) were put on the learnership programme.
- Several discussions were held on training programmes for Occupational Health, Physiotherapy and emergency care practitioners.
- Regarding the Clinical Associate, a new category of mid-level health care worker, discussions are still ongoing as to whether the provincial Department of Health will be able to fund the programme to start in 2009 at the University of the Free State as planned due to current severe resource constraints. Currently the Free State Department of Health has sent five students to the University of Pretoria for training in this category.

A CA coordinator has been appointed. It is intended that training will commence at the FS University in July 2009. A budget of R5 million was set aside for this and site is still being sought at National Hospital.

- Apart from the Free State College of Emergency Care (FS COEC) programme, training of Emergency Care Technicians (mid-level workers) has not yet commenced, however, the following training has commenced: In 2008, 24 Ambulance Emergency Assistants were trained in a joint venture between the Central University of Technology and FS COEC, of whom seven successfully completed the programme. Another five are still busy with a remedial programme in order to pass.

11 Ambulance Emergency Assistants were outsourced to Netcare's Training College where five students passed.

Skills development and other training programmes (e.g. in management, integrated management of childhood illnesses, counseling, home-based care, ABET learnerships)

Various training programmes have been implemented to develop the skills of personnel.

Training provided

Rehabilitation techniques	Number of attendees per year			
Calendar year	2005	2006	2007	2008/09
Transversal training	330	3050	455	248
Comprehensive HIV and AIDS care management and treatment training	1251	1591	1448	1472
Continuous professional development (CPD)	401	946	4867	3578
Total	1982	5587	6670	5298

Structured in-service education/continuing professional development programmes

- Structured in-service education is being presented by professional training officers in institutions.
 - In 2008, a total of 3578 health care professionals received continuous professional development (CPD) training through satellite broadcasting (1640) and formal contact sessions for all categories of health care workers (1938).

Curriculum innovation and development (e.g. competency-based and health system-based curricula, problem-based learning, community-based education)

- Community-based and student-centred approaches to education and training have been adopted and have either been implemented or are being developed for the learning programmes.
- Computer-based education initiatives are also being developed. Competency-based assessment has commenced.
- The SA Nursing Council accredited the process for recognition of prior learning (RPL). This has been implemented. There were 312 enquiries about the service, 162 officials applied for evaluation and 55 met the criteria and were accepted.
- In 2008/09 RPL tests were confined to Bloemfontein due to lack of funds. There were 320 enquiries about the service. 161 candidates applied for evaluation. After RPL 30 candidates met the criteria and were accepted at FSSON.
- In 2008/09 two out of the first four RPL bursary holders completed their diploma in the prescribed period of four years. One is likely to complete the course in June 2009 while the other one is a final year student expected to complete the course at the end of the year.

Personnel on which the development component of the Health Professional Training and Development (HPT&D) grant will be spent

- 15 remaining students on PERSAL at the Free State School of Nursing.
- 88 lecturers and all 84 staff members of the Free State School of Nursing
- Registrars, UFS Medical School
- Teaching staff, UFS Medical School

CHALLENGES AND CONSTRAINTS

Finance and financial management

The limited financial resources for bursaries and the expansion of the nursing education system in the Free State Department of Health, pose great challenges. The HPTD funds the operation of the entire college with the exception of bursaries.

Measures planned to overcome

- The health professional training and development grant should be used to fund health-related bursaries.
- FSSON bursaries are from voted funds and not from the grant. Clinical cluster managerial accountants are busy correcting the grant funds to ensure that these funds are used correctly only for training.
- Budget from voted funds, set aside for revitalization and expanding the infrastructure of nursing education institutions. Due to limited funds this did not happen.

Programme management capacity

- Lack of accredited facilities for experiential learning/limited training opportunities.
- Shortage of personnel with appropriate credentials.
- Poorly developed transport system.
- Lack of regional co-operation in further and higher education system.

Measures planned to overcome

- The department is in a process of ensuring that more facilities are accredited by the South African Nursing Council (SANC) for experiential learning.
- Negotiations are taking place in terms of co-operation and collaboration with further and higher education institutions.
- Awaiting memorandum of agreement between the University of Johannesburg and the FS College of Emergency Care as a satellite for rescue training.
- Awaiting inspection from University of Johannesburg to accredit FS College of Emergency Care as a continuous professional development provider.
- A memorandum of agreement has been signed with certain higher and further education institutions.
- A memorandum of agreement was entered into between the Central University of Technology and the FS College of Emergency Care. The purpose is to train Ambulance Emergency Assistants while the college is awaiting accreditation.
- Critical posts have been filled: Two Head of Department posts and four lecturer posts.
- Posts at the FS College of Emergency Care have been filled: Seven Lecturer posts.

Support systems that need strengthening include:

Statutory accreditation processes and outcomes, which could be influenced by:

- Shortage of professionals with appropriate credentials. Currently the post of Registrar (Head of Admin of FSSON), one lecturer and one student counsellor are vacant.
- Availability of specialised equipment in line with Health Professional Council's training requirements.
- The poorly developed transport infrastructure: In order to provide an educationally conducive environment for students, it is necessary to ensure that transport is available to take them to the places where they must work to gain relevant experience. No additional medium or large capacity passenger vehicle could be purchased in 2008/09. A budget is available for the purchase of three medium capacity passenger vehicles in 2009/10).
- Safety matters: During work in community situations the safety of the students and workers must be ensured.
- The academic support system. The Academic Support Committee is functioning well and the SI programme where senior students mentor junior students, has been reinforced by upgrading the reward system for the mentors with cash incentives from the FSSON Council.

TABULAR REPORTING ON PERFORMANCE AGAINST PROVINCIAL ANNUAL PERFORMANCE PLAN FOR 2008/09

Table 23: Performance against targets from 2008/09 Annual Performance Plan for Health Sciences and Training Programme

BUDGET SUBPROGRAMME: HEALTH SCIENCES AND TRAINING								
GOAL 4: APPROPRIATE AND SKILLED PERSONNEL								
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)	
Implement a workplace skills plan.	% increase in student intake for nursing and mid-level health care workers every year.	Intake of 250 students 341 mid-level health care workers (81 enrolled for nursing, 210 for auxiliary nursing, 40 for basic pharmacy assistant, 10 for post-basic pharmacy assistant.	243	219	250	235 new 4-year students were accepted. Target of 250 not achieved due to hospitals being unable to fill all 50 seats allocated to them. 83 2-year students accepted. Total: 318 new basic students. 227 mid-level health care workers (103 for nursing, 80 for auxiliary nursing, 18 for basic pharmacy assistant, 9 for post-basic pharmacy assistant and 17 for radiographer) put on the learnership programme.	250 (4yr) + 60 (2yr) = 310	
	Number of bursaries awarded per district for full-time study for professions as categorized.	300 full-time bursaries annually.	234	228	260	27 full-time bursaries awarded by Health. (12 MBcHB, 5 EMS, 2 Pharm, 2 Radiograph and 6 BSoc Nursing). 5 full-time bursaries awarded by HWSETA and 75 part-time bursaries. Target not achieved due to financial constraints.	300	
	% of managers trained in various aspects of management.	350 (28.2%) managers trained in various aspects of management.	30	350	300	157 managers trained: 145 on transversal matters and 12 on managing diversity. Target not achieved due to financial constraints.	350	
	% of learners trained in ABET (300 to be trained and 60 per district per year).	392 to start their training in November 2007.	-	-	300	The bid for ABET closed in November and one service provider was identified. Assessments were done in all districts and 325 learners were identified and placed according to levels. Classes have started in all institutions. (The reason for delay was the procurement office that delayed the bid process).	300	
	Number of 18.1 learnership implemented.	250 learnerships implemented.	130	53	-	154 - 18.1 learnerships implemented.	50	

Promote employability and sustainable livelihoods through skills development for the Free State Department of Health.	% of health professionals who attended CPD sessions.	946 (11.8%) officials attend the sessions.	401	946	1500	3578 health professionals attended the CPD activities.	800
	% of employees who received transversal training.	3050 (18.6%) employees to complete transversal training.	330	3050	3200	248 officials attended transversal courses. Target not achieved due to delays in procurement process and budget constraints.	1500
	Number of volunteers trained as community health care workers (NQF level 1, 3 and 4). (Extend Expanded Public Works Programme - EPWP).	215 NQF level 1 236 NQF level 3 NQF level 4 not implemented yet due to non-availability of service providers.	46	-	215	49 learners started the ancillary health care programme in January 2009 (NQF level 1). The groups for NQF level 3 and 4 were not taken due to the following: Previously selected candidates unable to cope with the course, therefore the pace had to be slowed down, which prevented the unit from taking other groups as the practical areas would have been overloaded.	282 (NQF level 1) 152 (NQF level 3) 200 (NQF level 4)
	Number of 18.2 learnerships (unemployed people) implemented.	235 learnerships implemented.	130	235	100	262 – 18.2 Learnerships implemented. 66 in 1st quarter, 80 in 3rd Quarter and 116 in 4th quarter.	50

Table 24: Health Professionals Training and Development Grant

Indicator	Type	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Input						
Intake of medical students	No	150	160	160	98 only bursary holders	140
Intake of nursing students	No	170	355	360	45 only bursary holders	370
Students with bursaries from the province	No	595	730	930	481 students with bursaries. 236 to FSSON students and 245 other students	1030
Process						
Attrition rates in first year of medical school	%	3	7	7	6.5	6.5
Attrition rates in first year of nursing school	%	1	1.2	1	1.2	1
Output						
Basic medical students graduating	No	106	110	115	31 only bursary holders	13
Basic nursing students graduating	No	92	125	130	17 only bursary holders + 130 FSSON	160
Medical registrars graduating	No	45	40	42	40	38
Advanced nursing students graduating	No	350	370	400	89 FSSON	400
Indicator						
Average training cost per basic nursing graduate	R	48 000	50 000	50 000	60 000	55 000
Development component of HPT and D grant spent	%	100%	100%	100%	100%	100%

Source: Resource Management and Support Cluster

REPORTING ON STANDARD NATIONAL INDICATORS

Table 25: Human Resource Management

Indicator		05/06 (actual)	06/07 (actual)	07/08 (actual)	2008/09 (actual)	2008/09 (QPR target)
Input						
Medical officers per 100,000 people	No				570 / 100 000	10.0 / 100 000
Medical officers per 100,000 people in rural districts	No					
Professional nurses per 100,000 people	No				2431 / 100 000	256.0 / 100 000
Professional nurses per 100,000 people in rural districts	No					
Pharmacists per 100,000 people	No				93 / 100 000	9.570 / 100 000
Pharmacists per 100,000 people in rural districts	No					
Process						
Vacancy rate for professional nurses	%				42%	
Efficiency						
Nurse clinical workload (PHC)	No	29.2	34	36	29	30
Doctor clinical workload (PHC)	No	25.7	15	30	29	25
Outcome						
Supernumerary staff as a percentage of establishment	%			0	0	0

PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

AIM

The aim of Programme 7 is to manage the budget and services of the laundries as well as orthotic and prosthetic services. The medicines trading account is also managed within this programme.

PROGRAMME DESCRIPTION

Programme 7 has the following subprogrammes

- Laundries
- Orthotic and prosthetic
- Trading account for the medical depot

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

Laundry Services

Linen is processed at the four laundries situated in Bloemfontein (2), Kroonstad (1) and Qwaqwa (1). The users determine service levels and are required to purchase linen. Notwithstanding the critical shortage of linen items, services have been satisfactory over the past three years.

- In an attempt to address linen shortages, fabric to the value of approximately R3 million was purchased by linen services. A project to combat the general shortage of linen in the province is currently being developed.
- Phase I of the electronic tracking of linen items was successfully completed during 2005/06 and entails the installation of hardware and software for Qwaqwa laundry.
- Phase II which entails the installation of hardware and software for Bloemfontein central laundry and Kroonstad central laundry was completed in March 2007.
- Phase III, namely maintenance and management, was abandoned.
- The vehicle fleet is being monitored via satellite tracking in an attempt to streamline the routes and to improve service delivery.
- The implementation of a quality assurance programme was abandoned due to financial constraints.

Participation in the Provincial Expanded Public Works Programme has been initiated for the manufacture of hospital linen by a women's group to stimulate economic growth and skills development, youth involvement, and to help alleviate poverty. (This project was discontinued due to financial constraints. The service level agreement between the Dept of Health and Dept of Public Works was not signed.)

Medical Orthotic and Prosthetic Services

The orthotic and prosthetic service is a unique medical rehabilitation service that involves a clinical assessment and evaluation leading to custom design, development and/ or fitting of orthotic or prosthetic assistive devices.

Services are currently provided at the following centres: Bethlehem, Bloemfontein and Welkom; and in the following districts: Thabo Mofutsanyana, Motheo and Leweleputswa. A new centre for Bloemfontein has been fully operational at Pelonomi Hospital since the first quarter of the 2008/09 financial year. The centre in Bloemfontein at Pelonomi is fully fledged and running.

A feasibility study is being conducted for the establishment of an additional service point in Thabo Mofutsanyana district this year. At present there are 10 outreach services in the province.

The additional outreach point was successfully set up at Thebe Hospital. The services commenced in February 2009. There is an urgent need for more space in the Bethlehem centre. The construction of the new orthotic and prosthetic facility for Thabo Mofutsanyana is a critical requirement to satisfy occupational safety standards, accreditation status by the Health Professions Council of South Africa as well as improvement of operational systems and the further development of functions of the service.

The lack of appropriate facilities, especially at the Bethlehem centre, still remains a constraint.

POLICIES, PRIORITIES AND STRATEGIC GOALS

Laundry Services

The goal of Laundry Services is to optimise and manage linen (an asset in excess of R20 million) within the province. Control and management are addressed via the direct offsite management of linen items on behalf of the user; by the Laundry Services. The control of these items is achieved by the electronic tracking mentioned earlier. A target of 100% delivery of required items is pursued.

Medical Orthotic and Prosthetic Services

A policy for the Orthotic and Prosthetic Services is available to ensure adequate service provision, improvement of quality service, availability of appropriate resources and improved collaborative engagement with all stakeholders. Other policies available include the following:

- Provincial Rehabilitation Policy
- Assistive Devices Policy
- Physiotherapy Policy
- Occupational Therapy Policy
- Orthotic and Prosthetic Services Policy
- Vocational evaluation and rehabilitation services

Strategic priorities

High on the list of critical requirements of the Orthotic and Prosthetic Service is the erection of the new facility or provision of additional space in the current building. Other priorities include the introduction of hightech equipment to relieve the overburdened staff and to improve efficiency of clinical functions.

- The implementation of the approved orthotic and prosthetic microstructure
- The long-term vision of the service is to extend services to each of the districts (especially the rural periphery). The two remaining districts in the province are Xhariep and Fezile Dabi. The financial situation of the province will clearly delay the achievement of this goal in the short term. It is envisaged that service centres will be established in Fezile Dabi in 2012 and in Xhariep district in 2015, otherwise the status quo remains.

CHALLENGES AND CONSTRAINTS

FINANCE AND FINANCIAL MANAGEMENT

Medical Orthotic and Prosthetic Services

The available budget does not provide for the procurement of new technological equipment. Essential targets cannot be achieved due to inadequate funding for capital assets and human resources. The centres rely on adjacent health institutions for assistance in provisioning and human resource functions. There is also a lack of staff appropriately trained in financial management functions.

The required additional funding for acquisition of the new electronic machines was not granted even in the new financial year. Requests were placed in the new acquisition plan for all these necessities, to no avail.

Laundry Services

There is a critical shortage of funding for capital replacement. An alternative method of procuring equipment is still being considered.

Human Resources

- A new staff establishment for Orthotic and Prosthetic Services has been approved from the beginning of the 2007/08 financial year. All the required functional expertise has been included in the plan but no funding was allocated for implementation.
- Certain service centres are faced with possible closure due to the critical shortage of Medical Orthotists and Prosthetists. The orthotic and prosthetic profession does not require community service as yet; which could have relieved the situation. Lengthy job evaluations and work study hamper appointment of staff in critical posts. Shortages of some categories of support staff also remain a serious challenge for normal functioning as well as the efficiency of the services.
- The Welkom centre has now discontinued clinics at Parys, Bothaville and Hoopstad due to a lack of practising/operational practitioners. This centre has lost three more professionals during the past year.
- It has always been difficult to fill the posts of orthotic and prosthetic professionals due to a scarcity of practitioners in the market.
 - When prospective candidates are available, the long delays in the processes that need to be followed to appoint a person in the department make it easy to lose them to other provinces or the private sector.
 - Unlike other provinces, the Free State does not offer attractive incentives such as higher notches to practitioners and all professional staff.
- The low number of professionals in the service (Welkom) with high volumes of work is another factor that influenced the departure of the remaining officials.

Measures planned to overcome this

- Prioritise the filling of critical posts
- Completion of workstudy and job evaluations
- Negotiate for the availability of profession-specific bursaries for training of orthotic and prosthetic assistants to augment the low numbers of orthotic and prosthetic practitioners. Plans are already in place to integrate new functionaries into the services.

Support systems

The Orthotic and Prosthetic Centre housed in an old nurses' home in Bethlehem remains a challenge. The structure does not allow for necessary expansion to accommodate the increasing staff and equipment.

The following support systems are urgently required in the orthotic and prosthetic services throughout the province:

- Adequate provisioning facility
- Human resource section (personnel officers)
- Administrative department
- Occupational health and safety
- Additional dedicated transport systems

The unresolved decision about the staff establishment is delaying progress as do the stringency measures, underfunding of the service together with cumbersome appointment processes.

TABULAR REPORTING ON PERFORMANCE AGAINST PROVINCIAL ANNUAL PERFORMANCE PLAN FOR 2008/09

TABLE 22: Performance against targets from 2008/09 Annual Performance Plan for the Health Care Support Services Programme

BUDGET SUBPROGRAMME: LAUNDRIES							
GOAL 6: EFFICIENT MANAGEMENT AND GOVERNANCE							
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)
Develop and implement a comprehensive linen management plan.	% availability of linen.	Adequate levels of linen provided.	100% of all linen processed/returned and measured both by requisition forms and electronically.	100% of all linen processed/returned and measured both by requisition forms and electronically.	100% of all linen processed/returned and measured both by requisition forms and electronically.	100% of all linen processed/returned and measured both by requisition forms and electronically.	100% of all linen processed/returned and measured both by requisition forms and electronically.
BUDGET SUBPROGRAMME: ORTHOTIC AND PROSTHETIC SERVICES							
Improve accessibility of orthotic and prosthetic services.	Number of users per year.	Accessibility to orthotic and prosthetic services improved.	13 190 patients attended to.	9711 patients attended to.	An additional 144 patients per year to attend to a total of 9855.	10 338 patients attended	An additional 145 patients per year to attend to a total of 10 000.
	Number of medical orthotic and prosthetic outreach programmes increased.		No data.	2 medical orthotic and prosthetic outreach programmes.	2 medical orthotic and prosthetic outreach programmes.	Target was achieved. One (1) additional outreach programme	3 Medical Orthotic and prosthetic outreach programmes increased.

PROGRAMME 8: HEALTH FACILITIES MANAGEMENT PROGRAMME

AIM

The aim of programme 8 is to provide funding for construction and maintenance of physical facilities in the Department of Health. This ensures adequate health facilities in the province.

PROGRAMME DESCRIPTION

Programme 8 provides funding for construction and maintenance of physical facilities in the Department of Health. This ensures adequate health facilities in the province.

Programme 8 has the following subprogrammes:

Community Health Facilities, Emergency Medical Services, district hospitals, provincial hospitals, central hospitals, other facilities.

ANALYTIC REVIEW OF PROGRAMME PERFORMANCE

Health facility improvement in the Free State Department of Health is financed by three different sources of funding, viz. the provincial infrastructure grant, enhancement and revitalisation. The provincial infrastructure grant is primarily allocated to larger projects, such as hospitals and forensic mortuaries. Enhancement funds are allocated to upgrading of hospitals and clinics and maintenance. Currently there are two sites on revitalisation (Boitumelo and Pelonomi) that will be finalised by 2015/16.

Out of the three funding sources only the revitalisation fund provides for the complete institution in terms of medical and non-medical equipment however; the department intends to include provision for equipment for projects in the other two funding sources.

The Free State Province has 232 primary health care facilities, 24 district hospitals, 5 regional hospitals, 1 central hospital and 1 psychiatric hospital. During the past five years 30% of health facilities were upgraded. 50% of the facilities were upgraded and refurbished during the past ten years. The remaining 50% require major upgrading or replacement.

The upgraded facilities are rapidly deteriorating due to a maintenance backlog caused by a lack of funding and shortage of skilled personnel. The estimated maintenance backlog is R150 million. Other facilities (laundries, mortuaries, EMS stations and staff accommodation) have not been given sufficient attention. A huge capital injection is now required to meet these demands.

The current single emergency medical services call centre in Bloemfontein cannot cope with the demand. An additional centre needs to be established in the eastern Free State (Thabo Mofutsanyana). This will be factored into the plan when funds become available. A dedicated radio network is also necessary.

- CSIR has been appointed by the Department of Public Works, Roads and Transport (DPWR and T) to compile a new asset register. This will include an assessment of the conditions of all buildings and facilities, as well as associated costs for correcting the defects. This is required in terms of the Government Immovable Asset Management Act (GIAMA), which will come into effect at the beginning of the 2008/09 financial year, but will be implemented by departments as from 1 April 2009.
- Infrastructure projects are underway at Elizabeth Ross, Thebe, Tokollo, Thusanong, Diamant and Katleho hospitals and also EMS facilities, laundries, the new Bloemfontein forensic mortuary, as well as the main medical depot in Bloemfontein. The contract of the contractor at the medical depot has been terminated due to poor performance; a new contractor will be appointed to correct and to complete phase 1 of the refurbishments. Phase 2 of the

medical depot will be implemented in the next financial year.

- Revitalisation projects at Boitumelo and Pelonomi hospitals are underway to improve access and extend services. For Boitumelo the following have been completed: Contract 1: nurses' home, Contract 2: admissions and outpatients, Contract 3: pharmacy, theatres and X-rays, Contract 4: maternity, Contract 5: doctors' residences, Contract 6: site sewer and water reticulation, Contract 7: mechanical infrastructure, Contract 8: electrical infrastructure, Contract 9: psychiatric ward.
- Clinic upgrading and building are continuing with four new clinics in Lejweleputswa and extension of others for additional pharmacy space required in terms of applicable legislation.
- The information communication technology (ICT) infrastructure is now incorporated in all new construction projects as part of the contract to ensure that buildings are immediately useable in terms of communication and to ensure that all ICT platforms for health technology are in place.

Description of current public private partnerships.

- Co-location PPP at two sites (Pelonomi and Universitas) with total number of 195 beds.
- The project is fully implemented and the number of patients is steadily increasing.
- Currently the department together with Provincial Treasury are strengthening management of the project.

POLICIES, PRIORITIES AND STRATEGIC GOALS

Key strategies to reduce the maintenance backlog

- Currently the main strategy is to reduce the number of new construction sites and to concentrate more on maintenance and equipment backlogs.
- Provision has been made at the provincial office for maintenance at facility level. The department aims to employ district maintenance managers. Funding will be escalated annually in order to address maintenance issues in the entire province.

Implementation of the required changes to the service platform linked to programme activity in health facilities

- The department aims to strengthen the primary health care facilities in order to manage patients at lower levels of care.
- Most of the hospitals will be placed on the hospital revitalisation programme to release funding for the lower levels from other sources.
-

Compliance with statutory obligations (regarding, for example, mortuaries, pharmacies etc.)

- The department allocates the funding in line with the following legislative framework:
- Constitution of the Republic of South Africa Act No. 108 of 1996
- National Health Act No. 61 of 2003
- Occupational Health and Safety Act No. 85 of 1993
- Preferential Procurement Policy Framework Act No. 5 of 2000
- Public Financial Management Act No. 1 of 1999
- Public Service Act of 1994
- Skills Development Act No. 97 of 1998
- Pharmacy Act No. 53 of 1974
- Medicines and Related Substances Act No. 101 of 1965
- The Mental Health Care Act No. 17 of 2002
- National Building Regulations
- Construction Industry Development Board Act
- Government Immovable Asset Management Act (GIAM(A))

Plans for maintenance

- Plans for maintenance of equipment will be developed in line with COHSASA standards for the institutions. Presently all maintenance funding for equipment is handled at institutional level. This is not always the best practice and therefore the province will be developing a blueprint to be used as a guideline.

CHALLENGES AND CONSTRAINTS

Finance and financial management (including procurement processes and decisions regarding e.g. the Department of Works, Roads and Transport (DPWRT) , SMMEs and the Tender Board)

- The use of alternative implementing agents is being considered in order to manage projects better and to avoid major cost over-runs. Some of the minor projects will be handled internally.
- Consultative meetings are held regularly to resolve planning and project management issues between the Department of Health and the DPWRT.

Human resources

- Young professionals are being recruited to join the department. The department also plans to absorb all the bursary holders into the department upon completion of their studies.

Support systems (including information)

- Reliance on paper-based systems will be reduced. The department plans to concentrate more on electronic information storage and transmission of information. This will help reduce the time of transmission and will result in better information storage and management.

Policy and political considerations (such as site selection)

- Policies of the department aim to ensure that services are taken to where the people are and to reduce duplication of services. The referral system ensures that the public have access to the various levels of care. Transport is supplied where there is a need.
- Maintenance budgets for equipment are located at institutional level where there are many competing priorities. Thus the amount needed per institution is not always enough.
- The need for appropriately skilled staff is not easy to address and once trained there is no staff retention strategy for technicians.
- The lack of a suitable central workshop facility remains a stumbling block that must be overcome in the very near future to ensure that the department can help more institutions with maintenance.

