



# ANNUAL REPORT

2017/18



health

Department:  
Health  
REPUBLIC OF SOUTH AFRICA

**A long and healthy life for all South Africans**





health

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Health  
REPUBLIC OF SOUTH AFRICA

**NATIONAL DEPARTMENT OF HEALTH**

**Annual Report  
2017/2018**

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# General Information

## PART A

## 1.1 Department's General Information

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## 1.2 List of abbreviations and acronyms

AAHA	Alliance Against HIV and AIDS
AGSA	Auditor-General of South Africa
AIDS	Acquired Immune Deficiency Syndrome
ALMAH	Academy for Leadership and Management in Health
AMA	African Medicines Agency
AMR	Antimicrobial Resistance
ASELPH	Albertina Sisulu Executive Leadership Programme in Health
APN	Access Point Name
APP	Annual Performance Plan
ART	Antiretroviral Treatment
ARV	Antiretroviral drug
AU	African Union
AWA	AIDS Watch Africa
AYAP	Adolescent and Youth Advisory Panel
AYHP	Adolescent and Youth Health Policy
BAS	Basic Accounting System
BCP	Business Continuity Plan
BMI	Body Mass Index
BRICS	Brazil Russia India China South Africa
CAMS	Complementary and Alternative Medicines
CARMMA	Campaign on Accelerated Reduction of Maternal and Child Mortality in Africa
CCMDD	Centralised Chronic Medicine Dispensing and Distribution
CCOD	Compensation Commissioner for Occupational Diseases
CDC	Centres for Disease Control and Prevention
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHC	Community Health Centre
CMS	Council for Medical Schemes
COO	Chief Operating Officer
CPC	Centre for Positive Care
CRP	Community Responsiveness Program
CSIR	Council for Scientific and Industrial Research
DALYs	Disability Adjusted Life Years
DBE	Department of Basic Education
DCST	District Clinical Specialist Team
DDG	Deputy Director General
DENOSA	Democratic Nursing Organisation of South Africa
DHIS	District Health Information Software
DHMO	District Health Management Office
DHS	District Health System
DIP	District Implementation Plan
DORA	Division of Revenue Act
DPME	Department of Planning Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DRG	Diagnosis Related Grouping
DR-TB	Drug-Resistant Tuberculosis
DS-TB	Drug-Sensitive Tuberculosis
EAP	Employment Assistance Programme
EMS	Emergency Medical Services
EMTCT	Eliminate Mother to Child Transmission
EPI	Expanded Programme on Immunisation
EPR	Epidemic Preparedness and Response
ESMOE	Essential Steps in Managing Obstetric Emergency
ESST	Educational Support Services Trust
FAST	Finding patients, Actively screening them for TB, Separating those with TB, Treating them effectively
FBI	Food Borne Illness
FCL	Forensic Chemistry Laboratory
FCTC	Framework Convention on Tobacco Control
FOSAD	Forum of South African Directors
GP	General Practitioner
HCRW	Health Care Risk Waste
HCT	HIV Counseling and Testing
HDI	Historical Disadvantaged Institutions
HEAPS	Highveld East AIDS Projects Support
HIRME	Health Information Research Monitoring and Evaluation
HISP	Health Information System Programme



HIV	Human Immunodeficiency Virus
HoD	Head of Department
HPRS	Health Patient Registration System
HPV	Human Papillomavirus
HR	Human Resources
HRECS	Health Research Ethics Committee
HRH	Human Resources for Health
HRM&D	Human Resources Management and Development
HSRC	Human Sciences Research Council
HST	Health System Trusts
HT	Health Technology
IAA	Internal Audit Activity
ICRM	Ideal Clinic Realisation and Maintenance
ICSM	Integrated Clinical Services Management
ICT	Information and Communications Technology
IHR	International Health Regulations
IPT	Isoniazid Preventive Therapy
IRS	Indoor Residual Spraying
ISHP	Integrated School Health Programme
IT	Information Technology
ITHPC	Interim Traditional Health Practitioners Council
IVD	In-vitro Diagnostics
JICA	Japan International Cooperation Agency
LLB	Bachelor of Laws
LLM	Master of Laws
LNC	Lancet National Commission
MAP	Muslim AIDS Programme
MCWH	Maternal, Child and Women's Health
MDG	Millennium Development Goals
MDR-TB	Multidrug-Resistant Tuberculosis
MEC	Members of the Executive Council
M&E	Monitoring and Evaluation
MMC	Medical Male Circumcision
MMR	Maternal Mortality Ratio
MNCAWH	Maternal, Newborn, Child, Adolescent and Women's Health
MPAT	Monitoring Performance Assessment Tool
MPSA	Ministry of Public Service Administration
MRC	Medical Research Council [South African]
MTSF	Medium Term Strategic Framework
NaPeMMCo	National Perinatal Mortality and Morbidity Committee
NAPHISA	National Public Health Institute of South Africa
NCAS	National Council against Smoking
NCDs	Non-Communicable Diseases
NCCEMD	National Committee on Confidential Enquiries into Maternal Death
NCEMS	National Committee of Emergency Medical Services
NDHSC	National District Health System Committee
NDoH	National Department of Health
NDP	National Development Plan
NFPSC	National Forensic Pathology Services Committee
NGO	Non-Government Organisation
NHC	National Health Council
NHI	National Health Insurance
NHLS	National Health Laboratory Services
NHRD	National Health Research Database
NHREC	National Health Research Ethics Committee
NICD	National Institute for Communicable Diseases
NICDAM	National Institute Community Development and Management
NIOH	National Institute for Occupational Health
NLGBTHI	National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health
NMC	Notifiable Medical Conditions
NSC	National Surveillance Centre
NSP	National Strategic Plan
NTSG	National Tertiary Services Grant
OD	Organisational Design
OHS	Occupational Health and Safety
OHSA	Occupational Health and Safety Act
OHSC	Office of Health Standards Compliance
OSD	Occupation-Specific Dispensation
PA	Pharmacy Assistant

PACTR	Pan African Clinical Trials Register
PCR	Polymerase Chain Reaction
PEC	Patient Experience of Care
PERSAL	Personnel Salary System
PEPFAR	President's Emergency Plan for AIDS Relief [US]
PFMA	Public Finance Management Act
PHC	Primary Health Care
PHSDSBC	Public Health and Social Development Sectoral Bargaining Council
PMB	Prescribed Medical Benefits
PMDS	Performance Management Development System
PMIS	Project Management Information System
PMPU	Provincial Medicine Procurement Unit
PMTCT	Prevention of Mother-to-Child Transmission of HIV
PoE	Ports of Entry
PPP	Private Public Partnership
PPTICRM	Permanent Perfect Teams for Ideal Clinic Realisation and Maintenance
PSC	Public Service Commission
QA	Quality Assurance
RMS	Rapid Mortality Surveillance
RRM	Revenue Retention Model
RTHB	Road to Health Booklet
SACENDU	South African Community Epidemiology Network on Drug Use
SADC	Southern African Development Community
SADHS	South Africa Demographic and Health Survey
SAHPRA	South African Health Products Regulatory Authority
SAM	Severe Acute Malnutrition
SANCTR	South African National Clinical Trial Register
SAPS	South African Police Services
SCM	Supply Chain Management
SCOPA	Select Committee on Public Accounts
SDG	Sustainable Development Goals
SDIP	Service Delivery Improvement Plan
SEPA	Single Exit Price Adjustment
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMS	Senior Management Service
SOP	Standard Operating Procedure
SSR	Sub-sub Recipient
Stats SA	Statistics South Africa
STIs	Sexually Transmitted Infections
SVS	Stock Visibility System
TB	Tuberculosis
TECH-NHC	Technical Advisory Committee of the National Health Council
THP	Traditional Health Practitioner
TIPHC	Training Institution for Primary Health Care
ToRS	Terms of References
TPCA	Tobacco Products Control Act
TVET	Technical and Vocational Education and Training
UHC	Universal Health Coverage
UN	United Nations
UNEP	United Nations Environment Programme
UNGA	United Nations General Assembly
WBPHCOTs	Ward Based Primary Health Care Outreach Teams
WHO	World Health Organization
WHO-AFRO	World Health Organization – Africa Region
WISN	Workplace Indicators of Staffing Need
WMS	Warehouse Management System

### 1.3 Foreword by the Minister



The Ministry of Health made a commitment in the 2017/18 Annual Performance Plan, namely to continue implementing strategic interventions aimed at strengthening primary health care (PHC) and health-financing reform through National Health Insurance (NHI). This Annual Report highlights key achievements and challenges in this regard during the 2017/18 financial year.

National Health Insurance aims to ensure that all citizens and residents of South Africa, irrespective of socio-economic status, have access to good-quality health services provided by both the public and private sectors, thereby eradicating financial barriers to health care access. The White Paper on NHI policy was published in the Government Gazette on 30 June 2017. Thereafter, drafting of the NHI Bill was completed. The draft NHI Bill and the Medical Schemes Amendment Bill were considered by Cabinet, and the draft NHI Bill was published to provide stakeholders with ample opportunity to submit written comments. Phase 1 of NHI implementation came to an end in 2016. During this Phase, the Department implemented various health systems-strengthening initiatives. These initiatives were first implemented in 11 NHI pilot districts, and thereafter rolled out to health facilities outside the NHI pilot districts. Phase 2 commenced in 2017, with the establishment of seven NHI bodies, structures and commissions.

Community outreach interventions include community health workers (CHWs) as a first point of contact between PHC facilities and surrounding communities. South Africa's PHC system is built on a model of functional Municipal Ward-Based PHC Outreach Teams, consisting of teams of CHWs linked with health facilities. The CHWs proactively initiate visits to households to perform a variety of basic healthcare services within their scope of practice. At the end of 2017/18, a total of 3 323 PHC Outreach Teams were active in providing basic health services to children and adults.

In October 2017, the National Health Council approved the new Policy Framework and Strategy on Community Health Workers for South Africa. This aims to ensure equitable distribution of comprehensive community-based PHC services that contribute to improved health and well-being among the individuals, households and communities being served. Approximately R1.4 billion has been identified for CHW salaries in 2018/19.

The National Policy for Nursing Education and Training has been approved; this will ensure uniformity and standardisation in the provision of nursing education by eliminating unregistered institutions, and improve clinical training for all programmes leading to professional registration. Three core national curricula aligned with national health priorities in the PHC re-engineering model were developed and submitted for accreditation. These include a new three-year diploma programme that will produce generalist nurses able to manage low-risk health problems, and a one-year advanced diploma programme that will produce midwives competent to manage maternal and neonatal care. The programmes will be offered from January 2020.

The Integrated School Health Programme (ISHP) contributes to the health and well-being of learners through screening for health barriers to learning. A cumulative total of 4 339 875 learners have been screened through this programme since its inception in 2012. Since inception of the programme, 504 803 learners were identified with various health barriers to learning, and referred for treatment.

The Central Chronic Medicines Dispensing and Distribution programme has continued to dispense prescribed medicines at accessible pick-up points to patients with chronic conditions. In 2017/18, a total of 2 182 422 patients enrolled to collect their prescribed medicines from over 855 pick-up points. In 2016/17, a total of 1 252 000 patients collected their medicines through this programme. In addition, the Department continued with roll-out of the medicines stock-out surveillance system to ensure that medicines are always available in PHC facilities and hospitals. Implementation of the stock visibility system increased from 3 121 clinics and community health centres in 2016/17, to 3 167 clinics and community health centres in 2017/18 (92% coverage).

The MomConnect programme was launched in August 2014 to improve access to early antenatal services and to empower pregnant women with relevant health knowledge. Pregnant women register via their mobile phones to receive weekly messages appropriate to their stage of pregnancy. The number of pregnant women and mothers registered on MomConnect doubled from 917 053 in the 2016/17 financial year to 1 888 918 in the 2017/18 financial year. A total of 1 549 complaints and 14 337 compliments have been registered and resolved since its inception. At the end of March 2018, a total of 818 688 pregnant women and mothers were receiving health-promotion messages.

The Health Patient Registration System provides a Patient Registry and Master Patient Index using the South African identification number and other forms of legal identification. At the end of March 2018, a total of 2 968 PHC facilities were using the system and more than 20 million

people had been registered on the system, compared with 1 849 PHC facilities and 6.3 million registered at end of March 2017.

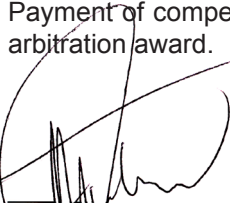
The Ideal Clinic (IC) initiative was started in July 2013 to improve quality and efficiency in PHC facilities in the public sector. At the end of March 2018, a cumulative total of 1 507 of the 3 434 facilities assessed had attained IC status.

The 2017 General Household Survey conducted by Statistics South Africa found that seven out of every 10 households interviewed made use of public health facilities as their first point of access when household members needed health care services. Furthermore, the survey reported that 81.7% of households attending public health facilities were either very satisfied or satisfied with the service they received. This finding is similar to the 2017 Patient Experience of Care Survey conducted in 168 randomly selected PHC facilities, which found that 76.5% of 7 128 patients had positive experiences of care and 74.8% were also satisfied with the services they received in the facilities. Among other things, the Patient Experience of Care Survey pointed out that medicine availability is one of the main contributors towards patient satisfaction.

The Gauteng Provincial Department of Health faced the Life Esidimeni tragedy during this last year. After release of the "Report into the Circumstances Surrounding the Deaths of Mentally Ill Patients: Gauteng Province" by the Health Ombud (Professor Makgoba), the Gauteng Premier and I facilitated implementation of the 18 recommendations contained in the report. The Gauteng Mental Health Marathon Project was discontinued, and all patients who were part of the project were relocated to appropriate health establishments by 30 May 2017. The Former MEC, Ms Mahlangu, voluntarily resigned from her position on 31 January 2017, and both the former Head of Health, Dr Selebano, and the Gauteng Director of Mental Health who had been placed on suspension, subsequently

resigned in January 2018. These officials were reported respectively to the relevant Health Statutory Councils, and all other implicated officials were charged and subjected to disciplinary action.

The new district-based Mental Health Review Board was appointed by the Gauteng MEC on 1 July 2017. Investigations by the South African Police Services and Special Investigation Unit are currently underway. The South African Human Rights Commission conducted its hearings from 14 to 16 November 2017, and the National Department of Health awaits the Report. The Task Team I appointed to review the licensing regulations and procedures to ensure compliance with the National Health Act, the Mental Health Act, and the Norms and Standards for all Health Establishments, developed Policy Guidelines that were published in the Government Gazette on 16 March 2018. National research to establish overall expenditure on mental health is being conducted to determine sufficient budget for mental health services. Together with the Gauteng Premier, we contacted all affected families and individuals and entered into an "Alternative Dispute Resolution Process" as recommended by the Health Ombud. We appointed Justice Dikgang Moseneke to facilitate the arbitration. The arbitration hearings commenced on 9 October 2017 and were completed on 9 February 2018. On 19 March 2018, Justice Moseneke delivered an arbitration award. All necessary assessments of affected claimants were conducted and health counselling services were provided. Payment of compensation was done as prescribed in the arbitration award.



**Dr PA Motsoaledi, MP**  
**Minister of Health**

**Date: 31 August 2018**

## 1.4 Statement by the Deputy Minister



The Department of Health has continued to build and maintain health facilities in order to ensure that citizens access services closer to where they live. During the 2017/18 financial year, the Department spent more than R9.3 billion on construction or replacement of hospitals, clinics and community health centres; staff accommodation; emergency medical service stations; mortuaries; forensic laboratories; laundries; medical depots; and nursing colleges. A significant achievement was the building of 14 new clinics, one in the Eastern Cape, seven in Limpopo, four in the Western Cape, one in KwaZulu-Natal, and one in the Northern Cape. Revitalisation of Cecilia Makiwane Hospital, in Buffalo City District Municipality (Eastern Cape) was also completed, and officially opened on 14 September 2017.

Human resources remain the bedrock of a well-functioning and effective health system as envisaged in National Development Plan (NDP) 2030, which identified production of the health workforce as the priority for a more effective health system. As part of bilateral agreements on public health between South Africa and Cuba signed in 1994, the Nelson Mandela/Fidel Castro (NMFC) Medical Collaboration Programme was initiated to relieve the acute shortage of human capacity in the public health sector, in line with South Africa's strategic objective to increase the production of human resources for health. Cuba was the country of choice for training because of its impressive health indicators, based on successful implementation of a primary health care (PHC) model.

The current Cuban programme is expected to increase the number of qualified medical doctors in order to meet the country's growing health demands, especially in under-served rural areas where the Department has always struggled to attract and retain medical practitioners. In this regard, the longstanding diplomatic relations between South Africa and Cuba have assisted in augmenting

the shortfall in production of medical practitioners. Our current agreement with the Cuban government will ensure an annual intake of 1 000 medical students, which is a resounding achievement following an initial enrolment of only nine Mpumalanga students into the programme in 1997.

Increased intake due to expansion of the programme in 2012 has yielded significant results. The first group of 712 final-year MBChB students arrived in the country in July 2018, to complete their final year of medical studies in local clinical practice, as part of the integration process. Since the inaugural graduation of the first cohort in 2004, a total of 657 Cuban-trained medical students have graduated. In 2019, the largest number of Cuban-trained medical students registered thus far for their final year will graduate as medical doctors. These students will complete their clinical training at local universities, namely Stellenbosch University, the University of Cape Town, University of the Free State, University of KwaZulu-Natal, University of Limpopo, University of Pretoria, Walter Sisulu University, University of the Witwatersrand, and Sefako Makgatho Health Sciences University.

As a result of the expanded Cuban programme, a large number of Cuban-trained graduates have been enrolled at expanded sites throughout South Africa, which has provided an opportunity to strengthen the health system in all provinces. Near-doubling of the number of final year students in the country in 2019 brings hope to progressive realisation of the vision of "Health for All". Together, introduction of National Health Insurance (NHI) and the injection of Cuban-trained graduates provides impetus to the PHC approach. Health promotion and disease prevention remain at the core of NHI success.

The biggest threat to NHI remains the unequal distribution of health professionals between urban and rural areas. To ensure the right to health for all, government has already taken action to begin increasing the number of health professionals graduating from colleges and universities, to serve in under-resourced areas of the country. The introduction of a workforce that lives and breathes the PHC philosophy is a key step in the journey towards implementing NHI and ensuring efficiencies in the health system.

While it has been a resounding success since its inception 24 years ago, the NMFC Medical Collaboration Programme also presents huge strategic responsibilities and the need for collaboration among participating stakeholders. Effective coordination of the Programme will enhance scoping, planning, execution, monitoring and evaluation of fragmented provincial activities across the country. All the institutions concerned with medical training have worked together towards creating a teaching platform such as they had never seen or imagined. This makes possible the production of sufficient numbers of health workers, with the requisite skills, and in touch with the communities they serve.

The ability of a health system to perform well and respond appropriately to new challenges is strongly influenced by the availability of health workers with relevant skills, in sufficient numbers, located where they are needed, and working in environments that motivate and engage them.

Our national efforts to address human resource shortages, such as through the NMFC Medical Collaboration Programme, remain therefore an important pillar in the Department of Health's health systems-strengthening agenda.



**Dr J Phaahla, MP**  
**Deputy Minister of Health**  
**Date: 30 August 2018**

## 1.5 Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa



- c) The department is implementing the Medium Term Strategic Framework 2014-2019 which are aligned to the Strategic Plan and the Annual Performance Plan of the department, and supports realisation of NDP goals. The MTSF outcomes are: Universal Health coverage progressively achieved through implementation of National Health Insurance; improved quality of health care; implementation of the re-engineering of primary health care; reduced health care costs, improved human resources for health, improved health management and leadership, improved health facility planning and infrastructure delivery; HIV & AIDS and Tuberculosis prevented and successfully managed; maternal, infant and child mortality reduced; efficient health management information system developed and implemented for improved decision making
- d) In the 2017/18 year the final White Paper on National Health Insurance (NHI) policy was published in the Government Gazette on 30 June 2017. This was an important landmark in ensuring transformation of the fragmented two-tiered health system, the public and private, into a unified health system as envisaged by the 1997 White Paper on the Transformation of the Health System in South Africa. NHI is a vehicle to deliver universal health care coverage (UHC), it seeks to provide access to quality health services for all South Africans based on their health needs, irrespective of their socio-economic status.
- e) In the NHI Phase I period in 2012 to 2016, the focus was on strengthening the health system, and these interventions included (i) improving the management of health facilities; (ii) improving throughput from training institutions to address key Human Resources for Health requirements; (iii) strengthening infrastructure programme and procurement of equipment; (iv) implementing improved and integrated health information systems and technology; (v) rationalising of laboratory services; (vi) effective and integrated procurement of health commodities; (vii) the implementation of and compliance with National Quality Standards for Health; (viii) Re-engineering of Primary Health Care; (ix) the contracting of health practitioners to strategically enhance the quality of Primary Health Care; (x) restructuring and improving the provision of Occupational Health, Mental Health, Disability and Emergency Medical Services as part of the comprehensive set of health entitlements that will be covered by the NHI Fund.
- f) In August 2017, the proposed Terms of References (ToRs), Functions and Composition of Implementing Bodies were published in the Government Gazette for public comments and inputs. Comments on the ToRs were received, evaluated and integrated. Calls for nominations were also published and nominations were received for the appointment of experts for these committees. These structures are: a) The Committee on Tertiary Services which will deal with matters relating to the effective provision of specialized services, equipment and specialists in South Africa. b) The Committee on Human Resources for Health which

### 1. Overview of the operations of the Department

#### 1.1 Strategic issues facing the Department

- a) The National Development Plan (NDP) 2030 sets out the vision for the South African health system to achieve “A long and healthy life for all South Africans”. It sets out the 2030 targets as:-
- a life expectancy rate of at least 70 years for men and women;
  - a generation of under-20s largely free of HIV;
  - a reduced quadruple burden of disease;
  - an infant mortality rate of less than 20 deaths per thousand live births and under-five mortality rate of less than 30 deaths per thousand live births;
  - a significant shift in equity, efficiency, effectiveness and quality of health care provision; and
  - universal health coverage, and significant reduction in the risks by the social determinants of disease and adverse ecological factors.
- b) The Department of Health continues to build a strong integrated national health system to respond to the priority challenges, including:-
- a complex, quadruple burden of diseases which consists of communicable diseases such as HIV and AIDS and TB, as well as a rise in non-communicable diseases. The associated mortality is compounded by a high maternal mortality ratio, child mortality rates as well as high rates of violence, injuries and trauma;
  - serious concerns about the quality of public health care;
  - an ineffective and inefficient health system; and
  - spiraling private health care costs.

- will deal with issues relating the production of health professionals (not just doctors), training of health professionals, the ability to fill posts, place interns and community service professionals, and to absorb the professionals after graduating; c) The Committee on Health Care Benefits for National Health Insurance which will deal with specifying the package of services to be provided, including process and procedures, adherence to norms and standards for quality services; d) The National Health Pricing Advisory Committee will develop a uniform pricing structure, based on the costs of services not profits, address the issues of high costs of health care and performance based reimbursement structures for contracting with providers; e) The Committee on Consolidation of Financing Arrangements will develop recommendations for the consolidation of fragmented risk pools in medical schemes, reduce the number of options in medical schemes which are now discriminatory and reduce the number medical schemes to promote greater risk pooling which is a core; f) The Committee on Health Technology Assessment for National Health Insurance will develop process to ensure that the most appropriate technology which is cost effective is available; ensure that technology is appropriate but does not increase the costs of health care such that it becomes unaffordable, and ensures access to cancer treatment, renal dialysis, appropriate use of MRI and CT scanners; and g) The National Health Commission will review and make recommendations on social determinants of health, non-communicable diseases and other factors that contribute to premature death, it will assess, evaluate and recommend strategies.
- g) According to the Rapid Mortality Surveillance (RMS) Report 2018 of the Medical Research Council, the total life expectancy in South Africa improved from an estimated average of 62.2 years in 2013 to 63.8 years in 2016. The Second National Burden of Disease Study of the Medical Research Council was released revealing changes in mortality trends for South Africa. South Africa is experiencing downward mortality trends which could be attributed to the continued expansion of the government antiretroviral programme, with an increased number of HIV positive persons who are taking antiretroviral drugs (ARV) living longer. Further the MRC study on South Africa's prevention of mother-to-child transmission (PMTCT) programme has demonstrate the programme has saved approximately 80 000-85 000 new-born babies per year, since 2010, from early HIV infection.
- h) Both the annual RMS 2018 and the 2016 South Africa Demographic and Health Survey (SADHS) demonstrate declining under five years and Infant mortality rates. However, neonatal mortality rates have increased slightly. According to the RMS 2018 under-five mortality rates declined from 41 child deaths per 1000 live births in 2013 to 34 child deaths per 1000 live births in 2016. Infant mortality rates also declined slightly from 28 infant deaths per 1000 live births in 2013 to 25 infant deaths per 1000 live births in 2016. Neonatal mortality rates increased slightly from an estimated 11 per 1000 live births in 2013 to 12 neonatal deaths per 1000 live births in 2016.
- i) The maternal mortality ratio (MMR) decreased from an estimated of 165 deaths of pregnant women per 100 000 live births in 2012 to 152 deaths per 100 000 live births in 2015. The MMR decreased significantly from the MTSF baseline of 269 deaths per 100 000 live births in 2009.
- j) Since 2009, the current Ministry of Health has embarked on a massive reform focused on strengthening health systems effectiveness, it has addressed health management and personnel challenges, financing challenges, and quality of care concerns.
- k) The effectiveness of the health system must be strengthened as it is the foundation for successful interventions to improve health outcomes must be built. Furthermore, decreasing the burden of disease requires a well-functioning health system that is based on the principles of accessible, equitable, efficient, affordable, appropriate and quality health service provision.
- l) The Department continues to build NHI as a vehicle to deliver universal health coverage to all South Africans. NHI is defined as a health financing system that pools funds to provide access to quality health services for all South Africans, based on their health needs and irrespective of their socio-economic status. The goal of NHI is to ensure that all South African citizens and residents, irrespective of their socio-economic status, have access to good quality health services provided by both the public and private sectors. NHI seeks to eradicate financial barriers limiting access to health care.
- m) During this financial year, the final White Paper on NHI policy was published in the Government Gazette on 30 June 2017. In August 2017, the Department also published for public comment the proposed Terms of References, Functions, Roles and Responsibilities, Reporting and Accountability for the seven required NHI bodies, structures and commission that should be established. The Draft NHI Bill was presented to the Forum of South African Directors-General (FOSAD) Social Cluster in September 2017 and approved for Cabinet submission.
- n) The Department continued to strengthen PHC re-engineering in South Africa, through the four identified streams of:
- District Clinical Specialist Support Teams (DCST);
  - Ward-based Primary Health Care Outreach Teams (WBPHCOT);
  - School-based Health programme; and
  - Contracting of general practitioners and other providers to work in primary health care facilities.
- o) Implementation of the four streams of PHC re-engineering has included contracting of GPs and other private PHC health professionals into public health facilities. Substantial progress has been made in contracting health professionals, despite challenges



at the start of the programme. The introduction of an independent service provider for recruitment and placement of GPs has significantly increased the number of GPs contracted. In order to address the challenge of poor uptake of GPs in the NHI pilot districts, the Department engaged GPs and addressed concerns, which resulted in more GPs being attracted. At the end of March 2018 there were 330 GPs and 329 Pharmacist Assistants on the contract. The national contract has brought much stability to the issue of access to doctors at PHC level, boosting the morale of facility staff and bringing about patient satisfaction.

- p) As DCSTs have been in place for six years, their impact on clinical care is important. Recently published evidence shows the contribution that these teams of skilled clinicians have made to maternal, newborn and under-five outcomes. The teams have used various provincial strategies and approaches to improve quality of care for these key groups. Their critical role is apparent in skills training (for example in obstetric emergencies and newborn care), in the analysis of factors contributing to death (through support of clinical or death audit programmes), and in improved case management (for example in severe acute malnutrition). Countrywide, DCSTs have also developed innovative ways to solve challenges in the delivery of care, and many of these solutions will be scaled up.
- q) The Municipal Ward-based Primary Health Care Outreach Team (WBPHCOT) programme expanded during the 2017/18 financial year. At the end of March 2018, there were 3 323 functional WBPHCOTs, an increase of 1 527 teams from a baseline of 1 748 in 2014/15. In order to strengthen the WBBPHOT programme, a new Framework and Strategy for WBPHCOTs was approved by the National Health Council (NHC), and new scopes of work for Community Health Workers and Outreach Team Leaders have been developed to re-focus their activities towards addressing the burden of disease.
- r) The Department has continued to provide Integrated School Health Programme (ISHP) services; this has contributed to the health and wellbeing of learners as they are screened for health barriers to learning. A total of 387 574 Grade 1 learners (33%) and 193 438 Grade 8 learners (21%) were screened from April 2017 to March 2018. A cumulative total of 4 339 875 learners have been screened since inception of the programme, and 504 803 learners have been identified with various health barriers to learning and referred for intervention.
- s) During the 2017/18 financial year, 14 610 276 clients aged 40 years and above were screened for diabetes, and 16 016 010 clients in the same age group were screened for hypertension at health facilities. In addition, 8 988 011 clients attending PHC facilities were also screened for mental health disorders.
- t) The Department performed well on TB. The new client treatment success rate reached 84.4%, while the TB client death rate was maintained at 3.9% in 2017/18, the same as the rate in the previous financial year.
- u) With regard to the massive TB screening campaign, specific annual targets have been set for TB screening in correctional services and controlled mines. These services are implemented through a service level agreement (SLA) by sub sub-recipients (SSRs) of Global Funding. This funding has enabled SSRs to conduct routine TB screening of inmates in 98% of correctional service points in 2017/18; 97% of inmates diagnosed with TB were started on TB treatment in correctional centres, and 80% of community members diagnosed with TB were also started on TB treatment in this year.
- v) The human papilloma virus (HPV) vaccine targeting girls in Grade 4 was introduced to protect them from acquiring cervical cancer – a major cause of death especially among African women. The programme was largely successful, reaching 82.6% of eligible girls for the 1st dose HPV immunisation, and 61.3% for the 2<sup>nd</sup> dose HPV immunisation coverage.
- w) Prevention is the mainstay of efforts to combat HIV and AIDS. Since the HIV Counselling and Testing (HCT) campaign was introduced in 2010, over 44 million people have been tested. A total of 13 872 315 people were tested for HIV, exceeding the annual target of 10 million for the 2017/18 financial year.
- x) Medical male circumcision (MMC) is one of the Department's combination HIV prevention interventions. During 2017/18, a total of 539 892 MMCs were performed (this includes MMC data from partners).
- y) At the end of March 2018, the total number of clients remaining on ART therapy (TROA) was 4 189 070. The Department revised the South African HIV Guidelines to align them with the World Health Organization (WHO) HIV Guidelines.
- z) Programme data show that fewer infants are being infected with HIV. In 2017/18, a polymerase chain reaction (PCR) test done at around 10 weeks showed a 0.95% positivity rate for all babies born to HIV-positive women.

## 1.2 Significant Events that have taken place during the year

- a) The Lancet National Commission (LNC) was officially launched on 12 May 2017. The objectives of the initiative are to define and describe the quality and responsiveness of health systems in low and middle-income countries, to propose traceable measures of quality, and to quantify the impact of enhanced strategies in reaching the sustainable development goals (SDGs). South Africa is participating in the Global Lancet Commission and has also established its LNC consisting 15 members from the public sector, universities, the private sector, non-governmental organisations and quality institutions. The South African government, in collaboration with the LNC and the Lancet Global Commission, hosted the

- Global Lancet Commission meeting from 11 to 13 December 2017. The meetings were attended by the Chairperson of the Lancet Global Commission and national commissioners from South Africa, Mexico, Ethiopia, Senegal, the Philippines, Argentina, Nepal and Tanzania. The LNC commenced developing, writing and finalising the LNC Report, which will address key issues, including: (i) Measuring Quality across the Health System: what is measured and what is not, innovations to address gaps, adding quality to SDGs, and effective coverage; (ii) Describing Quality Health Systems: what quality of care people receive today, variations in quality, national comparisons and impact of quality; (iii) Governance and Leadership: Governance, management and leadership, and clinical governance; (iv) Improved Health System Quality; and v) Ethics and Equity of Quality.
- b) South Africa participated in various continental and global fora for the implementation of Treaties and Conventions during the 2017/18 financial year. The country successfully hosted the 17th World Conference on Tobacco or Health in Cape Town from 7 to 9 March 2018, under the theme “Uniting the World for a Tobacco-free Generation”. This was the first tobacco conference to be hosted in Africa. As the current chair of the Southern African Development Community (SADC) Health Ministers, the South African Minister of Health hosted the SADC Health Ministers meeting in Polokwane on 9 November 2017 and the Extraordinary SADC Health Ministers meeting on Listeriosis, held in Johannesburg on 15 March 2018.
- c) SA participated in WHO initiatives that support implementation of multilateral frameworks to address global, continental, regional and national health challenges. These included World Health Assembly and Executive Board, WHO-AFRO Regional Committee and the WHO Global Ministerial Conference “Ending TB in the Sustainable Development Era: A Multi-sectoral Response”, WHO’s Global HIV Prevention Coalition meeting; Independent Oversight Advisory Committee for the WHO Health Emergencies Programme: Symposium on Health Financing for Universal Health Coverage (UHC): towards implementation: and 1<sup>st</sup> WHO Global Ministerial Conference “Ending Tuberculosis in the Sustainable Development ERA: a Multi-sectoral Response.
- d) For the SADC health initiatives, SA hosted of SADC Health Ministers meeting; Malaria Elimination 8 & MOSASWA Malaria Initiative; SADC HIV/AIDS Cross Border Initiatives; SADC TB in the Mines). The country also hosted the SADC Extraordinary meeting of Health Ministers and further ensures presentation of this meeting resolution at the Extra Ordinary meeting of the SADC Council of Minister to address the listeriosis outbreak in South Africa.
- e) In 2017/18 the Forensic Chemical Laboratories (FCL) managed to maintain a less than 90 day turn-around in Cape Town, Durban and Pretoria FCL. 78% of the backlog blood alcohol tests were eliminated from the list of cases provided by the Criminal Justice System Reform Committee.
- f) The Compensation Commissioner for Occupational Diseases and Occupational Health is responsible for the payment of compensation of active and ex-workers in controlled mines and works who have been certified to be suffering from cardio-pulmonary related diseases as a result of workplace exposures in the controlled mines or works. In the 2017/18 financial year, the key success was the payment of 10 409 claimants approximately R254 million of which R110 million went to neighbouring countries. One Stop Service Centres were also opened in Burgersfort and Kuruman and 1 in Botswana, 2 in Lesotho, 2 in Mozambique and 2 in Swaziland thus increasing access of ex-mineworkers to decentralised services.
- g) The Department of Health is working with the Department of Justice and Constitutional Development to address litigation and medical negligence. The Medico-Legal Declaration of March 2015 outlines three solutions, namely, the Medical (Patient Safety), Administrative and Legal Solutions. The Medical Solution (Patient Safety) is aimed at reducing the incidences of the negligence, medical malpractice or unethical behaviour and adverse events amongst others through uniform implementation of Clinical Governance Protocols and Standard Operating Procedures (SOPs). Administrative Solution strives to ensure among others, proper record keeping that will minimize the loss or theft of medical records and proper communication with patients and members of the public. The Legal Solution looks at various legal interventions including but not limited to mediation; contingency fees; the common law rule of “once and for all”; the periodic or staggered payment instead of a lump sum payment. The State Liability Amendment Bill, 2018 is being proposed to amend State Liability Act of 1957 to provide for structured (periodic payments) settlements of claims versus the lump sum payment.
- h) On 8 January 2016, the President assented to implementation of the Medicines and Related Substances Amendment Act (No. 14 of 2015), which subsequently came into effect on 1 June 2017 following the proclamation signed by the President on 22 May 2017. The Medicines and Related Substances Act (No. 101 of 1965) as amended, provides for the establishment of the South African Health Products Regulatory Authority (SAHPRA/the Authority), which is responsible for regulatory oversight of medicines, scheduled substances, clinical trials, medical devices and in vitro diagnostics (IVDs). The objectives of the Authority are to provide for the monitoring, evaluation, regulation, investigation, inspection, registration and control of medicines, scheduled substances, clinical trials, medical devices, IVDs and related matters in the public interest. The Medicines Control Council (MCC) transitioned into SAHPRA in February 2018 following the first meeting of the board. The transition has enabled SAHPRA to operate more independently from the Department of Health and retain the revenue collected from the applicable industry.
- i) The South African Health Products Regulatory Authority has been listed as a schedule 3A public entity in accordance with the Public Finance Management

Act (PFMA). The first Board of SAHPRA was appointed by the Minister for a three-year term of office (expiring on 30 September 2020), and consists of members with the required technical skills and experience for the entity to execute its mandate. The Acting Chief Executive Officer of the Authority was appointed following the first meeting of the Board.

### 1.3 Major projects undertaken or completed during the year

- a) In August 2014, the Department launched the MomConnect programme to improve access to early antenatal services and empower pregnant women. Pregnant women are registered via their mobile phones and receive weekly messages appropriate to their stage of pregnancy. They can also send (unsolicited) complaints and compliments about services received at public clinics. By the end of March 2018, a cumulative total of 1 888 918 pregnant women and mothers were registered, and the Department had received 1 549 complaints and 14 337 compliments. The milestone of two million registrations will be reached soon. At the end of March 2018, 818 688 pregnant women and mothers were receiving messages
  - b) The 'Ideal Clinic' (IC) initiative was started in July 2013 as a way of systematically reducing deficiencies in PHC facilities in the public sector. As at the end of March 2018, a cumulative total of 1 507 facilities qualified as ICs. This achievement has been enabled by collaboration between the NDoH and National Treasury in resolving supply chain management challenges faced by clinics, especially with regard to equipment, essential supplies and infrastructure.
  - c) Health delivery in South Africa is through a district health system (DHS), using a PHC approach, which was adopted at Alma Ata in 1978. It is a nurse-based healthcare system. In the PHC Re-engineering Programme alone, nurses are already making a much greater contribution as part of the family health team. As a Department there is a strong emphasis on quality of health care. The role of the nurse is paramount in this regard, and the voice of nurses is represented by the office of the Chief Nursing Officer.
  - d) In an effort to reduce the quadruple burden of disease, the National Public Health Institute of South Africa (NAPHISA) Bill was tabled for consideration at the Parliamentary Portfolio Committee of Health. The Bill provides for the establishment of NAPHISA to provide integrated and coordinated disease and injury surveillance; research, monitoring and evaluation of services; and interventions directed towards the major public health problems affecting South Africans.
  - e) In order to improve environmental and port health services, municipalities were monitored to ensure compliance with the provisions of the norms and standards. A total of 20 district and metropolitan municipalities rendering municipal health services were audited, and 13 of the 20 performed above the minimum required performance level of 51%. Ten Ports of Entry (PoEs) were assessed and found to be compliant with the International Health Regulations, 2005. National Port Health Standard Operating Procedures were finalised for implementation to ensure that port health services are rendered in a standardised manner throughout the country.
- f) The three forms of malnutrition, namely under-nutrition, over-nutrition and micronutrient deficiencies, continue to be a challenge in South Africa. The Department is implementing interventions focused on clinical nutrition, public health nutrition and food service management to address these challenges. As part of overcoming the high prevalence of overweight and obesity, the Department has provided orientation workshops to Government Departments in nine provinces, oriented on the national guide for healthy meal provision in the workplace. These workshops are aimed at helping employees adopt healthy eating habits.
  - g) Challenges exist in health facilities with regard to procurement and costs for medical equipment, waste management, line laundry and food services. The Department of Health is working with the office of the Chief Procurement Officer in Treasury to implement a new sourcing strategy that improves the procurement process, efficiency and economies of scale. To this end, the National Treasury and NDoH have signed a Memorandum of Understanding for the Procurement Transformation Initiative (PTI) collaboration. The focus areas are medical equipment, medical waste management, laundry and cleaning chemicals, linen and laundry, and food service. Procurement will occur at provincial level to support the local economy, and at national level where there is shortage of skills in the provinces. Local procurement will largely be in catering, cleaning and laundry to support Black Economic Empowerment and Small Business Development policies. An analysis of the services and costs has been conducted. A total of 556 people were trained across provinces in 2017/18.
  - h) Development of the Health Patient Registration System (HPRS) commenced in July 2013 as part of eHealth Strategy implementation, and involved a partnership between the NDoH, the Department of Science and Technology and the CSIR. The HPRS provides a Patient Registry and Master Patient Index using the South African Identification Number and other forms of legal identification such as passports. The phased implementation was expanded from 1 854 PHC facilities in 2016/17 to 2 967 PHC facilities in 2017/18. As at 31 March 2018, 20 700 149 people have been registered on the system linked to a Master Patient Index.
  - i) The 2016 South Africa Demographic and Health Survey (SADHS) targeted a nationally representative sample of over 15 000 households across the nine provinces. The NDoH in collaboration with Medical Research Council (MRC) and Statistics South Africa (Stats SA) released the SADHS Key Indicator Report

in May 2017. Drafting of the SADHS detailed full report commenced in 2017, and it will be released in the 2018/19 financial year.

- j) In the 2017/18 financial year, the Centralised Chronic Medicines Dispensing and Distribution (CCMDD) programme continued to enrol new patients. The number of patients enrolled to receive their prescribed medicines in this way increased from 396 567 in 2015/16 to 2 166 973 in 2017/18; medicines were received from over 855 pick-up points including occupational health sites, GPs and private pharmacies. In addition, national surveillance systems were established; information on medicine availability in clinics and hospitals was received and analysed to manage stock challenges. In the 2017/18 financial year, implementation of the stock visibility system (SVS) was increased to 3 167 clinics. Hospitals using the electronic stock management systems in order to strengthen demand-planning and governance increased from 228 hospitals in 2016/17 to 324 hospitals in 2017/18. The SVS is an electronic way of measuring stock at clinics; it allows the back code on the package or bottle to be scanned using a specially supplied cellphone and application. When a nurse scans at a clinic the stock level is reported automatically and in real time to an electronic map of all clinics at the central tower in Pretoria.
- k) The promotion of health literacy was intensified through the year via health information and education and behavioural-change communication interventions. This was done in collaboration with partners and provinces, and with a special focus on national health calendar events and programmes such as World No Tobacco Day, World Health Day, World AIDS Day, World TB Day and Healthy Lifestyle Awareness Month. Consultations on the Tobacco Products Control Amendment Bill were conducted with various government departments and the draft bill was submitted to Cabinet for consideration.
- l) The Albertina Sisulu Executive Leadership Programme in Health (ASELPH) honours the lifelong contribution of Albertina Sisulu, a nurse and anti-apartheid struggle leader who dedicated her life to the health and well-being of all South Africans. The programme is a novel partnership of the University of Pretoria (UP), the University of Fort Hare (UFH), the Harvard TH Chan School of Public Health (Harvard), and South African Partners (SA Partners) in collaboration with the NDoH. The goal of ASELPH is to strengthen leadership and management excellence in the health system. In launching ASELPH in 2013, the Minister of Health emphasised the critical importance of building a cadre of skilled health managers to drive health system transformation and the success of the NHI. By March 2018, 200 Fellows had completed a Postgraduate Diploma in Health Management through the ASELPH Programme in Executive Leadership or a Master's in Public Health with a specialisation in Health Leadership. Certificate and short courses in health leadership are also offered and policy round tables, such as on the NHI and Community Health Workers, are among other activities of ASELPH.
- m) The Department is implementing a knowledge hub as one of the key initiatives to improve management within the health sector. The concept of a knowledge hub emerged from work on the Academy for Leadership and Management in Health (ALMAH). The idea was for the hub to be a one-stop portal where managers can find information on the competencies required for a particular managerial role in the health field, e.g. clinical manager of an Academic Hospital, finance manager in a District. Managers can do a self-competence assessment, which helps them identify areas of weakness in need of training. The Hub leads them to different options in eight categories to address their competency gaps, ranging from self-directed modules to formal academic programmes. The Hub also links managers to Programmes accredited by the NDoH/ALMAH or a Committee working with the Hub. Experience has shown that the Hub's value can potentially be expanded, linking to clinical competencies and training, and work is evolving on this aspect, in particular related to HIV and TB.
- n) The non-communicable disease (NCD) sub-programme focussed on the reduction of risk factors, the improvement of health systems and services for early detection, and improvement of the service-delivery platform for PHC-focused eye care, oral health, care of the elderly, rehabilitation, and care of persons with disability and mental health. The interventions have been implemented in collaboration with other sectors to increase public awareness regarding health, to reduce stigma and discrimination associated with mental illness, and to scale up decentralisation of integrated primary mental health services.
- o) The communicable disease sub-programme has continued to strengthen capacity for Epidemic Preparedness and Response (EPR), in line with the International Health Regulations (IHR 2005). Provincial outbreak response teams were capacitated to respond to foodborne illnesses (FBI) in line with IHR. Through seasonal influenza vaccination, the sub-programme managed to protect 797 112 vulnerable individuals against seasonal influenza, exceeding the target by 26.5%.

## 2. Overview of the financial results of the department:

### 2.1 Departmental receipts

Departmental receipts	2017/18			2016/17		
	Estimate	Actual amount collected	(Over)/under collection	Estimate	Actual amount collected	(Over)/under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	53,078	67,180	-14,102	63,867	54 298	9 569
Interest, dividends and rent on land	2,500	4,537	-2,037	3,718	3 627	91
Financial transactions in assets and liabilities	3,942	4,308	-366	1,540	1 309	232
Sales: Scrap, waste and other goods	4	31	-27	-	-	-
<b>Total</b>	<b>59,524</b>	<b>76,56</b>	<b>-16,532</b>	<b>69,125</b>	<b>59 233</b>	<b>9 892</b>

- a) The main source of revenue was generated from registration fees of medicines, which yielded an increase of 19.2 % in 2017/18 as compared to 2016/17. R67,1 million has been collected on drug control as compared to R54,3 million collected in the previous financial year. The tariffs charged by the Department in this regard are in terms of the provisions of the Medicines and Related Substances Act 101 of 1965 as published in the Government Gazette on 7 November 2012. These will be revised in line with the amendments to the Medicines Act, which will widen the regulatory scope.
- b) Most of the revenue collected by the National Department is derived from regulatory functions performed by the South African Health Products Regulatory Authority. The balance originates from laboratory tests conducted by the three forensic laboratories in Pretoria, Johannesburg and Cape Town, which are under the control of the Department. These fees are reviewed regularly to recover costs.

### 2.2 Programme Expenditure

Programme Name	2017/18			2016/17		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/ under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	500,541	478,160	22,381	448 820	442 877	5 943
NHI Health Planning and Systems Enablement	924,954	841,540	83,414	690 593	679 170	11 423
HIV & AIDS, TB and Maternal, Child and Women's Health	18,295,310	18,279,941	15,369	16,006 567	15,965 182	41 385
Primary Health Care Services	263,343	253,771	9,572	238 055	225 731	12 324
Hospitals, Tertiary Services and Workforce Development	20,914,800	20,828,771	86,029	19,496 416	19,468 716	27 700
Health Regulation and Compliance Management	1 746,609	1 742,508	4,102	1 716 965	1 714 510	2 455
<b>Total</b>	<b>42,645,557</b>	<b>42,424,690</b>	<b>220,867</b>	<b>38,597,416</b>	<b>38,496,186</b>	<b>101 230</b>

- a) From a total allocation for the year under review amounting to R42,646 billion, the Department spent R42,425 billion, which is 99.5% of the available budget.
- b) The underspending under Compensation of Employees is due to restructuring during the financial year. The underspending is mainly on Goods & Services due to the delay in receiving the invoice for the renewal of the software license from the supplier; procurement of minor assets for medicine stock systems that took longer than expected and the DRG project that was not implemented. Transfers and subsidies: Not all Non-profit Organizations applied for funding allocated to the HIV and AIDS Cluster. R28,4 million under the programme National Health Insurance, Health Planning and Systems Enablement was incorrectly classified as a transfer payment instead of goods and services. Underspending on Purchase of capital assets is attributable to delays in infrastructure projects as a result of technical compliance complexity and contractual issues with some contractors appointed; provision of capital equipment and hardware required to support the warehouse management system project (Medicines stock System) were delayed by SITA and the DRG project that was not implemented.

## 2.3 Reasons for under/(over) expenditure

### Programme 1: Administration

Delays in receiving the invoice for the renewal of the software license from the supplier has resulted in non-payment and the lease contract for the Forensic Chemistry Laboratory was not signed.

### Programme 2: Health Planning and Systems Enablement

There was no expenditure for the Drug Related Group project during 2017/18 year. New in-kind grant for Medicine Stock System was experiencing initial difficulties to spend funds.

### Programme 4: Primary Health Care Services

Invoices were delayed for Ideal Clinic Realisation and Maintenance (ICRM) feedback and planning meetings that were conducted in provinces.

## 2.4 Virements

During the 2017/18 financial year, a total amount of R61.022 million was approved for virements after the Adjustments Budget. The Director-General granted approval to effect the following virements, totalling R51.773 million:

- R22.051 million within Compensation of employees (COE);
- R29.129 million within Goods and Services;
- R0,576 million from Goods and Services to Purchase of Capital Assets;
- R0,114 million from Financial Assets to Financial Assets; and
- R0.016 million within Purchase of Capital Assets.

National Treasury approved the following virements, amounting to R9.249 million:

- R7 million as transfer to University of Witwatersrand for the training of medical students and
- R2, 249 million to South African Medical Research Council for the Clinical Trail Register.

## 2.5 Roll overs

Unforeseeable and unavoidable expenditure

Programme 3: HIV and AIDS, Tuberculosis, and Maternal and Child Health

An amount of R19,834 million was allocated during the Adjustments Budget to the vote for the comprehensive HIV, AIDS and tuberculosis conditional grant to support the malaria programme in response to the malaria outbreaks in Limpopo and Mpumalanga.

## 2.6 Unauthorized expenditure

None

## 2.7 Fruitless and wasteful expenditure

A total amount of R1,085 million is noted for 2017/18 financial year. The amount is mainly constituted by

penalties and interest which were attracted by a late payment to SARS. The Department is also investigating fruitless and wasteful expenditure resulting from no shows and penalties from motor vehicle licenses which were renewed late.

## 2.8 Public Private Partnerships

There are currently no other PPP as regulated by national Treasury, Regulation 16 registered at National Department of Health.

## 2.9 Discontinued activities / activities to be discontinued

No activities were discontinued during the year under review.

## 2.10 New or proposed activities

None

## 2.11 Supply chain management (SCM)

Supply Chain and Asset Management is executed within the confinement of the Constitution of the Republic of South Africa, Public Finance Management Act, Treasury Regulations, Preferential Procurement Policy Framework and its Regulations, Broad Based Black Economic Empowerment, Departmental Policies and Procedures.

For the year under review, the department has developed Demand Management Procurement Plans and the outcomes of these plans are as follows:

The department processed procurement transaction through the Request for Quotation (RFQ) process as depicted in the table below. The RFQ is for all transactions from R200 to R500 000.,

Number of Quotation Requests	Value (R'000)
327	22 315

The department process transactions through the open bidding process as depicted in the table below. The open bidding process is for transactions above R500 000.

Number of Tenders	Value (R'000)
21	402 046

The total breakdown of bidding process transactions in terms of compliance to Preferential Procurement Regulations and Broad-Based Black Economic Empowerment (B-BBEE).

B-BBEE Contribution Level	Number of Transactions	Value (R'000)
Level 01	4	12 354
Level 02	13	355 616
Level 04	1	27 570
Non-Compliant	3	6 505

In relation to Assets Management, the department has maintained its assets register in accordance with minimum required information to be in the Fixed Assets Register.

For the year under the review, the department had assets additions to the value of R122 151 961 and non-cash assets addition to the value of R 1 388 985, the overall assets register of the department has 37 677 number of assets to the value of R 333 050 729 and all these assets are in the Fixed Assets Register which enable the department to know the location, value, condition, usage and asset number of these assets for accurate accounting.

## 2.12 Gifts and Donations received in kind from non-related parties

In-kind goods and services amounting to R74.973 million were received during the 2017/18 financial year, details of which are disclosed in Annexure 1G of the Annual Financial Statements.

## 2.13 Exemptions and deviations received from the National Treasury

For the year under review, the department sort and received concurrent approval to deviate from normal procurement process for the following procurement transactions.

Project Description	Name of Supplier	Actual Value of Contract (R'000)	Reason for the Deviation
Supply and delivery of Oncology Equipment at Addington Hospital	Varian Medical Systems Africa (Pty) Ltd	27 570	Single Source Supplier
Renewal of the annual maintenance of windchill software licences.	Product One Solution Pty Ltd	1 662	Sole -Source
Renewal of Gwava Retain license, Back up data from the email services for 2017/2018 financial period	Robison Distribution	902	Renewal of License

## 2.14 Events after the reporting date

None to report.

## Acknowledgements

I wish to express my appreciation to the Minister of Health, the Deputy Minister, as well as all members of staff for their hard work, loyalty and commitment in pursuing the objectives of the National Department of Health. I also wish to acknowledge all partners working with us on the implementation of the National Development Plan.

## Approval

The Annual Financial Statements are approved by the Accounting Officer.



**Ms MP Matsoso**  
**Director-General**  
**Date: 30 August 2018**

## 1.6 Statement of responsibility and confirmation of the accuracy of the Annual Report

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

All information and amounts disclosed throughout the Annual Report are consistent. The Annual Report is complete, accurate and free from any omissions.

The Annual Report has been prepared in accordance with the guidelines issued by National Treasury.

The annual financial statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

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

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

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

In my opinion, the Annual Report fairly reflects the operations, performance information, human resources information, and the financial affairs of the Department for the financial year ended 31 March 2018.

Yours faithfully



**Ms MP Matsoso**  
**Director-General**  
**Date: 30 August 2018**

## 1.7 Strategic Overview

### Vision

A long and healthy life for all South Africans.

### Mission

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

## 1.8 Legislative and Other Mandates

The Legislative mandate of the Department of Health is derived from the Constitution, the National Health Act, 61 of 2003, and several pieces of legislation passed by Parliament guided by Sections 9, 12 and 27 of the Constitution.