TABULAR REPORTING ON PERFORMANCE AGAINST PROVINCIAL ANNUAL PERFORMANCE PLAN FOR 2008/09

Table 26: Performance against targets from 2008/09 Annual Performance Plan for the Health Facilities Management Programme

GOAL 3: OPTIMAL FACILITIES AND EQUIPMENT									
BUDGET SUBPROGRAMME: HEALTH FACILITIES MANAGEMENT									
Measurable objective	Indicator (performance measure)	Output	2005/06 (actual)	2006/07 (actual)	2007/08 (actual)	2008/09 (actual)	2008/09 (target)		
Develop and implement infrastructure plan.	Number of hospitals on the revitalisation programme.	7 hospitals completed	4	4	5	5	7		
	Number of clinics based on the CUBP	23 new and upgraded clinics	2	2	5	1	8		
	Number of facilities based on the maintenance plan.	234			28	Not achieved. No budget allocated for major maintenance upgrade supported by Head Office.	32		
	Number of facilities upgraded and refurbished.	13	0	0	1	Not achieved – mainly due to financial constraints	4		

Table 27: Performance indicators for health facilities management

Indicator	Type	2005/06	2006/07	2007/08	2008/09	National Target 2008/09
Input						
Equitable share capital programme as percentage of total health expenditure	%	0.91	R125m from programme 8	R 221.9 million		2.5%
Hospitals funded on revitalisation programme	Number	4	2	3	5	25%
Expenditure on facility maintenance as percentage of total health expenditure	%	0.32	2m	R 15.9 million		4%
Expenditure on equipment maintenance as percentage of total health expenditure	%	3.2	R5m from programme 8	R10.2 million		4%
Process						
Hospitals with up-to-date asset register	%	90	No data	No data		100%
Districts with up-to-date PHC asset register (excluding hospitals)	Y/N	Clinics 60% Mortuary 0%	No data	No data		100%
Quality						
PHC facilities with access to basic infrastructural services:						
Piped water	%	100	100	100	100	100%
Mains electricity	%	100	100	100	100	100%
Fixed line telephone	%	98	98	100	100	100%
Efficiency						
Projects completed on time	%	0	1 at Katleho Hospital's maternity division	1 EMS control centre	Psychiatric wards at Boitumelo Regional Hospital	n/a
Project over budget	%	100		99		
Outcome						
Level 1 beds per 1000 uninsured population	Value	0.06	0.06	0.06		0.9
Level 2 beds per 1000 uninsured population	Value	0.08	0.08	0.08		0.9

Summarised from provincial Integrated Health Planning Framework (IHPPF) model

PART C

HUMAN RESOURCE MANAGEMENT OVERSIGHT REPORT



Table 41: Personnel costs by programme, 2008/ 09

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Average compensation of Employees cost per Employee (R'000)
Programme 1: Administration	174,697	129,298	8
Programme 2: District Health Services	1,645,435	1,185,300	73
Programme 3: Emergency Medical Services	225,808	113,077	7
Programme 4: Provincial Hospital Management	1,169,002	841,063	52
Programme 5: Central Hospital Services	794,782	528,955	33
Programme 6: Health Sciences & Training	107,780	63,505	4
Programme 7: Health Care Support Services	39,338	42,101	3
Programme 8: Health Facilities Management	272,997	1,673	0
TOTAL AS ON FINANCIAL SYSTEMS (BAS)	4,429,837	2,904,972	180

Source Doc: HR Oversight Report

Table 42: Personnel costs by salary bands, 2008/09

	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Total Personnel Cost for Department including Goods and Transfers (R'000)	Number of Employees
Lower skilled (Levels 1-2)	170,036	5.9	74,414	2,903,547	2 285
Skilled (Levels 3-5)	603,543	20.8	100,406	2,903,547	6 011
Highly skilled production (Levels 6-8)	574,150	19.8	183,259	2,903,547	3 133
Highly skilled supervision (Levels 9-12)	1,286,310	44.3	333,933	2,903,547	3 852
Senior management (Levels 13-16)	103,374	3.6	749,090	2,903,547	138
Contract (Levels 1-2)	207	0	34,570	2,903,547	6
Contract (Levels 3-5)	2,868	0.1	32,966	2,903,547	87
Contract (Levels 6-8)	56,398	1.9	165,390	2,903,547	341
Contract (Levels 9-12)	64,995	2.2	411,362	2,903,547	158
Contract (Levels 13-16)	2,391	0.1	597,837	2,903,547	4
Periodical Remuneration	5,474	0.2	16,389	2,903,547	334
Abnormal Appointment	7,213	0.2	12,123	2,903,547	595
Total	2,876,960	99.1	170,265	2,903,547	16 944

Source Doc: HR Oversight Report

Table 43: Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme, 2008/09 by salary band

Programme	Salaries		Overtime		Medical Assistance				Total personnel Cost per Programme
	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	
Donor funds	3008	78	3	0.1	76	1.9	149	3.7	4027
Programme 1 Administration	45910	72.3	588	0.9	1703	2.6	3094	4.6	66277
Programme 2 District Health Services	371064	69.8	19674	3.5	13558	2.4	23973	4.3	554913
Programme 3 Emergency Medical Services	35763	62.7	6227	10.4	2305	3.9	4250	7.1	59565
Programme 4 Provincial Hospital Management	276938	69.1	26641	6.4	10450	2.5	17976	4.3	418655
Programme 5 Central Hospital Services	165752	66.2	26931	10.3	4295	1.6	10152	3.9	261170
Programme 6 Health Sciences & Training	21130	75.5	158	0.5	630	2.2	1358	4.6	29213
Programme 7 Health Care Support Services	14517	68.5	454	2.1	1146	5.2	1501	6.7	22125
Programme 8 Health Facilities Management	576	71.3	0	0	20	2.4	37	4.4	844
Prog 1: Administration	45948	71.5	1263	1.9	1819	2.7	3040	4.5	67062
Prog 2: District Health Services	422509	70.5	17505	2.8	14053	2.2	23375	3.7	625322
Prog 3: Emergency Medical Services	30963	62.3	5820	11.2	2106	4.1	3566	6.8	51840
Prog 4: Provincial Hospital Services	278758	69.4	25355	6	10615	2.5	16697	3.9	419407
Prog 5: Central Hospital Services	169645	66.8	27047	10.2	4263	1.6	9506	3.6	265021
Prog 6: Health Sciences & Training	25368	77.8	122	0.4	658	1.9	1304	3.8	34057
Prog 7: Health Care Support Services	14107	69.1	419	2	1137	5.3	1395	6.5	21305
Prog 8: Internal Charges	1481	56.3	632	23	11	0.4	38	1.4	2743
Total	1923434	69.2	158838	5.5	68843	2.4	121408	4.1	2903547

Source Doc: HR Oversight Report

Table 44: Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary band, 2008/09

Programme	Salaries		Overtime		Home Owners Allowance		Medical Assistance		Total personnel Cost per Salary Band (R'000)
	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)	112567	68.2	1914	1.1	11499	6.7	11102	6.4	172261
Skilled (Levels 3-5)	398950	68.5	21367	3.5	28446	4.7	41145	6.7	608161
Highly skilled production (Levels 6-8)	389485	70.2	19074	3.3	13576	2.3	30224	5.2	579075
Highly skilled supervision (Levels 9-12)	865744	69.7	81592	6.3	13685	1.1	35694	2.7	1297260
Senior management (Levels 13-16)	68880	67.4	13376	12.5	1083	1	1832	1.7	106707
Contract (Levels 1-2)	191	96.2	0	0	4	1.9	0	0	207
Contract (Levels 3-5)	2471	89.4	12	0.4	41	1.4	51	1.8	2887
Contract (Levels 6-8)	41194	76.1	7196	12.7	273	0.5	528	0.9	56486
Contract (Levels 9-12)	35133	56.3	14096	21.6	236	0.4	806	1.2	65126
Contract (Levels 13-16)	1880	81.6	211	8.7	0	0	25	1	2405
Periodical Remuneration	0	0	0	0	0	0	0	0	5751
Abnormal Appointment	6909	99.9	0	0	0	0	0	0	7220
Total	1923434	69.2	158838	5.5	68843	2.4	121408	4.1	2903547

Source Doc: HR Oversight Report

Table 45: Employment and vacancies by programme, 31 March 2009

Programme	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
P1 Administration, Permanent	1137	566	50.2	0
P2 District Health Services, Permanent	12271	6727	45.2	0
P2 District Health Services, Temporary	31	95	-206.5	0
P3 Emergency Medical Services, Permanent	2264	1028	54.6	0
P4 Provincial Hospital Management, Permanent	6678	4629	30.7	0
P4 Provincial Hospital Management, Temporary	17	56	-229.4	0
P5 Central Hospital Services, Permanent	3800	2165	43	0
P5 Central Hospital Services, Temporary	20	20	0	0
P6 Health Sciences & Training, Permanent	1399	274	80.4	0
P7 Health Care Support Services, Permanent	652	450	31	0
P8 Health Facilities Management, Permanent	9	5	44.4	0
Total	28278	16015	43.4	0

Source Doc: HR Oversight Report

Table 46: Employment and vacancies by salary bands, 31 March 2009

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Lower skilled (Levels 1-2), Permanent	4100	2291	44.1	0
Skilled (Levels 3-5), Permanent	12063	6290	47.9	0
Highly skilled production (Levels 6-8), Permanent	5609	2811	49.9	0
Highly skilled supervision (Levels 9-12), Permanent	5653	3726	34.1	0
Highly skilled supervision (Levels 9-12), Temporary	67	170	-153.7	0
Senior management (Levels 13-16), Permanent	189	130	31.2	0
Other, Temporary	1	1	0	0
Contract (Levels 1-2), Permanent	1	1	0	0
Contract (Levels 3-5), Permanent	19	19	0	0
Contract (Levels 6-8), Permanent	407	407	0	0
Contract (Levels 9-12), Permanent	165	165	0	0
Contract (Levels 13-16), Permanent	4	4	0	0
Total	28278	16015	43.4	0

Source Doc: HR Oversight Report

Table 47: Employment and vacancies by critical occupation, 31 March 2009

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Administrative related, Permanent	156	86	44.9	0
All artisans in the building metal machinery etc., Permanent	252	100	60.3	0
Ambulance and related workers, Permanent	2144	996	53.5	0
Architects town and traffic planners, Permanent	1	1	0	0
Artisan project and related superintendents, Permanent	31	11	64.5	0
Auxiliary and related workers, Permanent	1359	622	54.2	0
Building and other property caretakers, Permanent	82	59	28	0
Bus and heavy vehicle drivers, Permanent	65	52	20	0
Chemical and physical science technicians, Permanent	38	16	57.9	0
Chiropodists and other related workers, Permanent	1	0	100	0
Cleaners in offices workshops hospitals etc., Permanent	1417	983	30.6	0
Client inform clerks (switchboard recept inform clerks), Permanent	106	68	35.8	0
Communication and information related, Permanent	7	4	42.9	0
Community development workers, Permanent	45	13	71.1	0
Computer system designers and analysts., Permanent	22	10	54.5	0
Dental practitioners, Permanent	91	56	38.5	0
Dental practitioners, Temporary	1	3	-200	0
Dental technicians, Permanent	5	0	100	0
Dental therapy, Permanent	8	3	62.5	0
Dieticians and nutritionists, Permanent	105	56	46.7	0
Dieticians and nutritionists, Temporary	1	1	0	0
Emergency services related, Permanent	18	15	16.7	0
Engineers and related professionals, Permanent	2	0	100	0
Environmental health, Permanent	76	47	38.2	0
Finance and economics related, Permanent	64	45	29.7	0
Financial and related professionals, Permanent	93	56	39.8	0
Financial clerks and credit controllers, Permanent	90	70	22.2	0
Food services aids and waiters, Permanent	214	127	40.7	0
Food services workers, Permanent	10	3	70	0
General legal administration & rel. professionals, Permanent	5	3	40	0
Health sciences related, Permanent	2170	1540	29	0
Health sciences related, Temporary	5	5	0	0
Household and laundry workers, Permanent	1320	896	32.1	0
Household food and laundry services related, Permanent	7	6	14.3	0
Housekeepers laundry and related workers, Permanent	13	6	53.8	0
Human resources & organisat developm & relate prof, Permanent	88	38	56.8	0
Human resources clerks, Permanent	214	159	25.7	0
Human resources related, Permanent	21	16	23.8	0
Information technology related, Permanent	1	1	0	0
Inspectors of apprentices works and vehicles, Permanent	6	1	83.3	0
Language practitioners interpreters & other commun, Permanent	22	12	45.5	0
Leather workers, Permanent	3	2	33.3	0
Library mail and related clerks, Permanent	93	55	40.9	0
Light vehicle drivers, Permanent	142	75	47.2	0
Logistical support personnel, Permanent	83	38	54.2	0
Material-recording and transport clerks, Permanent	300	173	42.3	0

Critical occupations	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Medical practitioners, Permanent	816	445	45.5	0
Medical practitioners, Temporary	37	125	-237.8	0
Medical research and related professionals, Permanent	10	8	20	0
Medical specialists, Permanent	671	388	42.2	0
Medical specialists, Temporary	7	20	-185.7	0
Medical technicians/technologists, Permanent	124	66	46.8	0
Messengers porters and deliverers, Permanent	332	212	36.1	0
Motor vehicle drivers, Permanent	1	1	0	0
Natural sciences related, Permanent	7	4	42.9	0
Nursing assistants, Permanent	4946	2151	56.5	0
Occupational therapy, Permanent	116	65	44	0
Occupational therapy, Temporary	1	1	0	0
Optometrists and opticians, Permanent	18	3	83.3	0
Oral hygiene, Permanent	25	8	68	0
Other administrat & related clerks and organisers, Permanent	2014	1190	40.9	0
Other administrative policy and related officers, Permanent	328	146	55.5	0
Other information technology personnel., Permanent	102	54	47.1	0
Other occupations, Permanent	1	1	0	0
Pharmacists, Permanent	195	93	52.3	0
Pharmacologists pathologists & related professiona, Permanent	5	3	40	0
Physicists, Permanent	16	7	56.3	0
Physiotherapy, Permanent	131	71	45.8	0
Physiotherapy, Temporary	1	1	0	0
Professional nurse, Permanent	4180	2419	42.1	0
Professional nurse, Temporary	12	12	0	0
Psychologists and vocational counsellors, Permanent	50	30	40	0
Quantity surveyors & rela prof not class elsewhere, Permanent	1	0	100	0
Radiography, Permanent	250	166	33.6	0
Radiography, Temporary	3	3	0	0
Regulatory inspectors, Permanent	13	1	92.3	0
Risk management and security services, Permanent	1	1	0	0
Secretaries & other keyboard operating clerks, Permanent	198	94	52.5	0
Security guards, Permanent	388	320	17.5	0
Security officers, Permanent	291	177	39.2	0
Senior managers, Permanent	53	44	17	0
Shoemakers, Permanent	8	3	62.5	0
Social sciences related, Permanent	34	29	14.7	0
Social work and related professionals, Permanent	65	22	66.2	0
Speech therapy and Audiology, Permanent	50	16	68	0
Staff nurses and pupil nurses, Permanent	808	538	33.4	0
Statisticians and related professionals, Permanent	16	11	31.3	0
Supplementary diagnostic radiographers, Permanent	40	19	52.5	0
Trade labourers, Permanent	916	518	43.4	0
Total	28278	16015	43.4	0

Source Doc: HR Oversight Report

JOB EVALUATION

Table 48: Job Evaluation, 1 April 2008 to 31 March 2009

Salary band	Number of posts	Number of Jobs Evaluated	Posts Upgraded	Posts downgraded
			Number	Number
Lower skilled (Levels 1-2)	4100	24	172	0
Contract (Levels 1-2)	1	0	0	0
Contract (Levels 3-5)	19	0	0	0
Contract (Levels 6-8)	407	0	13	0
Contract (Levels 9-12)	165	0	2	0
Contract (Band A)	1	0	0	0
Contract (Band B)	2	0	0	0
Contract (Band D)	1	0	0	0
Skilled (Levels 3-5)	12063	21	189	0
Highly skilled production (Levels 6-8)	5609	7	132	0
Highly skilled supervision (Levels 9-12)	5720	9	127	0
Senior Management Service Band A	60	0	0	0
Senior Management Service Band B	91	0	0	0
Senior Management Service Band C	34	0	0	0
Senior Management Service Band D	4	0	0	0
Other	1	0	0	0
Total	28278	61	635	0

*Source: HR Oversight report

Table 49: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2008 to 31 March 2009

Beneficiaries	African	Asian	Coloured	White	Total
Female	39	0	4	4	47
Male	13	0	0	19	32
Total	52	0	4	23	79
Employees with a disability	0	0	0	0	0

Source Doc: HR Oversight Report

Table 50: Employees with a disability

	African	Asian	Coloured	White	Total
Female	10	0	0	4	14
Male	11	0	0	6	17
Total	21	0	0	10	31

Source Doc: HR Oversight Report

Table 51: Employees whose salary level exceed the grade determined by job evaluation, 1 April 2008 to 31 March 2009 (in terms of PSR I.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Manager: Service Marketing & Health Promotion.	1	11	12	National and Provincial decision-making structures, high political impact.
Total Number of Employees whose salaries exceeded the level determined by job evaluation in 2003/ 04				1
Total Number of Employees whose salaries exceeded the grades determined by job evaluation in 2008/ 09				1

Source Doc: HR Oversight Report

Table 53: Annual turnover rates by salary band for the period 1 April 2008 to 31 March 2009

Salary Band	Number of employees per band as on 1 April 2008	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2), Permanent	2404	117	113	4.7
Lower skilled (Levels 1-2), Temporary	12	0	10	83.3
Skilled (Levels 3-5), Permanent	6083	263	317	5.2
Skilled (Levels 3-5), Temporary	15	0	8	53.3
Highly skilled production (Levels 6-8), Permanent	3618	200	227	6.3
Highly skilled production (Levels 6-8), Temporary	106	1	34	32.1
Highly skilled supervision (Levels 9-12), Permanent	3371	72	214	6.3
Highly skilled supervision (Levels 9-12), Temporary	32	1	6	18.8
Senior Management Service Band A, Permanent	87	0	4	4.6
Senior Management Service Band B, Permanent	38	0	7	18.4
Senior Management Service Band C, Permanent	3	0	0	0
Senior Management Service Band D, Permanent	1	0	0	0
Other, Temporary	4	0	0	0
Contract (Levels 1-2), Permanent	3	10	1	33.3
Contract (Levels 3-5), Permanent	30	81	3	10
Contract (Levels 6-8), Permanent	259	250	224	86.5
Contract (Levels 9-12), Permanent	142	63	72	50.7
Contract (Band A), Permanent	0	2	0	0
Contract (Band C), Permanent	1	0	0	0
Total	16209	1060	1240	7.7

Source Doc: HR Oversight Report

Table 54: Annual turnover rates by critical occupation for the period 1 April 2008 to 31 March 2009

Occupation:	Number of employees per occupation as on 1 April 2008	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent	85	1	3	3.5
All artisans in the building metal machinery etc., Permanent	105	2	10	9.5
Ambulance and related workers, Permanent	948	109	42	4.4
Artisan project and related superintendents, Permanent	14	0	2	14.3
Auxiliary and related workers, Permanent	611	28	28	4.6
Building and other property caretakers, Permanent	59	0	3	5.1
Bus and heavy vehicle drivers, Permanent	67	0	3	4.5
Chemical and physical science technicians, Permanent	19	1	2	10.5
Cleaners in offices workshops hospitals etc., Permanent	1069	22	69	6.5
Client inform clerks (switchboard reception inform clerks), Permanent	74	1	3	4.1
Communication and information related, Permanent	4	0	0	0
Community development workers, Permanent	17	0	2	11.8
Computer system designers and analysts, Permanent	10	0	1	10
Dental practitioners, Permanent	56	24	21	37.5
Dental practitioners, Temporary	4	0	5	125
Dental therapy, Permanent	4	0	1	25
Dieticians and nutritionists, Permanent	54	28	18	33.3
Dieticians and nutritionists, Temporary	1	0	0	0
Emergency services related, Permanent	7	4	0	0
Environmental health, Permanent	56	24	32	57.1
Finance and economics related, Permanent	42	8	6	14.3
Finance and economics related, Temporary	0	1	1	0
Financial and related professionals, Permanent	59	2	4	6.8
Financial clerks and credit controllers, Permanent	67	5	1	1.5
Food services aids and waiters, Permanent	136	2	9	6.6
Food services workers, Permanent	4	0	1	25
General legal administration & rel. professionals, Permanent	3	0	0	0
Health sciences related, Permanent	1471	25	81	5.5
Health sciences related, Temporary	2	0	0	0
Household and laundry workers, Permanent	936	30	74	7.9
Household food and laundry services related, Permanent	7	0	1	14.3

Occupation:	Number of employees per occupation as on 1 April 2008	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Housekeepers laundry and related workers, Permanent	6	0	0	0
Human resources & organisat developm & relate prof. Permanent	39	2	1	2.6
Human resources clerks, Permanent	164	1	2	1.2
Human resources related, Permanent	13	0	0	0
Information technology related, Permanent	2	0	0	0
Inspectors of apprentices works and vehicles, Permanent	2	0	1	50
Language practitioners interpreters & other commun, Permanent	12	3	1	8.3
Leather workers, Permanent	3	0	0	0
Library mail and related clerks, Permanent	60	0	2	3.3
Light vehicle drivers, Permanent	58	0	2	3.4
Logistical support personnel, Permanent	37	0	1	2.7
Material-recording and transport clerks, Permanent	175	0	5	2.9
Medical practitioners, Permanent	488	135	121	24.8
Medical practitioners, Temporary	121	0	42	34.7
Medical research and related professionals, Permanent	7	3	0	0
Medical specialists, Permanent	366	15	40	10.9
Medical specialists, Temporary	19	0	8	42.1
Medical technicians/technologists, Permanent	60	14	5	8.3
Messengers porters and deliverers, Permanent	221	2	8	3.6
Motor vehicle drivers, Permanent	4	0	0	0
Natural sciences related, Permanent	2	0	0	0
Nursing assistants, Permanent	2404	131	113	4.7
Occupational therapy, Permanent	77	26	37	48.1
Occupational therapy, Temporary	1	0	0	0
Optometrists and opticians, Permanent	7	0	2	28.6
Oral hygiene, Permanent	10	0	1	10
Other administrat & related clerks and organisers, Permanent	1225	33	57	4.7
Other administrative policy and related officers, Permanent	141	1	7	5
Other information technology personnel, Permanent	56	1	2	3.6
Other occupations, Permanent	2	0	0	0
Pharmacists, Permanent	99	51	52	52.5
Pharmacologists pathologists & related professiona, Permanent	3	0	0	0
Physicists, Permanent	13	2	4	30.8
Physicists, Temporary	1	0	0	0
Physiotherapy, Permanent	58	40	24	41.4

Occupation:	Number of employees per occupation as on 1 April 2008	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Physiotherapy, Temporary	2	0	1	50
Professional nurse, Permanent	2338	136	145	6.2
Professional nurse, Temporary	15	1	1	6.7
Psychologists and vocational counsellors, Permanent	25	12	6	24
Quantity surveyors & rela prof not class elsewhere, Permanent	1	0	0	0
Radiography, Permanent	164	38	29	17.7
Radiography, Temporary	3	0	0	0
Regulatory inspectors, Permanent	1	0	1	100
Risk management and security services, Permanent	3	0	0	0
Road workers, Permanent	2	0	0	0
Secretaries & other keyboard operating clerks, Permanent	104	6	8	7.7
Security guards, Permanent	348	0	22	6.3
Security officers, Permanent	135	47	3	2.2
Senior managers, Permanent	33	0	4	12.1
Shoemakers, Permanent	4	0	0	0
Social sciences related, Permanent	31	1	1	3.2
Social sciences supplementary workers, Permanent	1	0	0	0
Social work and related professionals, Permanent	21	0	1	4.8
Speech therapy and audiology, Permanent	18	7	10	55.6
Staff nurses and pupil nurses, Permanent	421	22	22	5.2
Statisticians and related professionals, Permanent	11	0	0	0
Student nurse, Permanent	20	4	0	0
Supplementary diagnostic radiographers, Permanent	21	0	0	0
Trade labourers, Permanent	540	9	25	4.6
TOTAL	16209	1060	1240	7.7

Source Doc: HR Oversight Report

Table 55: Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death, Permanent	119	9.6	0.7	1240	16209
Resignation, Permanent	465	37.5	2.9	1240	16209
Resignation, Temporary	34	2.7	0.2	1240	16209
Expiry of contract, Permanent	277	22.3	1.7	1240	16209
Expiry of contract, Temporary	21	1.7	0.1	1240	16209
Transfers, Permanent	14	1.1	0.1	1240	16209
Discharged due to ill health, Permanent	14	1.1	0.1	1240	16209
Dismissal-misconduct, Permanent	41	3.3	0.3	1240	16209
Retirement, Permanent	249	20.1	1.5	1240	16209
Other, Permanent	3	0.2	0	1240	16209
Other, Temporary	3	0.2	0	1240	16209
TOTAL	1240	100	7.7	1240	16209

Resignations as % of Employment
7.7

Source Doc: HR Oversight Report

Table 56: Promotions by critical occupation

Occupation:	Employees as at 1 April 2008	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
	A	B	C	D	E
			B/A100		D/A100
Administrative related	85	10	11.8	43	50.6
All artisans in the building metal machinery etc.	105	2	1.9	62	59
Ambulance and related workers	948	25	2.6	606	63.9
Artisan project and related superintendents	14	0	0	6	42.9
Auxiliary and related workers	611	12	2	357	58.4
Building and other property caretakers	59	0	0	28	47.5
Bus and heavy vehicle drivers	67	1	1.5	60	89.6
Chemical and physical science technicians	19	2	10.5	13	68.4
Cleaners in offices workshops hospitals etc.	1069	0	0	396	37
Client inform clerks (switchboard reception inform clerks)	74	1	1.4	59	79.7
Communication and information related	4	0	0	1	25
Community development workers	17	0	0	10	58.8
Computer system designers and analysts.	10	1	10	5	50
Dental practitioners	60	1	1.7	17	28.3
Dental therapy	4	0	0	2	50
Dieticians and nutritionists	55	1	1.8	16	29.1
Emergency services related	7	1	14.3	0	0
Environmental health	56	1	1.8	9	16.1
Finance and economics related	42	8	19	21	50
Financial and related professionals	59	4	6.8	28	47.5
Financial clerks and credit controllers	67	2	3	42	62.7
Food services aids and waiters	136	2	1.5	71	52.2
Food services workers	4	0	0	2	50
General legal administration & rel. professionals	3	0	0	2	66.7
Health sciences related	1473	22	1.5	102	6.9
Household and laundry workers	936	3	0.3	418	44.7
Household food and laundry services related	7	1	14.3	4	57.1
Housekeepers laundry and related workers	6	0	0	6	100
Human resources & organisational development & related professions	39	1	2.6	23	59
Human resources clerk	164	9	5.5	112	68.3
Human resources related	13	1	7.7	10	76.9

Occupation:	Employees as at 1 April 2008	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
	A	B	C	D	E
			B/A8100		D/A100
Information technology related	2	0	0	0	0
Inspectors of apprentices works and vehicles	2	0	0	2	100
Language practitioners interpreters & other commun	12	1	8.3	5	41.7
Leather workers	3	0	0	2	66.7
Library mail and related clerks	60	3	5	36	60
Light vehicle drivers	58	0	0	37	63.8
Logistical support personnel	37	2	5.4	23	62.2
Material-recording and transport clerks	175	2	1.1	103	58.9
Medical practitioners	609	26	4.3	72	11.8
Medical research and related professionals	7	0	0	4	57.1
Medical specialists	385	20	5.2	161	41.8
Medical technicians/technologists	60	7	11.7	14	23.3
Messengers porters and deliverers	221	0	0	71	32.1
Motor vehicle drivers	4	0	0	4	100
Natural sciences related	2	0	0	0	0
Nursing assistants	2404	1	0	1	0
Occupational therapy	78	0	0	17	21.8
Optometrists and opticians	7	0	0	3	42.9
Oral hygiene	10	0	0	5	50
Other administrat & related clerks and organisers	1225	17	1.4	762	62.2
Other administrative policy and related officers	141	18	12.8	69	48.9
Other information technology personnel.	56	0	0	40	71.4
Other occupations	2	0	0	0	0
Pharmacists	99	0	0	15	15.2
Pharmacologists pathologists & related professiona	3	0	0	3	100
Physicists	14	2	14.3	8	57.1
Physiotherapy	60	3	5	22	36.7
Professional nurse	2353	46	2	0	0
Psychologists and vocational counsellors	25	1	4	6	24
Quantity surveyors & rela prof not class elsewhere	1	0	0	0	0
Radiography	167	2	1.2	72	43.1
Regulatory inspectors	1	1	100	1	100
Risk management and security services	3	0	0	3	100
Road workers	2	0	0	0	0

Occupation:	Employees as at 1 April 2008	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
	A	B	C	D	E
			B/A100		D/A100
Secretaries & other keyboard operating clerks	104	4	3.8	50	48.1
Security guards	348	0	0	113	32.5
Security officers	135	3	2.2	90	66.7
Senior managers	33	7	21.2	10	30.3
Shoemakers	4	0	0	2	50
Social sciences related	31	1	3.2	20	64.5
Social sciences supplementary workers	1	0	0	1	100
Social work and related professionals	21	2	9.5	6	28.6
Speech therapy and audiology	18	0	0	4	22.2
Staff nurses and pupil nurses	421	9	2.1	0	0
Statisticians and related professionals	11	1	9.1	8	72.7
Student nurse	20	0	0	0	0
Supplementary diagnostic radiographers	21	0	0	18	85.7
Trade labourers	540	7	1.3	238	44.1
Total	16209	297	1.8	4652	28.7

Source: Doc: HR Oversight Report

Table 57 – Promotions by salary band

Salary Band	Employees 1 April 2008	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), Permanent	2404	3	0.1	1122	46.7
Lower skilled (Levels 1-2), Temporary	12	0	0	0	0
Skilled (Levels 3-5), Permanent	6083	54	0.9	2035	33.5
Skilled (Levels 3-5), Temporary	15	0	0	2	13.3
Highly skilled production (Levels 6-8), Permanent	3618	125	3.5	959	26.5
Highly skilled production (Levels 6-8), Temporary	106	0	0	2	1.9
Highly skilled supervision (Levels 9-12), Permanent	3371	93	2.8	456	13.5
Highly skilled supervision (Levels 9-12), Temporary	32	0	0	1	3.1
Senior management (Levels 13-16), Permanent	129	12	9.3	52	40.3
Other; Temporary	4	0	0	0	0
Contract (Levels 1-2), Permanent	3	0	0	0	0
Contract (Levels 3-5), Permanent	30	0	0	0	0
Contract (Levels 6-8), Permanent	259	0	0	1	0.4
Contract (Levels 9-12), Permanent	142	9	6.3	21	14.8
Contract (Levels 13-16), Permanent	1	1	100	1	100
Total	16209	297	1.8	4652	28.7

Source: Doc: HR Oversight Report

Table 58: Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2008

Occupational categories (SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	19	0	1	4	11	2	0	13	40
Professionals	1187	61	22	574	3487	235	12	1221	6799
Clerks	476	36	3	56	760	120	4	367	1822
Service and Sales Workers	1319	44	3	77	2477	182	1	189	4292
Craft and related trades	32	11	0	76	0	0	0	0	119
Plant and machine operators and assemblers	117	3	0	4	2	0	0	0	126
Elementary occupations	588	38	0	48	1982	60	0	89	2805
Other	2	0	0	0	9	0	0	1	12
Total	3740	193	29	839	8728	599	17	1870	16015

Source Doc: HR Oversight Report

Employees with disabilities	11	0	0	6	10	0	0	4	31
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Table 59: Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2009

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	8	0	0	24	4	1	0	3	40
Senior Management, Permanent	24	1	4	45	11	1	0	12	98
Professionally qualified and experienced specialists and mid-management	501	20	12	266	2219	119	9	660	3806
Professionally qualified and experienced specialists and mid-management, Temporary	7	0	0	17	2	0	0	17	43
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	636	62	4	169	1300	215	4	638	3028
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	33	1	3	37	8	0	0	17	99
Semi-skilled and discretionary decision making, Permanent	1676	75	2	140	3561	217	2	322	5995
Semi-skilled and discretionary decision making, Temporary	0	0	0	11	0	0	0	3	14
Unskilled and defined decision making, Permanent	729	24	0	19	1467	34	0	8	2281
Unskilled and defined decision making, Temporary	0	0	0	15	0	0	0	0	15
Contract (Top Management), Permanent	0	0	0	1	0	0	0	0	1

Contract (Senior Management), Permanent	0	0	0	3	0	0	0	0	3
Contract (Professionally qualified), Permanent	62	2	4	30	23	1	1	35	158
Contract (Skilled technical), Permanent	55	7	0	61	72	6	0	140	341
Contract (Semi-skilled), Permanent	9	1	0	1	55	5	1	15	87
Contract (Unskilled), Permanent	0	0	0	0	6	0	0	0	6
Total	3740	193	29	839	8728	599	17	1870	16015

Source Doc: HR Oversight Report

Table 60(a): Recruitment for the period 1 April 2008 to 31 March 2009

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management, Permanent	12	2	0	17	15	1	1	24	72
Professionally qualified and experienced specialists and mid-management, Temporary	0	0	0	0	0	0	0	1	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	29	1	0	3	93	13	0	61	200
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	1	0	0	0	1
Semi-skilled and discretionary decision making, Permanent	99	2	0	3	142	2	0	15	263
Unskilled and defined decision making, Permanent	32	4	0	1	74	4	0	2	117
Contract (Senior Management), Permanent	0	0	0	2	0	0	0	0	2
Contract (Professionally qualified), Permanent	21	0	1	11	9	1	0	20	63
Contract (Skilled technical), Permanent	32	6	0	38	57	6	0	111	250
Contract (Semi-skilled), Permanent	7	1	0	1	50	5	1	16	81
Contract (Unskilled), Permanent	0	0	0	0	10	0	0	0	10
Total	232	16	1	76	451	32	2	250	1060

Source Doc: HR Oversight Report

Employees with disabilities	0	0	0	0	0	0	0	0	0
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Table 60(b): Scarce skills & Rural Allowance for the period 1 April 2008 to 31 March 2009

Type Of Allowance	No Of Officials Who Qualified	Total Cost Involved
Scarce skills [Code: 0531]	1874	R34 276 833.32
Rural Nodes [Codes: 0530]	1064	R22 970 757.60
Inhospitable Allowance [Code: 0532]	984	R15 000 751.17
Rural Allowance [Code: 0348]	1381	R7 774 567.85
Total	5293	R80 022 909.94

Source Doc: PERSAL

Table 61: Promotions for the period 1 April 2008 to 31 March 2009

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	1	0	0	0	2
Senior Management	11	0	3	35	4	0	0	9	62
Professionally qualified and experienced specialists and mid-management, Permanent	120	6	5	139	102	12	5	160	549
Professionally qualified and experienced specialists and mid-management, Temporary	0	0	0	0	0	0	0	1	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	316	37	2	101	337	80	3	208	1084
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	0	0	0	0	0	0	0	2	2
Semi-skilled and discretionary decision making, Permanent	871	58	2	112	808	67	1	170	2089
Semi-skilled and discretionary decision making, Temporary	0	0	0	0	1	0	0	1	2
Unskilled and defined decision making	362	13	0	10	719	19	0	2	1125
Contract (Top Management), Permanent	0	0	0	1	0	0	0	0	1
Contract (Senior Management), Permanent	0	0	0	1	0	0	0	0	1
Contract (Professionally qualified), Permanent	18	0	1	6	1	0	0	4	30
Contract (Skilled technical), Permanent	0	0	0	0	1	0	0	0	1
Total	1699	114	13	405	1974	178	9	557	4949

Source Doc: HR Oversight Report

Table 62: Terminations for the period 1 April 2008 to 31 March 2009

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management, Permanent	1	0	0	6	2	0	0	2	11
Professionally qualified and experienced specialists and mid-management, Permanent	35	2	1	34	82	9	0	51	214
Professionally qualified and experienced specialists and mid-management, Temporary	2	0	0	1	1	0	0	2	6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	46	4	1	17	77	12	0	70	227
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Temporary	5	0	2	18	2	0	0	7	34
Semi-skilled and discretionary decision making, Permanent	81	4	1	18	165	18	0	30	317
Semi-skilled and discretionary decision making, Temporary	1	0	0	4	2	0	0	1	8
Unskilled and defined decision making, Permanent	36	3	0	0	72	1	0	1	113
Unskilled and defined decision making, Temporary	1	0	0	9	0	0	0	0	10
Contract (Professionally qualified), Permanent	17	1	1	16	13	4	0	20	72
Contract (Skilled technical), Permanent	30	1	0	14	57	4	1	117	224
Contract (Semi-skilled), Permanent	0	0	0	0	2	1	0	0	3
Contract (Unskilled), Permanent	0	0	0	0	0	0	0	1	1
Total	255	15	6	137	475	49	1	302	1240

Source Doc: HR Oversight Report

Table 63: Disciplinary action for the period 1 April 2008 to 31 March 2009

Disciplinary Action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Verbal Warning	17	1	0	4	12	0	0	4	38
Written Warning	26	0	0	2	31	4	0	5	68
Final Written Warning	64	8	0	9	44	2	0	7	134
Suspension w/o pay	15	0	0	2	5	4	0	1	27
Demotion	14	0	0	1	2	2	0	0	19
Dismissal	16	1	0	6	5	0	0	0	28
No outcome	3	0	0	0	0	0	0	0	3
Total	155	10	0	24	99	12	0	17	317

Source Doc: Own Database

Table 64: Skills development for the period 1 April 2008 to 31 March 2009

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	16	0	1	5	10	1	0	4	37
Professionals	605	31	21	506	1493	98	6	666	3426
Technicians and associate professionals	588	24	2	80	1967	140	2	581	3384
Clerks	485	38	3	60	766	128	4	387	1871
Service and sales workers	1331	41	3	86	2450	188	1	199	4299
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	33	11	0	84	0	0	0	0	128
Plant and machine operators and assemblers	118	4	0	5	2	0	0	0	129
Elementary occupations Labourers and related workers	615	40	0	52	2101	61	0	98	2967
Total	3791	189	30	878	8789	616	13	1945	16241

Table 65: Performance Rewards by race, gender, and disability, 1 April 2008 to 31 March 2009

Race, Gender and Disability	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Cost (R'000)	Average cost per employee
African, Female	1510	8719	17.3	4,768	3,157
African, Male	990	3729	26.5	3,372	3,406
Asian, Female	4	17	23.5	22	5,444
Asian, Male	4	29	13.8	17	4,158
Coloured, Female	144	599	24	653	4,538
Coloured, Male	71	193	36.8	309	4,349
Total Blacks, Female	1658	9335	17.8	5,443	3,283
Total Blacks, Male	1065	3951	27	3,698	3,472
White, Female	582	1866	31.2	2,969	5,102
White, Male	183	833	22	861	4,705
Employees with a disability	17	30	56.7	62	3,623
Total	3505	16015	21.9	13,033	3,718

Source Doc: HR Oversight Report

Table 66: Performance Rewards by salary bands for personnel below Senior Management Service, 1 April 2008 to 31 March 2009

Salary Bands	Beneficiary Profile			Total Cost (R'000)	Average cost per employee
	Number of beneficiaries	Number of employees	% of total within salary bands		
Lower skilled (Levels 1-2)	1051	2285	46	2,439	2,321
Skilled (Levels 3-5)	1203	6011	20	3,734	3,104
Highly skilled production (Levels 6-8)	1229	3133	39.2	6,703	5,454
Highly skilled supervision (Levels 9-12)	22	3852	0.6	157	7,136
Contract (Levels 1-2)	0	6	0	0	0
Contract (Levels 3-5)	0	87	0	0	0
Contract (Levels 6-8)	0	341	0	0	0
Contract (Levels 9-12)	0	158	0	0	0
Periodical Remuneration	0	334	0	0	0
Abnormal Appointment	0	595	0	0	0
Total	3505	16802	20.9	13,033	3,718

Source Doc: HR Oversight Report

Table 67: Performance Rewards by critical occupations, 1 April 2008 to 31 March 2009

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	5	82	6.1	36	7,200
All artisans in the building metal machinery etc.	68	99	68.7	368	5,412
Ambulance and related workers	205	994	20.6	662	3,229
Artisan project and related superintendents	5	12	41.7	36	7,200
Auxiliary and related workers	277	614	45.1	979	3,534
Building and other property caretakers	25	57	43.9	57	2,280
Bus and heavy vehicle drivers	45	64	70.3	149	3,311
Chemical and physical science technicians	4	18	22.2	21	5,250
Cleaners in offices workshops hospitals etc.	378	1001	37.8	878	2,323
Client inform clerks (switchb receipt inform clerks)	46	72	63.9	166	3,609
Communication and information related	0	3	0	0	0
Community development workers	10	13	76.9	63	6300
Computer system designers and analysts.	4	10	40	25	6250
Dental practitioners	0	59	0	0	0
Dental therapy	0	3	0	0	0
Dieticians and nutritionists	14	58	24.1	80	5714
Emergency services related	0	17	0	0	0
Environmental health	9	46	19.6	63	7000
Finance and economics related	4	47	8.5	29	7250
Financial and related professionals	20	56	35.7	127	6350
Financial clerks and credit controllers	42	72	58.3	197	4690

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Food services aids and waiters	63	134	47	164	2603
Food services workers	2	3	66.7	11	5500
General legal administration & rel. professionals	0	3	0	0	0
Health sciences related	7	1949	0.4	53	7571
Household and laundry workers	333	892	37.3	885	2658
Household food and laundry services related	0	6	0	0	0
Housekeepers laundry and related workers	5	6	83.3	30	6000
Human resources & organisat developm & relate prof	17	39	43.6	107	6294
Human resources clerks	128	162	79	611	4773
Human resources related	0	14	0	0	0
Information technology related	0	2	0	0	0
Inspectors of apprentices works and vehicles	0	1	0	0	0
Language practitioners interpreters & other commun	6	14	42.9	42	7000
Leather workers	1	3	33.3	5	5000
Library mail and related clerks	37	56	66.1	137	3703
Light vehicle drivers	29	58	50	75	2586
Logistical support personnel	21	34	61.8	139	6619
Material-recording and transport clerks	127	173	73.4	542	4268
Medical practitioners	0	604	0	0	0
Medical research and related professionals	3	8	37.5	16	5333
Medical specialists	0	371	0	0	0
Medical technicians/technologists	22	63	34.9	132	6000
Messengers porters and deliverers	81	207	39.1	197	2432
Motor vehicle drivers	3	4	75	9	3000
Natural sciences related	0	2	0	0	0
Nursing assistants	3	2353	0.1	7	2333
Occupational therapy	16	61	26.2	94	5875
Optometrists and opticians	1	7	14.3	4	4000
Oral hygiene	2	8	25	13	6500
Other administrat & related clerks and organisers	686	1192	57.6	2662	3880
Other administrative policy and related officers	107	147	72.8	666	6224
Other information technology personnel.	19	53	35.8	104	5474
Other occupations	0	2	0	0	0
Pharmacists	2	92	2.2	15	7500
Pharmacologists pathologists & related professiona	0	3	0	0	0
Physicists	2	12	16.7	11	5500
Physiotherapy	20	73	27.4	129	6450
Professional nurse	4	1926	0.2	27	6750
Psychologists and vocational counsellors	1	33	3	5	5000

Critical Occupations	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Quantity surveyors & rela prof not class elsewhere	0	1	0	0	0
Radiography	100	171	58.5	667	6670
Rank: Unknown	0	12	0	0	0
Regulatory inspectors	2	1	200	9	4500
Risk management and security services	3	3	100	20	6667
Secretaries & other keyboard operating clerks	78	95	82.1	374	4795
Security guards	120	321	37.4	279	2325
Security officers	53	176	30.1	179	3377
Senior managers	0	39	0	0	0
Shoemakers	2	4	50	10	5000
Social sciences related	0	29	0	0	0
Social sciences supplementary workers	0	1	0	0	0
Social work and related professionals	1	19	5.3	7	7000
Speech therapy and audiology	5	16	31.3	31	6200
Staff nurses and pupil nurses	0	412	0	0	0
Statisticians and related professionals	8	12	66.7	56	7000
Student nurse	0	4	0	0	0
Supplementary diagnostic radiographers	14	19	73.7	49	3500
Trade labourers	210	513	40.9	522	2486
Total	3505	16015	21.9	13031	3718

Source Doc: HR Oversight Report

Table 68: Performance related rewards (cash bonus), by salary band, for Senior Management Service

The Department did not pay cash bonuses to Senior Management Service for the performance cycle of 2007/2008

Salary Band	Beneficiary Profile			Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within band			
Band A	0	6	0	0	0	0
Band B	0	95	0	0	0	0
Band C	0	35	0	0	0	0
Band D	0	6	0	0	0	0
Total	0	142	0	0	0	0

Source Doc: HR Oversight Report

Table 69: Foreign Workers, 1 April 2008 to 31 March 2009, by salary band

Salary Band	1 April 2008		31 March 2009		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	2	1.2	2	1.3	0	0
Skilled (Levels 3-5)	5	3.1	3	1.9	-2	33.3
Highly skilled production (Levels 6-8)	14	8.6	9	5.7	-5	83.3
Highly skilled supervision (Levels 9-12)	55	33.7	54	34.4	-1	16.7
Senior management (Levels 13-16)	8	4.9	7	4.5	-1	16.7
Contract (Levels 3-5)	0	0	1	0.6	1	-16.7
Contract (Levels 6-8)	9	5.5	10	6.4	1	-16.7
Contract (Levels 9-12)	68	41.7	68	43.3	0	0
Periodical Remuneration	2	1.2	3	1.9	1	-16.7
Total	163	100	157	100	-6	100

Source Doc: HR Oversight Report

Table 70: Foreign Workers, 1 April 2008 to 31 March 2009, by major occupation

Major Occupation	1 April 2008		31 March 2009		Change	
	Number	% of total	Number	% of total	Number	% change
Elementary occupations	2	1.2	2	1.3	0	0
Professionals & managers	155	95.1	150	95.5	-5	83.3
Service workers	0	0	2	1.3	2	-33.3
Social natural technical and medical sciences + sup	6	3.7	3	1.9	-3	50
Total	163	100	157	100	-6	100

Source Doc: HR Oversight Report

Table 71: Sick leave, 1 January 2008 to 31 December 2008

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	12788	95.3	1505	13.9	8	2,360
Skilled (Levels 3-5)	33441	95.2	4131	38.2	8	8,341
Highly skilled production (Levels 6-8)	18768	92.3	2357	21.8	8	8,210
Highly skilled supervision (Levels 9-12)	20950	93.5	2597	24	8	15,267
Senior management (Levels 13-16)	199	91	24	0.2	8	438
Contract (Levels 1-2)	10	100	1	0	10	1
Contract (Levels 3-5)	84	100	9	0.1	9	25
Contract (Levels 6-8)	727	81	125	1.2	6	271
Contract (Levels 9-12)	394	94.7	61	0.6	6	350
Total	87361	94.1	10810	100	8	35,263

*Source: Oversight report on the Vulindlela and PERSAL System

Table 72: Disability leave (temporary and permanent), 1 January 2008 to 31 December 2008

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)	3950	99.9	119	14.9	33	734
Skilled (Levels 3-5)	9268	99.8	320	40.1	29	2,375
Highly skilled production (Levels 6-8)	4666	99.9	162	20.3	29	2,086
Highly skilled supervision (Levels 9-12)	6007	99.9	184	23	33	4,367
Senior management (Levels 13-16)	132	100	4	0.5	33	308
Contract (Levels 3-5)	9	100	1	0.1	9	3
Contract (Levels 6-8)	71	100	4	0.5	18	28
Contract (Levels 9-12)	139	100	5	0.6	28	164
Total	24242	99.9	799	100	30	10,065

Source Doc: HR Oversight Report

Table 73: Annual Leave, 1 January 2008 to 31 December 2008

Salary Bands	Total days taken	Average days per employee	Number of employees who took leave
Lower skilled (Levels 1-2)	51888.56	23	2298
Skilled Levels (3-5)	135714.4	23	5939
Highly skilled production (Levels 6-8)	77186.2	24	3230
Highly skilled supervision (Levels 9-12)	99566.6	25	3992
Senior management (Levels 13-16)	3445	24	146
Contract (Levels 3-5)	237	12	20
Contract (Levels 6-8)	4345.84	17	253
Contract (Levels 9-12)	2480.84	16	153
Contract (Levels 13-16)	71	18	4
Total	374935.44	23	16035

Source Doc: HR Oversight Report

Table 74: Capped leave, 1 January 2008 to 31 December 2008

Salary Bands	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2008
Lower skilled (Levels 1-2)	264	4	30
Skilled Levels 3-5)	1206	5	31
Highly skilled production (Levels 6-8)	1232	6	40
Highly skilled supervision (Levels 9-12)	2098	7	44
Senior management (Levels 13-16)	85	9	50
Total	4885	6	36

Source Doc: HR Oversight Report

Table 75: Leave payouts for the period 1 April 2008 to 31 March 2009

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2008/09 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2008/09: Capped Leave	5,678,245.41	235	24,162.75
Capped leave payouts on termination of service for 2008/09: New Leave	1,998,455.82	254	7,867.94
Capped leave payouts on termination of service for 2008/09: Ill Health: Capped Leave	84,082.94	5	16,816.59
Capped leave payouts on termination of service for 2008/09: Ill Health: New Leave	24,413.38	3	8,137.79
Capped leave payouts on termination of service for 2008/09: Death: Capped Leave	1,424,086.16	74	19,244.41
Capped leave payouts on termination of service for 2008/09: Death: New Leave	640,447.45	117	5,473.91
Current leave payout on termination of service for 2008/09	2,867,024.45	613	4,677.04
Total	12,716,755.61	1301	86,380.43

Source Doc: HR Oversight Report

Table 76: Steps taken to reduce the risk of occupational exposure

Update for 1 April 2008 to 31 March 2009 (Me Q Oliphant)

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Nurses	Management of Occupational exposure to HIV, HBV, HCV & recommendations for PEP, Circular 075 of 2008, was developed to reduce the risk.
Doctors	
Mortuary attendants	
Any other health worker who handle body fluids	

Table 77: 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.	X		Me. M.C.L Mabitle
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.	X		The unit is Employee Health and Wellness Programme. There are two Assistant Managers, 1 clinical psychologist, 1 professional nurse (occupational), 2 principal social workers and 1 HIV & AIDS co-ordinator and 2 admin officers of the co-operate office. There is also 1 wellness coordinators in each district and each and per Regional hospital

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.	X	The programme has an Employee Wellness unit focussing on therapeutic services for employees with psychosocial problems and substance. The services provided are therapeutic counselling, awareness campaigns, trainings, health promotions, HIV & AIDS workplace programme that provide pre-post test counselling, referrals, prevention programmes treatment care and support.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter I of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X	The committee has been established at cooperate office and at district levels with chairpersons of the district committees being members of the cooperate committee. The members are Mr. K.D Moeketsi (chairperson) from employee wellness, Me. B. Thaele EAP, Me B. Rametse from EAP Me. M.I.A Seate from HIV & AIDS Directorate, Me. Makhetha from health promotions, Mr. J. Ribeiro from motheo district, Me. Q Oliphant from occupational health, Mr. M. Matee from Lejweleputswa, Me. M. Makhaola from Thabomofutsanyane, Me. E. Borman from Fezile Dabi, Mr. D. Motlohelawa from coporate communication office, Me. M.A Mere from Psychiatric complex, Me. Motlhabane from Universtas
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.	X	HIV & AIDS Policy and EAP Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X	The HIV & AIDS Policy has been reviewed to be aligned with the ill health or incapacity leave. The Trade unions are active in the wellness committee. Awareness campaigns are conducted on regular basis to ensure that the environment is conducive for disclosure.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X	The Department commemorates the HIV& AIDS calendar days, targeting employees. The New Start (NGO) is partnering the department in promoting VCT. In December 2008 at Thabo- Mofutsanyana World AIDS Day was commemorated, 20 employees tested in VCT which was conducted by New Start. In 2009 from 09th- 12th February condom week was observed and VCT was promoted. More than 80 employees tested. 27 May 2009 Candle Light Commemorated +- 20 employees tested. Occupational Clinics have been designated as testing sites for employees.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.	X	The Employee Wellness monitoring tool has been established and is send to District Managers and CEO's. Indicators are: Is Wellness structure in place or not. Wellness committees- do it exist or not Programme in place- number of case load, number of wellness promotion programmes conducted, number of HIV& AIDS programmes conducted.

Source Document: Own Database

Table 78: Collective agreements, 1 April 2008 to 31 March 2009

Subject Matter	Date
1. Resolution 1 of 2008: Revised Foreign Service Dispensation for employees serving in the Republic of South Africa missions abroad	13 March 2008
2. Resolution 2 of 2008: Amendment to resolution 2 of 2007 (Extension of timeframes): OSD Negotiations at sectoral level	13 March 2008
3. Resolution 3 of 2008: Agreement on the implementation of an Occupation Specific Dispensation (OSD) for legally qualified categories of employees, appointed in terms of the Public Service Act, falling outside the scope of GPSSBC	01 April 2008
4. Resolution 4 of 2008: Amendment to resolution 1 of 2007 (Extension of timeframes): OSD negotiations at sectoral level	23 May 2008
5. Resolution 5 of 2008: Amendment to the constitution: Secretary to General Secretary	23 May 2008
6. Resolution 6 of 2008: Amendment to Resolution 2 of 2008 (Extension of time frames): OSD Negotiations at Sectoral level	18 June 2008
7. Resolution 7 of 2008: Amendments to resolution 4 of 2007 (Extension of time frames)	02 July 2008
8. Resolution 8 of 2008: The appointment of a panel of conciliators and arbitrators	04 August 2008
9. Resolution 9 of 2008: Extension of timeframes: OSD for negotiations at sectoral level and process to develop minimum service level agreement	19 August 2008
10. Resolution 10 of 2008: Extension of timeframes on review of housing allowances	26 November 2008
11. Resolution 1 of 2009: Extension of timeframes: OSD for negotiations at sectoral level	19 January 2009

If there were no agreements, then use the following table

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Table 79: Misconduct and disciplinary hearings finalised, April 2008 to 31 March 2009

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
Counseling	2	0.7	285
Precautionary Suspensions	11	3.9	285
Verbal warning	38	13.3	285
Written warning	68	23.9	285
Final written warning	96	33.7	285
Suspended without pay	27	9.5	285
Demotion	15	5.3	285
Dismissal	28	9.8	285
Total	285	100	285

If there were no disciplinary hearings, then use the following table

--	--

Source Doc: HR Oversight Report

Table 80: Types of misconduct addressed at disciplinary hearings

Type of misconduct	Number	% of total
Abscondment	38	10.9
Absence without permission	36	10.3
Abuse of government property	6	1.7
Abuse of leave and sick leave.	1	0.3
Alcohol abuse	9	2.6
Assault	13	3.7
Compliance: Policy	2	0.6
Corruption	1	0.3
Damage to Government property	8	2.3
Disgraceful conduct	19	5.4
Dishonesty	9	2.6
Driving without PDP	2	0.6
Drunk on duty	4	1.1
Failure to attend Training Course	1	0.3
Failure to carry out lawful order	7	2
Failure to follow the grievance procedure and that created improper behaviour against her Supervisor	1	0.3
Failure to produce trip authority	1	0.3
Failure to register with professional body	1	0.3
Fraud	14	4
Harassment and Intimidation	1	0.3
Incitement insubordination	1	0.3
Insolence	4	1.1
Insubordination	43	12.3
Irregular expenditure	6	1.7
Irregularities during Recruitment Process	1	0.3
Insubordination	1	0.3
Late coming	6	1.7
Leaving work station Without Permission	1	0.3
Misappropriation of Scheduled medication	1	0.3
Misrepresentation of facts.	10	2.9
Misuse of Government Vehicle	6	1.7
Negligence	27	7.7
Operating money lending scheme at the workplace	1	0.3
Poor work performance	4	1.1
Reckless driving	0	0
Refused to sign PDMS Document	3	0.9
RWOPS without permission.	7	2
Sexual Harassment	1	0.3
Sleeping on duty	2	0.6
Substance abuse	1	0.3
Tardiness	4	1.1
Theft	8	2.3
Threaten to shoot Supervisor	1	0.3
Unauthorized leave	10	2.9
Unauthorized personnel in ambulance	1	0.3
Unauthorized possession of hospital property	1	0.3
Unprocedural appointment	3	0.9
Unprocedural protest action	19	5.4
Use of vulgar language in the workplace	2	0.6
Verbal Abuse	1	0.3
Total	350	100

Source Doc: HR Oversight Report

Table 81: Grievances lodged for the period 1 April 2008 to 31 March 2009

	Number	% of Total
Number of grievances resolved	164	77.4
Number of grievances not resolved	48	22.6
Total number of grievances lodged	212	100

Source Doc: HR Oversight Report

Table 82: Disputes lodged with Councils for the period 1 April 2008 to 31 March 2009

	Number	% of Total
Number of disputes upheld	18	62.1
Number of disputes dismissed	11	37.9
Total number of disputes lodged	29	100

Source Doc: HR Oversight Report

Table 83: Strike actions for the period 1 April 2008 to 31 March 2009

Total number of person working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

Source Doc: HR Oversight Report

Table 84: Precautionary suspensions for the period 1 April 2008 to 31 March 2009

Number of people suspended	4
Number of people whose suspension exceeded 30 days	4
Average number of days suspended	135
Cost (R'000) of suspensions	276429.47

Source Doc: HR Oversight Report

Table 85: Training needs identified 1 April 2008 to 31 March 2009

Occupational Categories	Gender	Number of employees as at 1 April 2008	Training needs identified at start of reporting period	
			Skills Programmes & other short courses	Total
Legislators, senior officials and managers	Female	15	46	76
	Male	21	30	
Professionals	Female	2263	500	834
	Male	1163	334	
Technicians and associate professionals	Female	2686	14	28
	Male	698	4	
Clerks	Female	1285	60	79
	Male	586	19	
Service and sales workers	Female	2838	0	27
	Male	1461	27	
Skilled agriculture and fishery workers	Female	0	0	0
	Male	128	0	
Craft and related trades workers	Female	0	0	0
	Male	128	0	
Plant and machine operators and assemblers	Female	2	0	0
	Male	127	0	

Elementary occupations Labourers and related workers	Female	2260	180	203
	Male	707	23	1237
Gender sub totals	Female	11349	827	1237
	Male	4892	410	
Total		16241	1237	1237

Table 86: Training provided 1 April 2008 to 31 March 2009

Occupational Categories	Gender	Number of employees as at 1 April 2008	Training provided within the reporting period	
			Skills Programmes & other short courses	Total
Legislators, senior officials and managers	Female	15	298	352
	Male	21	54	
Professionals	Female	2263	4561	5207
	Male	1163	646	
Technicians and associate professionals	Female	2686	449	796
	Male	698	347	
Clerks	Female	1285	1351	2130
	Male	586	779	
Service and sales workers	Female	2838	0	70
	Male	1461	70	
Skilled agriculture and fishery workers	Female	0	0	0
	Male	0	0	
Craft and related trades workers	Female	0	0	0
	Male	128	0	
Plant and machine operators and assemblers	Female	2	0	0
	Male	127	0	
Elementary occupations	Female	2260	1154	1422
	Male	707	268	
Gender sub totals	Female	11349	7813	9977
	Male	4892	2164	
Total		16241	9977	9977

Table 87: Injury on duty, 1 April 2008 to 31 March 2009

Nature of injury on duty	Number
Required basic medical attention only	239
Temporary Total Disablement	62
Permanent Disablement	4
Fatal	3
Total	308

Source: Doc: HR Oversight Report

PART D
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009



FREE STATE DEPARTMENT OF HEALTH
VOTE 5
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2009

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REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTIVE AUTHORITY AND FREE STATE LEGISLATURE OF THE REPUBLIC OF SOUTH AFRICA

I. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

General Review

The 2009 financial year proved to be one of the most challenging years for the Department. Various reasons contributed to the challenge to have stayed within budget and this led to some items over-spending. This over-expenditure was largely funded by an increase in accrual expenditure at the end of the financial year. The Department, on a cash base, under-spent by R15,809 million on a total budget of R 4,469 billion, which is 0.3% of the total budget.

The Department for the last three years became under increased pressure to stay within budget. The Department in 2009 experienced additional pressures due to a shortage in cash flow in the Province. Cash flow restrictions implemented by the Provincial Treasury from October 2008 impacted on financial decisions and hampered activities at various levels.

Various unfunded mandates e.g. the occupational service dispensation for nursing personnel, increase in fringe benefits, medical fund contribution and housing subsidy contributed to the financial pressure.

The District Health Services program over-spent by an amount of R 56, 785 million, which was off-set by under-expenditure in some of the non-clinical programs such as administration which under spent by R10,837 million, Provincial Hospital Services which under spent by R 9,513 million, Health Sciences and Training which under-spent by R 13,971 million and Health Facilities Management which under spent by R63,572 million. A detailed explanation on all over- and under-expenditure is compiled in the notes to the appropriation statement on page 44.

Revenue

With regard to revenue, the department collected R 125,296 million, which is 46 % above target.

Occupational Specific Dispensation

The overpayment of Occupational Specific Dispensation of Nurses (OSD's) arose due to conflicting messages on the implementation of OSD received from the National Department of Health and the DPSA. This resulted in all the provinces experiencing major implementation problems that lead to overpayments on the OSD's.

There is currently a court case pending on the recovery of overpayments of OSD's. Due to the pending court case a moratorium was placed on the recovery of the OSD's.

The sum of the overpayments of OSD's during the 2007/08 financial year is R23,939 million according to the AGSA. A similar situation occurred during the 2008/09 financial year, but the amounts cannot be reliably determined.

No amounts were recovered from overpaid employees up to 31 March 2009 and no amounts were recovered and repaid to overpaid employees up to 31 March 2009.

The amounts of under-payments to employees were included in contingent liabilities.

2. SERVICES RENDERED BY THE DEPARTMENT

2.1 Services rendered

The department faced several challenges during the past year yet it has continued to achieve its statutory obligations despite serious resource constraints. The following services were rendered to the people of the Free State, during 2008/09:

Type of Hospital	Data Element	Total
District Hospital	Admissions	122,435
	Emergency total headcount	138,832
	OPD total headcount	286,256
Regional Hospital	Admissions	95,972
	Emergency total headcount	99,154
	OPD total headcount	262,463
Provincial Tertiary Hospital	Admissions	28,081
	OPD total headcount	174,480
Specialized Psychiatric Hospital	Admissions	5,426
	OPD total headcount	11,196

2.2 Tariff policy

In terms of Treasury Regulations 7.3.1, annual revision is required on user tariffs in respect of services rendered by the Free State Department of Health.