### Legislation falling under the Portfolio of the Minister of Health

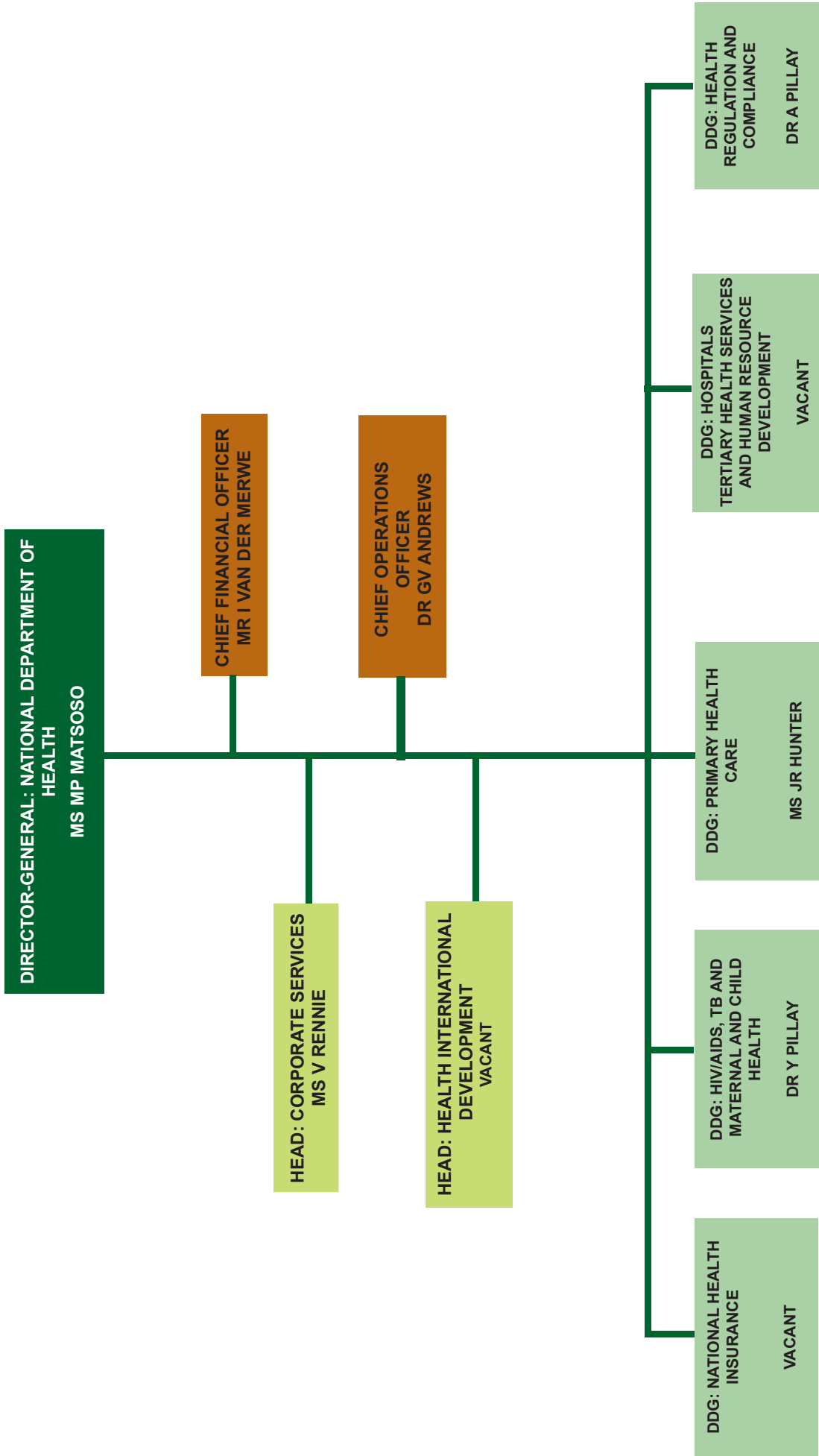
- Allied Health Professions Act, 1982 (Act No. 63 of 1982), as amended;
- Choice on Termination of Pregnancy Act, 1996 (Act No. 92 of 1996), as amended;
- Council for Medical Schemes Levies Act, 2000 (Act No. 58 of 2000), as amended;
- Dental Technicians Act, 1979 (Act No. 19 of 1979), as amended;
- Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972), as amended;
- Hazardous Substances Act, 1973 (Act No. 15 of 1973), as amended;
- Health Professions Act, 1974 (Act No. 56 of 1974), as amended;
- International Health Regulations Act, 1974 (Act No. 28 of 1974), as amended;
- Medical Schemes Act, 1998 (Act No. 131 of 1998), as amended;
- Medicines and Related Substances Act, 1965 (Act No. 101 of 1965), as amended;
- Mental Health Care Act, 2002 (Act No. 17 of 2002), as amended;
- National Health Act, 2003 (Act No. 61 of 2003), as amended;
- National Health Laboratory Service Act, 2000 (Act No. 37 of 2000), as amended;
- Nursing Act, 2005 (Act No. 33 of 2005);
- Occupational Diseases in Mines and Works Act, 1973 (Act No. 78 of 1973), as amended;
- Pharmacy Act, 1974 (Act No. 53 of 1974), as amended;
- South African Medical Research Council Act, 1991 (Act No. 58 of 1991), as amended;
- Sterilisation Act, 1998 (Act No. 44 of 1998), as amended;
- Tobacco Products Control Act, 1993 (Act No. 83 of 1993), as amended; and
- Traditional Health Practitioners Act, 2007 (Act No. 22 of 2007).

### Other Legislation which the National Department of Health must comply with

- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997), as amended;
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), as amended;
- Child Justice Act, 2008 (Act No. 75 of 2008), as amended;
- Children Act, 2005 (Act No. 38 of 2005), as amended;
- Criminal Procedure Act, 1977 (Act No. 51 of 1977), as amended;
- Control of Access to Public Premises and Vehicles Act, 1985 (Act No. 53 of 1985), as amended;
- Conventional Penalties Act, 1962 (Act No. 15 of 1962), as amended;
- Designs Act, 1993 (Act No. 195 of 1993), as amended;
- Employment Equity Act, 1998 (Act No. 55 of 1998), as amended;
- Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997), as amended;
- Labour Relations Act, 1995 (Act No. 66 of 1995), as amended;
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), as amended;
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000), as amended;
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000), as amended;
- Promotion of Equality and the Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000), as amended;
- Protected Disclosures Act, 2000 (Act No. 26 of 2000), as amended;
- Protection of Personal Information Act, 2013 (Act No. 4 of 2013);
- Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended;
- Public Service Act, 1997 (Proclamation No. 103 of 1994), as amended;
- Public Service Commission Act, 1997 (Act No. 46 of 1997), as amended;
- Skills Development Act, 1998 (Act No. 97 of 1998), as amended;
- State Information Technology Act, 1998 (Act No. 88 of 1998), as amended;
- State Liability Act, 20 of 1957 (Act No. 20 of 1957), as amended;
- The Competition Act, 1998 (Act No. 89 of 1998), as amended;
- The Copyright Act, 1998 (Act No. 98 of 1998), as amended;
- The Merchandise Marks Act, 1941 (Act No. 17 of 1941), as amended;
- The Patents Act, 1978 (Act No. 57 of 1978), as amended;
- Trade Marks Act, 1993 (Act No. 194 of 1993), as amended;
- Unemployment Insurance Contributions Act, 2002 (Act No. 4 of 2002), as amended; and
- Use of Official Languages Act, 2012 (Act No. 12 of 2012)



1.9 Organisational structure



## 1.10 Entities reporting to the Minister

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Council for Medical Schemes	Medical Schemes Act, 1998 (Act No. 131 of 1998)	Transfer payment	Regulates the Medical Scheme Industry.
South African Medical Research Council	South African Medical Research Council Act, 1991 (Act No. 58 of 1991)	Transfer payment	The objectives of the Council is to promote the improvement of health and quality of life through research, development and technology transfer
National Health Laboratory Service	National Health Laboratory Service Act, 2000 (Act No. 37 of 2000)	Transfer payment	The service supports the Department of Health by providing cost effective laboratory services to all public clinics and hospitals.
Compensation Commissioner for Occupational Diseases	Occupational Diseases in Mines and Works Act, 1973 (Act No. 78 of 1973)	Transfer payment	The Commissioner is responsible for the payment of benefits to workers and ex-workers in controlled mines and works who have been certified to be suffering from cardiopulmonary diseases because of work exposures
Health Professions Council of South Africa	Health Professions Act, 1974 (Act No. 56 of 1974)	Not applicable	Regulates the health professions falling within the mandate of Council, including the medical and dental professions
South African Nursing Council	Nursing Council Act, 2005 (Act No. 33 of 2005)	Not applicable	Regulates the nursing profession
South African Pharmacy Council	Pharmacy Act, 1974 (Act No. 53 of 1974)	Not applicable	Regulates the pharmacy profession
Dental Technicians Council	Dental Technicians Act, 1979 (Act No. 19 of 1979)	Not applicable	Regulates the dental technicians professions
Allied Health Professions Council	Allied Health Professions Act, 1982 (Act No 63 of 1982)	Not applicable	Regulates all allied health professions falling within the mandate of council
Interim Traditional Health Practitioners Council	Traditional Health Practitioners Act, 2007 (Act No 22 of 2007)	Funds meetings of Interim Council	Regulates traditional health practice and traditional health practitioners including students engaged in or learning traditional health practice in South Africa
South African Health Products Regulatory Authority	Medicines and Related Substances Act, 1965 (Act No 101 of 1965)	Transfer Payment	Provides for the monitoring, evaluation, regulation, investigation, inspection, registration and control of medicines, scheduled substances, clinical trials, medical devices, in vitro diagnostics and related matters in the public interest
Office of Health Standards Compliance	National Health Act, 2003 (Act No 16 of 2003)	Transfer payment	Monitors and enforces health-establishment compliance with the prescribed norms and standards of health care, and ensures that complaints relating to non-compliance with prescribed norms and standards are considered, investigated and disposed of in a procedurally fair, economical and expeditious manner



# Performance Information

## PART B

## 2.1 Auditor-General's Report: Predetermined Objectives

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit finding.

The audit findings on the performance against predetermined objectives are included in the report of the report to management.

Refer to page 103 of the Report of the Auditor General to Parliament, published in Part E: Financial Information.

## 2.2 Overview of Departmental Performance

### Service Delivery Improvement Plan

Health is a concurrent function of the national and provincial spheres of government. The NDoH is responsible for issuing and promoting adherence to norms and standards and for the development of guidelines on health policies approved by the National Health Council (NHC). For example, in 2017/18 the NHC approved three set of guidelines for: (i) improved management and client complaints, suggestions and compliments; (ii) annual health facility surveys of patients' experience of care; and (iii) health facility monitoring and reporting of Patient Safety Incidents.

A few health services are in the direct control of the national Department. These include health services provided by the Forensic Chemistry Laboratories, and health services provided at all 44 ports of entry into South Africa. The five-year Service Delivery Improvement Plan 2017–2020 (SDIP) of the NDoH focuses on these services. This SDIP was approved on 9 October 2016 and implemented from 1 April 2017.

The following tables highlight progress and achievements on the SDIP in 2017/18:

The following tables highlight the SDIP and the achievements to date

#### Main service and standards

Main services	Beneficiaries	Current/actual standard of service	Standard of service	Actual achievement against standards
Blood alcohol tests	South African Police Service (SAP), Forensic Pathology Services mortuaries and the National Prosecuting Authority	Forensic Chemistry Laboratory (FCL) in Cape Town, Durban and Johannesburg	0 backlog (no samples older than 90 days)	Varied performance between three FCLs. Overall 78% of existing backlog was eliminated
Prevent importation of communicable diseases at 44 Points of Entry (PoEs)	International travellers, conveyance operators, airline companies, border management (Department of Home Affairs, the South African Revenue Service, SAPS and Department of Agriculture, Forestry and Fisheries)	Screening of international travellers at 44 PoEs	Screening of international travellers	Screening of international travellers conducted at PoEs.
		Inspection of international high risk conveyances to determine compliance with health measures	Inspection of international high risk conveyances to determine compliance with health measures	633 014 high risk International conveyances were inspected
		Alert and inform stakeholders of outbreaks of international concern	Alert and inform stakeholders of outbreaks of international concern	Information on outbreaks (plague, yellow fever) developed and communicated
		Provide client with contact details of all Port Health managers	Provide client with contact details of all Port Health managers	Facilitated the development of signage plan for PoEs
Registration of medicines by the Medicines Control Council	Pharmaceutical industry, distributors and wholesalers, retail pharmacies, research institutions and health professionals	Patients and the public	Processing of applications for registration of medicines and medical devices in South Africa	Safe, effective and efficacious medicines registered
Compensation for occupational lung disease in miners and ex-miners by the Compensation Commission for Occupational Disease	Miners and ex-miners	Families of miners and ex-miners, the mining industry	Processing of claims for benefit medical examination of miners and ex-miners	Claims for medical benefits processed and finalised
Provision of diagnostic pathology services by the National Health Laboratory Services	Public health facilities	Patients and clinicians	High-quality services benchmarking against international standards through accreditation of laboratories and conducting external quality assessment and internal quality control	Diagnostic laboratory results provided

**Batho Pele arrangements with beneficiaries (consultation access, etc)**

Current arrangements	Desired arrangement	Actual achievement
Consultative fora	Key stakeholders in the health sector including public, private, non-government sectors and development partners	<p>A National Stakeholder Consultative Forum was convened on 11 July 2017 following release of the National Health Insurance (NHI) White Paper that was gazetted on 30 June 2017. Presentations were made on the areas covered in the NHI White Paper, followed by discussions with stakeholders.</p> <p>A National Stakeholder Meeting was held on 13 December 2017 to hear reflections of the Lancet National Commission on quality, and to introduce the work of the Global Lancet Commission. At this meeting South Africa presented several scenarios on quality of care in the country</p>
Active engagement with affected employees and organised labour in the Public Health and Social Development Sectoral Bargaining Council (PHSDSBC) on matters of mutual interest	Organised Labour Organisations	Regular engagement with unions took place in the Bargaining Chamber to consult and agree on various matters and policies affecting workers

**Service Delivery Information tool**

Current/actual tools	Desired information tool	Actual achievements
Personal interaction, circulars, briefings to management, induction sessions and workshops	Existing tools	Information is available and accessible based on the requirements from clients. As indicated above, circulars and key notices are also circulated to staff members through the on-line Rihanyo mail on a daily basis
Quarterly reporting against the Government Programme of Action: Outcome Two and the Annual Performance Report	Reporting Tools prescribed by the Department of Planning, Monitoring and Evaluation (DPME)	In 2017/18, quarterly reports on the Government Programme of Action were prepared and submitted. Quarterly Reports on the Annual Performance Plan were also submitted to the DPME and National Treasury. Quarterly progress reports were also presented to Parliamentary Committees

**Complaints mechanism**

Current/actual complaints mechanisms	Current complaints mechanism	Actual achievements
Complaints/compliment procedures for clients	Improved management and processing of complaints and improved turnaround times	Complaint and compliment procedures for clients exist in clinics, community health centres and hospitals throughout the country. These procedures state that complaints can be lodged or compliments can be made verbally or in writing by clients and/or their family members and friends. Each complaint should be acknowledged within five working days and clients should be informed of the outcome within 25 working days. In addition, the National Guideline to Manage Complaints, Compliments and Suggestions in the Public Health Sector of South Africa were approved. This Guideline set turnaround timeframes depending on the seriousness of the complaint, and provides step-by-step guidance on how to deal with complaints, compliments and suggestions in the public health sector
MomConnect for pregnant women and mothers	Improved response time, investigations of complaints and their satisfactory resolutions	Pregnant women and mothers subscribed to the MomConnect system can lodge complaints and compliments via the system. The complaints and compliments are immediately referred and resolved by the districts and facilities

## Organisational environment

The organisational structure of the NDoH has been reviewed to maximise achievement of the Department's strategic priorities. Successful implementation thereof is highly dependent on alignment with the allocated available budget. The current approved organisational structure takes into consideration the change in organisational culture, improved productivity, development of leadership capability, and repositioning of the NDoH as an employer of choice, such that only candidates who meet the profile of the desired NDoH cadre of employees will be considered for appointment.

## Key policy developments and legislative changes

In its focus on health, the NDP states: "We envisage that in 2030, South Africa has a life expectancy rate of at least 70 years for men and women. The generation of under-20s is largely free of HIV. The quadruple burden of disease has been radically reduced compared to the two previous decades, with an infant mortality rate of less than 20 deaths per thousand live births and an under-five mortality rate of less than 30 deaths per thousand live births. There has been a significant shift in equity, efficiency, effectiveness and quality of health care provision. Universal coverage is available. The risks by the social determinants of disease and adverse ecological factors have been reduced significantly".

## 2.3 Strategic outcome oriented goals

### Strategic approach

The NDP 2030 and the World Health Organization (WHO) recognise that a well-functioning and effective health system is the bedrock for attaining the health outcomes envisaged in the NDP 2030. The trajectory for the 2030 vision, therefore, commences with strengthening of the health system to ensure that it is efficient and responsive, and offers financial risk protection. In addition to the NDP, the Medium Term Strategic Framework 2014 - 2019 for Outcome 2 also inform the Annual Performance Plan.

In 2017/18, the National Health Council (NHC) (the Implementation Forum for Outcome 2, namely "A long and healthy life for all South Africans") directed and managed implementation of the strategic priorities steering the health sector towards Vision 2030. This Implementation Forum includes the Minister of Health and the nine provincial Members of the Executive Council (MECs) for Health. The Technical Advisory Committee of the NHC (Tech-NHC) functions as the Technical Implementation Forum. The Tech-NHC includes the Director-General of the NDoH and the provincial Heads of Department (HoDs) of Health in the nine provinces.

## The National Development Plan ('Vision 2030')

The Annual Performance Plan 2017/18 was the vehicle through which the nine long-term health goals for South Africa set out by the National Development Plan (NDP) were implemented during the year under review. Five of these goals relates to improving the health and well-being of the population, and the other four deals with aspects of health systems strengthening.

### Priorities to achieve Vision 2030

The NDP 2030 states explicitly that there are no 'quick fixes' for achieving its nine goals. The NDP also identifies a set of nine priorities that highlight the key interventions required to achieve a more effective health system, and thus the desired outcomes. The priorities are as follows:

- Address the social determinants that affect health and diseases.
- Strengthen the health system.
- Improve health information systems.
- Prevent and reduce the disease burden and promote health.
- Finance universal healthcare coverage.
- Improve human resources in the health sector.
- Review management positions and appointments, and strengthen accountability mechanisms.
- Improve quality by using evidence.
- Establish meaningful public-private partnerships.

## 2.4 Performance Information by Programme

### 2.4.1 Programme 1: Administration

**Purpose:** Provide overall management of the Department and centralised support services.

This programme consists of five sub-programmes:

- Ministry
- Management
- Financial Management
- Corporate Services

#### Human Resources Management Sub-programmes

During 2017/18, the NDoH had a vacancy rate of 12.5%. This was due to budget cuts on the Compensation of Employees (CoE) that were effected by National Treasury. Nevertheless, the NDoH aims to embark on a robust reprioritisation process to ensure that critical posts are filled as soon as possible and that post that cannot be accommodated fiscally are abolished timeously. These measures will ensure that the department is within the Department of Public and Administration (DPSA)'s recommended 10% vacancy rate.

#### Legal Resource Sub-programme

This sub-programme is responsible for providing an effective and efficient legal support service in line with the Constitution of the Republic of South Africa and applicable legislation to enable the Department to perform and achieve on its mandate. This support includes inter alia drafting, editing and amending of legislation, regulations and contracts administered by the Department; provision of legal advice; and management of litigation by and against the Department.

In the 2017/18 financial year, the sub-programme attended to 73 regulations, 1 proclamation, 86 contracts, 46 legal opinions, 14 new litigation cases and five new appeals. The sub-programme also attended to five Bills, namely: the National Public Health Institute of South Africa Bill; the National Health Laboratories Amendment Bill; the Medical Schemes Amendment Bill; the Tobacco Products Amendment Bill; and the National Health Insurance Bill.

All the above-mentioned work on regulations and bills aimed to support the implementation of NDoH Policies and Programmes.

Two South Africa Law Reform Commission Projects (one to address medico-legal issues and one to review health legislation) have been attended to by the sub-programme. The sub-programme facilitated the tender for a panel of legal firms to assist the provincial DoHs with medico-legal litigation. The sub-programme also assisted in the review of patient administration forms to allow for mediation as the first option in resolving medico-legal disputes before going to court. Furthermore, the sub-programme attended to the State Liability Amendment Bill, which seeks to provide for payment of compensation for future medical expenses periodically instead of in a lump sum amount, which is currently crippling provincial provision of health services. All of the above are meant to help the provinces, which are at the coalface of medico-legal litigation, to implement the Medico-Legal Summit Declaration, e.g. mediation of medico-legal matters, and periodic payments for future medical expenses.

#### Communications Sub-programme

In implementing the Integrated Department Corporate Communication Strategy, among others during the 2017/18 financial year, the sub-programme drafted the Corporate Identity Guidelines to assist with implementation of the approved Corporate Identity Branding Policy and provide direction to all officials regarding the basic requirements of corporate identity management within government and standards set for the NDoH. The sub-programme also revised the approved NHI Communication Strategy to guide the second phase of NHI implementation spanning from 2017 to 2022, and provide communication support for the release of the White Paper and establishment of the NHI implementation structures within timeframes stipulated in the NHI policy. In addition, the sub-programme developed a communication strategy to facilitate the Health Minister's provincial engagements with labour to achieve the NHI ideal of a people-centred integrated healthcare service. Two NHI workshops in Gauteng and the Free State have been conducted thus far. A partnership was formed with the National Institute for Communicable Diseases (NICD) to curb the spread of the listeriosis outbreak.

## Strategic objectives, performance indicators planned targets and actual achievements

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Ensure effective financial management and accountability by improving audit outcomes	Audit opinion from Auditor General	Unqualified audit opinion	Unqualified audit opinion with no significant matters for 2016/17	Unqualified audit opinion obtained with no significant matters for 2016/17	None	None
	Number of Provincial DoH that demonstrate improvements in Audit Outcomes or Opinions	4	5 Provincial DoH that demonstrate improvements in Audit	4 Provincial DoHs received unqualified audit opinion	North West DoH was targeted to achieve unqualified audit opinion based on the fact that they were qualified in 2015/16 financial year with a finding on commuted overtime	Commuted overtime finding was cleared in 2016/17 financial year. A new qualified finding on immovable tangible capital assets was obtained due to leadership and governance challenges between the DoH and Department of Public Works of North West
Ensure efficient and responsive HR services through the implementation of efficient recruitment processes and responsive HR support programmes	Percentage of Employees accessing the Health and wellness programmes	95.8 % of 1993 cumulative	35% (of NDoH 1504 employees)	60.9% (961 of NDoH 1504 employees)	+25.9%	Collaboration with GEMS provided additional capacity to provide more services
	NDoH Vacancy Rate	8.1%	10 %	12.5%	-2.5%	Fiscal constraints
	Percentage of Senior Managers that have entered into Performance agreements with their supervisors	97%	100 %	99%	-1%	One member, who is a Health Attaché based in Foreign Mission, did not submit the signed PA on time. This member signs his PA with the Ambassador
Coordinate the development and implementation of the Departmental Business Continuity Plan by the 31st of March 2020	Departmental Business Continuity Plan (BCP) developed	New project approach for the BCP developed, approved and disseminated to Management Committee and Executive Management Committee and supported by the Audit Committee	Self-assessment as per ISO 22300 conducted, and short term corrective action plan implemented	Self-assessment as per ISO 22300 was conducted and short term corrective actions plan has been implemented.	None	None
Provide support for effective communication in developing an integrated communication strategy and implementation plan	Number of communication interventions implemented	94 communication interventions implemented	56 communication interventions implemented	82 communication interventions implemented	+26 communication interventions implemented	Over-achievement was as a result of additional campaigns, NHI workshops, Listeriosis Outbreak and SheConquers



## Strategy to overcome areas of under performance

The outstanding Performance Agreement was signed and filed with the DPISA after the stipulated date during 2017/18. The reprioritisation process for critical vacant posts has been accomplished within the existing budgetary constraints.

## Changes to planned targets

None.

## Linking performance with budgets

Sub-programmes	2017/2018			2016/2017	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Ministry	31 840	26 492	5 348	30 076	29041
Management	23 193	22 319	874	22 121	22 121
Corporate Services	243 634	231 112	12 522	203 732	199 225
Office Accommodation	150 179	147 103	3 073	142 962	142 962
Financial Management	51 695	51 134	561	49 929	49 528
<b>Total</b>	<b>500 541</b>	<b>478 160</b>	<b>22 381</b>	<b>448 820</b>	<b>442 877</b>

### 2.4.2 Programme 2: National Health Insurance, Health Planning and Systems Enablement

**Purpose:** Improve access to quality health services through the development and implementation of policies to achieve universal coverage, health financing reform, integrated health systems planning, reporting, monitoring and evaluation and research.

There are five budget sub-programmes:

- Technical Policy and Planning
- Health Information Management, Monitoring and Evaluation
- Sector- Wide Procurement
- Health Financing and National Health Insurance
- International Health and Development

The **Technical Policy and Planning sub programme:** provides advisory and strategic technical assistance on policy and planning, and supports policy analysis and implementation. During 2017/18, the sub-programme supported amongst others (i) the development and implementation of the revised District Health planning and monitoring framework; (ii) the development of customised indicators and targets for provincial Annual Performance Plans in order to unify planning in the health sector; (iii) the development of 2018/19 Annual Performance Plans of the National DoH.

One of the core functions the NDoH is to develop and adopt national policies, strategies and guidelines to help guide the functioning of the South African health system and to improve the health of the South Africans people. A National Policy Project was initiated with the aim of developing a manual for the development and management of national health policies, guidelines and strategies. An analysis of policies, strategies and guidelines was completed. The results found significant variability in the format, level of detail, and information included, further supporting the need

for a standardised policy development and management manual and Policy Information Management system. In addition, an assessment of policy implementation at sample provinces/districts to assess how provincial/district facilities and staff learn about and implement national policies was conducted. This will inform how to improve communication between provincial, district staff and NDoH in the policy development, implementation and review/evaluation stages.

The sub-programme also conducted the National Survey to measure Patient Experience of Care in selected PHC facilities and hospitals. Three Guidelines were developed, namely: i) Patient Experience of care survey Guideline ii) National Guideline to manage Complaints, Compliments and Suggestions for the Public Health Sector of South Africa and iii) National Guideline to manage Patient Safety Incident Reporting and Learning in the Public Health Sector of South Africa. In addition, the Norms and Standards Regulations applicable to different categories of health establishments were finalised and gazetted in February 2018, and implementation by all health establishments will be expected from 1 March 2019.

South Africa is participating in the Global Lancet Commission and has also established the Lancet National Commission consisting 15 members from public sector, Universities, private sector, Non-Governmental and Quality Institutions. The Lancet National Commission was launched in May 2017. Aligned to the Global Lancet Commission, the focus of work has been on Quality Health Systems and has a lifespan of two years (2017/18 and 2018/20 financial years). The Lancet National Commission and the Lancet Global Commission hosted the Global Lancet Commission meeting from 11 -13 December 2017. The meetings were attended by the Chairperson of the Lancet Global Commission and National Commissioners from South Africa, Mexico, Ethiopia, Senegal, Philippines, Argentina, Nepal and Tanzania. A National Stakeholder Meeting was also held with the purpose of hearing reflections of National Commissions on quality and introducing the work of the Global Commission. At this

meeting South Africa did several presentations on Quality of care in South Africa. Furthermore, the Lancet National Commission embarked on the development and writing of the Lancet National Commission Report.

**The Health Information Management, Monitoring and Evaluation sub programme:** develops and maintains a national health information system, commissions and coordinates research, develops and implements disease surveillance programmes, and monitors and evaluates strategic health programmes.

The Ministerial Advisory Committee on eHealth was appointed by the Minister of Health, Dr Motsoaledi, on 25 April 2017, with six members from government and five members from private and non-government organisations. The inaugural meeting of the Ministerial Committee on eHealth was held on 17 July 2017. The Committee completed a rapid review of progress made and challenges in implementing eHealth Strategy 2012-2016, and produced an eHealth Strategy Review report with recommendations in November 2017. These recommendations will be useful to inform drafting of a new eHealth Strategy to be undertaken in 2018/19.

During 2017/18, the Department and provinces migrated routine data from stand-alone DHIS (District Health Information System) 1.4 to Web-DHIS, also known as DHIS2. As at 31 March 2018, 1 759 of 3 955 facilities had implemented the Facility Transition Phase during 2017/18 (i.e. those that were capturing data at facility level since the rest of the facilities that do not have network connectivity, and therefore capturing data at sub-district or district levels). A total of 2 600 staff members were trained as part of the Web-DHIS transition.