Patients are classified into two categories, namely full paying patients and subsidized patients. Patients are categorized according to income in category H0, H1, H2 and H3.

An adjusted UPFS for H3 and externally funded patients was implemented on the 1st July 2008. The adjustment in the UPFS tariffs resulted in a 10.7% increase.

2.3.1 Free Services

The criteria for free health care services remain unchanged for the following categories:

- Pregnant women and children under the age of 6 years,
- Primary health care,
- Termination of pregnancy,
- Criminal Procedure Act,
- Child Care Act,
- Persons with mental disorders,
- Persons with disabilities,
- Infectious, formidable and/or notifiable diseases, as well as
- Donors and other exempt conditions.

The aforementioned have a statutory basis and only apply for the specific circumstance for which the patient qualified.

2.4 Inventory

Inventory on hand, consists of medicine and medical consumables to the amount of R109,723 million (2007/2008: R 91,194 million). This amount is the value on hand in the main stores, calculated on a weighted average costing method.

3. CAPACITY CONSTRAINTS

The Department has for the past few years faced with an increased demand for its services on the one hand and insufficient resources to provide these services on the other hand. This is mainly due to increased burden of disease caused mainly by the HIV, TB and AIDS scourge. This results in increased utilisation of our facilities, mainly through increased numbers and the admission of more severe cases.

Despite this, we have been cautious as a department and have tried to limit the over-expenditure that would normally accompany such demand increases. This has caused us to ration and prioritise the cases that are managed at our hospitals and clinics. This has the natural consequences of under-serving the population resulting in backlogs of specific service areas. In all these approaches, we have however tried not to compromise the quality of the services that we render at our facilities.

The department is facing this increased demand for services, with an accompanying substantial personnel shortage. This is mainly due to underproduction and migration of skilled personnel to other provinces, countries and the private sector. This has encouraged us to double our efforts to train, recruit and retain these scarce professionals.

There is also a maintenance and equipment backlog that accumulates over the years that the department is faced with and is attempting to address with its limited resource. Additional funding in this respect is essential to maintain the quality of services and to retain personnel.

4. UTILISATION OF DONOR FUNDS

4.1 Ireland Aid

The Department of Health and the Ireland Aid signed an agreement on 11 March 2005 to provide the Department of Health with financial assistance for support to Primary Health Care Delivery and Capacity building for HIV/AIDS prevention in the Free State. The first project of R10,226 million from 2001-2006 was completed in March 2006. The Ireland Aid under its Bilateral Aid Programme made a second grant of 760 000 Euros available over a period of two years (2006 and 2007) that commenced in May 2006. All these funds are channelled through the RDP account at National Treasury and all the interest earned on them will be used solely for the purpose of the programme objectives and activities.

For the financial year under review Budget and Expenditure under the three projects were as follows:

	Progress to date	Budget R'000	Revenue R'000	Expenditure R'000	Variance R'000
Ireland Aid	Support to Primary Health Care Delivery and Capacity Building for HIV & AIDS prevention in the Free State Province	2,451	667	(1,431)	1,687
Total		2,451	667	(1,431)	1,687

4.2 Belgium Government Aid

A Belgium agreement was signed in November 2004 to provide the Department of Health with financial assistance for support to reduce the burden of Tuberculosis and HIV & AIDS prevention in the Free State. The project was not completed in the 2007/08 financial year. Extension was granted until 31 Dec 2009. No cost extension was requested for this project.

Belgium Government Aid	Progress to date	Budget R '000	Revenue R'000	Expenditure R'000	Variance R '000
	Support to reduce the burden of Tuberculosis and HIV & AIDS prevention in the Free State Province.	209	-	(151)	58
Total		209	-	(151)	58

4.3 Flemish Government for VCCT

The inception date for implementation of the Flemish Government Donor support to the Free State Department of Health was set to start in September 2003, however the project never commenced and only started in 2005 when the Project Manager was appointed. The inception date then became the 1st June 2005 with the closing date of 31st May 2007. Due to the fact the first tranche was only released in December 2005, second tranche was only release on the 30th April 2007 and the Project Manager was not available for 5 months in the 2006/07 financial year a delay was caused in the implementation of the objectives. All of this had a major impact to the progress of the project. Extension was granted for the project until 30 June 2008.

Flemish Government Aid	Progress to date	Budget R '000	Revenue R'000	Expenditure R'000	Variance R'000
	<p>Upgrade 10 clinics to accommodate Voluntary Counselling and Testing (VCCT) in underserved areas. Due to the escalation of costs we will be able to upgrade only 7 clinics out of the original 10 clinics). Due to the constraints of the project manager, only 5 clinics were completed.</p> <p>Train 100 Lay Counsellors on VCCT in the underserved areas of Free State.</p> <p>Train 100 Teachers/educators as VCCT Volunteer Counsellors in the underserved areas (80 teachers trained as Volunteer Counsellors).</p> <p>Employ and train Mentors to cover the five districts. The submission was not approved by the MEC to due advises that he received from the HR section.</p> <p>Identify 6-8 Youth Centre, conduct baseline study on youth centres and train 26 youths as lay counsellors (8 centres were identified; baseline study done; ground breakers trained on VCCT).</p> <p>Quality control, monitoring and evaluation of lay counsellors and VCCT sites (ongoing process).</p>	1,375	-	(1,042)	333
Total		1,375	-	(1,042)	333

4.4 EU PDPHCP Donor Fund

EU PDPHCP Donor Fund	Objectives	Budget R'000	Revenue R'000	Expenditure R'000	Variance R'000
	Developing and strengthening of the co-operation between Non-Government Organisations and the Department of Health.	8,559	-	(6,067)	2,492
Total		8,559	-	(6,067)	2,492

4.5 GLOBAL AIDS, TB & MALARIA donor fund

The GLOBAL AIDS, TB & MALARIA project started in January 2006. The project phase one was completed 31 in December 2007 and no cost extension was requested. Phase 1 of the project was completed in the 2007/08 financial year and phase 2 of the project started in the 2008/09 financial year. No cost extension was requested till 31 December 2011. Global Fund strengthens Provincial and District capacity building for prevention, treatment and care.

GLOBAL AIDS, TB & MALARIA Donor Fund	Objectives	Budget R'000	Revenue R'000	Expenditure R'000	Variance R'000
	Developing and strengthening the TB and HIV & AIDS data monitoring system at district level in the Free State Province. Paving at Dr J.S.Moroka hospital as part of phase one. Appointment of Monitoring officers form part of phase two and payment of salaries. Capacity building at provincial and district level. 2006-2007=473 Health care workers trained. 2008=291 Health care workers trained. Physiotherapy Occupational therapy equipment for Dr.J.S.Moroka MDR unit.	1,571	-	(466)	1,105
Total		1,571	-	(466)	1,105

5. TRADING ENTITIES: CENTRAL MEDICAL TRADING ACCOUNT

The aim of the Central Medical Trading Account is to provide is to provide medicines and medical consumables according to the needs of the provincial institutions.

The capital of the Medical Trading Account is augmented through the voted budget of the Free State Department of Health when the need arises.

The Annual Financial Statements of the Central Trading Account are prepared in accordance with the South African Statements of Generally Accepted Accounting Practice (GAAP) and thus, complies with it. The financial statements are prepared according to historical cost convention.

The net profit of R843 million for 2008/09, compares to the net profit of R7,594 million in 2007/08.

6. ORGANISATIONS TO WHOM TRANSFER PAYMENTS HAVE BEEN MADE

Transfer payments are made mainly to non-profit institutions rendering of primary health care services (refer to note 7 and Annexure I K for more details).

Service level agreements were signed with all the non-profit institutions and accountability arrangements of each entity, were evaluated in January 2004.

7. PUBLIC PRIVATE PARTNERSHIPS (PPP)

The department has entered into a Public Private Partnership agreement with Community Health Management (CHM) on 25 November 2002 in order to develop private health facilities at Universitas and Pelonomi hospitals. This implied that a public health facility is used by the private sector in exchange for financial- and other benefits.

To date, a successful co-location of the Public Private Partnership between Universitas and Pelonomi hospitals and CHM, has already improved facilities in both hospitals (refer to note 30 for details).

8. CORPORATE GOVERNANCE ARRANGEMENTS

The Financial Management and Supply Chain Management delegations and directives as well as the Internal Control Checklist are reviewed and adjusted annually.

Human Resource delegations have been reviewed and the implementation gave wide delegations to CEO's to enable them to manage the appointment of health professionals more effectively.

The Department reviewed its Risk Assessment Plan and Top Management proceeds with their commitment to combat corruption and to ensure sound and transparent management.

9. DISCONTINUED ACTIVITIES/ ACTIVITIES TO BE DISCONTINUED

No activities have been discontinued, while certain services were hampered by the cash flow restrictions towards the end of the financial year.

10. NEW / PROPOSED ACTIVITIES

No new/proposed activities planned for the 2009/10 financial year.

11. ASSET MANAGEMENT

Progress with regard to capturing assets in the register:

All assets of the FSDOH are purchased through the Asset Module on the LOGIS system which is the only approved system. All additions appear on the asset module on LOGIS.

Establishment of asset management units and teams.

The local heads of Supply Change Management are appointed in writing at all institutions and offices and take responsibility of asset management in their relevant units. Monthly meetings are arranged with Corporate office to ensure compliance in the management of assets.

Indication of extent of compliance with the minimum requirements and asset management reforms.

The minimum requirements of the Asset register, are met. The Logis Asset Register, makes provision of the following:

- Acquisition
- Identification
- Accountability
- Performance
- Disposal
- Accounting

12. EVENTS AFTER THE REPORTING DATE

It was decided by the Provincial Executive that some functions be decentralised in the Province. Some security services were transferred from the Department of Health to the Department of Police, Roads and Transport and the allocation and payments of bursaries to non employees, were transferred from the Department of Health to Department of Education as at 1st April 2009.

13. PERFORMANCE INFORMATION

The activities of the department are informed and directed by the strategic planning process of the department.

The goals, objectives and indicators form the basis for quarterly assessment of performance. Regarding the financial management of institutions, the department is assisted by managerial accountants who are members of the accountants' forum which meets monthly. Through this input financial and performance information are linked and progress evaluated.

Strategic direction is derived from:

- Government Programme of Action.
- State of the Nation Address of the President.
- State of the Province Address of the Premier.
- 2014 Vision.
- Millennium Development Goals.
- Free State Provincial Growth and Development Strategy.
- Annual National Health Plan 2008/2009 National Health System Priorities (NHS) for 2008/2009.
- Integrated Development Plans of local government must be aligned with District Health plans.
- The department used the national Integrated Health Planning Framework to develop a long term Service Transformation Plan which will define the service platform for a ten year period that started in the 2008/09 financial year.

The management structure of the department has been restructured to make provision for the establishment of a business intelligence unit. The management and use of information has been strengthened by the National Health Information project which was extended to allow further capacitation of management as well as the information management component.

The department anticipates improved efficiency of the service platform and improved information management as a result of these developments.

14. PROPAC RESOLUTIONS

Propac Resolution	Subject	Progress on Findings as at 31 March 2009
19/2008	Par:2 Capital Assets	<p>The action plan to address the challenges with regard to the capital assets was submitted to Provincial Treasury.</p> <p>The status on the Asset Management are as follow: The Department have no dedicated Asset Management personnel in the institutions. Provincial forums were established to address the challenges and one-on-one visits to the institutions for support.</p> <p>The Department has a backlog of bar-coding assets which were procured prior 2005 after the change of old bar-coding system. However these assets are in the system without bar-codes this is because the system is unable to read these old bar-codes. Lack of man power delay the process of completing the project in time (re-marking and capturing there after). All newly acquired assets are correctly marked and captured in the register.</p> <p>Physical verification - challenge: The bar-codes are not permanently sticking. The Department have no funds to buy quality ones. Although it is possible for the department to acquire the choice of Asset Management system, we cannot do it because of financial constrains.</p> <p>LOGIS system - challenge It is difficult to accurately count and reconcile verification discrepancies because small bar-code numbers are difficult to read manually – no scanners (LOGIS system does not support electronic counting).</p> <p>The department cannot consolidate the Provincial AR because of the volume and LOGIS has limited capacity. Challenges regarding LOGIS system are communicated to the Provincial Treasury, who promised to take it up with National Treasury.</p> <p>Physical verification - challenge: The Department will establish Asset Management Forums represented by managers responsible for assets in the institutions and District offices. The CFO asked the Executive Managers to support the process in ensuring that CEOs nominate the relevant managers to attend these forums.</p> <p>LOGIS system - challenge Stock taking for 2008/2009 financial year has ended on the 23rd March 2009. Dates for 2009/2010 financial year will be provided.</p> <p>Regarding the scanners, in the meeting with Provincial Treasury September 2009 it was said that the LOGIS system is not compatible to a scanning system. The bar-codes that the department is using are not printed from the system, so there is no coordination between the two systems, (LOGIS and bar-codes printer) hence enhancement of the system is needed. Alternatively, the Department needs permission from Treasury to utilize alternative system.</p> <p>Upgrading of computers to Office 2007 is not done because it was not in the IT financial plan for 2008/2009 financial year. IT could also not confirm the size of excel with the office 2007.</p> <p>The count and control sheet in the LOGIS system does not meet the challenge of reading bar-codes by naked eye and reconcile manually to the system. The accuracy and reliability will remain a challenge.</p>

19/2008	Paragraph 3. Inventory	<p>(a) A risk remains where there are no proper stores and/or systems in place. The biggest risk however is at Primary Health Care clinics where there are no pharmacists and due to exorbitant costs the implementation of systems cannot be afforded.</p> <p>(b) Policies in the Department are continuously evaluated to ensure compliance to applicable legislature.</p> <p>a) The examples of policies developed to be followed at Primary Health Care clinics was submitted to Provincial Treasury as well as the Department of the Premier :</p> <ul style="list-style-type: none"> • Key control • Procurement/ordering of stock • Organization of store • Use of stock cards • Issue from closed to open stock • Management of cold chain • Safety and management of equipment • Security of staff, equipment and stock <p>(b) The policy for visits by pharmacists to clinics in order to monitor and evaluate implementation of the set policies was submitted to Provincial Treasury as well as the Department of the Premier.</p>
19/2008	Paragraph 4. Receivables for Departmental Revenue	<p>The Department implemented Finance Circular 36 of 2008 with effect from 1 January 2009. The circular states that accounts are to be raised at maximum rates (H3 tariffs) where proof of income is not provided.</p> <p>Patients will still be able to access the hospital's pharmacy for their medication, but on the second visit if they still have not provided their proof of income they will not be able to receive their medication from the hospital pharmacy, they will be given a prescription by the Doctor to go and buy at the private pharmacy.</p> <p>The patients will be classified as full paying patients where no proof of income can be provided until they can proof their income and will then be reclassified according to documentation provided by them. Such documentation includes affidavits, referral letters from the Department of Defence etc.</p> <p>Posters will be displayed at the hospitals which will explain what documents should accompany the patient for classification purposes. Flyers will also be distributed to patients at clinic level and be attached to referral letters. Unfortunately the Department of Labour (UIF) indicated that they cannot provide employment information as it confidential.</p> <p>An Investigation was conducted with Departments of Health Western Cape and Gauteng by Revenue Management.</p> <p>Similar procedures have been implemented by them. Patient fee structure is national matter and the Department is guided by UPFS. The admission form was adjusted to accommodate all relevant information for proper debt collection. The department must ensure that by 31st March 2009 figures are correct.</p> <p>Outstanding patient fees will not reflected correctly due to the fact that patients are classified as H3 when they cannot provide proof of income.</p>

19/2008	Par. 5 Irregular Expenditure	<p>All Irregular expenditure cases that were identified by the auditors during the three (3) previous financial years have been registered. It is anticipated that not all cases that are still under investigation will be finalized before the end of the March 2009 due to shortage of personnel.</p> <p>Due to the financial situation, the Manager will be appointed in the next financial year. Disciplinary actions will be instituted against officials in cases where it is found that they were negligent.</p> <p>The Executive Management of the Department recommend the relevant disciplinary action to be taken against officials who are found to be negligent.</p>
19/2008	Par.6 Central Medical Account Irregular Expenditure	<p>Provincial Treasury was made aware of the irregular expenditure reported in the Financial Statements of the Central Medical Trading Account by means of the Compliance Report for September 2008.</p> <p>The institution became aware of the irregular expenditure when it was reported by the Office of the Auditor General during auditing. It was grouped as follows;</p> <ul style="list-style-type: none"> the first group was 9 cases (initially 12) to the value of R1 088 775.00 that according to the auditors less than 3 written quotations have been obtained ; The second group was 5 (initially 6) cases to the value of R475 365.00 that was not approved in accordance with SCM delegations. <p>In the first group of irregularities the auditors interpreted the SCM delegations, item 3, that at least three possible suppliers must respond in writing when requested to quote for an item. That is not how the Depot applied the prescript because written responses for no quotes can not be enforced on suppliers. Therefore it is the Medical Depots view that the market was sufficiently tested when quotations were invited from at least three suppliers on the data base.</p> <p>Regarding the second group of irregularities it was indicated when condonation for the Irregular expenditure were requested from the Accounting Officer that three officials have unintentionally exceeded the delegated amounts as prescribed in SCM circular 19 of 2007 as amended by SCM circular 16 of 2008. The exceptions should be seen against the background of 930 quotations that were handled during the 2007/2008 financial year. The incidents were explained individually on the excel sheet submitted to Provincial Treasury.</p> <p>A high turnover and shortage of personnel were experienced during the concerned financial year which placed additional work pressure on the remaining staff. No damage or financial loss was incurred by the Department. Control measures were put in place to prevent the re-occurrence of the abovementioned errors by personnel. As there were no material losses or negligence, officials were orientated with the latest delegations and made aware of the implications if they exceed the delegations in future.</p>

19/2008	Par:7 Compliance with Departmental Controls	<p>Policies & procedures are implemented but due to various shortages in administrative personnel, not always adhered to. The Free State Department of Health is currently in a process to create administrative hubs where certain functions will be consolidated to assist in compliance of internal control procedures.</p> <p>The first administration hub is implemented and created in Xhariep District. The implementation of HUBS will be done in phases per district and Xhariep and Thabo Mofutsanyane Districts has been completed. The process will unfold to other districts in the 2009/10 financial year. Financial implications cannot be provided as yet.</p> <p>During the planning phase of every audit Internal Audit function evaluate/review the Hospital/ Institution internal controls to determine if it is adequate, effective and also review the quality of performance. If any areas of concern arise from this phase it is either directly taken up in the audit report or tested during the execution of the audit.</p> <p>Quarterly reports are given through to the Audit Committee on audits performed and the compliance of the auditees.</p> <p>It will be communicated to the Audit Committee that the Department needs to provide Provincial Treasury on an overall opinion on all internal control matters that needs to be co-agreed by the Committee and with their assistance the Department will in future provide the information as required.</p>
32/2008	(c) Overspending on Compensation of employees due to payment of OSD	<p>The Auditor-General conducted an audit during December on OSD for the Free State. There was a special NHRC meeting on 22 January 2009, where the outcome of the Court ruling of 5 January 2009 was explained to provinces. Currently the process has commenced whereby the mentioned over-payments will be corrected. However due to the dispute declared, no over-payment may yet be recovered. Various underpayments were also identified during the said audit.</p> <p>This will also be correct before the closure of the current financial year.</p> <p>The Department is unable to provide journals at this stage as the matter is still under dispute. The matter was again referred to court and heard on Thursday, 26 March 2009. Currently the notches can be reduced but the overpayment cannot be deducted from the salaries of the officials concerned.</p>
33/2008	Staff appointed in acting capacity	<p>It must be admitted that during 2007/2008 there were a lot of senior vacancies due to the implementation of the new micro structure. This had the result that officials had to act in these higher posts. However the majority of posts have been filled in the meantime. In the relevant case where there is an acting appointment, the responsibilities of the high posts are communicated accordingly.</p> <p>In order to ensure that there is clear segregation of duties; acting letters that is issued to acting officials clearly states that "During your acting period you will be responsible for the performance of the duties of the post they are acting in and concomitant delegated powers attached to the said post". This is important as officials will only act and sign documents within their delegated powers.</p>

34/2008	Policies issued in lieu of sound Financial Management	<p>Various policies regarding sound financial management are continuously adopted in the Free State Department of Health. A management accountant forum meets on a regular basis to evaluate implementation of same. In addition to this executive meetings are held on a monthly basis to assess financial performance.</p> <p>In addition to this, the financial internal control checklist is updated on an annual basis after the audit of the financial year. All policies in place are continuously submitted to Provincial Treasury. This includes delegations etc.</p> <p>Copies of the Financial Delegations, Health Finance Circular no.33 of 2008, Financial Directives, Health Finance Circular no.6 of 2009, Internal Control Checklist, Health Finance Circular no.2 of 2009, Supply Chain Management Delegations, Health Supply Circular no.16 of 2008, Supply Chain Management Directives, Supply Chain Circular no.1 of 2008 and Human Resource Management Delegations, Human Resource Management Circular no.104 of 2008 was submitted to Provincial Treasury as well as the Department of the Premier.</p>
35/2008	Internal Audit Unit and Audit Committees	<p>The Internal Audit Unit was established in 2002. The Unit is functional and report directly to the Head of Department.</p> <p>The Audit Committee was established and is functional. The last committee meeting was held in September 2008, the next meeting is planned in February 2009.</p> <p>During the Audit Committee meeting of 19 February 2009 the annual coverage plan was submitted for approval by the Audit Committee. However the committee did not approve it and recommended changes to be made before the 31st of March 2009. The Unit made the necessary changes, resubmitted it and awaits feedback.</p> <p>A copy of the minutes of the meeting of the 19th of February 2009 was submitted to Provincial Treasury as well as the Department of the Premier.</p>
36/2008	Special Investigations commissioned by Accounting Officers and / or Accounting Authorities	<p>The Department took note of the recommendations in the mentioned Resolution therefore the Department had no report to table yet; the Department awaits one report currently under investigation.</p>

Approval

The annual financial statement set out on pages 27 to 134 have been approved by the Accounting Officer:



PROF. P.L. RAMELA
HEAD: HEALTH

Date:

REPORT OF THE AUDIT COMMITTEE OF THE FREE STATE DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2009

We are pleased to present our report for the financial year ended 31 March 2009, as follows:

1. GENERAL

The FSDOH Audit Committee's primary function is to assist the Accounting Officer and Accounting Authority to discharge its responsibilities in terms of the Public Finance Management Act (number 1 of 1999 as amended).

The Committee has Charter approved by the Accounting Officer which specifies the terms of reference and sets out clear responsibilities for the Committee

The Committee is comprised of three members that are all external members and independent of the department and have specific expertise and experience pertinent to the mandate of the Committee. The following table indicates the meetings for the financial year under review:

Committee Members	Meetings attended
Mr M Ncube	2
Ms N M Nyathi	2
Dr M Motlou	2

Number of meetings for the year: Two (2)

2. AUDIT COMMITTEE RESPONSIBILITY

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

It is also reported that the Committee has adopted formal terms of reference and has an audit committee charter. The affairs of the Committee have been regulated in accordance with this charter and all the responsibilities as contained therein have been duly discharged.

3. THE AUDIT COMMITTEE'S ASSESSMENT

In terms of the Treasury Regulations (3.1.12 and 3.1.13) the Committee must report and make recommendations to the Accounting Authority, which retains responsibility for implementation of any such recommendations.

The Committee is also required to comment on:

- a) The effectiveness of internal controls;
- b) Its evaluation of the annual financial statements.

Effectiveness of Internal Controls

It is the opinion of the Audit Committee that the overall controls within the organisation are adequate however there are areas which require improvement. The areas highlighted by the Auditor-General in his management report as well as identified by the internal audit department need to be addressed. The Audit committee specifically highlighted the following concerns and communicated the to the HOD:

- Poor Risk Management approach
- Composition of the Audit Committee is not in line with the Charter stipulations
- Lack of Chief Audit Executive (CAE)
- Assisting in improving the skill of the current audit team.

Through the endeavours of the internal audit department as well as the Risk manager there has been an exercise to assess and improve on the internal controls, quality, integrity and reliability of the FSDOH corporate accountability and the associated risk management.

Annual Financial Statements

The Audit Committee has noted and accepts the conclusions of the Auditor-General on the Annual Financial Statements of the FSDOH for the year ended 31 March 2009.

It is also recognised that corporate governance and the systems associated therewith require ongoing reassessment and realignment with best practices. It is incumbent on the Committee to also acknowledge and recognise that the FSDOH going concern status remains dependent on funding per the Treasury allocations and as such concurs with the going concern premise framed in the Annual Financial Statements as appropriate.

During the year the Audit Committee was informed of the Cash flow restrictions implemented by the Provincial Treasury from October 2008 that impacted on financial decisions and hampered activities at various levels.

4. CONCLUSION

I would like to extend my thanks and appreciation to my colleagues who have served with me on this Committee and have given diligently of their time and expertise to ensure the effectiveness of the committee.

I would also like to recognise the efforts and the unwavering commitment and determination of both the Auditor-General's staff as well as the FSDOH staff.

To the Head of Department and the executive team who have worked very hard under difficult conditions to deliver the health service to the people of the province, I would like to extend my thanks for their efforts and commitment.

Mandla Ncube
Chairperson of the FSDOH Audit Committee

Date: 21 August 2009

REPORT OF THE AUDITOR-GENERAL TO FREE STATE LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE NO. 5: DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

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

The accounting officer's responsibility for the financial statements

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

The Auditor-General's responsibility

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

Basis for qualified opinion

Movable tangible capital assets

7. I was unable to obtain adequate audit assurance that movable tangible capital assets amounting to R610 503 000 (2008: R607 417 000) as disclosed in note 32 and minor assets of R192 341 000 as disclosed in note 32.4 to the financial statements were fairly stated in all material respects for the reasons set out below:
 - (a) Management was unable to provide me with sufficient appropriate audit evidence in support of the cost price of movable tangible capital assets with a value of R26 476 753 (2008: R66 992 549) and minor assets with a value of R7 780 661. I was thus unable to confirm the value of these assets or the department's rights thereto. The extent of the unavailability of audit evidence and the matters reported in the paragraphs below regarding the integrity of the underlying asset records did not warrant the performance of alternative audit procedures to determine the reasonability of the asset values.
 - (b) I was unable to confirm the existence of movable assets to the value of R25 081 537 (2008: R15 735 656) and minor assets to the value of R399 645 included in the financial statement disclosure regarding movable tangible capital assets. My inability to confirm the existence of these assets was due to the fact that they were either not adequately marked with unique asset numbers or the assets' serial numbers or unique numbers, where allocated, were not recorded in the underlying asset records that support the financial statement disclosure.
 - (c) In a significant number of instances I was unable to relate physical assets identified at the department, medical institutions, clinics and district administrative offices to the underlying asset records that support the financial statement disclosure for both movable and minor assets. I was thus unable to confirm the completeness of the financial statement disclosure of these categories of assets. My inability to confirm these assets in the asset records of the department was due to the fact unique asset numbers or serial numbers are not recorded in the asset records and the detailed information in the asset records did not permit me to relate the specific assets to the items included in the records.
 - (d) The value of assets according to the detailed asset records of the department in respect of movable assets is R23 796 278 (2008: R1 248 000) more and in respect of minor assets, R3 272 153 less than the value of the related categories of assets as disclosed in the financial statements. Management was unable to reconcile these differences and consequently I could not be provided with a reliable and complete audit trail. I was thus unable to obtain all the explanations of or perform all the procedures that I considered necessary to confirm the valuation and completeness of assets as disclosed in the financial statements.
 - (e) The department did not comply with the prescripts of the accounting framework regarding the valuation of minor assets as contained in the Preparation guide for financial statements of National and Provincial departments. A significant number of minor assets were identified in the asset records underlying the financial statement disclosure that have no value or a value less than R1. In addition, I also identified a significant number of assets purchased after 1 April 2002 that were included in the asset records at a value of R1. Due to the extent and nature of these assets I was unable to reliably determine their correct cost prices. I was thus unable to confirm that minor assets were accurately valued in the financial statements of the department.
 - (f) I could not be provided with a detailed audit trail in respect of adjustments of R28 223 000 effected to the opening balance of capital assets for the year ended 31 March 2008. I was thus not able to obtain sufficient, appropriate audit evidence as to the accuracy and occurrence of the adjustments.

Immovable assets

8. Management was unable to provide me with sufficient appropriate audit evidence in respect of work in progress to the value of R227 519 000 that was deducted from immovable asset acquisitions as disclosed in note 34. I was thus unable to perform all the procedures that I considered necessary to confirm the completeness and valuation of the detailed disclosure of the closing balance for immovable assets of R34 052 000 as disclosed in note 34 to the financial statements.

Receivables for departmental revenue

9. I was not able to gain adequate audit assurance regarding the valuation of receivables for departmental revenue amounting to R165 343 000 (2008: R120 396 000) as disclosed in note 25 of the financial statements. In a significant number of instances the department did not obtain or retain adequate documentation regarding the patients' income bracket, according to which patients are classified in terms of the Uniform Patient Fee Structure (UPFS). As a result, it was not possible to confirm that patients have been correctly classified and that fees for medical services rendered by the department have been levied at the correct and approved rates. Due to the extent of the lack of supporting documentation and the profile of patient receivables there were no reasonable alternative audit procedures that I could perform to confirm the income of patients and thus the classification of the patients in terms of the UPFS. The fact that I was unable to confirm the valuation of the receivables for departmental revenue also resulted in me not being able to confirm the valuation of the provision for potential irrecoverable patient fee debt of R98 230 000 (2008: R71 771 000) as disclosed in note 31 to the financial statements.

Commitments

10. I was unable to obtain adequate audit assurance that the commitments of R667 424 000 (2008: R602 440 000) as disclosed in note 21 to the financial statements were fairly stated in all material respects for the reasons as set out below:
 - (a) Management did not include in the disclosure of commitments for capital expenditure an infrastructure contract approved and contracted before the financial year end with a value of R134 395 638 resulting in the understatement of commitments as disclosed in the financial statements.
 - (b) Commitments for current expenditure as disclosed in the financial statements have been overstated by an amount of R36 799 677 as management have incorrectly included in the disclosure, commitments that related to contracts cancelled before year end as well as duplications of certain commitments between the manual calculations per the departmental bid register and the commitments recorded on its procurement system (LogIS).
 - (c) I identified differences of R44 727 348 between the contract values utilised in the calculation of commitments for capital expenditure and approved contract values. Management was unable to provide me with sufficient appropriate audit evidence in respect of the contract values used in the calculation that would explain these identified differences and I was thus unable to perform all the procedures that I deemed necessary to confirm the existence and valuation of commitments for capital expenditure to the value of R70 385 523 included in the total disclosed in the financial statements.
 - (d) Management was unable to provide me with sufficient appropriate audit evidence to support commitments for current expenditure to the value of R10 906 695 included in the total commitments as disclosed. I am thus unable to confirm the existence, valuation and the department's obligation in respect of these disclosed commitments.

- (e) Management restated the opening balance of commitments by an amount of R277 829 000 as explained in note 21 to the financial statements. Management was however unable to provide me with a detailed audit trail in respect of the restatement and I was thus unable to perform all the procedures that I deemed necessary to confirm the valuation of the comparative disclosure of commitments.

Due to the lack of supporting documentation I am unable to consider any alternative procedures in this regard.

Irregular expenditure

11. As disclosed in note 26 to the financial statements, irregular expenditure to the amount of R157 082 000 was incurred during the year under review as a result of expenditure incurred by the department which was contrary to applicable legislation. Of the current year irregular expenditure disclosed R111 415 000 was identified during the external audit and was not prevented or detected by the department's system of internal control.

I could not be provided with sufficient, appropriate audit evidence that management has properly identified and recorded all irregular expenditure transactions during the year under review. There were no satisfactory alternative audit procedures that I could perform to obtain reasonable assurance regarding the completeness of irregular expenditure as disclosed.

Finance lease expenditure

12. In term of the accounting framework as contained in chapter 8 of the guide for the preparation of financial statements for National and Provincial Government and in terms of the prescripts of SCOA circular 5 of 2008/09, finance lease payments should be classified as capital expenditure. Contrary to the prescripts of the accounting framework as aforementioned the department expensed finance lease payments to the value of R20 820 930 as part of current expenditure, goods and services. The incorrect accounting treatment of the finance lease expenditure has resulted in the overstatement of current expenditure goods and services and the understatement of expenditure for capital expenditure, tangible capital assets by the said amount.

Qualified opinion

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

Emphasis of matters

I draw attention to the following matters on which I do not express a qualified opinion:

Basis of accounting

14. The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1.

Financial sustainability

15. As indicated in note 22 to the financial statements the department had outstanding accruals as at the financial year end amounting to R286 221 000 (2008: R176 110 000). Of these accruals R273 373 000 (2008: R140 444 000) were outstanding for a period in excess of 30 days in contradiction with the prescripts of Treasury Regulation 8.2.3. Had the department been able to pay these suppliers in terms of the prescripts this would have resulted in increased unauthorized expenditure of the same value. The accruals of the department increased significantly in the current year due to the cash flow constraints faced by the department as a result of the underfunding of the vote. These accruals will have a follow-on affect on the budget spending and consequently service delivery of the department in respect of 2009/10.

Restatement of corresponding figures

16. As disclosed in note 5 to the financial statements, the corresponding figures for goods and services for the year ended 31 March 2008 have not been restated to reflect the reclassification of certain expenditure items according to the Standard Chart of Accounts (SCOA). The effect thereof is that the expenditure for the years ended 31 March 2008 and 31 March 2009 may not be comparable in all instances

Other matters

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

Non-compliance with applicable legislation

Treasury Regulations

17. Contrary to the prescripts of Treasury Regulation 11.5.1, which states that "Interest must be charged on debts to the State at the interest rate determined by the Minister of Finance in terms of section 80 of the Act", also bearing in mind that in terms of Government Notice 1410 of 2002 the department does not have to levy interest on state patients i.e. H0, H1, H2, H3 but only on full paying private and medical aid patient accounts, I noted that no interest is levied against outstanding patient fee debt of this nature.

Governance framework

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

Internal control deficiencies

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

Par. no.	Basis for qualified opinion	CE	RA	CA	IC	M
7	Movable tangible capital assets			4	1	1
8	Immovable assets				1	1
9	Receivables for departmental revenue		3			
10	Commitments				1	1
11	Irregular expenditure			3	1	
12	Finance lease expenditure					1

Overall reflections on the governance framework based on internal control deficiencies

20. Within the SCM chief directorate of the department that is responsible for the integrity of a large volume of the information that is utilised to prepare the financial statements, critical vacancies exist. From the issues identified during the audit process the integrity of the information produced by this chief directorate can not be relied upon, as material misstatements and completeness issues have been identified. As part of the SCM chief directorate the function for Losses, Assets, Logistics, Transport and Bid management is allocated. None of these functions have appointed managers and a significant number of vacancies exist within assistant manager posts. In addition to the aforementioned human resource issues I noted that the position of General Manager within the chief directorate is also vacant. Due to the cash flow constraints that the department faces a moratorium has been placed on all appointments. These critical vacancies have resulted in numerous errors and inconsistencies in financial reporting information that the departments internal processes did not detect or prevent.

Legend	
CE = Control environment	
The organisational structure does not address areas of responsibility and lines of reporting to support effective control over financial reporting.	1
Management and staff are not assigned appropriate levels of authority and responsibility to facilitate control over financial reporting.	2
Human resource policies do not facilitate effective recruitment and training, disciplining and supervision of personnel.	3
Integrity and ethical values have not been developed and are not understood to set the standard for financial reporting.	4
The accounting officer/accounting authority does not exercise oversight responsibility over financial reporting and internal control.	5
Management's philosophy and operating style do not promote effective control over financial reporting.	6
The entity does not have individuals competent in financial reporting and related matters.	7
RA = Risk assessment	
Management has not specified financial reporting objectives to enable the identification of risks to reliable financial reporting.	1
The entity does not identify risks to the achievement of financial reporting objectives.	2
The entity does not analyse the likelihood and impact of the risks identified.	3
The entity does not determine a risk strategy/action plan to manage identified risks.	4
The potential for material misstatement due to fraud is not considered.	5
CA = Control activities	
There is inadequate segregation of duties to prevent fraudulent data and asset misappropriation.	1
General information technology controls have not been designed to maintain the integrity of the information system and the security of the data.	2
Manual or automated controls are not designed to ensure that the transactions have occurred, are authorised, and are completely and accurately processed.	3
Actions are not taken to address risks to the achievement of financial reporting objectives.	4
Control activities are not selected and developed to mitigate risks over financial reporting.	5
Policies and procedures related to financial reporting are not established and communicated.	6
Realistic targets are not set for financial performance measures, which are in turn not linked to an effective reward system.	7
IC = Information and communication	
Pertinent information is not identified and captured in a form and time frame to support financial reporting.	1
Information required to implement internal control is not available to personnel to enable internal control responsibilities.	2
Communications do not enable and support the understanding and execution of internal control processes and responsibilities by personnel.	3
M = Monitoring	
Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal control over financial reporting.	1
Neither reviews by internal audit or the audit committee nor self-assessments are evident.	2
Internal control deficiencies are not identified and communicated in a timely manner to allow for corrective action to be taken.	3

Key governance responsibilities

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

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.		X
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		X
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	X	
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines (section 40 of the PFMA).	X	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	X	
Development and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	The department had an audit committee in operation throughout the financial year.		X
	The audit committee operates in accordance with approved, written terms of reference.		X
	The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.		X
7.	Internal audit		
	The department had an internal audit function in operation throughout the financial year.	X	
	The internal audit function operates in terms of an approved internal audit plan.		X
	The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.		X
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.		X
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	X	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	X	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2.	X	
12.	Powers and duties have been assigned, as set out in section 44.	X	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.		X
14.	SCOPA resolutions have been substantially implemented.	X	
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	X	
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.		X

No.	Matter	Y	N
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the Free State Department of Social Development against its mandate, predetermined objectives, outputs, indicators and targets Treasury Regulations 5.1, 5.2 and 6.1.	X	
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	X	

Overall reflections on the governance framework based on other key governance requirements

22. The audit committee of the department was only appointed during the financial year and had its first meeting in September 2008. It has devoted most of its time to developmental issues to get the committee and the internal audit operational.
23. Although the department developed and documented an audit methodology no training of internal audit staff in respect of the methodology was provided. For the period under consideration, management was unable to provide me with any proof of how the training needs of personnel in the audit component was identified and addressed. In addition to the aforementioned I noted that as at the financial year end none of the management or senior management positions within the internal audit component had been filled.
24. Due to the fact that officials that are responsible for the compilation, verification and reporting of performance information to the departmental corporate office do not perform these functions on a dedicated basis and currently take responsibility for the functions of district information officers in addition to their normal responsibilities the integrity of the performance information that is consolidated into the quarterly performance reports and the annual performance report is considered a area of significant risk for accurate reporting. The strategic planning sub-directorate responsible for performance information is also not adequately staffed to mitigate this risk of incorrect performance information.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

25. I have reviewed the performance information as set out on pages xx to xx.

The accounting officer's responsibility for the performance information

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

The Auditor-General's responsibility

27. I conducted my engagement in accordance with section 13 of the PAA read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008.
28. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.
29. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the findings reported below.

Audit findings (performance information)

Usefulness and reliability of reported performance information

30. The following criteria were used to assess the usefulness and reliability of the information on the department's performance with respect to the objectives in its approved annual performance plan:

- Consistency: Has the department reported on its performance with regard to its objectives, indicators and targets in its approved annual performance plan?
- Relevance: Is the performance information as reflected in the indicators and targets clearly linked to the predetermined objectives and mandate. Is this specific and measurable, and is the time period or deadline for delivery specified?
- Reliability: Can the reported performance information be traced back to the source data or documentation and is the reported performance information accurate and complete in relation to the source data or documentation?

The following audit findings relate to the above criteria:

Reported performance information not reliable

31. Sufficient appropriate audit evidence in relation to the reported performance information of the Department of Health could not be obtained, as the relevant source documentation could not be provided for audit purposes within the timeframes of the audit.

OTHER REPORTS

Performance audit

32. A performance audit was conducted during the year under review concerning entities that are connected with government employees and doing business with the departments of the Free State Provincial Administration. The report covered the period 1 April 2005 to 31 March 2007 and was tabled in the Free State Legislature on 26 June 2009.
33. A performance audit was conducted in respect of the infrastructure delivery process at the department which is currently in the reporting phase.

Special audits

34. An independent audit firm has been appointed by the Minister of Health to investigate service delivery and financial problems experienced within Provincial Health Departments. The investigation has been finalised and the report is currently with the Minister for finalisation.

APPRECIATION

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

Auditor-General
Bloemfontein

22 August 2009

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

Appropriation Statement	Appropriation per programme							2007/08	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	201,648	-	(16,090)	185,558	174,721	10,837	94 %	194,410	185,067
Current Payment	197,533	(1,048)	(16,090)	180,395	171,993	8,402	95 %	189,972	180,964
Transfers and Subsidies	331	1,048	-	1,379	1,403	(24)	102 %	1,443	1,182
Payment for Capital Assets	3,784	-	-	3,784	1,325	2,459	35 %	2,995	2,921
2. District Health Services	1,585,676	-	6,041	1,591,717	1,648,502	(56,785)	104 %	1,384,519	1,408,370
Current Payment	1,492,630	(1,442)	6,041	1,497,229	1,576,166	(78,937)	105 %	1,268,494	1,323,200
Transfers and Subsidies	49,971	-	-	49,971	45,961	4,010	92 %	38,828	40,618
Payment for Capital Assets	43,075	1,442	-	44,517	26,375	18,142	59 %	77,197	44,552
3. Emergency Medical Services	220,631	-	5,167	225,798	225,798	-	100 %	191,585	191,585
Current Payment	200,021	-	5,167	205,188	209,134	(3,946)	102 %	168,633	162,821
Transfers and Subsidies	-	-	-	-	43	(43)	(100 %)	208	-
Payment for Capital Assets	20,610	-	-	20,610	16,621	3,989	81 %	22,744	28,764
4. Provincial Hospital Management	1,170,717	-	9,472	1,180,189	1,170,676	9,513	99 %	957,472	997,366
Current Payment	1,148,509	-	9,472	1,157,981	1,153,905	4,076	100 %	938,138	983,720
Transfers and Subsidies	2,735	-	-	2,735	4,430	(1,695)	162 %	3,480	3,256
Payment for Capital Assets	19,473	-	-	19,473	12,341	7,132	63 %	15,854	10,390
5. Central Hospital Services	781,154	-	7,260	788,414	813,713	(25,299)	103 %	685,935	693,694
Current Payment	769,954	-	3,796	773,750	801,689	(27,939)	104 %	671,747	680,440
Transfers and Subsidies	1,200	-	826	2,026	2,026	-	100 %	2,188	2,188
Payment for Capital Assets	10,000	-	2,638	12,638	9,998	2,640	79 %	12,000	11,066
6. Health Science and Training	131,238	-	(9,505)	121,733	107,762	13,971	89 %	111,400	98,727
Current Payment	93,916	-	(6,041)	87,875	85,042	2,833	97 %	84,682	70,649
Transfers and Subsidies	31,640	-	(826)	30,814	19,676	11,138	64 %	23,946	22,970
Payment for Capital Assets	5,682	-	(2,638)	3,044	3,044	-	100 %	2,772	5,108

7. Health Care Support Services	66,673	-	(2,345)	64,328	64,150	178	100 %	66,955	64,001
Current Payment	62,412	(127)	(2,345)	59,940	61,290	(1,350)	102 %	59,798	56,844
Transfers and Subsidies	2,020	127	-	2,147	2,147	-	100 %	2,150	2,150
Payment for Capital Assets	2,241	-	-	2,241	713	1,528	32 %	5,007	5,007
8. Health Facilities Management	336,568	-	-	336,568	272,996	63,572	81 %	180,003	210,947
Current Payment	20,013	(107)	-	19,906	17,213	2,693	86 %	18,348	16,055
Transfers and Subsidies	-	107	-	107	107	-	100 %	-	-
Payment for Capital Assets	316,555	-	-	316,555	255,676	60,879	81 %	161,655	194,892
9. Internal Charges	(25,000)	-	-	(25,000)	(24,822)	(178)	99 %	(27,879)	(20,690)
Current Payment	(25,000)	-	-	(25,000)	(24,822)	(178)	99 %	(27,879)	(20,690)
Transfers and Subsidies	-	-	-	-	-	-	0 %	-	-
Payment for Capital Assets	-	-	-	-	-	-	0 %	-	-
Total	4,469,305	-	-	4,469,305	4,453,496	15,809	100 %	3,744,400	3,829,067
Reconciliation with Statement of Financial Performance									
ADD									
Departmental Receipts				39,691				7,741	
Direct Exchequer Receipts				-				-	
Aid Assistance				2,306				19,412	
Actual amounts per Statement of Financial Performance (Total Revenue)				4,511,302				3,771,553	
ADD									
Aid Assistance					10,820				9,223
Direct Exchequer Payments					-				
Prior year Unauthorised Expenditure approved without funding					-				
Actual amounts per Statement of Financial Performance (Total Expenditure)					4,464,316				3,838,290

Appropriation per economic classification									
	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments	3,959,988	(2,724)	-	3,957,264	4,051,611	(94,347)	102 %	3,371,933	3,454,003
Compensation of Employees	2,706,811	84,978	9,383	2,801,172	2,881,158	(79,986)	104 %	2,262,363	2,351,744
Goods and Services	1,253,177	(87,702)	(9,383)	1,156,092	1,169,465	(13,373)	100 %	1,109,570	1,098,712
Financial transactions in Assets and Liabilities	-	-	-	-	988	(988)	(100 %)	-	3,547
Transfers and Subsidies	87,897	1,282	-	89,179	75,793	13,386	85 %	72,243	72,364
Provinces and Municipalities	-	863	-	863	887	(24)	103 %	7,200	6,849
Departmental Agencies and Accounts	2,000	-	-	2,000	2,000	-	100 %	2,000	2,000
Public Corporations and Private Enterprises	-	-	266	266	266	-	100 %	300	84
Non-profit Institutions	49,988	(65)	(266)	49,657	44,084	5,573	89 %	30,178	32,109
Households	35,909	484	-	36,393	28,556	7,837	78 %	32,565	31,322
Payments for Capital Assets	421,420	1,442	-	422,862	326,092	96,770	77 %	300,224	302,700
Buildings and other Fixed Structures	330,807	(12,429)	-	318,378	245,001	73,377	81 %	215,024	227,845
Machinery and Equipment	86,782	13,871	-	100,653	81,091	19,562	68 %	84,049	73,851
Software and other Intangible Assets	3,831	-	-	3,831	-	3,831	0 %	1,151	1,004
Total	4,469,305	-	-	4,469,305	4,453,496	15,809	100 %	3,744,400	3,829,067

Detail per Sub-programme Programme I	2008/09					2007/08	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%
I.1 Office of the MEC	4,378	-	(884)	3,494	2,906	588	83 %
Current Payment	4,378	-	(884)	3,494	2,903	591	83 %
Payment for Capital Assets	-	-	-	-	3	(3)	0 %
I.2 Management	197,270	-	(15,206)	182,064	171,815	10,249	94 %
Current Payment	193,155	(1,048)	(15,206)	176,901	169,090	7,811	96 %
Transfers and Subsidies	331	1,048	-	1,379	1,403	(24)	102 %
Payment for Capital Assets	3,784	-	-	3,784	1,322	2,462	35 %
Total	201,648	-	(16,090)	185,558	174,721	10,837	94 %

Economic Classification Programme I	2008/09					2007/08	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%
Current Payments	197,533	(1,048)	(16,090)	180,395	171,993	8,402	95 %
Compensation of Employees	135,592	-	(7,581)	128,011	128,011	-	100 %
Goods and Services	61,941	(1,048)	(8,509)	52,384	42,994	9,390	82 %
Financial transactions in Assets and Liabilities	-	-	-	-	988	(988)	0 %
Transfers and Subsidies to: Provinces and Municipalities	331	1,048	-	1,379	1,403	(24)	102 %
Public Corporations and Private Enterprises	-	863	-	863	887	(24)	103 %
Non-profit Institutions	-	-	266	266	266	-	100 %
Households	331	(65)	(266)	-	-	-	0 %
Payment for Capital Assets	-	250	-	250	250	-	100 %
Machinery and Equipment	3,784	-	-	3,784	1,325	2,459	35 %
Software and other Intangible Assets	3,784	-	-	3,784	1,325	2,459	35 %
Total	201,648	-	(16,090)	185,558	174,721	10,837	94 %

2008/09					2007/08	
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Detail per Sub-programme Programme 2	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 District Management	66,620	(484)	-	66,136	36,869	29,267	56 %	54,985	50,089
Current Payment	65,395	(484)	-	64,911	36,255	28,656	56 %	53,765	49,459
Transfers and Subsidies	86	-	-	86	142	(56)	165 %	85	42
Payment for Capital Assets	1,139	-	-	1,139	472	667	41 %	1,135	588
2.2 Community Health Clinics	371,272	(5,266)	-	366,006	388,107	(22,101)	106 %	204,291	237,252
Current Payment	368,877	(5,266)	-	363,611	387,378	(23,767)	107 %	195,540	229,922
Transfers and Subsidies	260	-	-	260	404	(144)	155 %	7,392	7,047
Payment for Capital Assets	2,135	-	-	2,135	325	1,810	15 %	1,359	283
2.3 Community Health Centre	60,960	1,732	-	62,692	49,296	13,396	79 %	54,345	61,355
Current Payment	60,402	1,732	-	62,134	49,057	13,077	79 %	53,923	61,279
Transfers and Subsidies	-	-	-	-	82	(82)	0 %	-	7
Payment for Capital Assets	558	-	-	558	157	401	28 %	422	69
2.4 Community Based Services	180,521	(3,262)	-	177,259	248,289	(71,030)	140 %	241,118	240,580
Current Payment	176,816	(3,262)	-	173,554	245,058	(71,504)	141 %	238,206	238,448
Transfers and Subsidies	-	-	-	-	520	(520)	0 %	552	551
Payment for Capital Assets	3,705	-	-	3,705	2,711	994	73 %	2,360	1,581
2.5 HIV/AIDS	217,534	-	-	217,534	214,453	3,081	99 %	181,251	170,032
Current Payment	159,361	5,558	-	164,919	168,651	(3,732)	102 %	143,405	135,274
Transfers and Subsidies	48,612	-	-	48,612	43,148	5,464	89 %	29,228	31,382
Payment for Capital Assets	9,561	(5,558)	-	4,003	2,654	1,349	66 %	8,618	3,376
2.6 Nutrition	8,746	(22)	-	8,724	7,898	826	91 %	9,070	11,401
Current Payment	8,698	(22)	-	8,676	7,859	817	91 %	8,978	11,299
Transfers and Subsidies	-	-	-	-	23	(23)	0 %	48	48
Payment for Capital Assets	48	-	-	48	16	32	33 %	44	54
2.7 Coroner Services	46,698	-	-	46,698	35,802	10,896	77 %	83,713	54,486
Current Payment	30,398	(7,000)	-	23,398	21,397	2,001	91 %	28,822	21,604

Transfers and Subsidies	-	-	-	-	-	-	0 %	-	19
Payment for Capital Assets	16,300	7,000	-	23,300	14,405	8,895	62 %	54,891	32,863
2.8 District Hospitals	633,325	7,302	6,041	646,668	667,788	(21,120)	103 %	555,746	583,175
Current Payment	622,683	7,302	6,041	636,026	660,511	(24,485)	104 %	545,855	575,915
Transfers and Subsidies	1,013	-	-	1,013	1,642	(629)	162 %	1,523	1,522
Payment for Capital Assets	9,629	-	-	9,629	5,635	3,994	59 %	8,368	5,738
Total	1,585,676	-	6,041	1,591,717	1,648,502	(56,785)	104 %	1,384,519	1,408,370

Economic Classification Programme 2	2008/09						2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments	1,492,630	(1,442)	6,041	1,497,229	1,576,167	(78,938)	105 %	1,268,494	1,323,200
Compensation of Employees	1,061,383	30,208	6,041	1,097,632	1,176,570	(78,938)	107 %	844,019	897,543
Goods and Services	431,247	(31,650)	-	399,597	399,597	-	100 %	424,475	425,657
Transfers and Subsidies to:	49,971	-	-	49,971	45,961	4,010	92 %	38,828	40,618
Provinces and Municipalities	-	-	-	-	-	-	0 %	7,200	6,835
Non-profit Institutions	48,612	-	-	48,612	43,117	5,495	89 %	29,228	31,383
Households	1,359	-	-	1,359	2,844	(1,485)	209 %	2,400	2,400
Payment for Capital Assets	43,075	1,442	-	44,517	26,374	18,143	59 %	77,197	44,552
Buildings and other Fixed Structures	17,886	4,438	-	22,324	14,385	7,939	64 %	56,791	32,957
Machinery and Equipment	24,771	(2,996)	-	21,775	11,989	9,786	55 %	20,265	11,528
Software and other Intangible Assets	418	-	-	418	-	418	0 %	141	67
Total	1,585,676	-	6,041	1,591,717	1,648,502	(56,785)	104 %	1,384,519	1,408,370

2008/09						2007/08	
Detail per Sub-programme Programme 3	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%
3.1 Emergency Transport	215,125	-	5,167	220,292	219,273	1,019	100 %
Current Payment	194,515	-	5,167	199,682	202,609	(2,927)	101 %
Transfers and Subsidies	-	-	-	-	43	(43)	0 %
Payment for Capital Assets	20,610	-	-	20,610	16,621	3,989	81 %
3.2 Planned Patient Transport	5,506	-	-	5,506	6,525	(1,019)	119 %
Current Payment	5,506	-	-	5,506	6,525	(1,019)	119 %
Transfers and Subsidies	-	-	-	-	-	-	0 %
Total	220,631	-	5,167	225,798	225,798	-	100 %

2008/09						2007/08	
Economic Classification Programme 3	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%
Current Payments	200,021	-	5,167	205,188	209,134	(3,946)	102 %
Compensation of Employees	112,063	(121)	-	111,942	111,942	-	100 %
Goods and Services	87,958	121	5,167	93,246	97,192	(3,946)	104 %
Transfers and Subsidies to:	-	-	-	-	43	(43)	(100 %)
Households	-	-	-	-	43	(43)	0 %
Payment for Capital Assets	20,610	-	-	20,610	16,621	3,989	81 %
Buildings and other Fixed Structures	-	3,092	-	3,092	2,401	691	78 %
Machinery and Equipment	20,610	(3,092)	-	17,518	14,220	3,298	81 %
Total	220,631	-	5,167	225,798	225,798	-	100 %

Detail per Sub-programme Programme 4	2008/09					2007/08			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 General Hospital	1,006,273	-	7,126	1,013,399	995,804	17,595	98 %	810,668	820,821
Current Payment	987,382	-	7,126	994,508	981,887	12,621	99 %	796,254	811,040
Transfers and Subsidies	765	-	-	765	2,860	(2,095)	374 %	1,530	1,530
Payment for Capital Assets	18,126	-	-	18,126	11,057	7,069	61 %	12,884	8,251
4.2 Psychiatric/Mental Hospital	164,444	-	2,346	166,790	174,872	(8,082)	105 %	146,804	176,545
Current Payment	161,127	-	2,346	163,473	172,018	(8,545)	105 %	141,884	172,680
Transfers and Subsidies	1,970	-	-	1,970	1,570	400	80 %	1,950	1,726
Payment for Capital Assets	1,347	-	-	1,347	1,284	63	95 %	2,970	2,139
Total	1,170,717	-	9,472	1,180,189	1,170,676	9,513	99 %	957,472	997,366

2008/09							2007/08		
Economic Classification Programme 4	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments	1,148,509	-	9,472	1,157,981	1,153,905	4,076	100 %	938,138	983,720
Compensation of Employees	783,638	44,939	9,472	838,049	834,581	3,468	100 %	650,190	698,152
Goods and Services	364,871	(44,939)	-	319,932	319,324	608	100 %	287,948	285,568
Transfers and Subsidies to:	2,735	-	-	2,735	4,430	(1,695)	162 %	3,480	3,256
Non-profit Institutions	1,045	-	-	1,045	967	78	93 %	950	726
Households	1,690	-	-	1,690	3,463	(1,773)	205 %	2,530	2,530
Payment for Capital Assets	19,473	-	-	19,473	12,341	7,132	63 %	15,854	10,390
Machinery and Equipment	19,060	-	-	19,060	12,341	6,719	65 %	15,854	10,390
Software and other Intangible Assets	413	-	-	413	-	413	0 %	-	-
Total	1,170,717	-	9,472	1,180,189	1,170,676	9,513	99 %	957,472	997,366

2008/09							2007/08		
Detail per Sub-programme Programme 5	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Central Hospital Services	781,154	-	7,260	788,414	813,713	(25,299)	103 %	685,935	693,694
Current Payment	769,954	-	3,796	773,750	801,689	(27,939)	104 %	671,747	680,440
Transfers and Subsidies	1,200	-	826	2,026	2,026	-	100 %	2,188	2,188
Payment for Capital Assets	10,000	-	2,638	12,638	9,998	2,640	79 %	12,000	11,066
Total	781,154	-	7,260	788,414	813,793	(25,299)	103 %	685,935	693,694

2008/09							2007/08		
Economic Classification Programme 5	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments	769,954	-	3,796	773,750	801,689	(27,939)	104 %	671,747	680,440
Compensation of Employees	509,548	4,972	3,796	518,316	523,870	(5,554)	105 %	443,983	452,676
Goods and Services	260,406	(4,972)	-	255,434	277,819	(22,385)	101 %	227,764	227,764
Transfers and Subsidies to:	1,200	-	826	2,026	2,026	-	100 %	2,188	2,188
Households	1,200	-	826	2,026	2,026	-	100 %	2,188	2,188
Payment for Capital Assets	10,000	-	2,638	12,638	9,998	2,640	79 %	12,000	11,066
Machinery and Equipment	10,000	-	2,638	12,638	9,998	2,640	79 %	12,000	11,066
Total	781,154	-	7,260	788,414	813,713	(25,299)	103 %	685,935	693,694

Detail per Sub-programme Programme 6	2008/09					2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
6.1 Nurse Training College	48,839	-	-	48,839	50,482	(1,643)	103 %	-
Current Payment	48,513	-	-	48,513	50,100	(1,587)	103 %	(36)
Transfers and Subsidies	-	-	-	-	114	(114)	0 %	-
Payment for Capital Assets	326	-	-	326	268	58	82 %	-
6.2 Bursaries	10,702	-	-	10,702	10,702	-	100 %	9,689
Transfers and Subsidies	10,702	-	-	10,702	10,702	-	100 %	9,689
6.3 Primary Health Care Training	51,786	(1,771)	(3,464)	46,551	32,897	13,654	71 %	74,786
Current Payment	25,492	(1,075)	-	24,417	22,322	2,095	91 %	66,621
Transfers and Subsidies	20,938	-	(826)	20,112	8,851	11,261	44 %	14,235
Payment for Capital Assets	5,356	(696)	(2,638)	2,022	1,724	298	85 %	2,765
6.4 Other Training	19,911	1,771	(6,041)	15,641	13,681	1,960	87 %	18,068
Current Payment	19,911	1,075	(6,041)	14,945	12,620	2,325	84 %	18,061
Transfers and Subsidies	-	-	-	-	9	(9)	0 %	-
Payment for Capital Assets	-	696	-	696	1,052	(356)	151 %	7
Total	131,238	-	(9,505)	121,733	107,762	13,971	89 %	111,400
								98,727