In 2017/18, an independent evaluation was undertaken to assess data quality, data use, and factors that hinder and promote use of the TIER.Net system for data management and care of patients on antiretroviral therapy in health facilities. Data completeness was higher for TIER.Net than for paper folders. Completeness of folders was < 60% for 10 of the 20 indicators assessed. TIER.Net had a reasonably higher completeness rate of > 95%. Timely capturing, data use, folder completeness, adequate data capture, adequate working space and size of facilities were highly associated with data completeness on TIER.Net. The Department also appointed and contracted a service provider to evaluate outputs and outcomes of interventions implemented during NHI Phase 1 in the 11 NHI pilot districts. This evaluation will be completed during the 2018/19 financial year.

Development of the Health Patient Registration System (HPRS) commenced in July 2013 as part of eHealth Strategy implementation, through a partnership between the NDoH, the Department of Science and Technology, and the CSIR. The system provides a Patient Registry and Master Patient Index using the South African Identification Number and other forms of legal identification such as passports. Phased implementation of the HPRS was expanded from 1 854 PHC facilities in 2016/17 to 2 968 PHC facilities in 2017/18. As at 31 March 2018, 20 700 149 members of the South African population were registered on the system linked to a Master Patient Index. Standardisation of IT

hardware and equipment is a prerequisite for operational implementation of the HPRS. During the 2017/18 financial year, the Department purchased the required IT hardware for an additional 918 PHC facilities in 13 health districts. This included the purchase of 4 862 computers.

The NDoH in collaboration with Medical Research Council (MRC) and Statistics South Africa (Stats SA) released the SADHS Key Indicator Report in May 2017. Drafting of the SADHS detailed full report commenced in 2017; this will be released in the 2018/19 financial year. The SADHS targeted 15 000 randomly selected households in 750 clusters across all provinces. Face-to-face interviews were held with adults living in the selected households (computer-assisted personal interviewing (CAPI) using tablets). Trained biomarkers (nurses) measured height, weight, waist circumference and blood pressure; tested for anaemia; and collected dry blood spots to test for HIV and HbA1c (a test for diabetes) in adults, whereas in the other half of the households only women were interviewed, with salt collected from a subset to test for iodine content. Some of the SADHS key findings were: high rates of smoking and alcohol use were observed among South African men and high prevalence of hypertension, overweight and obesity. Based on body mass index (BMI) score, 68% of women and 31% of men were overweight or obese, and 46% of women and 44% of men were hypertensive based on systolic blood pressure above 140 mmHg, diastolic blood pressure above 90 mmHg, or taking antihypertensive medication.

The Department commenced implementation of the National Health Research Database (NHRD) in 2014. The NHRD is a single-source database for all health research conducted in South Africa, and is used to monitor national research trends; map health research types, expenditures and funding; and identify gaps and inefficiencies in research. The total number of approved applications on the NHRD grew from 132 in 2014 to 1 402 in 2016. The Department signed a Memorandum of Agreement with the MRC to host, maintain and manage the South African National Clinical Trials Register (SANCTR). The overarching aim of the initiative is to harmonise clinical registration in South Africa by partnering the SANCTR with the Pan African Clinical Trials Registry (PACTR). The PACTR, hosted by the MRC, is the only African member of the WHO Network of Primary Registries.

The National Health Research Ethics Council (NHREC) is a ministerial committee mandated to establish research ethics guidelines, as well as norms and standards for those conducting health research involving humans. The mandate includes clinical trials, as well as research using animals. During 2017/18, the NHREC conducted Quality Assurance and Re-Certification Audits on 23 Health Research Ethics Committees (HRECs), and worked on revision of the 2006 South African Good Clinical Practice Guidelines in collaboration with SAHPRA. The balance of HRECs will undergo audits later in 2018.

**The Sector-Wide Procurement sub-programme** is responsible for developing systems to ensure access to essential pharmaceutical commodities. This is achieved through the selection of essential medicines, development and review of standard treatment guidelines, licensing

of persons and premises that deliver pharmaceutical services, and development of innovative medicine supply chain interventions.

In the 2017/18 financial year, the Centralised Chronic Medicines Dispensing and Distribution (CCMDD) programme continued to enrol new patients. The number of patients receiving their prescribed medicines via this distribution model increased from 650 000 in 2016/17 to 2 166 973 in 2017/18, utilising over 855 pick-up points including occupational health sites, GPs and private pharmacies. In addition, the National Surveillance Centre (NSC) continued to receive availability reports from clinics and hospitals. This year, implementation of the stock visibility system increased to 3 167 clinics. The number of hospitals using the electronic stock management systems to strengthen demand-planning and governance increased from 228 in 2016/17 to 324 in 2017/18.

Essential Medicines Review outcomes were achieved by the National Essential Medicines List Committee supported by its expert technical committees. In 2017/2018, review of the Standard Treatment Guidelines and Essential Medicines List for Hospital Level Paediatrics was completed. In addition, the Ministerial Advisory Committee on Antimicrobial Resistance continued work related to implementation of the Antimicrobial Resistance Strategy.

The Department is finalising guidelines for implementation of the Traditional Medicines Programme. This is to protect health care in traditional health practice, encourage compliance with the Traditional Health Practitioners Regulatory Body, and strengthen provincial structures for traditional medicine. These guidelines have been translated into all official languages.

**The Health Financing and National Health Insurance** sub-programme: develops and implements policies, legislation and frameworks for the achievement of universal health coverage through the phased implementation of National Health Insurance; commissions health financing research (on, inter alia, alternative healthcare financing mechanisms for achieving universal health coverage); develops policy for the medical schemes industry and provides technical oversight of the Council for Medical Schemes; and provides technical and implementation oversight of the two National Health Insurance conditional grants. The sub-programme is also responsible to implement the Single Exit Price Regulations, including policy development and implementation initiatives in terms of dispensing and logistical fees.

The Minister of Health published the final White Paper Policy on National Health Insurance on 30 June 2017. Further, a government gazette was published in August 2017 on implementing bodies, structures and commission that must be established under the NHI. The proposed Terms of References (ToRs), Functions and Composition were published in the government gazette. Comments on the ToRs were received and evaluated.

The Single Exit Price Adjustment (SEPA) and Dispensing Fee reviews for pharmacists and persons licensed in terms of Section 22C 1 (a) of the Medicines and Related Substances Act (101 of 1965) are performed annually. The

final SEPA Gazette was published on 29 December 2017 for the implementation of 1.26 % price increase.

The **International Health and Development** sub-programme coordinates the development and implementation of bilateral and multilateral agreements with strategic countries and economic groupings such as Brazil-Russia-India-China-South Africa (BRICS), the USA, the European Union, Botswana, Mozambique and Cuba. It also coordinates international development support, including domestication of multilateral treaties and conventions with strategic partners such as the Southern African Development Community (SADC), the African Union (AU), and United Nations (UN) agencies.

In the 2017/18 financial year, this sub-programme coordinated South Africa's participation in various continental and global fora for the implementation of treaties and conventions. The sub-programme previously coordinated domestication of the International Health Regulations (2005), the Framework Convention on Tobacco Control (FCTC), and the Treaty of the Southern African Community (SADC). In 2017/18, the sub-programme successfully coordinated hosting of the 17th World Conference on Tobacco or Health in Cape Town (March 2018), under the theme "Uniting the World for a Tobacco-free Generation", the first to be hosted in Africa; chaired and hosted the SADC Health Ministers meeting in Polokwane (9 November 2017); and supported the Communicable Diseases Programme in undertaking Joint External Evaluation of IHR Core Capacities of the Republic of South Africa (November-December 2017). The sub-programme has also initiated the process of finalising the African Union's Treaty on the African Medicines Agency (AMA).

The sub-programme coordinated participation in the implementation of multilateral frameworks to address global, continental, regional and national health challenges. Chief among these were WHO meetings (such as the World Health Assembly and Executive Board, the WHO-AFRO Regional Committee, and the WHO Global Ministerial Conference "Ending TB in the Sustainable Development Era: A Multi-sectoral Response"; the WHO's Global HIV Prevention Coalition meeting; the Independent Oversight Advisory Committee for the WHO Health Emergencies Programme: Symposium on Health Financing for Universal Health Coverage (UHC): Towards Implementation; and the 1st WHO Global Ministerial Conference "Ending Tuberculosis in the Sustainable Development Era: a Multi-sectoral Response"). With regard to SADC health initiatives, the sub-programme coordinated hosting of the SADC Health Ministers meeting; the Malaria Elimination 8 & MOSASWA Malaria Initiative; the SADC HIV and AIDS Cross Border Initiative; and the SADC TB in the Mining Sector Initiative. Regarding participation in global health initiatives, the sub-programme facilitated participation in the 2nd High-level Meeting on Surveillance of Antimicrobial Resistance (AMR) for Local and Global Action; the G20 Health Minister's meeting in Germany; the G20 Health Working Group meeting; and the 72nd Session of the United Nations General Assembly (UNGA).

With regard to the African Union (AU) and its agencies, the sub-programme contributed to development of the 2017 Progress Report on AIDS Watch Africa (AWA); reviewed the Africa Scorecard on Domestic Financing for Health, as well as the AWA Strategic Framework (2017-2020); and contributed to development of the Accountability Mechanisms for AU Health Policy Instruments. In addition, the sub-programme coordinated active participation in the 7th BRICS Health Ministers meeting in China and the China-Africa Ministerial Health Conference. Given the listeriosis outbreak in South Africa, the sub-programme also coordinated hosting of the SADC Extraordinary Meeting of Health Ministers and will ensure presentation of this meeting's resolution at the Extraordinary Meeting of the SADC Council of Ministers.

The sub-programme has coordinated bilateral projects with Africa and the Middle East, and implemented South-South and North-South partnerships. South-South relations have been implemented with China (through receiving donations of medical equipment for the Steve Biko Academic Hospital); Cuba (through integration and management of South African students trained in Cuba and managing of recruited Cuban health professionals);

Ghana (through the Third Biennial Scientific Conference on Medical Products Regulation in Africa); and India (through the World Conference on Access to Medical Products and International Laws for Trade and Health). The sub-committee also coordinated the implementation of projects with African and Middle Eastern countries such as the Democratic Republic of Congo, Niger, Seychelles, Zimbabwe, Swaziland, Mozambique and Botswana (such as cross-border malaria projects, HIV and AIDS projects, TB control, and modalities for tracking and tracing ex-miners with a view to compensating eligible ex-miners, such as in Lesotho, Mozambique, Swaziland and Botswana). The following North-South Partnership activities have been pursued: the Japan International Cooperation Agency (JICA) Project on Universal Health Coverage (NHI); the SA/USA Annual Bilateral Forum; SA/USAID Implementation Letter no. 11; the SA/EU Financing Agreement on PHC; the Austrian proposal to build Soshanguve Hospital, the SA-Germany annual consultations; Finland; Japan through attending UHC training workshops; and the SA-UK Prosperity Fund.

## Strategic objectives, performance indicators planned targets and actual achievements

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Achieve Universal Health Coverage through the phased implementation of the National Health Insurance (NHI)	White Paper on NHI	Public comments were reviewed and White Paper on NHI revised. Final White Paper prepared for submission to Cabinet for consideration	Final White Paper on NHI finalised and gazetted as a policy document	Final White Paper on NHI finalised and gazetted on June 2017 as a policy document	None	None
	Legislation for NHI	NHI Bill has been drafted	Draft NHI Bill gazetted for public comments	Draft NHI Bill finalised for submission to Cabinet	Draft NHI Bill not gazetted for public comments	State Law Advisor raised a number of concerns with the draft which delayed Cabinet Submission and delays in Cabinet processes
	Establishment of NHI Fund	Draft document on Funding modality for the NHI Fund including Budget reallocation for the district primary health Care has been updated	Funding Modality for the budget allocation to the public primary health care (PHC) facilities developed	Consultations with National Treasury and other stakeholders such as general practitioners on Capitation model has been initiated	Funding modality still being developed	National Treasury decided that NHI Fund should be a grant for interim period
Establish a national Stock management surveillance centre to improve medicine availability	Total number of health facilities reporting stock availability at national surveillance centre	New Indicator	3300 of health facilities reporting stock availability at national surveillance centre	3492 of health facilities reporting stock availability at national surveillance centre	+ 192 health facilities	Appointment of Project Managers at National Level as well as improved buy-in and support from provinces
Improve contracting and supply of medicines	Number of patients enrolled for receiving medicines through the centralised chronic medicine dispensing & distribution (CCMDD) system	1 252 000 patients	1, 500,000 patients enrolled for receiving medicines through the CCMDD system	2 182 422 patients enrolled for receiving medicines through the CCMDD system	+682 422 patients	Rollout expanded to include all districts due increased funding
	Number of Provincial Medicine Procurement Unit (PMPU) for themanagement of direct delivery of medicines established	2 PMPUs established (North-West and KZN DoH)	2 x PMPUs established (Mpumalanga and Northern Cape DoH)	1 PMPU established (Northern Cape DoH)	-1 PMPU ( Mpumalanga DoH)	Implementation of the PMPU in Mpumalanga DoH has been delayed by internal processes within the province
Implement the Strategy to address antimicrobial resistance (AMR)	National Antimicrobial Resistance (AMR) Strategy Implemented	Antimicrobial stewardship guideline as identified in the AMR strategy was developed	Surveillance system for monitoring resistance developed	Surveillance system for monitoring resistance Developed	None	None
Regulate African Traditional Health Practitioners (THPs)	Traditional Health Practitioners (THP) Act	The Interim Registrar of the Interim Traditional Health Practitioners Council appointed	Amendment Bill of the Traditional Health Practitioners (THP) Act drafted	Amendment Bill of the Traditional Health Practitioners (THP) Act drafted	None	None
Strengthen revenue collection by incentivising hospitals to maximise revenue generation	A Revenue Retention Model (RRM) developed and implemented	A discussion paper on revenue retention models developed	Discussion paper on revenue retention models presented at the Health sector's 10x10 with Treasury	Discussion paper on revenue retention models developed and circulated to provincial treasuries	Discussion paper not presented to Health sector's 10 x 10 with Treasury	Provinces were consulted and discussion paper needed buy-in from all provincial treasuries before presentation to health sector 10 by 10

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Implement eHealth Strategy of South Africa through development of patient information system design	A complete System design for a National Integrated Patient based information system	The Health Normative Standards Framework for interoperability protocol and the first layer of the Health Information Exchange was developed	Integrated System architecture for a National Integrated Patient Based Information System developed	Draft Integrated System Architecture Design document for a National Integrated Patient-based Information System developed	None	None
	Number of PHC health facilities implementing improved patient administration and web based information systems	1854 PHC facilities Are implementing the Web Based Health Patient Registration System	2450 PHC facilities implementing the web based health Patient Registration System	2 968 PHC facilities implementing the web based health Patient Registration System	+518 PHC facilities	Improved buy in and support from Provinces enabled accelerated implementation The availability of provincial and district champions and teams actively involved in the process further contributed
Ensure research contribute to the improvement of health outcomes	National health research plan implemented	Costed National Health Research plan approved	Priority Health Research study trends monitored and report produced	Priority Health Research study Trends monitored and report produced	None	None
	South African Demographic and Health Survey 2016 conducted	SADHS data collection completed	SADHS 2016 key indicator report published	SADHS 2016 key indicator report published	None	None
Develop and implement an integrated monitoring and evaluation plan aligned with health outcomes and outputs contained in the Health Sector Strategy	Integrated Monitoring & Evaluation plan developed	Draft Monitoring framework for NHI developed	NHI Phase 1 evaluation conducted	A service provider was appointed to conduct the evaluation of the NHI Phase 1 evaluation. The evaluation protocol with data collections tools were submitted for ethical clearance	Awaiting ethical clearance for data collection fieldwork to commence	The NHI evaluation project was delayed by complex procurement processes

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
	Single exit price adjustments published and implemented annually	The Gazetted annual price adjustment for 2016/17 has been implemented	2017/18 Annual price adjustments gazetted and published	2017/18 Annual price adjustments gazetted and published	None	None
	Central Repository for the funded and unfunded patients	The repository was developed	Electronic interface piloted at 3 central hospitals to facilitate exchange of records	The Web-based system for electronic interface was developed and presented to the DG by the Council for Medical Schemes (CMS)	No electronic interface piloted at 3 central hospitals	Stakeholders had concerns about confidentiality, security and protection of privacy
	A national electronic system to monitor supplier performance developed	Performance reports of all Contracted pharmaceutical Suppliers produced on a quarterly basis	4 x Quarterly Performance reports of all contracted pharmaceutical suppliers produced	4 Quarterly Performance reports of all contracted pharmaceutical suppliers produced	None	None
	A forum to promote transparency and multi-stakeholder engagement regarding medicine availability	Terms of Reference have been developed and the appointment of Forum members is in process	4 x Quarterly meetings of the forum held	4 Quarterly meetings of the forum held	None	None
	Number of Provincial Annual Performance Plans (APPs) aligned to the National Health System Priorities	9 Provincial APPs were reviewed and feedback provided to all 9 Provincial DoH to ensure alignment of their plans to the National Health System Priorities.	9 Provincial APPs reviewed and aligned to the National Health System Priorities	9 Provincial APPs reviewed and aligned to the National Health System Priorities	None	None

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Domestication of international treaties and implementation of multilateral competition in areas of mutual and measurable benefit	Number of International Treaties and Conventions implemented	Five International treaties implemented. One audit for ratification of the Trade Facilitation Agreement	Three International Treaties and Conventions implemented	Three International Treaties and Conventions implemented	None	None
	Number of multilateral frameworks and strategies implemented	Ten Multilateral Frameworks reviewed and implemented	Three Multilateral Frameworks and Strategies implemented	20 Multilateral Frameworks and Strategies implemented	+17	Increase in number of multilateral relations activities where SA was requested to participate and provide leadership, such as hosting of conferences, Chairships of Ministerial and technical meetings
Implementation of bilateral cooperation in areas of mutual and measurable benefit	Number of Bilateral frameworks and projects implemented	Five signed bilateral agreements reviewed +8 projects were implemented	Six strategic bilateral frameworks and projects implemented	28 strategic bilateral frameworks and projects implemented	+22	Increased request for bilateral relations and study visits to benchmark best practices
	Integrated Planning Framework for National Health System	Integrated Planning Framework was developed and presented to NHC	Integrated Planning Framework approved by Tech NHC and piloted in 1 provincial DoH to compile 2018/19 Plans	Integrated Planning Framework approved by Tech NHC and piloted in 7 provincial DoH to compile 2018/19 Plans	+ 6 Provincial DoHs piloted the Integrated Planning Framework	The National DoH secured additional Donor funded technical assistance to support Districts and provinces with piloting.
	Patient experience of care survey guideline	A Patient experience of care self assessment survey tool was implemented in at least 1200 clinics	9 Provincial Health Departments trained on PEC Guideline	9 Provincial Health Departments were trained on PEC Guideline	None	None
	National Survey to measure Patient experience of care	A national survey conducted to measure Patient experience of Care in selected PHC facilities covering all provinces	National PEC Survey completed and report produced	National PEC Survey was completed and report produced	None	None
	National Guideline to manage complaints, compliments and suggestions for the Public Health	The policy Guideline to manage complaints, compliments and suggestions was developed and approved by Tech NHC	9 Provincial Health Department trained on Guideline to manage complaints, compliments and suggestions	9 Provincial Health Department were trained on Guideline to manage complaints, compliments and suggestions	None	None
	National Guideline to manage patient safety incidents in the Public Health Sector of South Africa	The policy Guideline to Manage Patient Safety Incident Reporting and Learning (with accompanying web-based database) was developed and approved by Tech NHC	9 Provincial Health Department trained on Guideline to manage Patient Safety Incidents	9 Provincial Health Department were trained on Guideline to manage patient safety incidents	None	None



## Strategy to overcome areas of under performance

Inter-departmental consultations will be finalised and the NHI Bill has been sent for Cabinet consideration and approval. A multi-stakeholder platform consisting of GPs, National Treasury and the NDoH has been established to create the funding modalities for PHC services. A depot manager has been recently appointed and a revised project plan has been developed to support Provincial Medicine Procurement Unit (PMPU) functionality in the Mpumalanga Department of Health. NHI Phase 1 evaluation has been fast-tracked to ensure that the draft evaluation report is delivered in September 2018.

## Changes to planned targets

None.

## Linking performance with budgets

Sub-programmes	2017/2018			2016/2017	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	3 981	3 328	653	3 649	3 628
Technical Policy and Planning	94 662	92 751	1 911	20 575	18 123
Health Information Management, Monitoring & Evaluation	57 400	56 041	1 359	81 724	81 632
Sector-wide Procurement	132 236	39 453	92 783	26 567	26 567
Health Financing and NHI	553 276	567 004	(13 728)	485 599	476 785
International Health and Development	83 399	82 963	436	72 479	72 435
<b>Total</b>	<b>924 954</b>	<b>841 540</b>	<b>83 414</b>	<b>690 593</b>	<b>679 170</b>

### 2.4.3 Programme 3: HIV / AIDS, TB and Maternal and Child Health

**Purpose:** Develop national policies, guidelines, norms and standards, and targets to decrease the burden of disease related to the HIV and tuberculosis epidemics; to minimise maternal and child mortality and morbidity; and to optimise good health for children, adolescents and women; support the implementation of national policies, guidelines, and norms and standards; and monitor and evaluate the outcomes and impact of these.

The programme established 15 interventions that assist the country to reduce maternal, neonatal and child mortality significantly. The interventions emphasise the importance of focusing on the basics and ensuring that they are implemented in our facilities and districts. Full implementation of the three streams of PHC re-engineering, namely municipal ward-based community health worker teams, the integrated school health programme, and district clinical specialist teams, assists facilities and districts to fully implement interventions that reduce maternal, neonatal and child mortality, including interventions associated with HIV and TB.

Management of the programme has to ensure that all efforts by all stakeholders are harnessed to support the over-all purpose. This includes ensuring that the efforts and resources of development partners, funders, academic and research organisations, non-governmental and civil society organisations and civil society at large all contribute in a coherent, integrated fashion towards implementation.

There are four budget sub-programmes:

- HIV and AIDS
- TB Control and Management
- Women, Maternal, Neonatal and Reproductive Health
- Child, Youth and School Health

The **HIV and AIDS sub programme:** is responsible for policy formulation, coordination, and monitoring and evaluation of HIV and sexually transmitted disease services. This entails coordinating implementation of the National Strategic Plan on HIV, STIs and TB, 2017-2022. Management and oversight of the large conditional grant from the National Treasury for implementation by the provinces is another important function. The sub-programme also coordinates donor funding for HIV, especially from PEPFAR and the Global Fund, and directs the funding in the health sector.

In the 2017/18 financial year, this sub-programme partnered with provinces in developing an acceleration plan intended to improve health outcomes and achieve the 90-90-90 targets in South Africa. Through this collaboration over 4.1 million people living with HIV were retained on treatment and over 13 million people were tested for HIV.

Key challenges include strengthening prevention programmes and decreasing the number of new HIV infections, scaling up the number of people on antiretroviral treatment, and retaining those on treatment over time.

The **TB Control and Management sub-programme**: is responsible for coordination and management of a national response to TB that incorporates strategies needed to prevent, diagnose and treat both drug-sensitive TB (DS-TB) and drug-resistant TB (DR-TB). The sub-programme develops national policies and guidelines, and norms and standards to inform good practice at provincial, district, sub-district and health-facility levels. The sub-programme also monitors implementation of the National Strategic Plan on HIV, STIs and TB, 2017-2022, with its vision of achieving zero infections, mortality, stigma and discrimination with regard to TB and HIV/AIDS.

With support received from the Global Fund, the sub-programme has continued to elevate interventions that address TB and HIV/AIDS service gaps in key populations, including inmates, miners and people living in informal settlements. The Global Fund has already invited South Africa to apply for a new grant, with an indicated allocation of more than US\$ 60 million ear-marked to continue implementation of interventions commenced in previous grants over a three-year period, from April 2018. The quality improvement initiative has commenced in nine districts. Gaps in maintaining the TB diagnostic and treatment cascade have been identified and are receiving attention.

The **Women, Maternal, Neonatal and Reproductive Health sub-programme** develops and monitors policies and guidelines on maternal and women's health, sets related norms and standards, and monitors the implementation of these. Over the medium term, key initiatives indicated in the Maternal and Child Health Strategic Plan were implemented. In addition, efforts to reduce maternal mortality were based on recommendations from the Ministerial Committees on Maternal Mortality and the South African Campaign on Accelerated Reduction of Maternal Mortality in Africa (CARMMA) strategy. Interventions included: deploying obstetric ambulances, strengthening family-planning services, establishing maternity waiting homes, establishing kangaroo mother care facilities, conducting Essential Steps in Managing Obstetric Emergency (ESMOE) training for doctors and midwives, intensifying midwifery education and training, and strengthening infant-feeding practices.

The sub-programme developed an integrated plan to reduce maternal and neonatal morbidity and mortality in line with sustainable development goal targets. The purpose of the integrated plan is to strengthen implementation of the NCCEMD (National Committee for the Confidential Enquiries into Maternal Deaths) and NaPeMMCo (National Perinatal Morbidity and Mortality Committee) recommendations from the triennial report 2014-2016. The sub-programme also developed cervical and breast cancer control policies. The cervical cancer policy introduced liquid-based cytology for cervical cancer

screening, which aimed to increase the suitability rate for cervical smears. The breast cancer control policy also introduced the use of trastuzumab in the management of Her2-Positive breast cancer patients.

The Last Mile Plan has been developed to eliminate mother-to-child transmission of HIV. The planned target is to reduce the number of PCR-positive babies at around 10 weeks from 1 600 to less than 1 000. In 2017/18, the infant PCR-positive around 10 weeks rate reduced from 1.35% to 0.9%. Implementation of MomConnect assisted in increasing the antenatal visit before 20 weeks rate from 65.2% to 66.3% in the 2017/18 financial year. A cumulative total of 1 628 207 mothers are receiving information through MomConnect, and in addition, 6 674 pregnant mothers have opted to receive information related to prevention of mother-to-child transmission.

The **Child, Youth and School Health sub programme**: is responsible for policy formulation, coordination, and monitoring and evaluation of child, youth and school health services.

In the 2017/18 financial year, this sub-programme continued to support provision of quality health services for children under five and adolescents and youth in and out of school. In line with the SDGs and the Global Strategy for Women's, Children's and Adolescent's Health, the sub-programme developed the Strategic Plan for Maternal, Newborn, Child and Women's Health (MNCWH) and Nutrition 2018/19-2022/23, which aims to ensure a well-functioning health system that allows women, young girls, mothers and children to survive, thrive and transform. In addition, a revised Road to Health Booklet (RTHB) was finalised and a total of 1.2 million copies were printed and distributed to provinces. The development and implementation of provincial and district plans to reduce the incidence of and end preventable deaths due to severe acute malnutrition (SAM) among children below five years of age contributed to 653 fewer SAM deaths in this age group during 2016/17 compared with 2014/15. A national comprehensive Expanded Programme on Immunisation (EPI) review was conducted by the WHO and other partners in 104 health districts throughout the country. A turnaround strategy and subsequent implementation plan derived from the recommendations of the review were developed, and provincial improvement plans were drafted.

In April 2017 the National Health Council adopted the National Adolescent and Youth Health Policy 2017, which prescribes a comprehensive package of services to be offered to young people aged 10-24 years during dedicated clinic times, known as the "Youth Zone". In order to strengthen the involvement and participation of young people, the Minister appointed an Adolescent and Youth Advisory Panel (AYAP).