Economic Classification Programme 6	2008/09					2007/08		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Current Payments	93,916	-	(6,041)	87,875	85,042	2,833	97 %	84,682
Compensation of Employees	56,350	6,523	-	62,873	62,855	18	100 %	53,562
Goods and Services	37,566	(6,523)	(6,041)	25,002	22,187	2,815	89 %	31,120
Transfers and Subsidies to:	31,640	-	(826)	30,814	19,676	11,138	64 %	23,946
Households	31,640	-	(826)	30,814	19,676	11,137	64 %	23,946
Payment for Capital Assets	5,682	-	(2,638)	3,044	3,044	-	100 %	2,772
Buildings and other Fixed Structures	-	696	-	696	696	-	100 %	2,603
Machinery and Equipment	5,682	(696)	(2,638)	2,348	2,348	-	100 %	-
Software and other Intangible Assets	-	-	-	-	-	-	0 %	169
Total	131,238	-	(9,505)	121,733	107,762	13,971	89 %	111,400
								98,727

Detail per Sub-programme Programme 7	2008/09					2007/08	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%
7.1 Laundries	54,366	-	(1,526)	52,840	53,291	(451)	101 %
Current Payment	52,105	(124)	(1,526)	50,455	52,482	(2,027)	104 %
Transfers and Subsidies	20	124	-	144	144	-	100 %
Payment for Capital Assets	2,241	-	-	2,241	665	1,576	30 %
7.2 Orthotic & Prosthetic Services	10,307	-	(819)	9,488	8,859	629	93 %
Current Payment	10,307	(3)	(819)	9,485	8,808	677	93 %
Transfers and Subsidies	-	3	-	3	3	-	100 %
Payment for Capital Assets	-	-	-	-	48	(48)	0 %
7.3 Medpas Trading Account	2,000	-	-	2,000	2,000	-	100 %
Transfers and Subsidies	2,000	-	-	2,000	2,000	-	100 %
Total	66,673	-	(2,345)	64,328	64,150	178	100 %

Economic Classification Programme 7	2008/09					2007/08	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%
Current Payments	62,412	(127)	(2,345)	59,940	61,290	(1,350)	102 %
Compensation of Employees	45,561	(1,543)	(2,345)	41,673	41,673	-	100 %
Goods and Services	16,851	1,416	-	18,267	19,617	(1,350)	107 %
Transfers and Subsidies to:	2,020	127	-	2,147	2,147	-	100 %
Departmental Agencies and Accounts	2,000	-	-	2,000	2,000	-	100 %
Households	20	127	-	147	147	-	100 %
Payment for Capital Assets	2,241	-	-	2,241	713	1,528	32 %
Machinery and Equipment	2,241	-	-	2,241	713	1,528	32 %
Total	66,673	-	(2,345)	64,328	64,150	178	100 %

Detail per Sub-programme Programme 8	2008/09					2007/08			
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
8.1 Community Health Services	79,815	-	-	79,815	53,748	26,067	67 %	-	-
Current Payment	-	-	-	-	2	(2)	0 %	-	-
Payment for Capital Assets	79,815	-	-	79,815	53,746	26,069	67 %	-	-
8.2 District Hospital Services	211,753	-	-	211,753	175,002	36,751	83 %	99,584	134,596
Current Payment	20,013	(107)	-	19,906	16,985	2,921	85 %	17,911	15,959
Transfers and Subsidies	-	107	-	107	107	-	100 %	-	-
Payment for Capital Assets	191,740	-	-	191,740	157,910	33,830	82 %	81,673	118,637
8.3 Provincial Health Services	45,000	-	-	45,000	44,246	754	98 %	80,419	76,351
Current Payment	-	-	-	-	226	(226)	0 %	437	96
Payment for Capital Assets	45,000	-	-	45,000	44,020	980	98 %	79,982	76,255
Total	336,568	-	-	336,568	272,996	63,572	81 %	180,003	210,947

Economic Classification Programme 8	2008/09					2007/08			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current Payments	20,013	(107)	-	19,906	17,213	2,693	86 %	18,348	16,055
Compensation of Employees	2,676	-	-	2,676	1,656	1,020	62 %	-	-
Goods and Services	17,337	(107)	-	17,230	15,557	1,673	90 %	18,348	16,055
Transfers and Subsidies to:	-	107	-	107	107	-	100 %	-	-
Households	-	107	-	107	107	-	100 %	-	-
Payment for Capital Assets	316,555	-	-	316,555	255,676	60,879	81 %	161,655	194,892
Buildings and other Fixed Structures	312,921	(20,655)	-	292,266	227,519	51,636	82 %	154,195	187,433
Machinery and Equipment	634	20,655	-	21,289	28,157	6,243	71 %	7,460	7,459
Software and other Intangible Assets	3,000	-	-	3,000	-	3,000	0 %	-	-
Total	336,568	-	-	336,568	272,996	63,572	81 %	180,003	210,947

2008/09							2007/08	
Detail per Sub-programme Programme 9	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
9.1 Internal Charges	(25 000)	-	-	(25,000)	(24,822)	(178)	99 %	(20,690)
Current Payment	(25 000)	-	-	(25,000)	(24,822)	(178)	99 %	(20,690)
Total	(25 000)	-	-	(25,000)	(24,822)	(178)	99 %	(20,690)

2008/09							2007/08	
Economic Classification Programme 9	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Current Payments	(25 000)	-	-	(25,000)	(24,822)	(178)	99 %	(20,690)
Goods and Services	(25 000)	-	-	(25,000)	(24,822)	(178)	99 %	(20,690)
Total	(25 000)	-	-	(25,000)	(24,822)	(178)	99 %	(20,690)

NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

1. DETAIL OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):

Detail of these transactions can be viewed in note 7 (Transfers and Subsidies) and Annexure I (G-L) to the Annual Financial Statements.

2. DETAIL OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT):

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

3. DETAIL ON FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Detail of these transactions per programme can be viewed in note 6 (Financial transactions in Assets and Liabilities) to the Annual Financial Statements.

4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

4.1 Per Programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Programme 1	185,558	174,721	10,837	5.84 %

The under-expenditure in Programme 1 have been initiated by the department to assist in the implementation of stringency measures due to cash flow restrictions applied by the Provincial Treasury.

Programme 2	1,591,717	1,648,502	(56,785)	-3.57 %
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The over-expenditure in Programme 2 is due to an over-expenditure on Compensation of Employees of R75,784 million. The over-expenditure on personnel is related to the implementation of Occupational Specific Dispensation (OSD) for nurses, which was not adequately funded by National sources.

Programme 5	788,414	813,713	(25,299)	-3.21 %
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The over-expenditure in Programme 5 is due to the change in the accounting treatment of the Public Private Partnership between the Free State Department of Health and Netcare. An amount of R22,019 million was paid by the department for the Radiology Fees rendered by Netcare and an amount of R3,269 million was received from Netcare for Water and Electricity usage.

Programme 6	121,733	107,762	13,971	11.48 %
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The under-expenditure in Programme 6 culminated from under-expenditure on Goods and Services to the amount of R2,814 million and Bursaries to the amount of R11,138 million to students which were only paid after 31 March 2009, due to cash flow restrictions from Provincial Treasury experienced during February and March 2009.

Programme 8	336,568	272,996	63,572	18.89 %
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The under-expenditure in Programme 8 is due to an under-expenditure of R60,863 million in various capital projects. The under-expenditure on capital projects are due to cash flow restrictions from Provincial Treasury experienced during February and March 2009.

4.2 Per Economic Classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current Expenditure:	3,957,264	4,051,611	(94,347)	(2.3 %)
Compensation of Employees	2,801,172	2,881,158	(79,986)	(2.86 %)
Goods and Services	1,156,092	1,169,465	(13,373)	(1.16 %)
Financial transactions in Assets and Liabilities	-	988	(988)	(100 %)
Transfers and Subsidies:	89,179	75,793	13,386	15 %
Provinces and Municipalities	863	887	(24)	(2.7 %)
Departmental Agencies and Accounts	2,000	2,000	-	0 %
Public Corporations and Private Enterprises	266	266	-	0 %
Non-profit Institutions	49,657	44,084	5,573	11.2 %
Households	36,393	28,556	7,837	21.5 %
Payments for Capital Assets:	422,862	326,092	96,770	23 %
Buildings and other Fixed Structures	318,378	258,112	60,266	18.9 %
Machinery and Equipment	100,653	67,980	32,673	32 %
Software and other Intangible Assets	3,831	-	3,831	100 %
Total	4,469,305	4,453,496	15,809	0.3 %

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2009

	Note	2008/09 R'000	2007/08 R'000
REVENUE			
Annual Appropriation	1	4,469,305	3,744,400
Departmental Revenue	2	39,691	7,741
Aid Assistance	3	2,306	19,412
TOTAL REVENUE		4,511,302	3,771,553
EXPENDITURE			
Current Expenditure		4,056,761	3,461,761
Compensation of Employees	4	2,881,157	2,351,744
Goods and Services	5	1,169,466	1,098,712
Financial transactions in Assets and Liabilities	6	988	3,547
Aid Assistance	3	5,150	7,758
Transfers and Subsidies		80,015	72,364
Transfers and Subsidies	7	75,793	72,364
Aid Assistance	3	4,222	-
Expenditure for Capital Assets		327,540	304,165
Tangible Capital Assets	8	327,540	303,161
Software and other Intangible Assets	8	-	1,004
TOTAL EXPENDITURE		4,464,316	3,838,290
SURPLUS/(DEFICIT) FOR THE YEAR		46,986	(66,737)
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		15,809	(84,667)
Departmental Revenue	2	39,691	7,741
Aid Assistance	3	(8,514)	10,189
SURPLUS/(DEFICIT) FOR THE YEAR		46,986	(66,737)

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2009

	Note	2008/09 R'000	2007/08 R'000
ASSETS			
Current assets		464,434	346,928
Unauthorised Expenditure	9	427,907	310,150
Fruitless and Wasteful Expenditure	10	4,481	4,930
Cash and Cash Equivalents	11	131	131
Prepayments and Advances	12	38	78
Receivables	13	31,877	31,639
TOTAL ASSETS		464,434	346,928
LIABILITIES			
Current Liabilities		447,201	335,554
Voted Funds to be surrendered to the Revenue Fund	14	208,100	79,366
Departmental Revenue to be surrendered to the Revenue Fund	15	51,547	40,510
Bank Overdraft	16	178,827	197,173
Payables	17	71	1,335
Aid Assistance unutilised	3	8,656	17,170
TOTAL LIABILITIES		447,201	335,554
NET ASSETS		17,233	11,374
Represented by:			
Recoverable Revenue		17,233	11,374
TOTAL		17,233	11,374

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2009

	Note	2008/09 R'000	2007/08 R'000
NET ASSETS			
Recoverable Revenue			
Opening Balance		11,374	10,094
Transfers:		5,859	1,280
Debts recovered (included in Departmental Receipts)		(918)	(3,260)
Debts raised		6,777	4,540
Closing Balance		17,233	11,374
TOTAL		17,233	11,374

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

CASH FLOW	Note	2008/09 R'000	2007/08 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		4,594,599	3,844,643
Annual Appropriated Funds received	1.1	4,469,305	3,744,400
Departmental Revenue received	2	122,988	80,831
Aid Assistance received	5	2,306	19,412
Net (increase)/decrease in working Capital		(118,770)	(1,356)
Surrendered to Revenue Fund		(119,091)	(226,974)
Current Payments		(3,939,004)	(3,329,744)
Transfers and Subsidies paid		(80,015)	(72,364)
Net Cash flow available from Operating Activities	18	337,719	214,205
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Capital Assets	8	(327,540)	(304,165)
Proceeds from sale of Capital Assets	2	2,308	2,814
Net Cash flows from Investing Activities		(325,232)	(301,351)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in Net Assets		5,859	1,280
Net Cash flows from Financing Activities		5,859	1,280
Net increase/(decrease) in Cash and Cash Equivalents		18,346	(85,866)
Cash and Cash Equivalents at the beginning of the period		(197,042)	(111,176)
Cash and Cash Equivalents at end of period	19	(178,696)	(197,042)

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2009

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

I. PRESENTATION OF THE FINANCIAL STATEMENTS

I.1 Basis of preparation

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures - Appropriation Statement

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

2. REVENUE

2.1 Appropriated funds

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

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

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

2.2 Statutory Appropriation

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

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

Unexpended statutory appropriations are surrendered to the Provincial Revenue Fund. Amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised in the Statement of Financial Position.

2.3 Departmental revenue

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

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

2.3.1 Tax revenue

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

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

2.3.2 Sales of goods and services other than capital assets

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

2.3.3 Fines, penalties & forfeits

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

2.3.4 Interest, dividends and rent on land

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

2.3.5 Sale of capital assets

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

2.3.6 Financial transactions in assets and liabilities

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

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

Forex gains are recognised on payment of funds.

2.3.7 Transfers received (including gifts, donations and sponsorships)

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

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

2.4 Direct Exchequer receipts

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

All direct exchequer payments are recognised in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

2.5 Aid assistance

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

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

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

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

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

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

3. EXPENDITURE

3.1 Compensation of employees

3.1.1 Short-term employee benefits

Salaries and wages comprise payments to employees (including leave entitlements, thirteenth cheques and performance bonuses). Salaries and wages are recognised as an expense in the Statement of Financial Performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

All other payments are classified as current expense.

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

3.1.2 Post retirement benefits

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

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

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

3.1.3 Termination benefits

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

3.1.4 Other long-term employee benefits

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

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

3.2 Goods and services

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

3.3 Interest and rent on land

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

3.4 Financial transactions in assets and liabilities

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

Forex losses are recognised on payment of funds.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6 Unauthorised expenditure

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

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

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable in the Statement of Financial Performance.

3.9 Expenditure for capital assets

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

4. ASSETS

4.1 Cash and cash equivalents

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

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2 Other financial assets

Other financial assets are carried in the Statement of Financial Position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the Statement of Financial Position when the payments are made.

Pre-payments and advances outstanding at the end of the year are carried in the Statement of Financial Position at cost.

4.4 Receivables

Receivables included in the Statement of Financial Position arise from cash payments made that are recoverable from another party.

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

4.5 Investments

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

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

4.6 Loans

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

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

4.7 Inventory

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

4.8 Capital Assets

4.8.1 Movable assets

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

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

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

4.8.2 Immovable assets

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

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

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

5. LIABILITIES

5.1 Voted funds to be surrendered to the Revenue Fund

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

5.2 Departmental revenue to be surrendered to the Revenue Fund

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

5.3 Direct Exchequer receipts to be surrendered to the Revenue Fund

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

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

5.4 Bank overdraft

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

5.5 Payables

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

5.6 Contingent liabilities

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

5.7 Commitments

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

5.8 Accruals

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

5.9 Employee benefits

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

5.10 Lease commitments

Finance leases

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

Operating leases

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

6. RECEIVABLES FOR DEPARTMENTAL REVENUE

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7. NET ASSETS

7.1 Capitalisation reserve

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

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year.

8. RELATED PARTY TRANSACTIONS

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

9. KEY MANAGEMENT PERSONNEL

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

10. PUBLIC PRIVATE PARTNERSHIPS

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

I. ANNUAL APPROPRIATION

I.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Appropriation received 2007/08
	R'000	R'000	R'000	R'000
Administration	185,558	185,558	-	194,410
District Health Services	1,591,717	1,591,717	-	1,384,519
Emergency Medical Services	225,798	225,798	-	191,585
Provincial Hospital Management	1,180,189	1,180,189	-	957,472
Central Hospital Services	788,414	788,414	-	685,935
Health Sciences and Training	121,733	121,733	-	111,400
Health Care Support Services	64,328	64,328	-	66,955
Health Facilities Management	336,568	336,568	-	180,003
Internal Charges	(25,000)	(25,000)	-	(27,879)
Total	4,469,305	4,469,305	-	3,744,400

Note

2008/09
R'000

2007/08
R'000

I.2 Conditional Grants

Total Grants received	Annex I A	1,236,435	980,357
Provincial Grants included in Total Grants received		45,000	30,000

Note	2008/09 R'000	2007/08 R'000
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2. DEPARTMENTAL REVENUE

Sales of Goods and Services other than Capital Assets	2.1	118,580	72,009
Interest, Dividends and Rent on Land	2.2	535	2,455
Sales of Capital Assets	2.3	2,308	2,814
Financial transactions in Assets and Liabilities	2.4	3,873	6,367
Total Revenue collected		125,296	83,645
Less: Own Revenue included in Appropriation		85,605	75,904
Departmental Revenue collected		39,691	7,741

2.1 Sales of Goods and Services other than Capital Assets

Sales of Goods and Services produced by the Department	118,422	71,912
Other Sales	118,422	71,912
Sales of Scrap, Waste and other used Current Goods	158	97
Total	118,580	72,009

2.2 Interest, Dividends and Rent on Land

Interest	535	2,455
Total	535	2,455

2.3 Sale of Capital Assets

Tangible Capital Assets	2,308	2,814
Machinery and Equipment	2,308	2,814
Total	2,308	2,814

2.4 Financial transactions in Assets and Liabilities

Receivables	1,273	3,366
Other Receipts including Recoverable Revenue	2,600	3,001
Total	3,873	6,367

Note	2008/09 R'000	2007/08 R'000
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3. AID ASSISTANCE

3.1 Aid Assistance received in Cash from RDP

Foreign

Opening Balance	14,169	4,097
Revenue	667	17,873
Expenditure	(9,157)	(7,801)
Current	(3,487)	(6,336)
Capital	(1,448)	(1,465)
Transfers	(4,222)	-
Closing Balance	5,679	14,169

3.2 Aid Assistance received in Cash from Other Sources

Local

Opening Balance	3,001	2,884
Revenue	1,639	1,539
Expenditure	(1,663)	(1,422)
Current	(1,663)	(1,422)
Closing Balance	2,977	3,001

3.3 Total

Opening Balance	17,170	6,981
Revenue	2,306	19,412
Expenditure	(10,820)	(9,223)
Current	(5,150)	(7,758)
Capital	(1,448)	(1,465)
Transfers	(4,222)	-
Closing Balance	8,656	17,170

Analysis of balance

Aid assistance unutilised	8,656	17,170
RDP	5,679	14,169
Other sources	2,977	3,001
Closing Balance	8,656	17,170

Note	2008/09 R'000	2007/08 R'000
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4. COMPENSATION OF EMPLOYEES

4.1 Salaries and Wages

Basic Salary	1,922,294	1,566,092
Performance Award	13,052	36,465
Service Based	5,344	4,442
Compensative/Circumstantial	261,932	222,734
Periodic Payments	4,104	4,021
Other Non-pensionable Allowances	309,989	218,626
Total	2,516,715	2,052,380

4.2 Social Contributions

Employer Contributions

Pension	242,538	199,570
Medical	121,424	99,319
Bargaining Council	480	475
Total	364,442	299,364

Total Compensation of Employees	2,881,157	2,351,744
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Average number of Employees	16,248	16,088
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5. GOODS AND SERVICES

Administrative fees		482	447
Advertising		6,108	6,475
Assets less than R5,000	5.1	12,699	10,932
Bursaries (employees)		83	-
Catering		5,790	5,507
Communication		44,641	40,399
Computer services	5.2	19,731	16,488
Consultants, Contractors and Agency/Outsourced services	5.3	402,472	205,834
Entertainment		665	40
Audit cost – External	5.4	7,222	5,852
Inventory	5.5	559,115	553,008
Maintenance, Repairs and Running costs		-	127,995
Operating Leases		29,805	28,703
Owned and Leasehold Property Expenditure	5.6	38,859	34,170
Transport provided as part of the Departmental Activities		-	134
Travel and Subsistence	5.7	23,104	40,258
Venues and Facilities		1,084	1,121
Training and Staff Development		13,384	17,155
Other Operating Expenditure	5.8	4,222	4,194
Total		1,169,466	1,098,712

As disclosed in note 5 to the financial statements, the corresponding figures for goods and services for the year ended 31 March 2008 have not been restated to reflect the reclassification of certain expenditure items according to the Standard Chart of Accounts (SCOA). The effect thereof is that the expenditure for the years ended 31 March 2008 and 31 March 2009 may not be comparable in all instances.

	Note	2008/09 R'000	2007/08 R'000
5.1 Assets less than R5,000			
Tangible assets		12,699	10,932
Machinery and Equipment		12,699	10,932
Total		12,699	10,932
5.2 Computer Services			
SITA Computer Services		14,315	14,859
External Computer Service Providers		5,416	1,629
Total		19,731	16,488
5.3 Consultants, Contractors and Agency/Outsourced Services			
Business and Advisory Services		7,136	40,349
Infrastructure and Planning		6,583	-
Laboratory Services		152,811	102,029
Legal Costs		260	140
Contractors		143,173	54,724
Agency and Support/Outsourced Services		92,509	8,592
Total		402,472	205,834
5.4 Audit cost – External			
Regularity Audits		7,069	4,895
Performance Audits		21	-
Forensic Audits		132	957
Total		7,222	5,852
5.5 Inventory			
Learning and teaching support material		-	85
Food and food supplies		39,445	42,903
Fuel, oil and gas		11,945	10,246
Other consumable materials		81,313	37,795
Maintenance material		3,624	8,315
Stationery and printing		14,634	18,293
Medical supplies		408,154	435,371
Total		559,115	553,008

	Note	2008/09 R'000	2007/08 R'000
5.6 Owned and Leasehold Property Expenditure			
Other		38,859	34,170
Total		38,859	34,170

5.7 Travel and Subsistence

Local	22,567	39,719
Foreign	537	539
Total	23,104	40,258

5.8 Other Operating Expenditure

Professional bodies, Membership and Subscription Fees	421	1,065
Resettlement Costs	3,160	3,125
Other	641	4
Total	4,222	4,194

6. FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Material losses through criminal conduct		135	50
Other material losses	6.1	135	50
Other material losses written off	6.2	853	3,497
Total		988	3,547

6.1 Other Material Losses

Nature of other Material Losses

Incident	Disciplinary Steps taken/ Criminal proceedings		
Criminal	None	135	50
Total		135	50

6.2 Other Material Losses written off

Nature of Losses

Claims by State	120	50
Sundry Items	48	609
Vehicle Accidents/Own Damage	214	642
Claims against the State: Mobile Government Vehicles	5	181
Claims against the State: Other Claims	-	1,000
Nutrition Losses	7	-
Fruitless & Wasteful Expenditure	459	-
Fraudulently Cashed Cheques	-	1,015
Total	853	3,497

Note	2008/09 R'000	2007/08 R'000
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7. TRANSFERS AND SUBSIDIES

Provinces and Municipalities	Annex IE	-	6,849
Departmental Agencies and Accounts	Annex IG	2,000	2,000
Public Corporations and Private Enterprises	Annex II	266	84
Non-profit Institutions	Annex IK	44,084	32,109
Households	Annex IL	29,443	31,322
Total		75,793	72,364

8. EXPENDITURE FOR CAPITAL ASSETS

Tangible assets	327,540	303,161
Buildings and other Fixed Structures	245,555	227,845
Machinery and Equipment	81,985	75,316
Software and other Intangible Assets	-	1,004
Computer Software	-	1,004
Total	327,540	304,165

8.1 Analysis of Funds utilised to acquire Capital Assets – 2008/09

	Voted Funds R'000	Aid Assistance R'000	Total R'000
Tangible assets	326,092	1,448	327,540
Machinery and Equipment	326,092	1,448	327,540
Total	326,092	1,448	327,540

8.2 Analysis of Funds utilised to acquire Capital Assets – 2007/08

	Voted Funds R'000	Aid Assistance R'000	Total R'000
Total Assets acquired	302,700	1,465	304,165

9. UNAUTHORISED EXPENDITURE

9.1 Reconciliation of Unauthorised Expenditure

Opening Balance	310,150	327,260
Unauthorised Expenditure – discovered in current year	117,757	132,017
Less: Amounts approved by Parliament/Legislature (with funding)	-	(149,127)
Unauthorised Expenditure awaiting authorisation	427,907	310,150

Analysis of awaiting authorisation per Economic Classification

Current	424,582	310,150
Transfers and Subsidies	3,325	-
Total	427,907	310,150

9.2 Details of Unauthorised Expenditure – Current Year

Incident	Disciplinary steps taken/criminal proceedings	2008/09 R'000
Over-expenditure - Programme 1	None	1,012
Over-expenditure – Programme 2	None	80,422
Over-expenditure – Programme 3	None	3,989
Over-expenditure – Programme 4	None	3,044
Over-expenditure – Programme 5	None	27,940
Over-expenditure – Programme 7	None	1,350
Total		117,757

Note	2008/09 R'000	2007/08 R'000
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10. FRUITLESS AND WASTEFUL EXPENDITURE

10.1 Reconciliation of Fruitless and Wasteful Expenditure

Opening Balance	4,930	-
Add: Fruitless and Wasteful Expenditure – Current year	-	4,930
Current Expenditure	-	4,930
Less: Amounts condoned	(449)	-
Current	(449)	-
Fruitless and Wasteful Expenditure awaiting condonement	4,481	4,930
Analysis of awaiting condonement per Economic Classification		
Current	4,481	4,930
Total	4,481	4,930

11. CASH AND CASH EQUIVALENTS

Cash on hand	131	131
Total	131	131

12. PREPAYMENTS AND ADVANCES

Travel and Subsistence	38	78
Total	38	78

Note	2008/09 R'000	2007/08 R'000
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13. RECEIVABLES

		2008/09			2007/08
		R'000	R'000	R'000	R'000
		Less than one year	One to three years	Older than three years	Total
	Note				
Claims Recoverable	13.1	15	-	-	15
Staff Debt	13.2	3,638	12,616	8,165	24,419
Other Debtors	13.3	300	6,030	1,113	7,443
Total		3,953	18,646	9,278	31,877
					31,639

13.1 Claims Recoverable

National Departments	9	-
Provincial Departments	6	-
Total	15	-

13.2 Staff Debt

Staff Debt	28,284	21,207
Debt Receivable Interest	(4,342)	(3,235)
Control Accounts	477	213
Total	24,419	18,185

13.3 Other Debtors

Debt to be written off	6,043	6,082
PPP Receivables	-	6,166
Fraudulent Cashed Cheques	1,138	1,206
Clearing Accounts	262	-
Total	7,443	13,454

14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

Opening Balance	79,366	181,143
Transfer from Statement of Financial Performance	15,809	(84,667)
Add: Unauthorised Expenditure for Current Year	117,757	132,017
Paid during the year	(4,832)	(149,127)
Closing Balance	208,100	79,366

15. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE REVENUE FUND

Opening Balance	40,510	34,712
Transfer from Statement of Financial Performance	39,691	7,741
Own Revenue included in Appropriation	85,605	75,904
Paid during the year	(114,259)	(77,847)
Closing Balance	51,547	40,510

16. BANK OVERDRAFT

Consolidated Paymaster General Account	178,827	197,173
Total	178,827	197,173

17. PAYABLES – CURRENT

Description	Note	30 Days	30+ Days	2008/09 Total	2007/08 Total
Clearing Accounts	17.1	23	-	23	233
Other Payables	17.2	48	-	48	1,102
Total		71	-	71	1,335

17.1 Clearing Accounts

	Note	2008/09 R'000	2007/08 R'000
Salary Income Tax Clearing Account		-	209
Salary Housing Clearing Account		6	24
Salary Medical Aid Clearing Account		17	-
Total		23	233

17.2 Other Payables

Redemption of State Guarantees	48	1,102
Total	48	1,102

18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

Net surplus/(deficit) as per Statement of Financial Performance	46,986	(66,737)
Add back non cash/cash movements not deemed Operating Activities	290,733	280,942
(Increase)/decrease in Receivables – Current	(238)	(10,623)
(Increase)/decrease in Prepayments and Advances	40	325
(Increase)/decrease in other Current Assets	(93,210)	12,180
Increase/(decrease) in Payables – Current	(1,264)	(3,238)
Proceeds from sale of Capital Assets	(2,308)	(2,814)
Expenditure on Capital Assets	327,540	304,165
Surrenders to Revenue Fund	(119,091)	(226,974)
Own Revenue included in Appropriation	85,605	75,904
Other Non-cash Items	93,659	132,017
Net Cash flow generated by Operating Activities	337,719	214,205

19. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

Consolidated Paymaster General Account	(178,827)	(197,173)
Cash on hand	131	131
Total	(178,696)	(197,042)

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

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

	Note	2008/09 R'000	2007/08 R'000	
20. CONTINGENT LIABILITIES				
Liable to	Nature			
Housing Loan Guarantees	Employees	Annex 3A	8,193	11,420
Claims against the Department		Annex 3B	26,778	20,543
Other Departments (interdepartmental unconfirmed balances)		Annex 5	19,209	3,789
Total			54,180	35,752

The previous year figure for Housing Loan Guarantees has been restated due to system errors. Randum Chemicals CC instituted a claim of R57 324 381.02 against the Free State Provincial Government. Ten Free State Provincial Departments are parties to this claim. The Free State Provincial Government has tendered an amount of R1 470 304.30 towards the capital in settlement of this claim by Randum Chemicals CC. The previous year figure for Claims against the department has been restated to agree with the register for Medico Legal Claims against the department.