## Strategic objectives, performance indicators planned targets and actual achievements

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
To reduce maternal and neonatal morbidity and mortality	Maternal, Neonatal and Woman's health programmes monitored using the standardised dashboard reports	3 x National quarterly reports were produced with recommendations	4 x National quarterly reports produced with recommendations	4 National quarterly reports produced with recommendations	None	None
Eliminate Mother to Child Transmission (EMTCT) in South Africa	Remedial Elimination of Mother to Child Transmission (EMTCT) plans developed and monitored of selected Districts	Remedial plans were developed with all districts that have MTCT rates > 2%	Remedial plans developed and monitored of all Districts that have MTCT rates > 1.5%	Remedial plans developed for all 17 districts that have MTCT rates > 1.5% but 15 of the 17 plans were monitored	2 remedial plans were not monitored	Monitoring visits could not be undertaken to affected 2 districts during 2017/18 due new provincial commitments and non-availability of provinces for the scheduled visits
To improve access to Cervical and Breast Cancer treatment in South Africa	Cervical Cancer Control Policy	Master Trainers trained on the implementation of the Cervical Cancer Control Policy and guidelines	Guidelines for the Cervical Cancer Policy produced and 9 Provincial DoHs supported to develop Implementation plans	Guidelines for the Cervical Cancer Policy produced and 9 Provincial DoHs supported to develop implementation plans	None	None
	Breast Cancer Policy	Breast Cancer Policy Guidelines finalised	Guidelines for Breast Cancer Policy produced and 9 Provincial DoHs supported to develop implementation plans	Guidelines for Breast Cancer Policy produced and 9 Provincial DoHs supported to develop implementation plans	None	None

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Reduce under 5 mortality rate	Monitor implementation of child health programmes using the standardised dashboard reports	3 x National quarterly Monitoring dashboard reports produced with recommendations	4 x National quarterly monitoring dashboard reports produced with recommendations	4 National Quarterly monitoring dashboard reports produced with recommendations	None	None
	Number of Provincial DoH with Remedial plans to reduce severe acute malnutrition	2 provincial DoH plan completed	2 (Eastern Cape and North West DoHs)	2 provincial DoHs (Eastern Cape and North West DoHs) plans completed	None	None
	Maternal, Newborn, Child, Adolescent, Women's Health and Nutrition Strategy 2017/18-2021/22	New Indicator	MNCAWH and Nutrition Strategy 2017/18 - 2021/22 approved by the NHC and distributed to provinces	The MNCAWH and Nutrition Strategy finalised, costing not completed	The MNCAWH and Nutrition Strategy not approved NHC	Costing of the strategy was delayed hence the strategy could not be presented to NHC
	Road to Health Booklet Revised	New Indicator	RTHB revised and distributed to 52 District Offices and head offices of 9 Provincial DoHs for implementation from 1 April 2018/19	RTHB revised and distributed to districts and provincial DOH offices	None	None
	Surveillance system for Polio, Measles and Neonatal Tetanus reviewed	New Indicator	Situational analysis conducted on the implementation of the current surveillance system in 9 provinces and Provincial Reports produced. Revised surveillance system drafted and presented to Tech NHC for approval	Situational analysis conducted on the implementation of the current surveillance system in 9 provinces and Provincial Reports produced.	Revised surveillance system drafted not presented to Tech NHC for approval	Change in approach where by the WHO lead-review recommended the development of provincial remedial plans rather than revising the surveillance system
	EPI Coverage Survey conducted	New Indicator	EPI Coverage Survey conducted in 9 Provinces	Draft survey protocol developed	EPI Coverage Survey not conducted in 9 Provinces due to budget constraints	Fieldwork for data collection has not yet commenced due to delays in mobilisation of additional funds
To improve access and adolescent and youth health services in South Africa	Adolescent and Youth Health Policy (AYHP)	New Indicator	Guidelines for Adolescent and Youth Health policy produced and 9 provincial DoHs supported to develop Implementation Plans	Guidelines for Adolescent and Youth Health policy produced and 9 provincial DoHs supported to develop Implementation Plans	None	None

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
To implement a combination of prevention and treatment interventions to reduce burden of HIV, STI and TB infections	Number of districts implementation plans developed with support from NDoH to reach 90-90-90 targets for TB and HIV	<ul style="list-style-type: none"> <li>- 46 DIPs were developed with</li> <li>- 46 health districts for 2017/18</li> </ul>	52 DIPs developed with health districts for 2018/19	25 districts supported to develop DIPs for 2018/19	- 52 DIPs developed	DIPs development was integrated to District Health Plans with the approval of new Integrated Health Planning Guidelines
	Number of Districts Implementation plans for 2017/18 monitored to reach 90-90-90 targets for TB and HIV	52 District Implementation Plans were monitored and reports were produced	52 Districts Implementation Plans (DIPs) for 2017/18 monitored and feedback reports with recommendations produced	52 DIPs monitored and reports produced	None	None
	Dashboard reports for Monitoring implementation of the HIV & AIDS and STI Programmes	3 x National quarterly monitoring Dashboard reports were produced with recommendations	4 x National Quarterly monitoring dashboard reports produced with recommendations	4 x National quarterly monitoring dashboard reports produced with recommendations	None	None
	HIV & AIDS Conditional grant Reports	<ul style="list-style-type: none"> <li>- 3x Quarterly HIV &amp; AIDS Conditional Grant reports were produced</li> <li>- Annual HIV Conditional Grant Report for 2015/16 year were produced</li> </ul>	3x Quarterly HIV & AIDS Conditional grant reports produced Annual HIV Conditional Grant Report for 2016/17 year produced	3 x Quarterly HIV&AIDS Conditional Grant reports produced  Annual HIV Conditional Grant Report for 2016/17 year produced	None	None
	HIV Strategic Plan developed and monitored	New Indicator	HIV Strategic Plan outlining key actions and strategies for public health system developed and presented to Tech NHC for approval	HIV Strategic Plan development is still at consultative stage	HIV Strategic Plan for public health system not finalised yet	Sub-programme commenced the consultation process late in the financial year
Strengthen patient retention in treatment and care for TB	Number of MDR-TB treatment initiation facilities with clinical audits conducted	New Indicator	18 MDR-TB treatment initiation facilities	22 MDR-TB treatment initiation facilities	+4	Good collaboration with provinces and partners.

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
	Number of provinces with IPT/3HP sentinel sites	New Indicator	3 provinces with IPT/3HP sentinel sites	4 provinces with IPT/3HP sentinel sites	+1	Additional site was developed by the National Institute of Diseases (NICD)
	Number of hospitals implementing FAST	New Indicator	15 hospitals implementing FAST	17 hospitals implementing FAST	+2	Good collaboration with provinces and partners who had additional resources
	Dashboard reports for Monitoring implementation of the TB Programmes	New Indicator	4 x National Quarterly monitoring dashboard reports produced with recommendations	4 National Quarterly monitoring dashboard reports produced with recommendations	None	None
	Number of facilities reviewed during provincial supervisory and support visits to track implementation of the TB Quality Improvement Programme	New Indicator	24 facilities reviewed during provincial supervisory and support visits	29 facilities reviewed during provincial supervisory and support visits	+5	Additional funding from the development partners provided additional capacity

### Strategy to overcome areas of under performance

Development of the HIV Strategic Plan outlining key actions and strategies for the public health system will be done during the 2018/19 financial year. The District Implementation Plans will be developed as district health operational plans which are part of the District Health Plans.

### Changes to planned targets

None.

### Linking performance with budgets

Sub-programmes	2017/2018			2016/2017	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	6 465	5 293	1 172	5 065	4 446
HIV & AIDS	18 024 381	18 014 381	10 262	15 749 040	15 712 480
Tuberculosis	26 291	25 541	750	24 404	24 326
Women's Maternal & Rep health	15 722	14 230	1 492	14 579	11 569
Child, youth & School Health	222 451	220 758	1 693	213 479	212 361
<b>Total</b>	<b>18 295 310</b>	<b>18 279 941</b>	<b>15 369</b>	<b>16 006 567</b>	<b>15 965 182</b>

#### 2.4.4 Programme 4: Primary Health Care Services (PHC)

**Purpose:** Develop and oversee implementation of legislation, policies, systems, and norms and standards for: a uniform district health system, environmental health services, communicable and non-communicable diseases, health promotion, and nutrition.

There are 6 budget sub-programmes:

- District Health Services
- Environmental and Port Health Services
- Health Promotion
- Nutrition
- Non-Communicable Diseases
- Communicable Diseases

The **District Health Services sub-programme:** The District Health System (DHS) is the vehicle for the delivery of PHC services. The sub-programme is central in supporting the health system to be efficient and effective. The National Health Act (No. 61 of 2003) makes provision for the establishment of health districts and the organisation and delivery of services within the DHS. There is a need for functional district health management offices to manage the PHC facilities such that they meet the standards of the Office of Health Standards Compliance (OHSC) and Ideal Clinic status, and achieve set targets for their key population health indicators.

This sub-programme continues to collaborate with other government departments, development partners, the private sector and civil society organisations to ensure that weaknesses within the DHS are addressed. It aims to:

- Improve district governance and strengthen leadership and management of the DHS through well-functioning district health councils;
- Improve the functionality and uniformity of the districts through the creation of uniform management structures for the district health management offices;
- Improve the governance of PHC facilities;
- Facilitate the establishment of a service-delivery platform for provision of PHC services within the DHS;
- Improve the integration of services at all levels of the health system and between the private sector and other government departments to address the social determinants of health, and organise health services in the community and PHC facilities optimally to meet the Office of Health Standards Compliance (OHSC) standards and achieve targets set for population health outcomes.

In the 2017/18 financial year, the Guidelines for the Establishment of the District Health Management Office were approved by the NHC. These Guidelines include profiles (required qualification, experience and competencies) for the managers needed to fill the structure.

A handbook with training material guidelines for the establishment of PHC governance structures and a pocket guide as quick reference translated into nine languages, have been developed to institute a uniform approach to the

establishment and sustainability of governance structures for PHC facilities. This will ensure that the support given to the governance structures is well organised and that assessment for functionality is also standardised. The sub-programme continues to monitor the number of functional clinic committees and provide ongoing support to ensure that they remain fit for purpose. The Ideal Clinic Realisation and Management Programme continues to grow as it aims to provide a platform for the delivery of comprehensive quality PHC services.

Furthermore, the sub-programme satisfied all the steps in the Ideal Clinic process flow, eventually subjecting 600 clinics to peer review in November 2017. Clinics that did not attain ideal status were further supported by the NDoH through provision of the basic equipment required by these clinics. This led to the sub-programme surpassing the set target for 2017/18. Achievement of 1 507 Ideal Clinics was also supported by reports and recommendations to the Tech-NHC, the NHC, as well as the Presidential Coordinating Council. The sub-programme further submitted quarterly reports to the Department of Planning Monitoring and Evaluation as part of the Operation Phakisa mandate.

The sub-programme trained nurses in Integrated Clinical Services Management (ICSM), a programme that entrenches clinical governance in the clinics. This ICSM training will continue in the new financial year. The target is to have all nurses in clinics trained in ICSM to ensure that quality services are provided consistently to communities.

Performance of the Ward Based PHC Outreach Teams will be further bolstered by the Policy Framework and Strategy for the Ward Based Primary Health Care Outreach Teams that was approved by the NHC in December 2017. The implementation plan for the policy framework and strategy has been developed and this will guide improvement in the working conditions of community health workers.

The **Environmental and Port Health services sub-programme:** Environmental Health is at the heart of public health interventions. The mandate of this sub-programme is to lead the implementation of public awareness, health promotion and disease prevention, and surveillance and inspection of both private and public premises. The sub-programme is responsible for strengthening, supporting and monitoring the provision of Environmental Health Services through developing relevant legislation, policies, guidelines, and norms and standards. These instruments are used to monitor the compliance of municipalities and public health facilities with the relevant prescripts. Monitoring is accomplished via annual assessments.

The sub-programme is further responsible for strengthening and monitoring the provision of Port Health Services. This is done by controlling and preventing cross-border movement of goods and people in order to control public health risks, and prevent importation of communicable diseases and events of international concern into the country in line with the requirements of the International Health Regulations of 2005.

The sub-programme has worked to strengthen the delivery of Environmental Health and Port Health Services, continued to monitor the provision of health services by the district and metropolitan municipalities and points of entry, and provided an oversight and supportive role through policy development and conducting of audits.

During the 2017/18 financial year, municipalities were monitored to ensure compliance with the provisions of the norms and standards. A total of 20 district and metropolitan municipalities rendering Municipal Health Services were audited, with 13 performing above the minimum required performance level of 51%. A total of 54 public health facilities including hospitals, community health centres and clinics were also assessed in all provinces jointly with the Office of Health Standards Compliance (OHSC) for adherence to health care risk waste (HCRW) norms and standards.

Ten Points of Entry (PoEs) were assessed and found to be compliant with International Health Regulations, 2005. Furthermore, they were capacitated and provided with training to ensure that they fulfil their role of preventing and responding to public health risks that may result from international movement of goods and travellers. Assessed PoEs performed very well. This was confirmed in the outcome of the Joint External Evaluation conducted by the WHO which stated that the annual assessment conducted by the Department is a good practice that could be implemented by other countries. The National Port Health Standard Operating Procedures were finalised for implementation by PoEs. These procedures aim to ensure that service is provided in a standardised manner throughout all POEs, thus strengthening service provision.

The National Hand Hygiene Behaviour Change Strategy 2016-2020 was finalised. An inaugural hygiene Indaba was held in August 2017 to broaden consultation on the evidence, policy and practices that exist for water, sanitation and hygiene in South Africa.

Climate change and health indicators were developed to determine vulnerabilities and the health sector's readiness to respond to climate change health impacts. A climate change and health workshop was held.

The Department of Environmental Affairs approved and adopted the NDoH's Annual Environmental Compliance Report 2016/17, which was in compliance with Chapter 3 of the National Environmental Management Act (No. 108 of 1998). A guiding manual on environmental impact assessment of development projects was developed for environmental health practitioners. Approximately 550 such practitioners were trained on implementation of the manual in three provinces, including 15 district and metropolitan municipalities.

Due to global concern regarding lead exposure, particularly in children, the WHO and United Nations Environment Programme (UNEP) announced that the third week of October each year will be International Lead Poisoning Prevention Week of Action. In this regard, a successful Lead Use and Exposure Workshop was held with various organisations, institutions and departments.

A two-day celebration of World Environmental Health Day was held on 26 and 27 September 2017 in King Cetshwayo District Municipality, KwaZulu-Natal, with the theme "Indoor and Outdoor Air Quality". The event focused on the effects of poor air quality on the population, particularly children under five years as they are at risk of developing lifetime respiratory complications from exposure to poor air quality. Approximately 350 delegates from the environmental health fraternity were in attendance, and the Alfred Nzo Environmental Health Excellence Awards formed part of the two-day programme. The awards recognise deserving environmental health practitioners, municipalities and POEs for their outstanding contribution, dedication and hard work in promoting and strengthening environmental health in the country.

Furthermore, the sub-programme has continued to provide guidance at various public health events in the country, and it has played a particularly critical role in the country's response to the current listeriosis outbreak.

**The Health Promotion, Nutrition and Oral Health sub-programme:** Optimal health promotion and disease prevention are essential to the success of PHC. Recognising South Africa's quadruple burden of disease, the sub-programme has identified the need to strengthen the Tobacco Control Programme. To achieve this, the Tobacco Products Control Act was amended to tighten loopholes and address key issues pertaining to tobacco control in accordance with the WHO Framework Convention on Tobacco Control.

Rates of overweight and obesity in South Africa are increasing in both young children and adults. Obesity is a major risk factor for non-communicable diseases (NCDs), therefore obesity prevention is a key intervention in reducing NCD prevalence. Given that the causes of obesity are multi-factorial, the sub-programme adopted a multi-sectoral, multi-dimensional and life-course approach to addressing obesity in the country. The sub-programme is implementing multiple interventions in order to attain sustainable health gains.

In the 2017/18 financial year, this sub-programme conducted the National Nutrition Week campaign under the theme "Rethink Your Drink – Choose Water" to support implementation of the sugar tax/health-promotion levy, which is one of the interventions to reduce obesity and NCDs. The campaign targeted general consumers and encouraged them to make water their beverage of choice. It also highlighted the link between regular consumption of sugary drinks and health risks. The sub-programme collaborated with other government departments and NGOs under leadership of the Department of Planning, Monitoring and Evaluation (DPME) to finalise the National Food and Nutrition Security Plan (2017-2022).

A human resources for oral health document was developed. The aim of the document was to establish a baseline for oral health resources in the public sector so as to determine gaps with Workplace Indicators of Staffing Need (WISN) requirements. In addition, the sub-programme assessed district hospitals to establish which facilities are providing the oral health secondary service package.



### The **Non-Communicable Diseases sub-programme:**

The 2030 Agenda for Sustainable Development recognises the huge impact of NCDs worldwide; one of its targets is to reduce premature deaths from NCDs by one-third by 2030 (SDG target 3.4). Premature deaths from NCDs are particularly high in poorer countries, with around 80% of such deaths occurring in low- and middle-income countries. Globally, deaths due to NCDs are projected to increase by 17% over the next 10 years, but the greatest increase (24%) is expected in the African region. Around 40% of deaths and 33% of the burden of disease in South Africa are attributable to NCDs. The WHO estimates the probability of premature mortality from NCDs in South Africa at 27%. In order to reduce NCDs and premature mortality, a combined approach is needed that: (i) addresses social determinants of health; (ii) promotes good health through improved diet, increased physical activity, cessation of tobacco use and reduced alcohol intake; (iii) increases early diagnosis and treatment and improved management and control of NCDs; and (iv) improves access to services. Our strategies in this reporting year and for the coming years prioritise each of these elements.

In managing NCDs, there must also be focus on disability. If not attended to appropriately, disability has implications for optimal functioning, potentially excluding people from gainful employment and/or financial independence. This situation exacerbates the risk of out-of-pocket expenditure, impacting negatively on the development of individuals, families and communities.

Mental disorders continue to be a major and growing cause of disability-adjusted life years (DALYs). Importantly, DALYs for mental disorders are highest during youth and mid-adulthood, accounting for 18.6% of total DALYs among people aged 15-49 years; this has a critical impact on social and economic development. The burden of mental illness is felt not only through the primary presentation of mental disorders, but also through the high level of co-morbidity with communicable diseases, NCDs, maternal and child health conditions, and violence and injuries.

In the 2017/18 financial year, this sub-programme continued to support provinces with implementation of National Mental Health Policy and Strategic Plan 2013-2020, which sets out the key objectives and milestones that must be implemented to transform mental health services in this country. The focus is to improve detection rates and management of mental disorders, especially in PHC settings; to improve mental health infrastructure; and to improve the supply of mental health professionals and access to them. The sub-programme collaborated with civil society organisations in implementing projects aimed at reducing stigma and discrimination associated with mental illness. Fourteen districts against the target of 10 have established District Mental Health Teams as envisaged in the Mental Health Policy Framework and Strategic Plan 2013-2020. Over and above this, the sub-programme

was tasked to support the Gauteng DoH in implementing the Health Ombud's recommendations contained in the "Report into the Circumstances Surrounding the Deaths of Mentally Ill Patients in Gauteng". The sub-programme also implemented recommendations specific to the NDoH. All 27 NGOs involved in the Gauteng Marathon Project were reviewed, and those that did not meet the standards were closed down. All former Life Esidimeni patients were urgently removed from NGOs and placed in appropriate health establishments as per the recommendations of the Health Ombud. Policy Guidelines for licensing of facilities that provide services to persons who are mentally ill or who are severely or profoundly intellectually disabled were developed and gazetted. These Policy Guidelines are used by provincial DoHs to assess and monitor service providers for compliance with the mental health care norms and standards. Furthermore, the National Minister requested the South African Human Rights Commission to undertake a systematic review nationally of human rights compliance and possible violations related to mental health. Together with the Gauteng Premier, the National Minister of Health led and facilitated the process of contacting affected individuals and families, and entered into an Alternative Dispute Resolution process.

The Department received referrals for forensic psychiatric evaluations from the Courts in terms of Sections 77, 78 and 79 of the Criminal Procedure Act (No. 51 of 1977 as amended). Children who came into contact with the law have also been referred to the Department for criminal capacity assessments by psychiatrists and psychologists in terms of the Child Justice Act (No. 75 of 2008). This sub-programme continued to support provinces in developing and monitoring the implementation of facility-specific turnaround strategies in order to reduce the backlog for forensic psychiatric evaluations. Further interventions included capacity building in the public health sector through training of psychiatrists and clinical psychologists to improve skills in forensic mental health services in collaboration with the Justice College of the Department of Justice and Constitutional Development.

### The **Communicable Disease Control sub-programme:**

Communicable diseases are a major cause of morbidity and mortality, and life expectancy increases through effectively addressing these conditions. Communicable diseases are therefore central to realisation of the Department's vision of a long and healthy life for all South Africans.

In the 2017/18 financial year, this sub-programme continued to strengthen the core capacities for surveillance and response to public health emergencies in line with International Health Regulations (IHR) 2005. A Joint External Evaluation on IHR compliance was conducted, and nine provincial outbreak response teams were trained on the infectious diseases and Notifiable Medical Conditions (NMCs) surveillance system.

## Strategic objectives, performance indicators planned targets and actual achievements

Strategic objective	Performance indicator	Actual achievement 2016/17	Planned Target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Improve district governance and strengthen management and leadership of the district health system	Number of Districts with management structures in line with the National Guidelines	Guidelines for establishment of the DHMO were developed	National Guidelines for District Health Management Structures approved	National Guidelines for District Health Management Structures approved	None	None
	Number of PHC facility committees assessed to determine functionality	3 211 audited, and 2 095 functional committees found	2000 PHC facility Committees assessed to determine its functionality	3 437 facility Committees assessed to determine its functionality	+ 1 437 facility committees assessed	The performance was exceeded because the assessment done through the ICRM software and cooperation with the provinces and clinic staff
Improve access to community based PHC services	Number of functional WBPHCOTs <sup>15</sup>	3 275 functional WBPHCOTs	2000 functional WBPHCOTs	3 323 functional WBPHCOTs	+ 1 323 functional WBPHCOTs	The teams have been strengthened with data capturing capability thus significantly increasing the number of teams
Improve quality of services at PHC facilities	Number of PHC facilities in the 52 districts that qualify as Ideal Clinics	Additional 786 PHC facilities in the 52 districts qualify as Ideal Clinics	1000 PHC facilities in the 52 districts qualify as Ideal Clinics	1 507 PHC facilities in the 52 districts qualify as Ideal Clinics	+ 507 PHC facilities	Increasing teamwork amongst districts, provinces and national ICRM teams. Processes and tools put in place through cooperation between NDoH, Provinces, National and Provincial Treasuries brought about substantial improvement in supply chain management.
	Proportion of PHC Facilities accessible to people with physical disabilities	New Indicator	35% of PHC facilities accessible to people with physical disabilities	36% of PHC facilities accessible to people with physical disabilities	+1%	NDoH held meetings with Provincial infrastructure units and emphasised the prioritisation of the facilities' access to people with disabilities
	Ideal District Hospital Framework	New Indicator	Ideal District hospital framework drafted and presented to NDHSC	Draft of the Framework for Ideal District hospital and presented to National District Health System Committee	None	None
Improve environmental health services in all 52 districts and metropolitan municipalities in the country	Number of municipalities that are randomly selected and audited against environmental health norms and standards in executing their environmental health functions	35 District and Metropolitan Municipalities audited	20 municipalities are randomly selected and audited against environmental health norms and standards in executing their environmental health functions	20 municipalities are randomly selected and audited against environmental health norms and standards in executing their environmental health functions	None	None

Strategic objective	Performance indicator	Actual achievement 2016/17	Planned Target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
	Number of public health facilities assessed for adherence to Health Care Risk Waste (HCRW) Norms and Standards	9 Provincial Implementation Plans were developed	50 public health facilities assessed for adherence to Health Care Risk Waste (HCRW) Norms and Standards	54 public health facilities assessed for adherence to Health Care Risk Waste (HCRW) Norms and Standards	+4 public health facilities	A positive deviation due extra resources after to partnership with Office of the Health Standard Compliance
Establish a National Health Commission to address the social determinants of health	National Health Commission established	Operating framework for National Health Commission was approved	Framework for National Health Commission approved	Framework for National Health Commission approved	None	None
Ensure provision of International Health Regulations (IHR)-compliant port services at all 44 commercial points of entry in South Africa	Number of points of entry that provide IHR compliant port health services	45 points of entry audited on Norms and Standards and IHR requirements and report produced	10 commercial points of entry compliant with IHR 2005 core capacity requirements	10 commercial points of entry compliant with IHR 2005 core capacity requirements	None	None
Reduce risk factors and improve management for Non-Communicable Diseases (NCDs) by implementing the Strategic Plan for NCDs 2012 - 2017	Number of government Departments oriented on the National guide for healthy meal provision in the workplace	43 (15 additional) National departments were oriented on the National Guide for Healthy Meal Provisioning in the Workplace; in addition, three other public entities and professional associations (CSIR, DENOSA and HSRC) were oriented	3 Government Departments (Education, Social Development and Health) in 9 provinces oriented on the National guide for healthy meal provision in the workplace	87 Government Departments (Education, Social Development and Health) in 9 provinces oriented on the National guide for healthy meal provision in the workplace	60 more Government departments in 9 provinces were oriented.	Invitations were coordinated by the Provincial Offices of the Premiers and they extended the invitations to all provincial government departments which responded positively.
	Guidelines on Nutrition for Early Childhood	Guidelines on Nutrition for Early Childhood consulted widely	Implementation plan tabled at NHC for approval	Implementation plan tabled at NHC for approval	None	None
	Regulations relating to labelling and packaging of tobacco products and smoking in indoor and outdoor public places developed	Final legal opinion on Tobacco Products Control Act (TPCA) received. Final draft submitted to Legal Services for processing submission to Cabinet	Consultations led by cabinet supported and comments incorporated	Consultations on the tobacco bill were conducted with various government departments.	Consultations led by cabinet did not commence	Consultations with other stakeholders took longer than expected
	Random Monitoring of salt content in foodstuffs	Random samples from each of 13 regulated food categories tested, reported on and corrective action taken	Random samples from each of 13 regulated food categories tested, reported on and corrective action taken	Random samples from each of 13 regulated food categories tested, reported on and as a remedial action taken	None	None
	Numbers of media campaigns creating awareness of risk factors that contribute to NCDs	New Indicator	3 media campaigns creating awareness of risk factors that contribute to NCDs	3 media campaigns creating awareness of risk factors that contribute to NCDs	None	None

Strategic objective	Performance indicator	Actual achievement 2016/17	Planned Target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Improve access to and quality of mental health services in South Africa	Number of Districts with Mental Health Teams established	8 district mental health teams established	10 districts with mental health teams established	14 districts with mental health teams established	+ 4 districts	An additional 4 District Mental Health teams were established by Provinces by seconding personnel from already existing posts.
Improve access to disability and rehabilitation services through implementation of the framework and model for rehabilitation and disability services	Number of Districts with an inter-disciplinary rehabilitation team including physiotherapist, optometrist, speech and hearing/audiologist, occupational therapist, medical orthoptist/prosthetist	8 provinces with implementation plans	Survey conducted to determine the number of Districts with an interdisciplinary rehabilitation team	Survey was conducted to determine the number of Districts with an interdisciplinary rehabilitation team. Provinces submitted reports of survey results	None	None
Eliminate malaria by 2018, so that there are zero local cases of malaria in South Africa	Malaria Incidence per 1000 population at risk	0.40 malaria cases per 1 000 population at risk	0.2 malaria cases per 1000 population at risk	2.1 malaria cases per 1000 population at risk	-1.9 malaria cases per 1000 population at risk	Increased rainfall in malaria affected areas coupled with an unprecedented number of imported (cross boarder) malaria cases resulted in the NDOH not achieving its target
	Number of targeted districts reporting malaria cases within 24 hours of diagnosis	9 malaria-targeted districts reporting malaria cases, with 310 facilities reporting malaria cases within 24 hours of diagnosis	9 malaria targeted districts reporting malaria cases within 24 hours of diagnosis	9 malaria targeted districts reporting malaria cases within 24 hours of diagnosis	None	None
Strengthen preparedness and core response capacities for public health emergencies in line with International Health Regulations	Number of Provincial Outbreak Response Teams trained to respond to zoonotic, infectious and food-borne diseases outbreaks	9 provincial outbreak response teams were trained on food-borne disease outbreak response	9 Provincial Outbreak Response Teams trained on Infectious disease surveillance and response	9 Provincial Outbreak Response Teams trained on Infectious disease surveillance and response	None	None
Improve South Africa's response with regard to Influenza prevention and control	Number of high risk population covered by the seasonal influenza vaccination	896 019 high-risk Individuals covered with seasonal influenza vaccination individuals	630 000 high risk individuals covered with seasonal influenza vaccination	797 112 high risk individuals covered with seasonal influenza vaccination	+167112 additional persons were vaccinated	Provinces had extra resources for purchase of additional vaccines, hence the number of individuals vaccinated exceeded the target
	Regulations on organ transplantation developed	Regulations drafted	Regulations for organ transplantation published for public comment	Draft regulations for organ transplantation developed	Draft regulations not yet published for public comment	State Law Advisor did not authorise publication due to technical considerations
	Regulations on dialysis developed	Regulations drafted	Regulations for dialysis published for public comment	Draft regulations presented to Tech NHC which requested comments by provinces prior to publishing for public comments	Draft regulations for dialysis not yet published for public comment	Tech NHC requested time for provinces to assess whether these regulations overlap with existing provincial regulations

Strategic objective	Performance indicator	Actual achievement 2016/17	Planned Target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
	National Policy Framework and Strategy on Eye Health developed	Draft National Policy Framework and Strategy on Eye Health was developed, including provincial eye health centres for cataract surgery	Policy framework developed and presented to NHC	Policy framework and strategy developed and costing completed	Policy framework not yet presented to NHC	The policy development has been delayed by costing process which took longer than anticipated hence not yet presented to NHC
	Oral health Policy and strategy	New Indicator	Oral health policy and strategy drafted	The Oral Health Policy and strategy was drafted	None	None

## Strategy to overcome areas of under performance

Malaria: Indoor residual spraying (IRS) will be increased and will commence earlier than usual in the endemic provinces. Larviciding (where appropriate) will also be strengthened and rolled out in the winter. Collaboration with neighbouring countries affected by malaria will be strengthened and scaled up.

## Changes to planned targets

None.

## Linking performance with budgets

Sub-programmes	2017/2018			2016/2017	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	4 402	3 955	447	3 338	3 336
District services and environmental health	38 375	34 947	3 428	22 153	19 550
Communicable diseases	19 204	18 397	807	18 711	17 589
Non-communicable diseases	22 332	21 236	1 096	21 913	19 425
Health promotion, nutrition and Oral Health	23 039	21 306	1 733	23 344	19 135
Environmental and Port Health Services	155 991	153 930	2 062	148 596	146 696
<b>Total</b>	<b>263 343</b>	<b>252 771</b>	<b>9 572</b>	<b>238 055</b>	<b>225 731</b>

### 2.4.5 Programme 5: Hospital, Tertiary Health Services and Human Resource Development

**Purpose:** Develop policies, delivery models and clinical protocols for hospitals and emergency medical services. Ensure alignment of academic medical centres with health workforce programmes, training of health professionals and to ensure the planning of health infrastructure meet the health needs of the country. This programme will also assist the government to achieve the population health goals of the country through nursing and midwifery, by the provision of expert policy and technical advice and recommendations on the role of nurses in attainment of desired health outputs.

There are five budget sub-programmes:

- Hospitals and Tertiary Health Services
- Trauma, Violence, EMS and Pathology Medical Services
- Office of Nursing Services
- Health Facilities Infrastructure Planning
- Workforce Development and Planning

The **Hospitals and Tertiary Health Services Sub-programme** is responsible for tertiary health services planning; policies that guide hospital management and service standards in hospitals; deployment of suitable numbers of staff and staff mix; and training of appropriately qualified health professionals.

The **Trauma, Violence, EMS and Pathology Medical Services sub-programme** is responsible for improving the governance, management and functioning of Emergency Medical Services (EMS) in the country. This is done by strengthening the capacity and skills of EMS personnel, identifying needs and service gaps, and providing appropriate and efficient EMS through provincial oversight. To provide high-quality, effective EMS, each EMS system must be supported by comprehensive enabling legislation that governs the provision of EMS. The key components of this legislation include authority for national co-ordination, and standardised treatment, transport, communication and evaluation, including licensure of ambulances. The sub-programme has developed national regulations governing the provision of EMS; these were published in the 2017/18 financial year. In addition, the Regulations for Emergency Medical Care at Mass Gathering Events were promulgated and the National Emergency Care Education and Training Policy was signed off by the Minister of Health in 2017.

The sub-programme is also responsible for ensuring the effective and efficient rendering of forensic chemistry services to support the criminal justice system and reduce the burden of disease and unnatural causes of death. As such, the sub-programme is mandated to ensure the effective and efficient rendering of Forensic Chemistry Laboratory (FCL) services and to develop policies that guide the management and service standards of forensic pathology services. Forensic Chemistry Laboratories are a National Competency of the NDoH and provide the following services:

- Testing of biological tissues and fluids for the presence of poisons and/or drugs in instances of unnatural death (toxicology analysis);
- Testing of ante-mortem and post-mortem blood for the presence of alcohol in alleged drunken driving matters (alcohol analysis); and
- Food testing in terms of the Foodstuffs Act.

In 2017/18, the Regulations for Rendering of Forensic Pathology Services were finalised and published. The FCLs in Cape Town, Durban and Pretoria maintained a 90-day turn-around time for blood alcohol analysis.

The sub-programme also coordinates Clinical Forensic Medicine and focuses on the management of all forms of violence. In 2017/18 services provision of the management of sexual violence and related offences were rendered in all the Provinces. A total of 279 health facilities are designated and in for 2017/18 no facilities were designated for the provision of services for sexual assaults and related offences. It is planned that these services will be extended to Community Health Centres during 2018/19 financial year.

The sub-programme is also responsible for the implementation of Chapter 8 of the National Health Act of 2003 through management of all human tissue activities, including processing, approval and authorisation of import and export permits for human tissues. In 2017/18, the turnaround time for authorisation of permits improved from two weeks to seven days.

The **Office of Nursing Services sub-programme** is responsible for ensuring that nursing and midwifery practitioners are competent and responsive to the burden of disease and population health needs. This sub-programme provides leadership in implementing the recommendations emanating from the nursing strategy by co-ordinating the three core areas of nursing, namely education, regulation and practice. It is responsible for the promotion and maintenance of a high standard and quality of nursing and midwifery by ensuring that nursing education and training are harmonised with population health needs and are commensurate with the related competency framework, and by providing guidance on the production of sufficient numbers and appropriate categories of nurses required to deliver healthcare services. This sub-programme is also responsible for enabling intra- and inter-professional liaison to harness nursing interventions into a coherent response to population and health service needs.

Access into the new nursing programmes will be through any of the three entry-level programmes designed as stand-alone qualifications. In the 2017/18 financial year, a national core curriculum was finalised for the new three-year diploma in general nursing and a one-year diploma in midwifery. This three-year diploma programme will enable graduates to function as clinically focused, service-oriented, general nurses, able to manage low-risk health problems along the continuum of care. Eight of the 17 public nursing colleges were supported to develop customised curricula in preparation for programme accreditation

Norms and standards were drafted and consulted in order to optimise clinical training through placement, supervision and assessment of clinical training in line with the clinical learning outcomes defined for each level of training. A national policy was drafted, consulted and finalised for the management of nursing placement agencies. This national policy will serve as a key national instrument for eliminating fly-by-night nursing education institutions; address provincial inequities and fragmentation in the provisioning of nursing education; improve the quality of clinical training; and enhance social accountability towards a unified system for nursing education and training.

The **Health Facilities Infrastructure Planning sub-programme**: focuses on co-ordinating and funding health infrastructure to enable provinces to plan, manage, modernise, rationalise and transform infrastructure, health technology and hospital management, and improve the quality of care in line with national policy objectives. The sub-programme funds infrastructure projects ranging from new and replaced facilities, to upgrades and additions, refurbishment, rehabilitation and renovations, and maintenance and repairs.

The 2017/18 planned projects included projects funded by the Provincial Equitable Share, Health Facility Revitalisation Grant, and In-kind Grant. At the end of March 2018, maintenance was completed in 186 facilities, and construction of 27 new clinics and community health centres and one new hospital were also completed.

The **Workforce Development and Planning sub-programme** is responsible for effectively articulating human resource needs and optimising the performance of the health workforce to achieve the strategic goals of the National Health System. This entails facilitating medium- to long-term workforce planning in collaboration with national and provincial stakeholders, using a national planning model based on staffing norms and standards. Based on this planning, post-school institutions and stakeholders are engaged to ensure adequate and responsive pre- and in-service education, training and development, with an emphasis on occupation-appropriate qualifications and workplace-relevant learning. The sub-programme also works with provinces to develop and maintain strategic human resource systems and effective management practices at all levels of the health system. These functions ensure a sustainable and targeted increase in the health workforce capacity (numerically and in terms of competency), particularly in critical occupations required for health service delivery and management.

In the 2017/18 financial year, staffing norms were implemented for the PHC levels. Over 2 000 PHC facility managers in seven provinces were trained on the concept and methodology for determining staffing needs based on workload. Staffing needs for fixed PHC facilities were projected and costed based on the Workload Indicator of Staffing Needs methodology. Development of staffing norms was undertaken for district hospitals, and draft normative guides were produced for staffing of clinical areas in district hospitals.



## Strategic objectives, performance indicators planned targets and actual achievements

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Ensure quality health care by improving compliance with National Core Standards at all central, tertiary, regional and specialised hospitals	Number of Hospitals that achieved an overall performance 75% (or more) compliance with the National Core Standards assessment.	18 hospitals (3 central, 8 tertiary and 7 regional)	43 Hospitals (8 Central, 15 Tertiary, 20 Regional Hospitals)	37 Hospitals ( 8 central, 15 tertiary and 14 regional hospitals) achieved overall performance of 75% and above	- 2 tertiary and -4 regional hospitals	The 6 outstanding hospitals did not achieve the overall performance of 75% or more due to infrastructural issues that could not be resolved in this financial year
Increase capacity of central hospitals to strengthen local decision making and accountability to facilitate semi-autonomy of 10 central hospitals	Number of central hospitals benchmarked against standardised organisational structures	Organisational Structure for central hospitals was tabled at Tech NHC meeting in February 2017	3 Central hospitals benchmarked against approved Organisational structure	0 central hospital benchmarked as the organisational structure is still in the process of being reviewed	-3 central hospitals benchmarked against approved Organisational structure	Organisational structure not yet approved to enable benchmarking to commence
Develop and implement health workforce staffing norms and standards	Guidelines for HRH norms and standards using the WISN methodology	Activity standards for district hospitals developed HRH norms for regional, tertiary and central hospitals not developed	HRH standards for Regional, Tertiary and Central Hospitals presented at Tech NHC	Final draft of the HRH standards produced for district hospitals	HRH standards for Regional, Tertiary and Central Hospitals not presented at TechNHC	A workshop of experts and clinicians to ratify the final draft standards was required before presenting the final draft for approval by Tech NHC
	Number of health facilities benchmarked against staffing normative guides	3149 (2149 Additional facilities benchmarked)	30 District Hospitals benchmarked	0 District Hospitals benchmarked	-30 district hospitals	Benchmarking of facilities against normative guidelines must be preceded by finalisation and approval of the guidelines
	National Human Resources for Health (HRH) Strategy	New Indicator	A review of the current HRH strategy Revised national HRH strategy developed and tabled at TechNHC	HRH strategy consultations underway	HRH strategy not yet developed	Awaited WHO guidance on National Health Workforce, and High level Commission on Health, Employments and Economic Growth co-chaired by the President of SA. The sudden departure of the cluster manager who was leading the project had also slowed down progression toward achieving target

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Increase production of Human Resources for Health to strengthen capacity in the health system	Expanded Academic Integration Programme developed and implemented for medical students returning to South African from the expanded Nelson Mandela Fidel Castro Medical Programme	New Indicator	Ministerial Task team established and Expanded Academic Integration Programme finalised for their final year training in South Africa	Ministerial Task Team established	Academic programme developed but not finalised	Delays in obtaining information from coordinators; uncertainty of funding for planning, training and setting up IT training platforms
Strengthen nursing education, training and practice through implementation of the objectives of the Nursing Strategy	New basic Nursing qualification programmes and draft curricula developed	New basic nursing Qualification programmes and draft curricula developed in line the national nursing education and training policy	New basic nursing qualification programmes finalised 8 colleges with customised draft curricula	New basic nursing qualification programmes developed  8 colleges with customised draft curricula	The new basic nursing qualification programmes was not confirmed as final timely	Final new basic nursing qualification programmes confirmed as final after end of 2017/18
	National Policy for the management of nursing placement agencies developed	New Indicator	National Policy for the management of nursing placement agencies drafted and consulted	National Policy for the management of nursing placement agencies drafted and consulted	None	None
	Norms and standards for decentralised clinical training platforms developed	New Indicator	Norms and standards for decentralised clinical training platform drafted and consulted	Norms and standards for decentralised clinical training platform drafted and consulted	None	None

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Improve quality of health infrastructure in South Africa	Number of facilities maintained, repaired and/or refurbished in NHI districts	67 facilities	197 facilities maintained, repaired and/or refurbished in NHI districts	107 facilities maintained, repaired and/or refurbished in NHI districts	- 90 facilities	Factors such as rain, striking workers caused unplanned delays. Contractors requested extension of time
	Number of facilities maintained, repaired and/or refurbished outside NHI pilot Districts	37 facilities	321 facilities maintained, repaired and/or refurbished outside NHI pilot districts	79 facilities maintained, repaired and/or refurbished outside NHI pilot Districts	- 242 facilities	Factors such as rain, striking workers caused unplanned delays. Contractors requested extension of time
	Number of clinics and CHCs constructed or revitalised	22 clinics and CHCs constructed and revitalised	42 clinics and CHCs constructed or revitalised	27 clinics and Community Health Centres constructed or revitalised	-25 clinics and Community Health Centres	Factors such as rain, striking workers caused unplanned delays. Contractors requested extension of time
	Number of hospitals constructed or revitalised	3 hospitals completed	8 hospitals constructed or revitalised	1 hospital constructed or revitalised	- 7 hospitals	Preparation is taking longer than anticipated
	Number of new facilities that comply with gazetted infrastructure norms and standards	65 facilities	Specifications of 50 new facilities compliant with Infrastructure norms and standards	Specifications of 52 new facilities compliant with Infrastructure norms and standards	+ 2 new facilities	Specifications were standardised to enable the unit to cover more facilities
Ensure access to and efficient effective delivery of quality Emergency Medical Services (EMS)	Number of provinces that are monitored for compliance with the EMS regulations	Compliance checklist to monitor compliance with EMS regulations was developed and approved by National Committee of Emergency Medical Services (NCEMS)	Compliance checklist finalised and presented to Tech NHC for approval. 9 Provincial DoH baseline assessments conducted and reports produced to determine compliance levels	Compliance checklist was finalised and presented to Tech NHC for approval. 9 Provincial DoH baseline Assessments were conducted and reports produced to determine compliance levels	None	None

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
To eliminate the backlog of blood alcohol tests by 2017/18 and toxicology tests by 2019/20	Percentage backlog eliminated for blood alcohol tests	67%	Backlog of blood alcohol tests eliminated (0% backlog) in all 4 laboratories	78% of backlog blood alcohol tests eliminated	-22% (2502 samples of the backlog list were not tested)	Data capturing and sample allocation could not be done for the whole of January 2018 due to a blown up power supply to LIMS server in FCL Johannesburg. Repairs were done on 1 February 2018. The FCL Johannesburg also had only one set of three GC FIDs working due to equipment breakdown during the fourth quarter of 2017/18
	Percentage backlog eliminated for toxicology tests	16%	40% backlog eliminated for toxicology tests	27.7% of the backlog eliminated for toxicology tests	- 12.3% (610 samples of 844 backlog list were not tested)	FCL Pretoria had equipment down-time: repair Liquid Chromatograph with Mass Selective Detection. Cape Town also had difficulty obtaining import permits for various Certified Reference Materials as Germany could not issue export permits for these since 2016
	Roadside testing programme implemented to monitor driving under the influence of alcohol	New indicator	Memorandum of Understanding signed between the NDoH and Department of Transport to implement the roadside testing programme	A breathalyser testing programme is being rolled-out following successful pilot done	MoU not required	Decision taken that there will be no MOU between NDoH and DoT because the roadside testing programme will no longer be implemented for feasibility and costs reasons.

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
To provide food analysis services	% of food tests completed within normative turnaround time (30 days – perishable, and 60 days non-perishable)	58%	100% of food tests completed within normative turnaround time	20.8% of food tests completed within normative turnaround time	-79.2%	Equipment problems in FCL Cape Town. LCMSMS had not been working since December 2017 and was repaired on 26 March 2018. Resignation of four employees in the Food Section of the FCL Cape Town between November 2016 and June 2017. FCL Pretoria was also affected by equipment breakdown
Improve management of health facilities at all levels of care through the Health Leadership and Management Academy	Number of managers accessing the coaching and mentoring Programme	2 Hospital CEOs and 2 PHC facility managers	80 Hospital Managers and 800 Managers responsible for PHC	19 Hospital Managers and 28 Managers responsible for PHC	-61 hospital managers and -762 managers responsible for PHC	Implementation delayed due to unsuccessful resource mobilisation efforts
	Number of managers using the knowledge hub information system	2 Hospital CEOs and 6 PHC facility managers. Additional 24 managers participated in the coaching and mentoring pilot, 21 have registered on the knowledge hub and undertaken self-assessments	350 Hospital CEOs and 2100 PHC Facility managers	– Hospital CEOs; – 19 Hospital Management team members and – 10 PHC Facility Managers; – 54 District Team members; 473 CHW	- 348 hospital CEOs, +19 Hospital Management team members; - 2090 PHC facility managers, + 54 district team members, + 473 CHWs	Implementation was delayed by challenges (such as delayed completing the Pilot project; limited resources uploaded in KH for managers to access; lack of funding for making management training available; and lack of clarity on DOH support for the project)
	Policy on education and training of EMS Personnel monitored	A checklist for EMS education and Training accreditation criteria in line with the policy was developed and approved by NCEMS. One monitoring report was produced to monitor compliance with policy on education and training by training providers	4 quarterly monitoring reports produced to determine compliance with Policy on education and training by training providers	4 quarterly monitoring reports produced to determine compliance with Policy on education and training by training providers	None	None

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
	Regulations for Emergency Care Centres at Hospitals	New Indicator	Regulations for Emergency Care Centres published for public comment	Assessment tool for Emergency Centres drafted in line with Norms and Standards Regulations Applicable to Different Categories for Health Establishments	Regulations for Emergency Care Centres were not published for public comment	Norms and Standards Regulations Applicable to Different Categories for Health Establishments made provisions for Emergency Centres within hospitals. This led to discontinuing the process of drafting the Regulations for Emergency Centres
	Regulations for EMS in Mass Gatherings	Regulations for EMS in mass gatherings were finalised for promulgation	A monitoring system developed and consulted with Tech NHC to measure compliance with Regulations for EMS in Mass Gatherings	A monitoring system was developed and consulted with TechNHC for the measuring of compliance with Regulations for EMS in Mass Gathering Events	None	None
	Regulations for the Rendering of Forensic Pathology Services	Draft Regulations for the Rendering of Forensic Pathology Services developed and submitted to the State Law Advisor in January 2017	A monitoring system developed to measure compliance with Regulations for the Rendering of Forensic Pathology Services	A monitoring template has been developed and still under discussion with Forensic Pathologists	Monitoring system has not been finalised for implementation	The monitoring tool will be finalised after it is tested by the Forensic Pathology mortuaries before it is implemented
	Scope of Practice for the rendering of Forensic Pathology Services	Draft Scope of Practice Guidelines for the Rendering of Forensic Pathology Services developed	A monitoring system developed to measure compliance with Forensic Pathology Services scope of practice	Scope of Practice guidelines have been drafted. Regulations for registering of Forensic Pathology Officers were published on 23 March 2018	Monitoring system still under development. The Scope of Practice guidelines has been drafted but not finalised yet	Development of monitoring system is dependent on the Scope of practice guidelines which in turn can be finalised following the promulgation of the Regulations relating to the provision of Forensic Pathology Services. These guidelines are an implementation tool for the Regulations

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
	Health Facilities that are designated to render services for the management of sexual and related offences monitored	Monitoring system was developed and implemented to monitor facilities that render services for the management of sexual and related offences	Biannual monitoring reports produced to monitor facilities which render services for the management of sexual and related offences	Biannual monitoring reports were produced to monitor facilities which render services for the management of sexual and related offences	None	None
Ensure equitable access to specialised health care by increasing the training platform from medical specialists	Number of Tertiary Hospitals with approved National Tertiary Service Grant (NTSG) Business Plans	New Indicator	17 Tertiary Hospitals with approved National Tertiary Service Grant (NTSG) Business Plans	17 Tertiary Hospitals with approved National Tertiary Service Grant (NTSG) Business Plans	None	None
	Number of Tertiary Hospitals with approved service Specifications	New Indicator	17 Tertiary Hospitals with approved service specifications	17 Tertiary Hospitals with approved service specifications	None	None

## Strategy to overcome areas of under performance

Staffing norms at the higher levels of care (regional, tertiary and central hospitals) will be developed following completion of the process at district hospital level.

Forensic Chemistry Laboratories will implement a targeted approach to analysis, in particular toxicology analysis, which will significantly reduce the toxicology backlog. Blood alcohol and food analysis turnaround time, and the repair and maintenance of equipment, will be enhanced to improve output.

All outstanding activities in the area of forensic pathology mortuaries will be facilitated through quarterly engagements with forensic pathology managers in all provinces. The National Department will also conduct visits to the forensic pathology mortuaries to oversee service delivery on a regular basis.

The 793 infrastructure projects that failed to reach practical completion by end of March 2018 will form part of planned projects in the 2018/19 financial year.

### Changes to planned targets

None.

## Linking performance with budgets

Sub-programmes	2017/2018			2016/2017	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	2 736	956	1 780	2 816	2 614
Health facilities infrastructure management	6 423 670	6 356 326	67 344	5 984 045	5 973 459
Tertiary health care planning and policy	11 680 763	11 679 930	833	10 850 317	10 850 183
Hospital management	5 911	5 865	46	8 273	8 108
Human resources for health	2 658 043	2 655 831	2 212	2 515 400	2 515 297
Nursing services	8 136	8 006	130	7 297	7 289
Forensic Chemistry Labs	127 421	114 759	12 662	120 819	104 446
Violence, Trauma and EMS	8 120	7 098	1 022	7 449	7 320
<b>Total</b>	<b>20 914 800</b>	<b>20 828 771</b>	<b>86 029</b>	<b>19 496 416</b>	<b>19 468 716</b>

### 2.4.6 Programme 6: Health Regulation and Compliance Management

**Purpose:** Regulate the sale of medicines and pharmaceutical supplies, including food control, and the trade in health products and health technology. Promote accountability and compliance by regulatory bodies and public entities for effective governance and the quality of health care.

There are 3 budget sub-programmes:

- Food Control Pharmaceutical Trade & Product Regulation
- Compensation Commissioner for Occupational Diseases and Occupational Health
- Public Entities Management

The **Food Control Pharmaceutical Trade and Product Regulation sub-programme** is responsible for the regulation of pharmaceutical products for human and animal use, with the aim of ensuring that they are safe, efficacious and of high quality. The sub-programme is also responsible for post-marketing surveillance and taking appropriate remedial action where necessary. It also licenses manufacturers, exporters, importers, wholesalers and distributors of medicines and ensures their compliance with standards. The sub-programme is also responsible for approval and oversight of clinical trials. With regard to food control, the sub-programme is responsible for developing safety standards, monitoring compliance therewith, and taking appropriate remedial action where necessary.

During the 2016/17 financial year, the South African Health Products Regulatory Authority (SAHPRA) was established as a schedule 3A public entity, and its board members and an acting Chief Executing Officer were appointed. SAHPRA takes over the functions previously performed by the Medicines Control Council (MCC), operates more independently, and retains the revenue collected from the pharmaceutical industry. The transition from the MCC to SAHPRA commenced with the signing of a Memorandum of Understanding (MoU) between the NDoH and SAHPRA. The MoU covers, among others, the transfer of personnel from this sub-programme to SAHPRA.

The **Compensation Commissioner for Occupational Diseases and Occupational Health sub-programme:** is responsible for payment of compensation to active and ex-workers in controlled mines and works who have been certified to be suffering from cardiopulmonary-related diseases as a result of workplace exposures in the controlled mines or works. Over the medium term, business processes will be re-engineered with regard to revenue collection; reducing the turnaround period in settling claims; amending the Occupational Diseases in Mines and Works Act (1973); and improving governance, internal controls and relationships with the stakeholders.

In the 2017/18 financial year, key successes of the Sub-programme were the payment of approximately R254 million to 10 409 claimants, of which R110 million went to neighbouring countries. One Stop Service Centres were opened in Burgersfort and Kuruman, plus one in Botswana, two in Lesotho, two in Mozambique and two in Swaziland, giving ex-mineworkers increased access to decentralised services. The annual reports of the CCOD for 2010/11 and 2011/12 were tabled in parliament.



The **Public Entities Management sub-programme** exercises oversight over the public entities and statutory councils in support of the Executive Authority's responsibility for public entities and statutory health professional councils falling within the mandate of the health legislation. Oversight is concerned with the review, monitoring and oversight of the affairs, practices, activities and conduct of the public entities and statutory councils. This is to ensure that the affairs of the entity/council are being conducted in the manner expected and in accordance with enabling legislation, certain provisions of the Public Finance Management Act (PFMA), 1999 (Act No.1 of 1999) as amended, and in conjunction with the principles contained in the King IV Report on Corporate Governance as well as other relevant policies and legislative prescripts.

During 2017/18, the National Health Laboratory Service (NHLS) Amendment Bill was tabled for consideration by the Parliamentary Portfolio Committee of Health. The proposed amendments serve to improve the governance, accountability and financial sustainability of the NHLS, enabling the NHLS to provide diagnostic health laboratory services more cost effectively and with greater efficiency, and thereby increasing the quality of clinical care provided to patients through timely and judicious clinical management.

The National Public Health Institute of South Africa (NAPHISA) Bill was also tabled for consideration at the Parliamentary Portfolio Committee of Health. The Bill provides for the establishment of the NAPHISA to provide integrated and coordinated disease and injury surveillance, research, monitoring and evaluation of services and interventions directed towards the major public health problems affecting South Africans.

On 8 January 2016, the President assented to the implementation of the Medicines and Related Substances Amendment Act, 2015 (Act No. 14 of 2015), which subsequently came into effect on 1 June 2017 following proclamation signed by the President on 22 May 2017. The Medicines and Related Substances Act, 1965 (Act No 101 of 1965) as amended, provides for the establishment of the South African Health Products Regulatory Authority (SAHPRA/ the Authority) which is responsible for regulatory oversight of medicines, scheduled substances, clinical trials, medical devices and in vitro diagnostics (IVD). The objectives of the Authority are to provide for the monitoring, evaluation, regulation, investigation, inspection, registration and control of medicines, scheduled substances, clinical trials, medical devices and IVDs and related matters in the public interest. The MCC transitioned into SAHPRA in February 2018 following the first meeting of the board. The transition has enabled the SAHPRA to operate more independently from the Department of Health and retain the revenue collected from the applicable Industry.