The total amount of under-payments of Occupational Specific Dispensation during the 2007/08 financial year is R19,305 million according to the report of the AGSA. During the 2008/09 financial year a similar situation occurred but no reliable amounts could be determined.

21. COMMITMENTS

Current expenditure

Approved and contracted	130,004	132,145
Approved but not yet contracted	62,234	34,518
	192,238	166,663

Capital expenditure

Approved and contracted	195,860	180,122
Approved but not yet contracted	279,326	255,655
	475,186	435,777
Total Commitments	667,424	602,440

Commitments for the 2007/08 financial year has been restated to exclude open contracts from the Bid Register, due to the fact that open contract does not classify as commitments according to the definition of commitments.

Note	2008/09 R'000	2007/08 R'000
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22. ACCRUALS

Listed by Economic Classification

	30 Days	30+ Days	Total	Total
Compensation of Employees	-	1,883	1,883	-
Goods and Services	12,573	232,285	244,858	153,094
Financial Transactions in Assets & Liabilities		125	125	
Buildings and other Fixed Structures		38,935	38,935	19,951
Machinery and Equipment	275	145	420	3,065
Total	12,848	273,373	286,221	176,110

Listed by Programme Level

Programme 1 – Administration	9,546	34,579
Programme 2 – District Health Services	59,852	16,440
Programme 4 – Provincial Hospital Services	27,582	48,865
Programme 5 – Central Hospital Services	46,792	22,247
Programme 6 – Health Science and Training	1,916	488
Programme 7 – Health Care Support	240	210
Programme 8 – Health Facilities Management	38,935	-
Central Medical Trading Account	101,358	53,281
Total	286,221	176,110

Confirmed balances with other Departments	57	7,670
Total	57	7,670

23. EMPLOYEE BENEFITS

Leave Entitlement	85,061	89,857
Thirteenth Cheque	79,228	68,372
Capped Leave Commitments	141,440	123,174
Total	305,729	281,403

24. LEASE COMMITMENTS

24.1 Operating Leases Expenditure

2008/09	Land	Buildings and other Fixed Structures	Machinery and Equipment	Total
Not later than 1 year	-	-	267	267
Later than 1 year and not later than 5 years	-	-	18	18
Total Lease Commitments	-	-	285	285

2007/08	Land	Buildings and other Fixed Structures	Machinery and Equipment	Total
Not later than 1 year	-	-	411	411
Later than 1 year and not later than 5 years	-	-	198	198
Total Lease Commitments	-	-	609	609

24.2 Finance Leases Expenditure

2008/09	Land	Buildings and other Fixed Structures	Machinery and Equipment	Total
Not later than 1 year	-	-	12,938	12,938
Later than 1 year and not later than 5 years	-	-	6,030	6,030
Total Lease Commitments	-	-	18,968	18,968
LESS: Finance Costs	-	-	3,853	3,853
Total present value of Lease Liabilities	-	-	15,115	15,115

2007/08	Land	Buildings and other Fixed Structures	Machinery and Equipment	Total
Not later than 1 year	-	-	10,774	10,774
Later than 1 year and not later than 5 years	-	-	10,856	10,856
Total Lease Commitments	-	-	21,630	21,630
LESS: Finance Costs	-	-	8,386	8,386
Total present value of Lease Liabilities	-	-	13,244	13,244

Note	2008/09 R'000	2007/08 R'000
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25. RECEIVABLES FOR DEPARTMENTAL REVENUE

Sales of Goods and Services other than Capital Assets	165,343	120,407
Total	165,343	120,407

The opening balance of Receivables for the Departmental Revenue as been restated with R11 000 due to system errors in the 2007/08 financial year that was corrected in the 2008/09 financial year.

25.1 Analysis of Receivables for Departmental Revenue

	2008/09 R'000
Opening Balance	120,407
Less: amounts received	90,077
Add: amounts recognised	255,122
Less: amounts written-off/reversed as Irrecoverable	120,109
Closing Balance	165,343

26. IRREGULAR EXPENDITURE

26.1 Reconciliation of Irregular Expenditure

Opening Balance	146,996	30,353
Add: Irregular Expenditure – relating to current year	157,082	116,804
Less: Amounts condoned	(178,190)	(161)
Less: Amounts recoverable (not condoned)	(1,049)	-
Irregular Expenditure awaiting condonation	124,839	146,996

Analysis of awaiting condonation per age classification

Current year	115,413	116,804
Prior years	9,426	30,192
Total	124,839	146,996

The opening balance of Irregular Expenditure was restated to correct incorrect Irregular Expenditure allocation during the 2007/08 and 2006/07 financial years.

26.2 Details of Irregular Expenditure- Current Year

Incident	Disciplinary steps taken/criminal proceedings	2008/09 R'000
Non adherence to departmental procedures	None	157,082
Total		157,082

26.3 Details of Irregular Expenditure- Condoned

Incident	Condoned by:	2008/09 R'000
Irregular Expenditure discovered by External Auditors	Head of Department	126,079
Non-adherence to departmental procedures	Head of Department	52,111
Total		178,190

26.4 Details of Irregular Expenditure- Recoverable (not condoned)

Incident	Disciplinary steps taken/criminal proceedings	2008/09 R'000
Non adherence to departmental procedures	Recovered	1,049
Total		1,049

27. FRUITLESS AND WASTEFUL EXPENDITURE

27.1 Reconciliation of Fruitless and Wasteful Expenditure

	2008/09 R'000
Fruitless and Wasteful Expenditure – relating to current year	525
Less: Amounts condoned	(10)
Fruitless and Wasteful Expenditure awaiting condonation	515

27.2 Analysis of Current year's Fruitless and Wasteful Expenditure

Incident	Disciplinary steps taken/criminal proceedings	2008/09 R'000
Interest on Telkom Account	None	10
Irregular Expenditure discovered by auditors	None	515
Total		525

Note	2008/09 R'000	2007/08 R'000
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28. RELATED PARTY TRANSACTIONS

The Central Medical Trading account is considered a related party to the Free State Department of Health due to the fact that the Free State Department of Health has the ability to control the Central Medical Trading Account and exercise significant influence over the Medical Depot. The Department of Public Works is considered a related party to the Free State Department of Health due to the fact that the following number of Hospitals, Clinics and Community Health Centres are occupied by the Free State Department of Health, rent free:

- 1 Academic Hospital
- 1 Psychiatric Hospital
- 5 Regional Hospitals
- 24 District Hospitals
- 227 Clinics
- 10 Community Health Centres

The Department of Public Works also render services on the administration of Infrastructure contracts, free of charge to the Free State Department of Health and is also therefore a related party to the department.

Revenue Received/(paid)

Sales of Goods & Services other than Capital Assets	276,230	294,711
Total	276,230	294,711

Year end balances arising from Revenue/Payments

Payables to Related Parties	101,358	52,587
Total	101,358	52,587

The previous year figures have been restated in accordance with the restatement of the financial statements of the Central Medical Trading account.

29. KEY MANAGEMENT PERSONNEL

	No. of Individuals	2008/09 R'000	2007/08 R'000
Political Office Bearers (provide detail below)	1	1,328	949
Officials:			
Level 15 to 16	5	3,955	4,119
Level 14 (incl. CFO if at a lower level)	7	3,781	5,303
Family members of key management personnel	12	3,227	2,847
Total		<u>12,291</u>	<u>13,218</u>

30. PUBLIC PRIVATE PARTNERSHIP

A PPP agreement was signed with the Community Health Management (CHM) on 25 November 2002 through which private health facilities are developed at Universitas and Pelonomi hospitals in partnership with the department. This implies that a public health facility is used by the private sector in exchange for financial and other benefits.

The concession agreement is a very tightly negotiated contract that has clauses indicating the amounts, timing and procedure for determining the future cash flows. The Service Level Agreement is meant to ensure the Health Department (HD) complies with the provisions as outlined and the Code of Conduct ensures that the two parties operate in a spirit that is not harmful to each other. In terms of the agreement, Community Health Management has the right to use certain under-utilized resources at Pelonomi and Universitas Hospital. These resources are general beds, intensive care unit beds and operating theatres.

In terms of the agreement, Community Health Management has to upgrade Pelonomi and Universitas Hospitals.

The Provincial Government shall be entitled to terminate the aforementioned agreement at any time on 6 months written notice to Community Health Management.

The monitoring of the concession agreement is to be managed by a Liaison Committee that has joint representation. The health department has appointed a project manager who will ensure that the spirit and letter of the agreement is implemented.

At the end of the Concession Period of 15 years the HD will receive back from CHM the upgraded facilities that had been used by CHM during the concession. It is a clear condition of the contract that these are to be handed back in good condition, fair wear and tear accepted. Assuming that the upgraded building will have a useful life of 25 years, this means there will be remaining 10 years life for the HD to benefit from.

	Note	2008/09 R'000	2007/08 R'000
Contract Fee Received		2,915	11,303
Fixed fee		200	1,840
Variable fee		695	3,787
Water and Electricity repayment from Netcare		376	2,893
Other Revenue		<u>1,644</u>	<u>2,783</u>
Current Expenditure		(4,551)	(17,469)
Goods and Services (excluding lease payments)		<u>(4,551)</u>	<u>(17,469)</u>
Total		<u>(1,636)</u>	<u>(6,166)</u>

The comparative figure for the PPP for the 2007/08 financial year was restated to include payments made according to the PPP financial structure between the Free State Department of Health and Netcare.

Note	2008/09 R'000	2007/08 R'000
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31. PROVISIONS

Potential Irrecoverable Debts

Staff Debtors	2,244	5,088
Other Debtors	98,230	71,771
Total	100,474	76,859

32. MOVABLE TANGIBLE CAPITAL ASSETS

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

	Opening Balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	607,417	(6,594)	98,766	89,086	610,503
Transport Assets	114,948	(2,705)	53,728	75,144	90,827
Computer Equipment	94,468	(1,851)	10,872	3,511	99,978
Furniture and office Equipment	25,510	559	3,016	1,005	28,080
Other machinery and Equipment	372,491	(2,597)	31,150	9,426	391,618
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	607,417	(6,594)	98,766	89,086	610,503

32.1 Additions

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

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	68,874	56,632	(28,157)	1,417	98,766
Transport assets	17,252	36,286	-	190	53,728
Computer equipment	5,697	5,693	-	(518)	10,872
Furniture and office equipment	1,340	1,642	-	34	3,016
Other machinery and equipment	44,585	13,011	(28,157)	1,711	31,150
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	68,874	56,632	(28,157)	1,417	98,766

32.2 Disposals

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

	Sold for Cash R'000	Transfer out or Destroyed or Scrapped R'000	Total Disposals R'000	Cash Received Actual R'000
MACHINERY AND EQUIPMENT	18,143	70,943	89,086	2,308
Transport assets	13,866	61,278	75,144	1,972
Computer equipment	923	2,588	3,511	33
Furniture and office equipment	44	961	1,005	57
Other machinery and equipment	3,310	6,116	9,426	246
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	18,143	70,943	89,086	2,308

32.3 Movement for 2007/08

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

	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	550,635	91,846	35,064	607,417
Transport Assets	110,686	25,901	21,639	114,948
Computer Equipment	90,688	6,978	3,198	94,468
Furniture and Office Equipment	21,134	5,015	639	25,510
Other Machinery and Equipment	328,127	53,952	9,588	372,491
TOTAL MOVABLE TANGIBLE ASSETS	550,635	91,846	35,064	607,417

32.4 Minor assets

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

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor Assets	641	44	191,644	12	192,341
Total	641	44	191,644	12	192,341

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of Minor Assets	451	103	404,414	164	405,132
TOTAL	451	103	404,414	164	405,132

33. INTANGIBLE CAPITAL ASSETS

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

	Opening Balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	975	-	-	-	975
TOTAL INTANGIBLE CAPITAL ASSETS	975	-	-	-	975

33.1 Movement for 2007/08

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

	Opening Balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	(29)	1,004	-	975
TOTAL	(29)	1,004	-	975

34. IMMOVABLE TANGIBLE CAPITAL ASSETS

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

	Opening Balance	Current Year Adjust-ments to prior year balances	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	7,761	(4,856)	31,147	-	34,052
Non-residential Buildings	7,741	(5,795)	31,147	-	33,093
Other Fixed Structures	20	939	-	-	959
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	7,761	(4,856)	31,147	-	34,052

34.1 Additions

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

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDING AND OTHER FIXED STRUCTURES	258,666	-	(227,519)	-	31,147
Non-residential Buildings	258,666	-	(227,519)	-	31,147
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	258,666	-	(227,519)	-	31,147

34.2 Movement for 2007/08

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

	Opening Balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	(612)	8,373	-	7,761
Non-residential Buildings	(632)	8,373	-	7,741
Other Fixed Structures	20	-	-	20
TOTAL IMMOVABLE TANGIBLE ASSETS	(612)	8,373	-	7,761

35. CONTINGENT ASSETS

The overpayment of Occupational Specific Dispensation of Nurses (OSD's) arose due to conflicting messages on the implementation of OSD received from the National Department of Health and the DPSA. This resulted in all the provinces experiencing major implementation problems that lead to overpayments on the OSD's.

There is currently a court case pending on the recovery of overpayments of OSD's. Due to the pending court case a moratorium was placed on the recovery of the OSD's.

The sum of the overpayments of OSD's during the 2007/08 financial year is R23,939 million according to the AGSA. A similar situation occurred during the 2008/09 financial year, but the amounts cannot be reliably determined.

No amounts were recovered from overpaid employees up to 31 March 2009 and no amounts were recovered and repaid to overpaid employees up to 31 March 2009.

The amounts of under-payments to employees were included in contingent liabilities.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS RECEIVED

Name of Department	Grant Allocation					Spent		2007/08	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by Department	Amount spent by Department	Division of Revenue Act	Amount spent by Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Health Professional and Training Grant	102,000	-	-	-	102,000	102,000	101,988	97,143	97,143
Comprehensive HIV & AIDS Grant	189,630	-	-	-	189,630	189,630	189,630	153,646	153,646
Hospital Revitalisation Grant	202,753	-	-	-	202,753	202,753	168,615	90,419	86,324
National Tertiary Services Grant	545,350	-	-	5,189	550,539	550,539	550,718	480,945	480,945
Forensic Pathology Grant	31,198	-	-	15,500	46,698	46,698	35,814	41,713	41,713
Infrastructure Enhancement Allocation	99,815	-	-	-	99,815	99,815	69,350	86,491	105,490
Provincial Infrastructure Grant	45,000	-	-	-	45,000	45,000	44,020	30,000	29,112
Total	1,215,746	-	-	20,689	1,236,435	1,236,435	1,160,135	980,357	994,373

ANNEXURE IE

STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

Name of Municipality	Grant Allocation			Transfer		Spent		2007/08
	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Amount received by Municipality	
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Mangaung	-	-	-	-	-	-	-	7,200
Total	-	-	-	-	-	-	-	7,200

ANNEXURE IG

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Department/ Agency/ Account	Transfer Allocation				Transfer		2007/08
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Medical Trading Account – Capital Supplement	2,000	-	-	2,000	2,000	100 %	2,000
Total	2,000	-	-	2,000	2,000		2,000

ANNEXURE II

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of Public Corporation/Private Enterprise	Transfer Allocation			Expenditure			2007/08
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
Private Enterprises	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Injury on Duty: Employees	331	-	-	331	226	80 %	300
Total	331	-	-	331	226	-	300
Grand Total	331	-	-	331	226	-	300

ANNEXURE IK

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-Profit Institutions	Transfer Allocation				Expenditure		2007/08
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
Transfers	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers to Non-Governmental Organisations	49,998	-	(65)	49,933	44,084	88 %	30,178
Total	49,998	-	(65)	49,933	44,084		30,178

ANNEXURE IL

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	Transfer Allocation				Expenditure		2007/08
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Transfers							
Leave Gratuity, Retirement and Severance Package	4,269	-	-	4,269	9,003	211 %	7,579
Bursaries to Non-employees	31,640	-	-	31,640	19,552	62 %	23,986
Household claims against the State	-	-	-	-	888		-
Total	35,909	-	-	35,909	29,443		31,565

ANNEXURE IM

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of Organisation	Nature of Gift, Donation or Sponsorship	2008/09	2007/08
		R'000	R'000
Received in kind			
University of the Free State	Assets	56	14
SAL Interior	Assets	-	25
Pharmaceutical Companies	Assets	19	3
Department of Ophthalmology	Assets	-	4
MSH	Assets	-	134
Mind Network	Assets	-	12
Celtic Football Club	Assets	-	25
Elizabeth Glazier Paediatric	Assets	13	49
ACSA Corporate Office	Assets	405	-
Round Table/Reach for a dream	Assets	3	-
Private Sponsors	Assets	3	-
Global Reconciliation Church	Assets	2	-
ERIS Property Group	Assets	6	-
Total		507	266

ANNEXURE IN

STATEMENT OF LOCAL AND FOREIGN AID ASSISTANCE RECEIVED

Name of Donor	Purpose	Opening Balance	Revenue	Expenditure	Closing Balance
Received in cash		R'000	R'000	R'000	R'000
Ireland	Support to Primary Health Care Delivery and Capacity Building fund.	2,451	667	1,431	1,687
Belgium Government Aid	Support to reduce the burden of Tuberculosis and HIV & AIDS prevention in the Free State Province.	209	-	151	58
Flemish Government Aid	Support to Primary Health Care Delivery and capacity building for HIV & AIDS Voluntary Counselling and Testing in the Free State.	1,375	-	1,042	333
British Union Aid	Support to District Health Care and Psychiatric Services.	1	-	-	1
Global AIDS	To develop and strengthen the TB and HIV & AIDS data monitoring at District level in the Free State Province.	1,571	-	466	1,105
HWSETA	Skills development of employed and unemployed individuals through Learnerships, bursaries and internships.	3,004	1,639	1,663	2,980
EU PDPHCP	To develop and strengthen co-operation between NGO's and the Department of Health	8,559	-	6,067	2,492
Total		17,170	2,306	10,820	8,656

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2009 – LOCAL

Guarantor Institution	Guarantee in respect of	Original guaranteed Capital amount	Opening Balance 1 April 2008	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing Balance 31 March 2009	Guaranteed interest for year ended 31 March 2009	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing								
Standard Bank		268	268	-	35	-	233	-	-
Nedbank		524	524	-	32	-	492	-	-
FNB		644	644	-	214	-	430	-	-
BOE Bank		32	32	-	14	-	18	-	-
ABSA		2,711	2,711	-	620	-	2,091	-	-
Company Unique Finance (PTY) Ltd		223	223	-	157	-	66	-	-
Peoples Bank		146	146	-	53	-	93	-	-
Old Mutual – Division of Nedbank		2,807	2,807	18	768	-	2,057	-	-
Free State Development Corporation		1,076	1,076	-	133	-	943	-	-
Hlano Financial Services		51	51	-	15	-	36	-	-
Green Start		80	80	-	-	-	80	-	-
Nedbank LTD Incorporating NBS		414	414	-	187	-	227	-	-
Guarantor Institution (Continued)									
		Original guaranteed Capital amount	Opening Balance 1 April 2008	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing Balance 31 March 2009	Guaranteed interest for year ended 31 March 2009	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing								
First Rand Bank – Former FNB		2,444	2,444	18	1,035	-	1,427	-	-
	Total	11,420	11,420	36	3,263	-	8,193	-	-

Note: The opening balance of Housing Loan Guarantees has been restated due to system errors.

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2009

Nature of Liability	Opening	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing
	Balance				
	01/04/2008				
	31/03/2009				
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Medico Legal Claims Received Pending	18,989	6,687	535	-	25,141
Claims against the State that has not been settled	1,554	125	42	-	1,637
Total	20,543	6,812	577	-	26,778

Note: The opening balance of Medico Legal Claims have been restated to agree with the register for Medico Legal Claims

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

Government Entity	Confirmed Balance Outstanding		Unconfirmed Balance Outstanding		Total	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
Current						
Public Works, Roads and Transport Free State	-	7,630	11,231	3,702	11,231	11,332
Office of the Premier	57	40	11	-	68	40
National Department of Health	-	-	-	87	-	87
Department of Health and Social Development – Limpopo	-	-	1	-	1	-
Free State Government Garage	-	-	7,900	-	7,900	-
Department of Foreign Affairs	-	-	3	-	3	-
Free State Local Government & Housing	-	-	7	-	7	-
Western Cape Department of Health	-	-	41	-	41	-
Government Shared Service Centre	-	-	5	-	5	-
North West Department of Health	-	-	1	-	1	-
Eastern Cape Department of Health	-	-	9	-	9	-
Total	57	7,670	19,209	3,789	19,266	11,459

CENTRAL MEDICAL TRADING ACCOUNT ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2009

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REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE CENTRAL MEDICAL TRADING ACCOUNT FOR THE YEAR ENDED 31 MARCH 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Central Medical Trading Account which comprise the statement of financial position as at 31 March 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes, as set out on pages [xx] to [xx].

The accounting officer's responsibility for the financial statements

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

The Auditor-General's responsibility

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

Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the Central Medical Trading Account as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with SA Statements of GAAP and in the manner required by the PFMA.

Emphasis of matter

Without qualifying my opinion, I draw attention to the following matter:

Restatement of corresponding figures

8. As disclosed in note 18 to the financial statements, the corresponding figures for 31 March 2008 have been restated as a result of a reclassification of liabilities to retained earnings in the financial statements of the Central Medical Trading Account at 31 March 2009, and for the year ended, 31 March 2008.

Other matters

Without qualifying my opinion, I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Non-compliance with applicable legislation

Treasury Regulations

9. Payments amounting to R6 994 565 were not made within 30 days of the date of receipt of the invoice, as required by Treasury Regulation 8.2.3.

Governance framework

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

Key governance responsibilities

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

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	X	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		X
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	X	
No.	Matter	Y	N
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines in section 40 of the PFMA.	X	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	X	

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	X	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		X
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	X	
No.	Matter	Y	N
Development of and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	The Central Medical Trading Account had an audit committee in operation throughout the financial year.		X
	The audit committee operates in accordance with approved, written terms of reference.		X
	The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.		X
7.	Internal audit		
	The Central Medical Trading Account had an internal audit function in operation throughout the financial year.	X	
	The internal audit function operates in terms of an approved internal audit plan.		X
	The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.		X
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	X	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	X	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	X	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2.	X	
12.	Powers and duties have been assigned, as set out in section 44 of the PFMA.	X	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	X	
14.	SCOPA/Oversight resolutions have been substantially implemented.	X	
Issues relating to the reporting of performance information			
15.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.		X
16.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.		X
17.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the Central Medical Trading Account against its mandate, predetermined objectives, outputs, indicators and targets Treasury Regulations 5.1, 5.2 and 6.1.		X
18.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	X	

Overall reflections on the governance framework based on other key governance requirements

12. Material misstatements corrected by the trading account were due to technical issues raised on differences of opinion regarding management's interpretation and application of the SA Statement of GAAP. Management subsequently concurred with my interpretation, resulting in material amendments to the financial statements.
13. The audit committee of the department was only appointed during the financial year and held its first meeting in September 2008. It has devoted most of its time to developmental issues to get the committee and internal

audit operational. Given the recent establishment of the audit committee, there was no proof that the audit committee had performed an oversight function over the trading account for the year under review.

14. Although the department developed and documented an audit methodology, no training was provided to internal audit staff in respect of the methodology. For the period under consideration, management was unable to provide me with any proof of how the training needs of personnel in the audit component were identified and addressed. In addition, I noted that as at the financial year-end none of the management or senior management positions within the internal audit component had been filled. Given that the internal audit unit of the department had not performed any work pertaining to the trading account, the unit did not substantially fulfil its responsibilities for the year, as set out in Treasury Regulation 3.2.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

15. I was engaged to review the performance information.

The accounting officer's responsibility for the performance information

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

The Auditor-General's responsibility

17. I conducted my engagement in accordance with section 13 of the PAA read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008.

18. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

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

Findings on performance information

Non-compliance with regulatory requirements

No reporting of performance information

20. The entity has not reported performance against predetermined objectives, as required by section 40(3)(a) of the PFMA. During the year under review the department omitted the trading account from the Health Care Support Services programme, as reported in the annual performance plan.

APPRECIATION

1. The assistance rendered by the staff of the Central Medical Trading Account during the audit is sincerely appreciated.

Auditor-General

Bloemfontein

31 July 2009

STATEMENT OF FINANCIAL POSTION

AS AT 31 MARCH 2009

	Note	2008/09 R'000	2007/08 R'000 (Restated)
ASSETS			
Non current assets			
Property, plant and equipment	2	1,345	1,040
Current assets			
Inventory	3	129,849	94,066
Trade and other receivables	4	27,757	36,504
Cash and cash equivalents	5	99,936	52,790
		2,156	4,772
TOTAL ASSETS		131,194	95,106
EQUITY			
Capital and reserves			
Accumulated surplus		38,928	38,085
		38,928	38,085
TOTAL EQUITY		38,928	38,082
LIABILITIES			
Non current liabilities			
Bridging finance from Provincial Revenue Fund	6	7,665	-
		7,665	-
Current liabilities			
Trade and other payables	7	84,601	57,021
		84,601	57,021
TOTAL LIABILITIES		92,266	57,021
TOTAL EQUITY AND LIABILITIES		121,194	95,106

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2009

	Note	2008/09 R'000	2007/08 R'000 (Restated)
Revenue		266,902	294,711
Cost of sales		(253,387)	(279,292)
Gross profit		13,515	15,419
Other income	8	12,400	13,231
Administrative expenses	9	(12,893)	(10,632)
Other operating expenses	10	(12,933)	(11,362)
Operating profit/(loss)		89	6,656
Finance income	11	754	938
Net profit for the year		843	7,594

STATEMENT OF IN CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2009

	Note	Accumulated Surplus R'000	Total R'000
Accumulated surplus			
Restated opening balance as at 1 April 2007		30,491	30,491
Opening balance as at 1 April 2007		8,941	8,941
Prior year errors correction		22,000	22,000
Net profit for the year		7,594	7,594
Closing balance as at 31 March 2008		38,085	38,085
Opening balance as at 1 April 2008 (restated)		38,085	38,085
Net profit for the year		843	843
Closing balance as at 31 March 2009		38,928	38,928

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	Note	2008/09 R'000	2007/08 R'000
Cash flows from operating activities			
Cash receipts from customers		232,156	307,078
Cash paid to suppliers and employees		(242,081)	(318,972)
Net cash/(cash deficit) generated from operating activities	12	(9,925)	(11,894)
Finance income		754	938
Net cash inflows/outflows from operating activities		(9,171)	(10,956)
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,113)	(913)
Proceeds from the sale of assets		3	-
Net cash flows from investing activities		(1,110)	(913)
Cash flows from financing activities		7,665	-
Prior year errors and reclassification			
Bridging finance transferred to non-current liabilities		7,665	-
Net (decrease)/increase in cash and cash equivalents		(2,616)	(11,869)
Cash and cash equivalents at the beginning of the year		4,772	16,641
Cash and cash equivalents at the end of the year	5	2,156	4,772

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

I. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these annual financial statements, which are consistent with those of the previous year, are set out below:

I.1 Basis of Preparation

The financial statements are prepared in accordance with, and comply in all material respects with applicable South African Statements of Generally Accepted Accounting Practice.

The financial statements are prepared under the historical cost convention, except where otherwise stated, and on the going concern basis. Management has concluded that the financial statements fairly present the enterprise's position, financial performance and cash flow information.

The following statements were issued but not yet effective on balance sheet date:

South African Statements of GAAP and amendments issued but not effective for the June 2008 year-end				
Number	Title	Effective date	Executive summary	Impact on financial statements
IFRS 8 (AC 145)	Operating Segments	1 Jan 2009	IFRS 8 (AC 145) requires an entity to adopt the 'management approach' to reporting on the financial performance of its operating segments. The Standard sets out requirements for disclosure of information about and entity's operating segments and also about the entity's products and services, the geographical areas in which it operates, and its major customers. The disclosure should enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.	The Trading Account will apply IFRS 8 from 1 January 2009. The number of reportable segments will change to be consistent with internal reporting.
IAS 23 (AC 114)	Borrowing Costs – Revised	1 Jan 2009	The main change from the previous version of IAS 23 (AC 114) is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that take a substantial period of time to get ready for use or sale.	This is currently not applicable on the Trading Account as there are no qualifying assets.

South African Statements of GAAP and amendments issued but not effective for the June 2008 year-end				
Number	Title	Effective date	Executive summary	Impact on financial statements
IAS 1 (AC 101)	Presentation of Financial Statements – Revised	1 Jan 2009	The revised IAS 1 (AC 101) requires information in financial statements to be aggregated on the basis of shared characteristics and to introduce a statement of comprehensive income. This will enable readers to analyse changes in a company's equity resulting from transactions with owners in their capacity as owners in their separately from 'non-owners' changes. The revisions include changes in the titles of some of the financial statements to reflect their function more clearly (for example, the balance sheet is renamed a statement of financial position). The new titles are not mandatory for use in financial statements.	This statement has been implemented in the current financial year.

1.2 Inventory

Inventory is stated at the lower of cost and net realisable value, making provision for obsolescence or lack of sale ability. Cost is determined by the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

1.3 Impairment of Non-financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

1.4 Fair Value Estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Central Medical Trading Account uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Central Medical Trading Account for similar financial instruments.

1.5 Financial Assets

Classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets on initial recognition.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables comprised trade and other receivables and cash and cash equivalents in the balance sheet.

1.6 Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivable are established when there is objective evidence that the Central Medical Trading Account will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the lost is recognised in the income statement within selling and marketing costs. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against selling and marketing costs in the income statement.

The Central Medical Trading Account is part of the Free State Department of Health (FSDOH) and the FSDOH is the only client of the Medical Depot. FSDOH takes full responsibility for the outstanding debt to the Medical Depot and the provision for bad debts in the trading account.

1.7 Cash and Cash Equivalents

Cash is carried in the balance sheet at fair value. For the purposes of the cash flow statement cash and cash equivalents comprise of cash on hand and a current deposit held with First National Bank.

1.8 Trade and other payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade and other payables which are payable later than one year are classified and disclosed under non current liabilities.

1.9 Revenue Recognition

Revenue is recognised at fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the entity's activities.

Revenue comprises the following:

- Sale of goods
- Interest

Revenue from sale of goods is recognised when:

- Significant risk and rewards of ownership associated with ownership of goods are transferred to the buyer;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- the amount of revenue can be measured reliably,
- it is probable that the economic benefits associated with the transaction will flow to the entity and the cost incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the entity reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continue unwinding the discount as interest income.

1.10 Employee Benefits

Short-term employee benefits

The Central Medical Trading Account recognises the expected cost of leave and service payment when and only when:

- the entity has a present legal or constructive obligation to make such payment as a result of past events; and
- a reliable estimate of the obligation can be made.

Termination benefits

The Central Medical Trading Account shall recognise termination benefits as a liability and an expense when, and only when, the entity is demonstrably committed to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Retirement benefits

The Central Medical Trading Account provides retirement benefits for its employees through a defined benefit plan for government employees. The plan is characterised as a state plan in terms of IAS 19. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is made for retirement benefits in the financial statements of the Central Medical Trading Account. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the employer.

Medical benefits

The Central Medical Trading Account provides medical benefits for its employees through defined contribution plans. These benefits are funded by employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. A liability is raised for outstanding medical contributions at year end.

Post retirement medical benefits for retired civil servants are expensed when the payment is made to the fund.

1.11 Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation. Assets with a cost higher than R5 000 are capitalised. Assets with a cost less than R5 000 are capitalised and written off in the same year. Depreciation is calculated on the straight-line method to write off the cost to their estimated useful lives as follows:

Transport assets:	5 years
Computer:	3 years
Furniture and office equipment:	5 years
Other machinery:	5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount. The reduction is an impairment loss. Impairment losses are recognised in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other (losses)/gains-net, in the income statement.

Leasehold Improvements

Leasehold Improvements are capitalised at cost. Grants received for utilising on Leasehold Improvements are deducted from the cost incurred in arriving at the carrying amount of the asset.

I.12 Financial Instruments

Financial instruments carried on the balance sheet include cash, receivables and trade creditors. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Financial Risk Factors:

The group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

Market Risk:

(i) Cash flow and fair value interest rate risk

The Central Medical Trading Account is not subject to interest rate risks due to the fact that no interest are paid on the bridging finance received from Treasury and no interest are levied or paid on any other outstanding debt. Changes in interest rates will therefore not effect the profit/loss of the Central Medical Trading Account.

(ii) Price risk

The Central Medical Trading Account provides medicines and medical consumables to the Free State Department of Health, which is their only client. The Central Medical Trading Account providing the goods at cost plus a 7% levy. A 5% levy is charged for direct deliveries. Price increases from suppliers will not decrease the profitability of the Central Medical Trading Account as the fixed levy of 7% and 5% respectively is charged on the cost of sales to the Free State Department of Health.

Credit Risk:

The Free State Department of Health is the only client of the Central Medical Trading Account. The credit risk is limited by the budget policy of the Department of Health. Payments are made regularly within 30 days. It was also noted that the Department of Health experience financial pressures during the 2009 year and this has not impacted on the recoverability of accounts receivable.

Liquidity Risk:

The Central Medical Trading Account is not subject to liquidity risk due to the fact that the Free State Department of Health is the only client of the Central Medical Trading Account and all payments from the FSDOH are received regularly within 30 days. No interest is paid on bridging finance received from Government and no interest is charged on outstanding debt. No other external sources impacts on the liquidity risk of the Central Medical Trading Account. Therefore sufficient cash flow is available for the payment of creditors.

The table below analyses the Central Medical Trading Account's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 March 2009	Less than 1 year	Later than 1 year
	R'000	R'000
Trade and other payables	84,601	7,665

I.13 Operating Leases

Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term.

I.14 Related Party

A party is related to the Central Medical Trading Account if directly or indirectly through one or more intermediaries, the party:

- controls, is controlled by, or is under control with the Central Medical Trading Account
- has an interest in the entity that gives it significant influence over the Central Medical Trading Account.

I.15 Grants Received

Unconditional

Grants received to utilise for operating expenditure are recognised as income.

Conditional

Amounts utilised from grants received related to assets are deducted from the asset in arriving at the carrying amount of the asset.

I.16 Irregular Expenditure

Irregular expenditure occurred when expenditure was incurred in contravention with or that is not in accordance with a requirement of any applicable legislation including the PFMA and non compliance with one or more of the entity's supply chain procedures. This expenditure is evaluated for recoverability.

I.17 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure occurred when expenditure was made in vain and would have been avoided had reasonable care been exercised.

2. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	Transport assets	Computer equipment	Furniture-, office equipment and other machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Year ended 31 March 2008					
Opening carrying amount	-	158	105	129	392
Donated assets	-	140	10	146	296
Additions	-	105	607	201	913
Depreciation charge	-	(100)	(152)	(253)	(505)
Depreciation on assets written off in the previous year	-	-	(20)	(36)	(56)
Closing carrying amount	-	303	550	187	1,040
At 31 March 2008					
Cost	6,962	499	1,327	1,242	10,030
Accumulated depreciation	-	(196)	(777)	(1,055)	(2,028)
Amount utilised from grant for leasehold improvements	(6,962)	-	-	-	(6,962)
Carrying amount	-	303	550	187	1,040
Year ended 31 March 2009					
Opening carrying amount	-	303	550	187	1,040
Donated assets	-	-	-	-	-
Additions	-	-	1,111	-	1,111
Depreciation charge	-	(98)	(643)	(65)	(806)
Closing carrying amount	-	205	1,018	122	1,345
At 31 March 2009					
Cost	6,962	499	2,435	1,221	11,117
Accumulated depreciation	-	(294)	(1,417)	(1,099)	(2,810)
Amount utilised from grant for leasehold improvement	(6,962)	-	-	-	(6,962)
Carrying amount	-	205	1,018	122	1,345

Note	2008/09 R'000	2007/08 R'000
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3. INVENTORY

Medical inventory	22,656	29,460
Hospital stationery	4,288	676
Consumables	813	6,368
	27,757	36,504

4. TRADE AND OTHER RECEIVABLES

Trade receivables	4.1	99,781	52,587
Interest receivable		22	47
Staff debtors		132	102
Salary debt		1	13
Other		-	41
		99,936	52,790

Trade receivables that are more than 30 days past due is not considered impaired. Payments are made regularly within 30 days from the Free State Department of Health, the only client of MEDPAS. As some amounts are outstanding for more than 30 days, the Free State Department of Health has no history of default and late payment in certain instances is due to payment procedures at year-end of the Free State Department of Health.

4.1 Trade Receivables

Trade receivables at amortised cost	101,358	53,281
Less: Adjustment for deferred payment terms	(1,577)	(694)
Trade receivables after deferred payment terms have been taken into account	99,781	52,587

The adjustment for deferred payment terms are based on cash flows adjusted using the prime interest rate of 13% as at 31 March 2009.

5. CASH AND CASH EQUIVALENT

Bank current account	2,152	4,770
Cash on hand	4	2
	2,156	4,772

6. BRIDGING FINANCE FROM PROVINCIAL REVENUE FUND

Opening balance	22,995	22,995
Current portion disclosed under trade and other payables	(15,330)	(22,995)
Closing balance	7,665	-

The amount of R7 665 000 from the Provincial Revenue Fund was the bridging finance provided by the Provincial Treasury. The amount carries no interest and was refundable on request in the previous years and the whole amount of R22 995 000 was disclosed as current liability under trade and other payables. In the current financial year the Provincial Treasury has requested the amount to be repaid on instalments of which the last payment will be in October 2010. The amount of R15 330 000 is the current portion of the liability disclosed on note 6 which is payable in the period less than one year.

7. TRADE AND OTHER PAYABLES

	Note	2008/09 R'000	2007/08 R'000
Trade payables	7.1	66,776	31,651
Sundry creditors	7.1	828	995
Grants received from Provincial Treasury	7.2	109	109
Leave accrual		1,158	1,010
Service bonus accrual		400	261
Bridging finance received from the Provincial Revenue Fund		15,330	22,995
		84,601	57,021

The amount of R24 000 000 in 2008 year for the Government Grant was previously disclosed above as assistance received from the Free State Department of Health to improve the cash flow status of the Central Medical Trading Account. The amount was incorrectly treated as payable and the balance was reclassified and correct as the prior year adjustment. Refer to note 18.1 for details. The amount of R15 330 000 (R22 995 000: 2008) from the Provincial Revenue Fund was the bridging finance provided by the Provincial Revenue Fund. The amount carries no interest and was refundable on request. In the current year the Provincial Treasury has requested the amount to be repaid on instalments of which the last payment will be in October 2010. The amount of R15 330 000 is the current portion of R22 995 000 and further details are disclosed in note 7.

7.1 Trade payables and sundry creditors

Trade payables and sundry creditors at amortised cost	68,034	32,975
Less: Adjustment for deferred payment terms	(430)	(329)
Trade payables and sundry creditors after deferred payment terms have been taken into account	67,604	32,646

The adjustment for deferred payment terms are based on cash flows adjusted using the prime interest rate of 13% as at 31 March 2009.

7.2 Grant received from Provincial Treasury - Profit

Opening Balance	109	109
Capital expenditure on Leasehold Improvements	-	-
Closing Balance	109	109

The closing balance of R109 000 above will be surrendered to the Provincial Revenue Fund. The grant consists of the profit of MEDPAS for the 2003/2004 financial year. Provincial Treasury approved that the profit can be utilised for Leasehold Improvements instead of paying it back to the Provincial Revenue fund. The funds were spent on Leasehold Improvements during the 2005/2006 and 2006/2007 financial years.

8. OTHER INCOME

Inventory surplus	933	3,769
Sundries	328	69
Commission received	-	14
Donated Assets	-	295
Notional interest – deferred payment terms on receivables	9,139	7,084
Government grant	2,000	2,000
	12,400	13,231

Note	2008/09 R'000	2007/08 R'000
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9. ADMINISTRATIVE EXPENSES

Staff costs	10,092	8,819
- Salaries and wages	9,413	7,355
- Social contributions	679	1,464
Communication	246	231
Computer Services	1,143	742
Audit Fees	920	401
Printing and Stationery	167	358
Other administrative costs	325	81
	<u>12,893</u>	<u>10,632</u>

Average number of persons employed	74	74
------------------------------------	----	----

10. OTHER OPERATING EXPENSES

Operating lease expenditure	619	644
Repairs & maintenance	41	55
Security	379	438
Municipal services and levies	284	225
Consumables	213	429
Professional services	2,818	2,603
Depreciation	806	505
Notional interest – deferred payment terms on payables	6,298	4,989
Sundry expenses	8	-
Stock shortages written off	1,467	1,474
	<u>12,933</u>	<u>11,362</u>

11. FINANCE INCOME

Finance income:

Finance income – Interest income on short term bank deposits	754	938
	<u>754</u>	<u>938</u>

12. CASH/ (CASH DEFICIT) GENERATED FROM OPERATIONS

Net profit	843	7,594
Adjusted for:	52	(674)
Finance income	(754)	(938)
Depreciation	806	505
Donated assets recognised	-	(296)
Changes in working capital	(10,820)	(18,814)
Decrease/(increase) in inventories	8,747	(273)
Decrease/(increase) in trade receivables	(47,146)	(864)
Increase/(decrease) in trade payables	27,579	(17,677)
	<u>(9,925)</u>	<u>(11,894)</u>

Note	2008/09 R'000	2007/08 R'000
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13. RELATED PARTY TRANSACTIONS

The Central Medical Trading Account provides medicines and medical consumables to the Department of Health at cost plus 7%. A 5% levy is charged for direct deliveries.

Revenue received/ (paid)

Sale of goods and services other than capital assets	276,230	294,711
Total	276,230	294,711

The amount reflected above does not agree with the revenue amount in the income statement as the amounts in the income statement reflect the net revenue after discounting of sales and receivables was applied.

The Free State Department of Health providing bridging capital to the Central Medical Trading Account. (Refer to note 6 for the refundable conditions).

Balance between the Central Medical Trading Account and the Related Party

Debit balances	101,358	53,281
Total	101,358	53,281

The debit balance of R 101 358 000 as reflected above is disclosed before deferred payment terms was taken into account.

Key Management Compensation

The Central Medical Trading Account and Department of Health have the same key management. Refer to note 29 in the financial statements of the Department of Health for details on the remuneration of key management.

14. OPERATING LEASES

Operating lease expenditure	619	644
Minimum lease payments within the next 12 months	612	619
Amounts payable later than one year	8	15
	620	634

The above operating lease expenditure consists of:

- Lease of a photocopier for a period of three years. The lease commenced in February 2008 and expired in January 2011.
- A new lease agreement for a photocopier for a period of three years was entered into during January 2008. The amounts payable for the lease are included in the payments for the next 12 months and payable later than one year.

15. CONTINGENT LIABILITY

15.1 Housing Guarantees

State guarantees are in respect of housing loans of employees with financial institutions. The housing guarantees balance at 31 March 2009 amounted to R22,650.

16. EMPLOYEE BENEFITS

Retirement Benefits

The Central Medical Trading Account's retirement benefits are provided by a defined benefit plan. Sufficient information to account for the plan as a defined benefit plan is not available. The fund to which the contributions are made is a Public Fund and therefore no sufficient information is available. Any potential liabilities are disclosed in the financial statements of the Provincial Revenue Fund and not in the financial statements of the Central Trading Account.

17. EXPENSES BY NATURE

	2008/09 R'000	2007/08 R'000
Cost of sales	250,302	279,292
Employee benefit expense	10,092	8,819
Operating lease expenditure	619	644
Professional services	2,818	2,603
Depreciation	806	505
Stock shortages	1,467	1,474
Computer services	742	742
Audit fees	920	401
Printing & stationery	167	358
Notional interest – deferred payment terms on payables	6,167	4,989
Other expenses	1,897	1,459
Total cost of sales, other costs and administrative expenses	275,997	301,286

18. PRIOR YEAR RECLASSIFICATIONS

18.1 Accumulated profits

The amount of R24 000 000 which was disclosed under trade and other payables was restated and transferred to other reserve. The funds were received from the Provincial Revenue Fund by transfer from the Department of Health as a bridging finance to the Central Medical Trading Account. The funds are not payable to the Department and have been paid in R2 000 000 instalments in the previous years and the current year. The R2 000 000 paid annually has been treated as revenue in the Statement of Financial Performance.

The effect of the changes on the financials for the year ended 31 March 2008 is as follows:

Decrease in accounts payables	24,000
Increase in accumulated profits (opening balance)	(22,000)
Increase in revenue and net profit for the year	(2,000)
Net effect on profit	-

18.2 Cash flow statement

The reclassification in 18.1 above also impacted on the following line items in the cash flow statement for previous year:

Cash receipts from customers.
Cash paid to suppliers and employees.

19. CONTINGENT LIABILITIES

In terms of Treasury Regulation 19.7.1, a trading entity must at the end of each financial year, declare any surplus or deficit to the relevant treasury. The relevant treasury may require that all or part of the surplus be redeposited in the Exchequer bank account.

The accumulated surplus of R38,928 000 as at 31 March 2009 may be paid back to the relevant treasury on request.

20. GENERAL INFORMATION ON THE MEDICAL TRADING ACCOUNT

The aim of the Central Medical Trading Account is to provide medicines and medical consumables for the needs of provincial and state dependent institutions.

The impact of the financial performance of the trading entity on the finances of the Free State Department of Health is through the capital of the Central Medical Trading Account. This is a fixed fund, which is only augmented through the budget of the Free State Department of Health as the need arises. A provision is made annually in the budget of the department for the augmentation of the Central Medical Trading Account capital fund.

In terms of treasury regulations any surplus or deficit must be declared to the relevant treasury who may apply such surplus to reduce any proposed allocation to the trading entity or require that all or part of it be re-deposited in the Exchequer bank account. In the event of a trading entity incurring a deficit, the accounting officer of the department controlling the trading entity must disclose the financial impact of such a deficit on the department in its annual report.

THE RECREATION FUND TRUST ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2009

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REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE NO 5: DEPARTMENT OF HEALTH RECREATION FUND TRUST FOR THE YEAR ENDED 31 MARCH 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Recreation Fund Trust which comprise the balance sheet as at 31 March 2009, income statement, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages [xx] to [xx].

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice (SA Statements of GAAP) and in the manner required by the Auditor-General audit circular 1 of 2007 and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General's responsibility

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

Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the Recreation Fund Trust as at 31 March 2009 and its financial performance and cash flows for the year then ended, in accordance with SA Statements of GAAP.

Other matters

Without qualifying my audit opinion, I draw attention to the following matter that relates to my responsibilities in the audit of the financial statements:

Governance framework

8. The governance principles that impact the auditor's opinion on the financial statements relate to the responsibilities and practices of the accounting officer and executive management and are reflected in the key governance responsibilities addressed below:

Key governance responsibilities

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

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	X	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.	X	
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	N/A	
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines (section 40 of the PFMA).	X	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	X	
Development of and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	The Trust Fund had an audit committee in operation throughout the financial year.	N/A	
	The audit committee operates in accordance with approved, written terms of reference.	N/A	
	The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.	N/A	

No.	Matter	Y	N
7.	Internal audit		
	The Trust Fund had an internal audit function in operation throughout the financial year.	N/A	
	The internal audit function operates in terms of an approved internal audit plan.	N/A	
	The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.	N/A	
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	X	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	X	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	X	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2.	N/A	
12.	Powers and duties have been assigned, as set out in section 44 of the PFMA.	X	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	X	
14.	SCOPA resolutions have been substantially implemented.	X	

APPRECIATION

The assistance rendered by the staff of the Recreation Fund Trust during the audit is sincerely appreciated.

Auditor-General

Bloemfontein

31 July 2009

DISCLOSURE OF TRUST FUND PARTICULARS

The name of the entity was registered in terms of Section 6(1) of the Trust Property Control Act, 1988 (Act 57 of 1988) as THE RECREATION FUND TRUST.

These set of statements drafted for the Recreation Fund Trust cover only an individual entity.

The Registration number of the Recreation Fund Trust is No: IT 70/06.

The entity's domicile is the premises of the Free State Psychiatric Complex, 33-49 Nico van der Merwe Street, Bloemfontein; and the country of incorporation is South Africa.

The entity's address for the registered office is physically as mentioned above and postal address is Private Bag X20607, Bloemfontein, 9300.

The nature of the entity's operations and its principle activities are to obtain donations and arrange activities raising income for example cake sales, to be utilized to organize recreational activities and functions for the patients.

STATEMENT OF FINANCIAL PERFORMANCE

	Note	2008/09 R	2007/08 R
INCOME		30 615	16 718
Interest income	2	10 159	8 484
Donations received		18 116	5 238
Projects: Cake sale		2 340	2 996
EXPENDITURE		23 327	24 910
Projects: Athletics and dance		1 570	3 646
Bank charges		1 576	1 369
Patients' functions and trips		14 727	14 655
Patient salary		4 590	4 320
Patient IDs		864	920
SURPLUS/(DEFICIT) FOR THE YEAR		7 288	(8 192)

STATEMENT OF FINANCIAL POSITION

	Note	2008/09 R	2007/08 R
ASSETS			
Current assets		222 491	215 203
Cash and cash equivalents	3	222 021	214 733
Receivables	4	470	470
TOTAL ASSETS		222 491	215 203
EQUITY AND LIABILITIES			
Capital and reserves		222 491	215 203
Trust Fund Capital	5	222 491	215 203
TOTAL NET ASSETS AND LIABILITIES		222 491	215 203

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	Note	2008/09 R	2007/08 R
CASH FLOWS FROM OPERATING ACTIVITIES			
NNet Cash/(cash deficit) generated from operations	6	(2 871)	(16 676)
Interest received/ (paid)		10 159	8 484
Net increase/(decrease) in cash and cash equivalents		7 288	(8 192)
Movement in cash and cash equivalents			
End of the year		222 021	214 733
Beginning of the year		214 733	222 925
(Decrease)/increase		7 288	(8 192))

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2009

	R
Balance 1 April 2007	223 395
Net income for the year	(8 192)
Balance at 31 March 2008	215 203
 Balance at 1 April 2008	 215 203
Net surplus (deficit) for the year	7 288
Balance at 31 March 2009	222 491

ACCOUNT POLICIES FOR THE YEAR ENDED 31 MARCH 2009

I. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these annual financial statements, which are consistent with those of the previous year, are set out below:

I.1 Basis of preparation

The financial statements are prepared in accordance with and comply with South African Statements of Generally Accepted Accounting Practice. The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, marketable securities and investment policies.

I.2 Financial instruments

Financial instruments carried on the balance sheet include cash and receivables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

I.3 Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents comprise of cash at bank and a fixed deposit. The Previous year correction indicated in note 3 indicates the correction of the amount that was incorrectly declared as Petty cash in the previous year.

I.4 Revenue recognition

Interest received is recognized as it accrues unless collect ability is in doubt.

I.5 Basis

The financial statements for the Trust Fund are drawn up on a going concern basis.

I.6 Handling of Revenue

The Revenue in this Trust Fund comprises of sales of goods produced by the patients as well as interest on investment and contributions (donations) from institutions for recreational activities of patients.

I.7 PFMA Requirements

Due to the fact that this Trust Fund is not ruled by predetermined objectives, it is not possible to address performance comparison. The Trust Fund is only utilized for recreational activities for patients.

NOTES OF THE ANNUAL FIINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	2008/09 R	2007/08 R
2. Interest received		
First National Bank	10 159	8 484
3. Cash and cash equivalents	222 021	214 733
Cash at bank	122 021	114 664
Cash on hand (outstanding deposit)	-	69
Fixed deposit	100 000	100 000
4. Receivables	470	470
Private Patient Fund	470	470
5. Trust Fund Capital	222 491	215 203
Opening balance	215 203	223 395
Net surplus (deficit) for the year	7 288	(8 192)
6. Cash flow information		
Cash/(cash deficit) generated from operations	(2 871)	(16 676)
Net profit/(deficit) for the year	7 288	(8 192)
Adjustment for interest received	(10 159)	(8 484)

PRIVATE PATIENT FUND TRUST ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2009

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REPORT OF THE AUDITOR-GENERAL TO THE FREE STATE LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF VOTE NO 5: DEPARTMENT OF HEALTH PRIVATE PATIENT FUND TRUST FOR THE YEAR ENDED 31 MARCH 2009

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Private Patient Fund Trust which comprise the balance sheet as at 31 March 2009, income statement, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages [xx] to [xx].

The accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice (SA Statements of GAAP) and in the manner required by the Auditor-General audit circular 1 of 2007 and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auditor-General's responsibility

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

Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the Private Patient Fund Trust as at 31 March 2009 and its financial performance and cash flows for the year then ended, in accordance with SA Statements of GAAP.

Other matters

Without qualifying my audit opinion, I draw attention to the following matter that relates to my responsibilities in the audit of the financial statements:

Governance framework

8. The governance principles that impact the auditor's opinion on the financial statements relate to the responsibilities and practices of the accounting officer and executive management and are reflected in the key governance responsibilities addressed below:

Key governance responsibilities

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

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	X	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.	X	
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	N/A	
Timeliness of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines (section 40 of the PFMA).	X	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	X	
Development of and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	The Trust Fund had an audit committee in operation throughout the financial year.	N/A	
	The audit committee operates in accordance with approved, written terms of reference.	N/A	
	The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 3.1.10.	N/A	

No.	Matter	Y	N
7.	Internal audit		
	The Trust Fund had an internal audit function in operation throughout the financial year.	N/A	
	The internal audit function operates in terms of an approved internal audit plan.	N/A	
	The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 3.2.	N/A	
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	X	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	X	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	X	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 3.2.	N/A	
12.	Powers and duties have been assigned, as set out in section 44 of the PFMA.	X	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	X	
14.	SCOPA resolutions have been substantially implemented.	X	

APPRECIATION

The assistance rendered by the staff of the Private Patient Fund Trust during the audit is sincerely appreciated.

Auditor - General

Bloemfontein

31 July 2009

DISCLOSURE OF THE TRUST PARTICULARS

The name of the entity was registered in terms of Section 6(1) of the Trust Property Control Act, 1988 (Act 57 of 1988) as PRIVATE PATIENT FUND TRUST.

These set of statements drafted for the Private Patient Fund Trust cover only an individual entity.

The Registration number of the Private Patient Fund Trust is No: IT 255/06.

The entity's domicile is the premises of the Free State Psychiatric Complex, 33-49 Nico van der Merwe Street, Bloemfontein; and the country of incorporation is South Africa.

The entity's address for the registered office is physically as mentioned above and postal address is Private Bag X20607, Bloemfontein, 9300.

The nature of the entity's operations and its principle activities are to control donations made to patients from their relatives/friends by means of making deposits and withdrawals on their behalf.

Furthermore Occupational Therapy Section of the Free State Psychiatric Complex run projects e.g. Kosmos and Rutanang where products and gifts are manufactured by patients, and then sold.

STATEMENTS OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2009

	Note	2008/09 R	2007/08 R
Sales		964	1 911
Cost of Sales		(868)	(1 796)
Opening inventory		-	736
Purchases		1 146	1 060
		1 146	1 796
Closing Inventory		(278)	-
Operating income		96	115
Other Income		42 364	57 352
Interest Income	2	23 439	18 141
Projects:			
Kosmos		9 845	11 464
Rutanang		9 080	27 747
TOTAL INCOME		42 460	57 467
EXPENDITURE			
TOTAL EXPENDITURE		24 457	32 753
Bank Charges		2 701	2 807
Projects: Kosmos		12 740	10 710
Rutanang		9 016	19 236
SURPLUS/(DEFICIT) FOR THE YEAR		18 003	24 714

STATEMENTS OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2009

	Note	2008/09 R	2007/08 R
ASSETS			
Current assets		363 795	354 628
Inventory		278	-
Accounts Receivable		-	42
Cash and cash equivalents	3	363 517	354 586
Total Assets		363 795	354 628
EQUITIES AND LIABILITIES			
Current liabilities	5	92 164	101 000
Trade and other payables		92 164	101 000
Capital and reserves	4	271 631	253 628
Trust Fund Capital		271 631	253 628
TOTAL NET ASSETS AND LIABILITIES		363 795	354 628

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	Note	2008/09 R	2007/08 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash/(cash deficit) generated from operations	6	(14 508)	22 190
Interest received/ (paid)		23 439	18 141
Net increase/(decrease) in cash and cash equivalents		8 931	40 331
Movement in cash and cash equivalents			
End of year		363 517	354 586
Beginning of year		354 586	314 255
(Decrease)/Increase		8 931	40 331

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2009

	R
Trust Fund Capital	
Opening balance at 1 April 2007	228 914
Surplus/Deficit for the year	24 714
Prior year adjustment	-
Balance as at 31 March 2008	253 628
Balance as at 1 April 2008	253 628
Surplus/(Deficit) for the year	18 003
Closing balance as at 31 March 2009	271 631

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2009

I. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these annual financial statements, which are consistent with those of the previous year, are set out below:

I.1 Basis of preparation

The financial statements are prepared in accordance with and comply with South African Statements of Generally Accepted Accounting Practice. The financial statements are prepared under the historical cost convention as modified by the revaluation of certain property, plant and equipment, marketable securities and investment policies.

I.2 Financial instruments

Financial instruments carried on the balance sheet include cash and receivables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

I.3 Inventory

Inventory is stated at the lower of cost and net realizable value, making provision for obsolescence or sale ability. Cost is determined by the weighed average method. Net realizable value is the estimated selling price in the ordinary course of business, less selling expenses.

I.4 Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents comprise of cash at bank and a current deposit held with Standard Bank.

I.5 Revenue recognition

Interest received is recognized as it accrues unless collect ability is in doubt.

I.6 Basis

The financial statements for the Trust Fund are drawn up on a going concern basis.

I.7 Handling of Revenue

The Revenue in this Trust Fund comprises of sales of goods produced by the patients as well as interest on investment and contributions (donations) from institutions for recreational activities of patients.

I.8 PFMA Requirements

Due to the fact that this Trust Fund is not ruled by predetermined objectives, it is not possible to address performance comparison. The Trust Fund is only utilized for recreational activities for patients and the controlling of monies donated to the patients from relatives/friends.

NOTES OF THE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

Note	2008/09 R	2007/08 R
2. Interest received		
Standard Bank 32 day deposit	23 439	18 141
3. Cash and cash equivalents	363 517	354 586
Cash at bank	92 296	106 803
Standard bank deposit	271 221	247 783
4. Trust Fund Capital	271 631	253 628
Opening balance	253 628	228 914
Net income(deficit) for the year	18 003	24 714
5. Payables	92 164	101 000
Private Patient Fund	91 694	100 530
Amount owed to Recreation Fund Trust	470	470
6. Cash flow information		
Cash/(cash deficit) generated from operations	(14 508)	22 190
Net profit for the year	18 003	24 714
Adjustment for interest received	(23 439)	(18 141)
Generated from decrease in/(utilized to increase) working capital	(9 072)	15 617
(Decrease)/increase in payables	(8 836)	14 923
Decrease/(increase) in receivables	42	(42)
Decrease/(increase) in inventory	(278)	736
7. Accounts Receivables		
Staff Debtors	-	42