SAHPRA has been listed as a schedule 3A public entity in accordance with the Public Finance Management Act. The first Board of SAHPRA was appointed by the Minister for a three-year term of office (expiring on 30 September 2020), and is comprised of members with the required technical skills and experience essential for the entity to execute its mandate. The Acting Chief Executive Officer of the Authority was appointed following the first meeting of the Board.

The Minister also appointed the Council for Medical Schemes, in accordance with the Medical Schemes Act (No. 131 of 1998), for a new three-year term of Office, with effect from 1 November 2017.

## Strategic objectives, performance indicators planned targets and actual achievements

Strategic objective	Performance indicator	Actual achievement 2016/2017	Planned Target 2017/18	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comments on deviation
Establish the South African Health Product Regulatory Authority (SAHPRA)	South African Health Product Regulatory Authority (SAHPRA) established as a public entity	SAHPRA was listed as a public entity on 2 February 2017	Memorandum of Understanding between the Department and South African Health Product Regulatory Authority (SAHPRA) finalised and implemented and CEO, Executive Management and committees appointed	Memorandum of Understanding between the Department and South African Health Product Regulatory Authority (SAHPRA) finalised and implemented and an Acting CEO and committees appointed	Executive Management not yet appointed	Appointments delayed by the processes of finalising the MoU and engagements of labour ensuring smooth transfer of personnel from NDoH to SAHPRA
Provide diagnostic health laboratory services with greater efficiency by reforming the NHLS business model	National Health Laboratory Service Amendment Act developed	New Indicator	National Health Laboratory Service Amendment Bill tabled for consideration to the Parliamentary Portfolio Committee of Health	National Health Laboratory Service Amendment Bill tabled for consideration to the Parliamentary Portfolio Committee of Health	None	None
To establish the National Public Health Institutes of South Africa (NAPHISA) for disease and injury surveillance	Legal framework to establish National Public Health Institutes of South Africa (NAPHISA)	Comments on NAPHISA Bill considered and the Bill revised. NAPHISA Bill Approved by Cabinet for tabling in Parliament	NAPHISA Bill tabled for consideration to the Parliamentary Portfolio Committee of Health	NAPHISA Bill tabled for consideration to the Parliamentary Portfolio Committee of Health	None	None
Improve oversight and corporate governance practices by establishing effective governance structures, policies and tools	Governance monitoring system implemented to strengthen oversight and corporate governance	New Indicator	Governance reports of 4 health Entities and 6 statutory health professional councils produced	Governance reports of 4 health Entities and 6 statutory health professional councils produced	None	None
	Number of newly appointed boards inducted and trained	3 new boards appointed and 2 new boards were inducted and trained (South African Medical Research Council and Allied Health Professions Council of SA)	2 new boards appointed. (South African Health Product Regulatory Authority, Council for Medical Schemes)	2 new boards appointed. (South African Health Product Regulatory Authority and Council for Medical Schemes)	None	None

## Strategy to overcome areas of under performance

None

## Changes to planned targets

None.

## Linking performance with budgets

Sub-programmes	2017/2018			2016/2017	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	6 564	6 262	302	4 172	4 114
Food control	9 857	9 454	403	9 453	8 570
Pharmaceutical trade and product regulation	169 249	169 249	0	163 843	163 843
Public entities' management	1 499 266	1 498 922	344	1 477 825	1 477 814
Compensation Commissioner for Occupational Diseases and Occupational Health	61 673	58 621	3 052	61 672	60 169
<b>Total</b>	<b>1 746 609</b>	<b>1 742 508</b>	<b>4 101</b>	<b>1 716 965</b>	<b>1 714 510</b>

## 2.5 Transfer payments

### Transfer payments to Public Entities

Name of the public entity	Service rendered by public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievement of the public entity
Compensation Commissioner for Occupational Diseases (CCOD)	The CCOD is responsible for the payment of benefits to workers and ex-workers in controlled mines and works who have been certified to be suffering from cardiopulmonary diseases because of work exposures	3 718	1 251	CCOD has a statutory obligation to pay monthly pensions to beneficiaries as per old ODMWA from the State Account. All certified pensioners were paid their monthly pensions during 2017/18 financial year. The remaining balance will be used to pay outstanding monthly pensions to those pensioners who did not submit life certificates during the year.
South African Medical Research Council (SAMRC)	To improve the nation's health and quality of life through promoting and conducting relevant and responsive health research	617 209	615 360	<ul style="list-style-type: none"> <li>– The South Africa Demographic and Health Survey (SADHS 2016) with the NDoH and Statistics South Africa (STATS SA) is being completed.</li> <li>– The Second National Burden of Disease Study was released that revealed changes in mortality trends for South Africa</li> <li>– MRC study on South Africa's prevention of mother-to-child transmission (PMTCT) programme has demonstrate the programme has saved approximately 80 000-85 000 newborn babies per year, since 2010, from early HIV infection.</li> <li>– The MRC continues to partner and collaborate with international research bodies, funders and countries including the following: -</li> <li>– The partnership with the National Institute of Allergy and Infectious Diseases (NIAID) and the Bill and Melinda Gates Foundation in advancing the experimental HIV vaccine regimen into a large clinical trial, HVTN 702;</li> <li>– applied research with DNA sequencing and aerosol sampling technology to track the transmission and research incurable TB;</li> <li>– promotion of institutional collaboration between South Africa and Sweden, with R20m invested over three years to fund 17 collaborative projects in inequalities in health and health systems, and health systems policies; and</li> <li>– the Chinese Academy of Medical Sciences (CAMS) to collaborate on cancer research and subsequently hosted the National Cancer Research Strategy workshop.</li> <li>– The MRC published the first lead exposure study by determining blood lead levels in users of shooting ranges that were four times higher than normal, and attributed to poorly designed shooting ranges.</li> <li>– The MRC contributed to the development of: Exatype, a platform that improves the ability of clinicians to diagnose HIV drug resistant patients; Secure Airway Clamp, a endotracheal tube retaining device that prevents tooth damage during intubation and facial blemishing post anaesthesia; Gknowmix, a web-based genetic testing approach to identify disease pathways that could contribute to medication side-effects or failure; and the Mobile Triage app that improves triage accuracy for healthcare workers in hospitals.</li> </ul>
Council for Medical Schemes (CMS)	Regulation of the Medical Schemes Industry with particular reference to Alignment to NHI processes	5 496	2 623	CMS is currently busy with the PMB reviews in consultation with industry in order to align with the NHI package. The draft PMB benefit package was completed. The transfer was also used for the development of the beneficiary registry.

Name of the public entity	Service rendered by public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievement of the public entity
National Health Laboratory Services (NHLS)	The NHLS supports the Department of Health by providing cost-effective laboratory services to all public clinics and hospitals	746 464	298 072	ANHLS portion of the transfer payment (R298m) was utilized to subsidize part of the time spent by NHLS Academics in the teaching and training of students as well as research in the field of pathology medicine.
			343 681	<p>The National Institute for Communicable Diseases (NICD) serves as resource of knowledge for communicable diseases and conducts surveillance and research for 90% of prioritised diseases in the country.</p> <p>The NICD continues to train field epidemiologists to increase capacity in an area where there is current shortage. Over the last year the NICD has provided expertise to NDoH with regards to policy and measuring impact of interventions, for example vaccine efficacy. The NICD continues to support the provinces and through the Emergency Operations Centre responds to outbreaks including the on-going Listeriosis outbreak</p> <p>The National Institute for Occupational Health (NIOH) undertook a very wide range of activities covering OEHS policy advice, teaching and training support to government departments, trade unions and employers, research, OEHS surveillance, information services as well as the provision of specialised laboratory services.</p>
			104 711	The NIOH further strengthened the understanding of workplace ethics for OEHS professionals and is continuing with the development of an application that will further facilitate access to information on ethics and work and also an OEHS information system Occupational Health and Safety Information System (OHASIS).
Office of Health Standard Compliance (OHSC)	To protect and promote the health and safety of health services users	125 711	111 620	<p>A total of 887 unannounced inspections were conducted using the National Core Standards at various public health establishments during the 2017/2018 financial year</p> <p>Furthermore, 79 unannounced inspections were also conducted focusing on health care risk waste management at various public health establishments during the last quarter of the 2017/2018 financial year</p> <p>The norms and standards regulations for different health establishment were promulgated on 2 February 2018</p> <p>Furthermore, a public awareness campaigns were conducted to reach out and educate the public about the work of the Office in provinces such as Gauteng, Limpopo and Free State. Promotional materials were also translated into 11 official languages.</p>

## Transfer payments to all Non-Profit Institutions

Name of transferee	Type of the organisation	Purpose for which funds were used	Did the Dept. comply with the S38(1)(j) of the PFMA	Amount transferred R'000	Amount spent by entity R'000	Reasons for the funds unspent
Health System Trust (HST)	NGO	To support the research projects commissioned to the HST which will contribute towards the development of an efficient management information system for improved decision making as per Strategic Plan 2015/16–2019/20	Yes	15 019	15 019	Not applicable
Health Information System Programme (HISP)	NGO	To support strengthening of the integrated routine health information system (District Health Information System maintenance, data management and transition to Web-DHIS); and to support NIDS (National Indicator Data Set) implementation	Yes	13 388	13 388	Not applicable
Life Line	NGO	To manage the AIDS Helpline, which is a toll-free Call Centre. The Call Centre provides anonymous and confidential telephonic lay counselling, support and referral services 24 hours a day; it also offers HIV and TB treatment support to clinicians, and serves as a helpdesk for the HIV Nerve Centre, which monitors operational issues such as availability of ARVs and test kits, and lay counsellors in health facilities	Yes	22 000	22 000	Not applicable
LoveLife	NGO	To support the Department in the implementation of HIV youth prevention interventions, including peer educators through Ground Breakers and Mphinthi's and the live Chat Groups to facilitate dialogues and information sharing among youth	Yes	61 200	53 804	There were delays in disbursement of the first tranche
National Council Against Smoking (NCSA)	NGO	To prevent tobacco, use and promote tobacco cessation among users. NCAS manages a call centre that addresses queries and questions about tobacco and also educates the public about tobacco use	Yes	845	845	Not applicable
National Kidney Foundation of South Africa	NGO	To collate critical information on End-stage Kidney Disease and Renal Replacement Therapy (RRT) by the South African Renal Registry (SARR) in order to inform health service planning, research decision making and delivery	Yes	350	208	There were delays in the verification of the banking details of the service provider. This resulted in the project started in June 2017. The contract will end on 31 May 2018
Soul City	NGO	To support the Department in the implementation of HIV youth prevention interventions and contribute to the She Conquers Campaign. Soul City's main focus includes youth support structures that facilitate dialogues and learning from peer to peer, and campaigns focusing on girls and young women (SHE Conquers)	Yes	17 996	17 996	Not applicable
South African Council for the Blind	NGO	Elimination of blindness through cataract surgeries	Yes	832	832	Not applicable
South African Community Epidemiology Network on Drug Abuse (SACENDU)	SA MRC	Monitor trends on alcohol and drug abuse for the Department by gathering data from substance abuse treatment centres in the country	Yes	520	520	Not applicable

Name of transferee	Type of the organisation	Purpose for which funds were used	Did the Dept. comply with the S38(1)(j) of the PFMA	Amount transferred R'000	Amount spent by entity R'000	Reasons for the funds unspent
South African Federation for Mental Health	NGO	Promote mental health in the population and ensure that mental health care users are integrated into the mainstream of community life and that their human rights in those communities are upheld	Yes	371	371	Not applicable
HIV & AIDS NGOs	HIV&AIDS:NGO	Form partnerships with NGOs rooted in communities to support the Department in extending health services	Yes	51 260	51 260	
Agri AIDS SA NGOs	HIV&AIDS:NGO	HIV prevention strategies and treatment adherence support targeting farm workers	Yes	879	879	Not applicable
Alliance Against HIV&AIDS (AAHA)	HIV&AIDS:NGO	Prevention strategies and treatment adherence support focusing on youth	Yes	1 067	1 067	Not applicable
Boithuti Lesedi Project	HIV&AIDS:NGO	HIV testing services and prevention strategies	Yes	1 196	1 196	Not applicable
Centre for Positive Care (CPC)	HIV&AIDS:NGO	HIV prevention strategies targeting sex workers.	Yes	1 796	1 796	Not applicable
Community Development Foundation of South Africa	HIV&AIDS:NGO	Promotion of safer traditional circumcision	Yes	2 000	2 000	Not applicable
Community Responsiveness Programme (CPR)	HIV&AIDS:NGO	HIV prevention strategies and treatment adherence clubs	Yes	729	729	Not applicable
Educational Support Services Trust (ESST)	HIV&AIDS:NGO	HIV prevention strategies, treatment adherence and TB/ NCD screening	Yes	2 512	2 512	Not applicable
Eagle Training and Development	HIV&AIDS:NGO	HIV prevention strategies and PLHIV (people living with HIV) support	Yes	561	561	Not applicable
Friends for Life	HIV&AIDS:NGO	HIV prevention strategies and treatment adherence support	Yes	1 006	1 006	Not applicable
Get Down Productions	HIV&AIDS:NGO	Social mobilisation and demand creation for HIV counselling and testing, MMC (medical male circumcision) and NCD	Yes	3 238	3 238	Not applicable
Get Ready	HIV&AIDS:NGO	Psycho-social support and treatment adherence support	Yes	1 166	1 166	Not applicable
Healthcare Development and Training Institute	HIV&AIDS:NGO	HIV testing services, MMC promotion, NCD screening and treatment support	Yes	561	561	Not applicable
Highveld East Aids Projects Support (HEAPS)	HIV&AIDS:NGO	Prevention strategies and treatment support	Yes	3 881	3 881	Not applicable
Hospice Palliative Care Association	HIV&AIDS:NGO	Treatment adherence support for PLHIV	Yes	1 174	1 174	Not applicable
Humana People to People	HIV&AIDS:NGO	HIV testing services, training, prevention strategies targeting sex workers and truckers	Yes	831	831	Not applicable

Name of transferee	Type of the organisation	Purpose for which funds were used	Did the Dept. comply with the S38(1)(j) of the PFMA	Amount transferred R'000	Amount spent by entity R'000	Reasons for the funds unspent
Leandra Community Centre	HIV&AIDS:NGO	HIV testing services, prevention strategies and treatment adherence support	Yes	1 423	1 423	Not applicable
Leseding Care Givers	HIV&AIDS:NGO	Prevention strategies and treatment adherence support	Yes	1 390	1 390	Not applicable
Mothers2Mothers SA	HIV&AIDS:NGO	Prevention of Mother to child transmission (PMTCT)	Yes	561	561	Not applicable
Mpilonhle	HIV&AIDS:NGO	HAST programmes target school youth	Yes	963	963	Not applicable
Muslim Aids Programme (MAP)	HIV&AIDS:NGO	Prevention strategies and treatment support	Yes	673	673	Not applicable
National Association of People living with HIV/AIDS	HIV&AIDS:NGO		Yes	1 321	1 321	Not applicable
National Institute Community Development and Management (NICDAM)	HIV&AIDS:NGO	Prevention strategies and treatment adherence support	Yes	1 898	1 898	Not applicable
National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health (NLGBTHI)	HIV&AIDS:NGO	Advocacy and prevention strategies for MSM (men who have sex with men) and WSW (women who have sex with women)	Yes	1 968	1 968	Not applicable
Public Universities	HIV&AIDS:NGO	Prevention strategies targeting TVETs (technical and vocational education and training) and capacity development	Yes	10 331	10 331	Not applicable
Ramotshinyadi HIV/AIDS	HIV&AIDS:NGO	Prevention strategies and treatment adherence support	Yes	561	561	Not applicable
Seboka Training and Support Network	HIV&AIDS:NGO	Prevention strategies, PMTCT promotion and treatment adherence support	Yes	1 209	1 209	Not applicable
St Joseph Care Centre -Sizanani	HIV&AIDS:NGO	Treatment adherence support and prevention strategies	Yes	841	841	Not applicable
TB/HIV Care Association	HIV&AIDS:NGO	HIV testing services, TB/NCD screening and MMC mobilisation	Yes	1 254	1 254	Not applicable
The Training Institution for Primary Health Care (TIPHC)	HIV&AIDS:NGO	Prevention strategies	Yes	989	989	Not applicable
Ukamba Projects	HIV&AIDS:NGO	HIV testing services, treatment support and NCD screening	Yes	1 207	1 207	Not applicable
Zakheni Training and Development	HIV&AIDS:NGO	HIV testing services, treatment support and TB/NCD screening	Yes	2 074	2 074	Not applicable
Total				183 775	176 243	

## 2.6 Conditional Grants

### Conditional grants and earmarked funds paid National Tertiary Service Grant (Direct Grant)

Department that transferred the grant	National Department of Health
Purpose of the grant	<ul style="list-style-type: none"> <li>- Ensure provision of tertiary health services for all South African citizens (including documented foreign nationals)</li> <li>- To compensate tertiary facilities for the additional costs associated with provision of these services</li> </ul>
Expected outputs of the grant	<ul style="list-style-type: none"> <li>- 622 595 inpatient separations</li> <li>- 3 923 031 inpatient days</li> <li>- 1 185 259 first attendances</li> <li>- 2 966 542 outpatient follow-up attendances</li> <li>- 339 404 day patient separations</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>- 640 001 - Inpatient separations</li> <li>- 4 012 663 - Inpatient days</li> <li>- 1 208 227 - Outpatient first attendances</li> <li>- 2 927 021 - Outpatient follow up attendances</li> <li>- 363 646 - Day patient separations</li> </ul>
Amount per amended DORA	11 676 145
Amount received (R'000)	11 675 145
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	11 675 145
Reasons for deviations on performance	Reduction of services at facility level, inability to employ specialists (due to lack of funds or provincial moratoriums), lack of equipment, equipment not functioning, late purchase or delivery of equipment, inability to retain specialists, long process of appointing staff affects service delivery, lack of information managers in LP/NW affected data quality. In KZN some of the services were moved out of the hospital due storm damage.
Measures taken to improve performance	Facility visits and constant communication with facilities and provinces will improve performance. Designed an equipment monitoring tool and this will be implemented during 2017/18 financial year.
Monitoring mechanism by the receiving department	Monitoring is done through quarterly reports and site visits.

### Comprehensive HIV/ AIDS Grant (Direct Grant)

Department that transferred the grant	National Department of Health
Purpose of the grant	<ul style="list-style-type: none"> <li>- To enable the health sector to develop and implement an effective response to HIV and AIDS and TB</li> <li>- To support the national Department of Health (DoH) with the for AIDS Relief (PEP-FAR) transition process</li> </ul>
Expected outputs of the grant	<ul style="list-style-type: none"> <li>- 793 304 new patients that started on ART</li> <li>- 4 496 254 patients on ART remaining in care</li> <li>- 897 145 102 male condoms distributed</li> <li>- 28 183 520 female condoms distributed</li> <li>- 169 843 exposed infants HIV positive at 10 weeks PCR test</li> <li>- 10 544 349 clients tested for HIV (including antenatal)</li> <li>- 495 286 Medical Male Circumcision performed</li> <li>- 171 053 antenatal clients initiated on ART</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>- 728 156 new patients that started on ART</li> <li>- 4 147 853 patients on ART remaining in care</li> <li>- 685 834 938 male condoms distributed</li> <li>- 25 376 969 female condoms distributed</li> <li>- 179 040 exposed infants HIV positive at 10 weeks PCR test</li> <li>- 13 749 535 clients tested for HIV (including antenatal)</li> <li>- 540 327 Medical Male Circumcision performed</li> <li>- 121 731 antenatal clients initiated on ART</li> </ul>
Amount per amended DORA	17 577 737
Amount received (R'000)	17 577 737
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	17 577 737
Reasons for deviations on performance	Delays in payment for Condoms. There were delays from suppliers' side due to several factors including time limitations while waiting for quality assurance process as well as delays in shipment.
Measures taken to improve performance	Strengthening monitoring and evaluation. The rollover were requested from relevant treasuries
Monitoring mechanism by the receiving department	Provincial (site) visits and grant reviews



**Health Facility Revitalisation Grant (Direct Grant)**

Department that transferred the grant	National Department of Health
Purpose of the grant	<ul style="list-style-type: none"> <li>- To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organizational development systems and quality assurance</li> <li>- To enhance capacity to deliver health infrastructure</li> </ul>
Expected outputs of the grant	<ul style="list-style-type: none"> <li>- 102 planned</li> <li>- 36 constructed</li> <li>- 41 equipped</li> <li>- 75 maintained</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>- 33 planned (Started Construction)</li> <li>- 12 constructed</li> <li>- 33 equipped</li> <li>- 31 maintained</li> </ul>
Amount per amended DORA	5 684 495
Amount received (R'000)	5 684 495
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	5 684 495
Reasons for deviations on performance	In terms of projects, there were still delays with the awarding of contracts that led to the projects resuming later than anticipated. Also, the delays in the delivery of procured medical equipments as some of the items were ordered overseas. In terms of unpaid invoices the system closure resulted in some of the payments not to be processed for payment, however such amounts have been committed and provinces will apply for roll-over in the 2017/18 financial year
Measures taken to improve performance	There is continuous provincial support provided in the form of regular site visits for monitoring and oversight of funded HFRG Projects. In cases where Public Works Department fails to perform as the implementing agent, provinces are allowed to appoint other implementing agents following the treasury regulations for procurement of such.
Monitoring mechanism by the receiving department	There are structures that have been put in place to conduct monitoring and oversight supported by consultants. As part of the reporting tool, we have the Project Monitoring Information System (PMIS)

**Health Professional Training and Development Grant (Direct Grant)**

Department that transferred the grant	National Department of Health
Purpose of the grant	<ul style="list-style-type: none"> <li>- Support provinces to fund service costs associated with clinical teaching and training of health science trainees on the public service platform</li> </ul>
Expected outputs of the grant	<ul style="list-style-type: none"> <li>- 481 Specialists</li> <li>- 1 677 Registrars</li> <li>- 536 medical Officers</li> <li>- 3 283 Clinical supervisors/trainers per category in Nursing, EMS and allied health and pharmacy</li> <li>- 13 grant administration staff</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>- 536 Specialists</li> <li>- 1672 Registrars</li> <li>- 310 medical Officers</li> <li>- 1 333 Clinical supervisors/trainers per category in Nursing, EMS and allied health and pharmacy</li> <li>- 13 grant administration staff</li> </ul>
Amount per amended DORA	2 631 849
Amount received (R'000)	2 631 849
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	2 631 849
Reasons for deviations on performance	Provincial moratoriums prevented facilities from employing Medical officers and clinical supervisors
Measures taken to improve performance	Facility visits and constant communication with facilities and provinces improves performance. Targets will be aligned to provincial strategic plan in future and based on resources.
Monitoring mechanism by the receiving department	Monitoring is done through quarterly reports and site visits.

## National Health Indirect Grant: Ideal Clinics Component

Department that transferred the grant	National Department of Health
Purpose of the grant	To enable the health sector to address the deficiencies in the primary health care facilities systematically to yield fast results
Expected outputs of the grant	<ul style="list-style-type: none"> <li>– 1700 primary health care (PHC) facilities peer reviewed</li> <li>– Achieve a cumulative target of 1000 PHC facilities obtaining a compliance score of at least 70 percent or above.</li> <li>– Branding guidelines completed</li> <li>– 5 percent of the PHC Clinics in the NHI Districts branded</li> <li>– Sustainability training to clinic managers of the 30 percent of the NHI districts clinics</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>– Completed version 17 of the ICRM framework and manual and distributed to provinces, districts and clinics.</li> <li>– 2030 (600 additional for 2016 2017) primary health care (PHC) facilities peer reviewed to date.</li> <li>– Achieved a cumulative target of 2037 PHC facilities obtaining a compliance score of at least 70 percent or above</li> <li>– Accumulative total of Ideal Clinics achieved is 1561 an increase from 1089 in 2016 2017. 472 clinics added to the baseline of 1089.</li> <li>– Completed 2 peer reviews – November 2017 and March 2018.</li> <li>– Branding guidelines completed</li> </ul>
Amount per amended DORA	30 000
Amount received (R'000)	30 000
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	26 590
Reasons for deviations on performance	<ul style="list-style-type: none"> <li>– Sustainability Training Pilot was completed in September 2017 Training will be roll out in 2018 2019.</li> <li>– Branding of the 5 % of the NHI Districts clinics not done due to delays in supplier procurement.</li> </ul>
Measures taken to improve performance	<ul style="list-style-type: none"> <li>– Plans in place to implement the sustainability training before 30 September 2018</li> <li>– Infrastructure assistance secured to piggy back on the current departmental contract through variation</li> </ul>
Monitoring mechanism by the receiving department	Allocation is monitored quarterly against expenditure

## National Health Indirect Grant: Human Papillomavirus Vaccine Component

Department that transferred the grant	National Department of Health
Purpose of the grant	To enable the health sector to prevent cervical cancer by making available HPV vaccination for grade four school girls in all public and special schools
Expected outputs of the grant	<ul style="list-style-type: none"> <li>– 80 per cent of eligible grade four school girls receiving the HPV vaccination</li> <li>– 80 per cent of schools with grade four girls reached by the HPV vaccination team</li> </ul>
Actual outputs achieved	<p><b>Dose 1: 2017</b></p> <ul style="list-style-type: none"> <li>– Dose 1 coverage =82.6%</li> <li>– School coverage = 86.4%</li> </ul> <p><b>Dose 2: 2017</b></p> <ul style="list-style-type: none"> <li>– Dose 2 Coverage=61.3 %</li> <li>– School Coverage =70.2 %</li> <li>– 61.3% of eligible grade four school girls received HPV vaccination</li> <li>– 70.2% of schools with grade four girls reached by the HPV vaccination team</li> </ul>
Amount per amended DORA	200 000
Amount received (R'000)	200 000
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	199 534
Reasons for deviations on performance	<p>The grant achieved 100%.</p> <ul style="list-style-type: none"> <li>– (5.9 %) of 467 808 girls were still under nine (9) yrs</li> <li>– (5.6 %) of 467 808 girls didn't have the signed consent forms</li> <li>– (2.1%) of 467 808 girls were previously immunised: Those girls that were repeating grade 4 in 2017</li> <li>– Access Point Name (APN) suspension by the service provider, impacted negatively to data capturing challenges</li> </ul>
Measures taken to improve performance	<ul style="list-style-type: none"> <li>– Strengthening of monitoring and evaluation</li> <li>– NDoH- and Provincial ICT have taken full control of the APN, to strengthen the information system and to minimise data capturing challenges</li> <li>– NDoH and DBE are finalising discussion to target grade 5 in 2019/20 and DBE is currently addressing the issue of unsigned consent forms by parents</li> </ul>
Monitoring mechanism by the receiving department	<ul style="list-style-type: none"> <li>– Provincial visits, workshops and strengthening reporting and data management and HPV dashboard analysis</li> </ul>

## National Health Indirect Grant: Information Systems Component

Department that transferred the grant	National Department of Health
Purpose of the grant	To fund the development of and roll-out of new health information systems in preparation of NHI
Expected outputs of the grant	<ul style="list-style-type: none"> <li>– Number and percentage of facilities implementing the Health Patient Registration Systems and processes</li> <li>– Number of patients registered on health patient registration systems and processes</li> <li>– Number and percentage of primary health care facilities implementing an electronic stock replenishment system</li> <li>– Number and percentage of hospitals implementing an electronic stock replenishment system</li> <li>– Visual analytics network established in support of Surveillance of Medicine Availability</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>– 2 968 (81%) facilities implementing the Health Patient Registration Systems and processes</li> <li>– 20 700 149 patients registered on health patient registration systems and processes</li> <li>– 3 167 of primary health care facilities implementing an electronic stock replenishment system</li> <li>– 325 of hospitals implementing an electronic stock replenishment system</li> <li>– Visual analytics network established</li> </ul>
Amount per amended DORA	166 000
Amount received (R'000)	166 000
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	83 807
Reasons for deviations on performance	None
Measures taken to improve performance	Strengthening of monitoring and evaluation
Monitoring mechanism by the receiving department	Provincial visits, workshops and appointment of provincial coordinators.

## National Health Indirect Grant: Health Professionals Contracting Component

Department that transferred the grant	National Department of Health
Purpose of the grant	<ul style="list-style-type: none"> <li>– To develop and implement innovative models for purchasing services from health practitioners in the 10 NHI pilot districts</li> <li>– To develop and implement innovative models for the dispensing and distribution of chronic medication in the 10 NHI pilot districts</li> <li>– Assessment of the implications of the NHI reforms on the public sector services</li> </ul>
Expected outputs of the grant	<p><b>HP Contracting</b></p> <ul style="list-style-type: none"> <li>– 290 General Practitioners contracted</li> <li>– 330 Pharmacy Assistants</li> </ul> <p><b>Centralised Chronic Medicine Dispensing &amp; Distribution</b></p> <ul style="list-style-type: none"> <li>– 1 500 000 patients registered to receive medicine from the CCMDD programme</li> </ul> <p><b>Capitation</b></p> <ul style="list-style-type: none"> <li>– A risk-adjusted capitation model for the reimbursement of PHC facilities developed</li> </ul>
Actual outputs achieved	<p><b>HP Contracting</b></p> <ul style="list-style-type: none"> <li>– 330 General Practitioners contracted</li> <li>– 329 Pharmacy Assistants contracted</li> </ul> <p><b>Centralised Chronic Medicine Dispensing &amp; Distribution</b></p> <ul style="list-style-type: none"> <li>– 1 963 928 patients received medicines from the CCMDD programme</li> </ul> <p><b>Capitation</b></p> <ul style="list-style-type: none"> <li>– Service provider appointed for development of risk-adjusted capitation model</li> </ul>
Amount per amended DORA	518 053
Amount received (R'000)	518 053
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	549 035
Reasons for deviations on performance	Budgetary challenges - HP contracting, some contracts were not renewed. Provincial cost containment measures.
Measures taken to improve performance	Budget bid to National Treasury for more funding and strengthening monitoring and evaluation. 2018/19 budget increased for CCMDD
Monitoring mechanism by the receiving department	Grant is currently managed at national level. HP contracting will be decentralized in 2018/19

## National Health Indirect Grant: Health Facility Infrastructure Component

Department that transferred the grant	National Department of Health												
Purpose of the grant	<ul style="list-style-type: none"> <li>- To create an alternative track to improve spending, performance, and monitoring and evaluation on infrastructure in National Health Insurance (NHI) pilot districts</li> <li>- To enhance capacity and capability to deliver infrastructure for NHI pilots</li> </ul>												
Expected outputs of the grant	<ul style="list-style-type: none"> <li>- Number and value of health infrastructure projects, initiated, planned, implemented and closed-out NHI pilots</li> <li>- Proportion of infrastructure projects running on schedule according to projected milestones and budgeted amount</li> </ul>												
Actual outputs achieved	<p>Number of Facilities maintained, repaired and/or refurbished in NHI Districts:</p> <ul style="list-style-type: none"> <li>- 4 Nursing Education Institutions in progress</li> <li>- 247 facilities in construction progress (for multi-year) to be maintained, repaired or refurbished in our Backlog Maintenance programme across multiple financial years.</li> <li>- 115 facilities (maintained, repaired or refurbished) completed on the Backlog Maintenance programme</li> <li>- 59 Doctors Consulting Rooms reached final completion and 3 Doctors Consulting Rooms reached practical completion in the 2017/18 financial year.</li> <li>- 14 Clinic &amp; CHCs in process that comply with gazette infrastructure Norms &amp; Standards, either constructed or partially constructed over multiple years (7 Clinic &amp; CHCs in planning design process).</li> </ul> <table border="1"> <thead> <tr> <th>Phase</th> <th>Number of Projects in NHI Districts</th> </tr> </thead> <tbody> <tr> <td>Initiation Phase and Planning Phase</td> <td>53</td> </tr> <tr> <td>Tender</td> <td>5</td> </tr> <tr> <td>Construction and retention Phase</td> <td>135</td> </tr> <tr> <td>Closed Out</td> <td>138</td> </tr> <tr> <td><b>Total Projects</b></td> <td><b>338*</b></td> </tr> </tbody> </table>	Phase	Number of Projects in NHI Districts	Initiation Phase and Planning Phase	53	Tender	5	Construction and retention Phase	135	Closed Out	138	<b>Total Projects</b>	<b>338*</b>
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<b>Total Projects</b>	<b>338*</b>												
Amount per amended DORA	718 984												
Amount received (R'000)	718 984												
Reasons if amount as per DORA was not received	None												
Amount spent by the department (R'000)	657 099												
Reasons for deviations on performance	<p>In Kind Grant: a challenge with the end of year payments being processed resulting to a decreased spending and high accrual value</p> <p>The National Health Grant experienced the following challenges resulting in underspending: -</p> <ul style="list-style-type: none"> <li>- <u>Limited capacity of current evaluation team</u>: Execution of the evaluation process is currently limited to 1 team responsible for evaluation of all bids. Typically, multiple bids are advertised and close around the same period which results in multiple bids requiring execution at the same time. Evaluation team members still have other responsibilities that fall outside their BSEC responsibilities which results in them splitting their capacity to execute on requirements.</li> <li>- <u>Bottlenecks experienced during execution of procurement key activities</u>: Execution on the request for information, request for qualification, request for tender and request for proposal involves various sessions with specification and evaluation committee for review and finalization thereof by Departmental Bid Adjudication Committee still requires very high turnaround time</li> <li>- <u>Procurement of Capital Assets &amp; authorization of capital assets purchases</u> (Recording of capital assets. Safeguarding of capital assets. Capital assets usage control)</li> <li>- <u>Delay of imported Capital Classified Equipment</u> The importation of Capital Classified Equipment was delayed to the utilization of alternative means of transportation resulting in the listing of the equipment as an accrual in this financial year</li> </ul>												
Measures taken to improve performance	<ul style="list-style-type: none"> <li>- Dedicated Implementing Agents</li> <li>- In Loco monitoring across all projects.</li> <li>- Regular site and Implementing Agent (IA) meetings.</li> <li>- Cash flows and expenditure reports.</li> <li>- Maintenance projects were fast tracked.</li> </ul>												
Monitoring mechanism by the receiving department	<ul style="list-style-type: none"> <li>- The Project Management Information System (PMIS) is the monitoring mechanism for the projects.</li> <li>- Information is updated on a daily basis.</li> <li>- These updates include financial and project related information.</li> <li>- Progress reports and meeting are held.</li> <li>- Site visit reports are also submitted.</li> </ul>												

\* Infrastructure projects run over multiple years. This shows our full pipeline of projects that are scheduled over multiple financial years, dependent on funding restrictions. The table also shows number of projects and not number of facilities as many projects take place at more than one facility.

## 2.7 Donor Funds

Name of donor	Centre for Disease Prevention and Control (United States)
Full amount of the funding (R'000)	111 881
Period of the commitment	12 months.
Purpose of the funding	Strengthen the capacity of National Department of Health to scale up PHC services to improve the management of HIV/AIDS services.
Expected outputs	<ul style="list-style-type: none"> <li>- Conduct 7 Orientation Workshops for Health Care Workers in on the new paediatrics standardized data collection tool</li> <li>- Conducting 7 DR-TB courses to support implementation of 9-month regimen</li> <li>- Hold 3 Advisory Committee meeting on MDR Management and 2 meeting to monitor the implementation of 9-month regimen</li> <li>- Conduct an evaluation of the Nurse-Initiated MDR</li> <li>- Conduct Interoperability trainings - Conduct provincial workshops convened to provide comprehensive guidance on the export of ART and TB quarterly cohort data from TIER.Net and ETR.Net to webDHIS</li> <li>- Tier.Net Evaluation through a sub-contractor</li> <li>- Support of the Central Chronic Medicine Dispensing and Distribution programme for the courier services</li> <li>- Printing of 5000 copies of condom training manuals and RTQII (Rapid Testing Quality Improvement Initiative) Training manuals: 5 000 copies</li> <li>- Reprinting of revised HCT registers</li> <li>- Purchase Internal Quality Control Samples- 1000</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>- Seven Paediatric workshops conducted in 7 provinces</li> <li>- Seven workshops on Drug Resistance TB conducted in the provinces with a total of 256 health care workers being trained</li> <li>- Three (3) Advisory Committee meeting on MDR Management</li> <li>- Evaluation of the Nurse Initiated DR TB by Health Advanced Institute has been conducted and the process for finalization still under way</li> <li>- CCMDD support for the 27 priority district have been done and all funds allocated spent</li> <li>- Eleven interoperability trainings conducted</li> <li>- Tier.Net Evaluation by Health Advanced Instituted conducted</li> <li>- 7000 revised HCT registers printed and distributed to the provinces</li> </ul>
Amount received (R'000)	90 475
Amount spent by the department (R'000)	88 631
Reasons for the funds unspent	<ul style="list-style-type: none"> <li>- Delays for Supply Chain Management for appointment of service providers</li> <li>- Delays with HR processes on programme key staff</li> <li>- Planned activities not implemented due to changing priorities by the programme</li> </ul>
Monitoring mechanism by the donor	<ul style="list-style-type: none"> <li>- Quarterly Activity Dashboard review</li> <li>- Monthly Budget vs Expenditure reports to CDC-SA</li> <li>- Semi-annual report in preparation for funding application</li> <li>- Annual report sent to CDC HQ</li> </ul>

Name of donor	Global Fund - New Funding Model
Full amount of the 3 year funding period	R1 763 664
Period of the commitment	April 2017 - March 2018
Purpose of the funding	Investing for impact against TB and HIV
Expected outputs	<ul style="list-style-type: none"> <li>- Percentage of individuals from key populations (vulnerable populations) reached through mass media communication, 30%.</li> <li>- Percentage of HIV-positive registered TB patients given anti-retroviral therapy during TB treatment, 85%.</li> <li>- Percentage of inmates provided with a comprehensive TB/HIV and STIs prevention package in Correctional Centres, 54.6%.</li> <li>- Percentage of inmates diagnosed with TB and started on TB treatment in Correctional Centre, 54.6%.</li> <li>- Percentage of clients provided with a comprehensive TB/HIV and STIs prevention package in Peri-Mining communities, 16,8%.</li> <li>- Percentage of community members diagnosed with TB and referred for TB treatment in 6 Peri-Mining areas, 80%.</li> <li>- Percentage of clients provided with a comprehensive TB/HIV and STIs prevention package in Informal Settlements, 9,5%.</li> <li>- Percentage of community members referred for TB diagnosis and started on TB treatment in informal settlements, 12,0%</li> <li>- Number of cases with drug resistant TB (RR-TB and/or MDR-TB) that began second-line treatment, 13,350.</li> <li>- Percentage of adults and children currently receiving antiretroviral therapy among all adults and children living with HIV, 59,61%.</li> </ul>

Name of donor	Global Fund - New Funding Model
Actual outputs achieved	<ul style="list-style-type: none"> <li>- Percentage of individuals from key populations (vulnerable populations) reached through mass media communication, 70%.</li> <li>- Percentage of HIV-positive registered TB patients given anti-retroviral therapy during TB treatment, 83%.</li> <li>- Percentage of inmates provided with a comprehensive TB/HIV and STIs prevention package in Correctional Centres, 118.9%.</li> <li>- Percentage of inmates diagnosed with TB and started on TB treatment in Correctional Centre, 97.7%.</li> <li>- Percentage of clients provided with a comprehensive TB/HIV and STIs prevention package in Peri-Mining communities, 20,8%.</li> <li>- Percentage of community members diagnosed with TB and referred for TB treatment in 6 Peri-Mining areas, 97.7%.</li> <li>- Percentage of clients provided with a comprehensive TB/HIV and STIs prevention package in Informal Settlements, 1,9%.</li> <li>- Percentage of community members referred for TB diagnosis and started on TB treatment in informal settlements, 21%.</li> <li>- Number of cases with drug resistant TB (RR-TB and/or MDR-TB) that began second-line treatment, 10,208.</li> <li>- Percentage of adults and children currently receiving antiretroviral therapy among all adults and children living with HIV, 59.45%.</li> </ul>
Amount received (R'000)	512 903
Amount spent by the department (R'000)	402 567
Reasons for the funds unspent	The reason for under spending was due to the unavailability of the WHO approved fixed dosed combination from the supplier.
Monitoring mechanism by the donor	<p>The National Department of Health as the Principal Recipient of the Global Fund grant conducts the following activities to monitor the implementation and performance of funded programmes:</p> <ul style="list-style-type: none"> <li>- Conduct on-site verification visits per quarter to ensure compliance with the Global Fund guidelines.</li> <li>- Conduct support visits to grant implementers to ensure proper implementation of the approved project activities.</li> <li>- Conduct data review meetings to verify the accuracy of the data reported.</li> <li>- Quarterly workshops and meetings with sub-recipient for programme management.</li> <li>- Conduct quarterly deep dive meetings and participate in country portfolio review meetings.</li> <li>- Six monthly internal audits and annual external audits.</li> </ul> <p>The Global Fund Country Team conducts regular country visits which include site visits to implementing facilities. The NDoH submits reports which are verified by the Local Funding Agent (LFA) prior submission to Global Fund on six monthly basis. The NDoH also submits quarterly reports to South African National AIDS Council which serves as Country Coordinating Mechanism (CCM) for Global Fund grants in the country. The Global Fund also conducts spot checks as part of quality checks through the LFA. The Global Fund commissions audit through the Office of the Inspector-General (OIG) as part of weighing Global Fund's investments and identifying risks.</p>

## 2.8 Capital Investment

### Capital investment, maintenance and asset management plan

Infrastructure projects	2017/2018			2016/2017		
	Final appropriation (R'000)*	Actual expenditure (R'000)*	(Over)/under expenditure (R'000)	Final appropriation (R'000)*	Actual expenditure (R'000)*	(Over)/under expenditure (R'000)
New and replacement assets	246 460	166 303	80 156	297 541	256 775	40 766
Existing infrastructure assets	0.00	0.00	0.00	0.00	0.00	0.00
Upgrades and additions	64 193	103 787	( 39 594)	72 642	53 170	19 472
Rehabilitation, renovations and refurbishments	33 148	18 880	14 268	71 377	68 600	2 777
Maintenance and repairs	315 129	278 317	36 813	154 129	194 131	(40 002)
Infrastructure transfer	0.00	0.00	0.00	0.00	0.00	0.00
Current (Goods and Services)**	60 054	77 766	( 17 712)	86 860	99 444	( 12 584)
Capital (Buildings and other fixed structures)**	658 930	567 287	91 643	595 688	572 675	23 013
Machinery and Equipment	0.00	0.00	0.00	14 534	14 534	0.00
<b>Total</b>	<b>718 984</b>	<b>645 053</b>	<b>73 931</b>	<b>697 082</b>	<b>686 653</b>	<b>10 429</b>

Expenditure amounts are as reflected on the Project management information system which does not balance exactly with BAS

\*\* At the time of report the finance department had not yet finalized certain transactions between capital and current and the figures as thus subject to change.



# Governance

## PART C

### 3.1 Introduction

The objective of the Internal Audit Activity (IAA) in the Department is to provide an effective, independent objective assurance and consulting activity designed to add value and improve the Department's operations. It achieves this by evaluating and improving the effectiveness of risk management, control and governance processes; and facilitates the full functioning of the Audit and Risk Committee in the Department.

The IAA was functional throughout the financial year under review and operated in line with its approved Internal Audit Charter based on the Treasury Regulation 3.2 and the Standards for the Professional Practice of Internal Auditing. The scope of the IAA's work was derived from the approved Risk-Based Three Year Strategic and Annual Operational Plans approved by the Audit and Risk Committee for the 2017/2018 financial year.

The following internal audit assignments were carried out by IAA during the year under review, in effort to assist the Accounting Officer and the Audit and Risk Committee of the Department in the effective discharge of their responsibilities:

– Review of the Draft 2018/19 Annual Performance Plan (APP)	– Review of the Annual Report – 2016/2017
– Review of the 2017/18 Unaudited Interim Financial Statements	– Review of the 2016/17 Unaudited Annual Financial Statements
– Quarterly Reviews of Performance Information – 2017/18 financial year and Quarter 4 of the 2016/17 financial year	– Review of the Management Action Plan to address the AGSA 2016/17 findings
– MPAT 1.7 Verification – Review of transfer payments in form of Division of Revenue Act (DORA) and NGOs (Nine Conditional Grants). – Review of the Fleet Management processes – Review of Human Resources Management (Leave Management)	– Review of Ethics Management Processes – Review of Forensic Chemistry Laboratories Services Processes – Review of Communications Media Campaign (Phila Project) – Review of ICT General and Application Controls for DHIS and Network Systems Security

The IAA will work with management by providing assurance and/or audit follow ups in the next financial year to assist in resolving the following issues which were raised during audits: Business Continuity; Performance Management of Infrastructure Projects; ICT General and Application Controls; and Accruals and Commitments.

### 3.2 Risk Management

The Department recognizes that risk management is a valuable management tool which increases its prospects of success through minimizing any negative impacts and optimizing opportunities emanating from its operating environment. The risk management framework (Policy, Strategy, Risk Assessment and Implementation plan) was discussed and approved by Audit and Risk Committee and signed-off by the Director-General during 2017/18 financial year. The 2017/18 Strategic and Operational Risk Registers were developed by management and aligned to the Annual Performance Plan 2017/18. Furthermore, the risk management unit commenced with monitoring of the action plans to address the risks as contained in the registers and provided the progress reports to the Management and Audit and Risk Committee.

The Department of Planning, Monitoring and Evaluation (DPME) assessed the Risk Management through the Monitoring Performance Assessment Tool (MPAT) and scored the department at Level 4. The meaning of level 4 in terms of DPME is that, the “department is fully compliant with legal/regulatory requirements and is doing things smartly”

### 3.3 Fraud and Corruption

The Department has an approved Fraud Prevention Plan and Fraud Prevention Implementation Plan. The Fraud Prevention Plan includes the ‘Whistle Blowing’ Policy Statement. The Department subscribes to the National Anti-Corruption Hot-Line housed at the Public Service Commission. In 2017/18 financial year, a total of 160 tip-offs of external cases of fraudulent orders were received anonymously. Of those tips offs, 150 cases have preliminary reports and investigations are in progress for the remaining 10 cases. All cases received via the Hot-Line are referred by the Public Service Commission (PSC) to the Department for investigation and the Department provides feedback accordingly to the PSC on the progress of investigations. Other cases are reported to the Department anonymously by its own employees and by members of public, and these are investigated accordingly. The Department also co-ordinates some of the cases with the South African Police Services (SAPS) and other law enforcement agencies. Once the investigations are concluded, some cases will proceed into internal disciplinary processes whilst others that are of a criminal nature, are handed over to the SAPS.



### 3.4 Minimising Conflicts of Interest

The Department adopted the Code of Conduct prescribed by the Department of Public Service and Administration for minimising conflicts of interest. This is enforced by the policies established and adopted by the Department with regard to risk management, risk control and fraud prevention.

Senior managers and other stakeholders are required in terms of the policy to disclose any conflict of interest inherent in doing business with the Department. In 2017/18, all those who participated in bid evaluation committees completed the disclosure forms. All appointed fully completed secrecy forms and declared their non-interests in the bids being evaluation.

In 2017/18 financial year, 126 senior managers completed the online eDisclosure of the DPSA. Furthermore, in 2017/18, 296 Deputy Directors and 110 employees within the office of chief financial officer, officer of Director General and office of the Minister completed financial interest disclose through online eDisclosure system. Disciplinary action was taken against those who did not disclose their financial interest as prescribed by Public Service Regulations of 2016.

### 3.5 Code of Conduct

The Department applies the disciplinary code and procedure for the public service. This is applicable to all employees. In addition, the Senior Management Service's (SMS) hand-book is used for SMS members. New employees attend an orientation and induction course which covers the Public Service's code of conduct and disciplinary procedures. In the event of a breach of the code of conduct, disciplinary procedures are followed as prescribed. All SCM officials and other role-players in SCM, such as appointed bid adjudication committee members, have signed the National Treasury's code of conduct in line with Treasury Regulations 16A.8.2 and the National Treasury Practice Note on Code of Conduct for Bid Committees.

### 3.6 Health Safety and Environmental Issues

Occupational Health and Safety (OHS) issues are pertinent to the health and wellbeing of employees. Occupational, health and safety baseline assessments were undertaken in 2016 by NOSA and Empower Risk and the baseline report was submitted to NDoH. Thereafter NDoH engaged the Department of Public Works on the proper maintenance and repairs of certain defects in Civitas Building in order to mitigate risks identified by the baseline assessments and ensure compliance with standards for occupational health and safety. Furthermore, during 2017/18 the NDoH re-appointed new first aid, fire and occupation health and safety officers for each floor in all its buildings.

The Occupational Clinic is part of the Health and Wellness Programme however it requires an Occupational Health Nurse who will manage and provide services to employees. The Occupational Clinic is currently operating as a First Aid Room, with an enrolled nurse providing the necessary services. The establishment of registered nurse posts has not yet been completed due to budgetary constraints. The completed injury on duty forms are processed by the Wellness or Employment Relations section and thereafter submitted to the Department of Labour.

### 3.7 Portfolio Committees

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
<b>Portfolio Committee on Health</b>		
02 May 2017	Briefing by the MRC on its Strategic Plans and Budget	The presentation lacked linkage between the MTSF and performance and Committee recommended that It was also SAMRC should make transformation within the health and science sectors a priority
03 May 2017	Briefing by the NHLS; the OHSC and CMS on their Strategic Plans and Budget	<p>The National Health Laboratory Service: The strategic and annual performance plans were presented including budget allocations, reorganisation of strategic objectives due to programmes being combined, redress of audit findings by the Auditor-General and the filling of critical and scarce skills in vacant posts.</p> <p>Office of Health Standards Compliance: The strategic and annual performance plans was presented</p> <p>Council for Medical Schemes and Compensation: The strategic and annual performance plans was presented</p> <p>Committee resolved that certain questions needing detail responses must be answered in writing by relevant entity representative.</p>
04 May 2017	Briefing by the CCOD on its Strategic Plan and Budget	The Compensation Commission for Occupational Diseases briefed the Committee on the Strategic Plan and Budget of the Institution. The Committee asked about the submission of reports and financial statements to the Auditor-General which have been outstanding for many years. The Committee wanted to know what the findings of the Auditor-General were, and how they were going to be addressed. The Compensation Commission gave compelling reasons on the delayed submission of Reports and outlined measures that were to be put in place to address the situation. The Committee was satisfied with the briefing and the explanations given.
04 May 2017	Briefing by the NDOH on Strategic Plan and Budget	The presentation of the National Department of Health highlighted progress made in life expectancy infant and child mortality and other programmes.
24 May 2017	Briefing on Strategies to deal with Obesity and NCDs	The National Department of Health presented its strategic plans to prevent and control obesity and non-communicable diseases. The Committee raised concern with regard to its implementation which will be impeded by underfunded and under staff PHC. The Committee also resolved that the subsequent presentations should reflect specifics including places where work has been done, schools visited and what was observed. Empowerment of people should be seriously be considered.
<b>Select Committee on Social Services</b>		
30 May 2017	NDOH Presentation of the Department of Health Strategic Plan and Budget Vote 2017/18	The Department of Health reflected on increasing life expectancy from 57.1 years to 63.3 years in the space of six years. The decrease in mortality rate for children under the age of five, infant mortality rate as well as HIV/AIDS statistics also declined through measures to prevent mother-to-child infection. The Department was applauded for the work done.
<b>Portfolio Committee on Health and the Standing Committee on Finance</b>		
31 May 2017	Public hearings on the Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill - Bill deals with the issue of Tax on Sugary Beverages	The Joint Committee conducted Public Hearings on the Bill and announced that the further processes of taking the legislative process would be taken. The Departments of Finance and of Health were urged to continue working together with the Joint Committee until the legislation is completed
6 June 2017	Public hearings on the Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill - Bill deals with Tax on Sugary Beverages	<p>National Treasury stated that extensive consultations were conducted which were taken into consideration when revising the Rates Bill. Changes that were made following consultation included the following:</p> <ul style="list-style-type: none"> <li>- Introduction of a threshold, the first 4g/100ml is exempt (only sugar content above 4g/100ml will be taxable)</li> <li>- Rate was lowered slightly from 2.29c/g to 2.1c/g</li> </ul> <p>Various stakeholders also presented their concerns and comments on the bill, Committee resolved that stakeholders to submit written responses to the questions and issues raised by MPs . The Committee stated that a balance must be found between having a Health Promotion Levy (HPL), bearing in mind unemployment challenges; the need to facilitate the growth of emerging sugarcane farmers and various concerns by other constituencies.</p>

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
<b>Portfolio Committee on Health</b>		
7 June 2017	Briefing by Mpumalanga and Northern Cape Provincial Departments of Health on the state of health care services for mentally ill patients in their provinces	<p>The state and the progress made in improving mental health in Mpumalanga province were discussed. The Mental Health Review Board reported to be overloaded and plans in place to increase the number of review boards in the province.</p> <p>Mpumalanga province absence of a psychiatric hospital was highlighted as a major challenge, that result in the use of general hospitals to deliver psychiatric services. It was said that the construction of a psychiatric hospital will hopefully commence before the end of current financial year.</p> <p>Northern Cape DOH identified similar challenges to those of Mpumalanga DOH and mentioned the workload of the provincial MHRB as a weakness the province was trying to rectify. Northern Cape mental health hospital, construction was expected to be completed in early 2018. Shortage of Psychiatrist and mental health personnel was also highlighted as a challenge</p>
14 June 2017	Briefing on reports of a woman who gave birth at Park Station in Johannesburg because she was allegedly turned away from three hospitals because of her asylum status	The committee praised the Minister and the hospital staff for prompt investigation and handling the matter well. It was suggested that the Minister should make a press statement in order to present the true story of what happened. The Minister was also advised to raise the matter with the Media house the journalist worked for. The Department of Health KwaZulu-Natal also presented on care for mentally ill patients in KwaZulu-Natal
20 June 2017	Briefing on the NHLS Bill	<p>The bill was presented which covered amendments to 17 clauses of the National Laboratory Service Amendment Bill.</p> <p>The Committee also asked the Department to provide feedback on the forensic pathology officers issue, and the investigation that had been conducted in KwaZulu-Natal. The DoH highlighted the agreement with the Department of Labour (DoL) that the original structures must be implemented, forensic pathology officers must have a career path, and that they need training, protective clothing, proper supervision, counselling, danger allowance, and dissection allowance. Committee recommended that the DoH should look into the recognition of prior learning, as those employees had been there for a long time and had acquired skills</p>
21 June 2017	Briefing on the NAPHISA Bill	The Department outlined the objectives and the need for the formation of NAPHISA. Challenges that led to the conception of NAPHISA were also highlighted. The Bill proposed for the NAPHISA to coordinate, conduct disease and injury surveillance, provide specialised public health services, interventions, training and research all directed towards the major health challenges affecting the population of the nation. The portfolio committee members were also taken through the clauses and all the proposed functions of NAPHISA
<b>Joint Portfolio Committee on Health and the Standing Committee on Finance</b>		
21 June 2017	Responses on issues that were raised during public hearings on Sugar Tax	<p>The 2017 Draft Rates and Monetary Amounts and Amendment of Revenue Laws Bill (Draft Rates Bill) was first released for public comment on 22 February 2017 which was Budget Speech Day. National Treasury and SARS briefed the Committee on the Draft Rates Bill on 23 May 2017. Some stakeholders felt the current rate and incidence will be too low for a meaningful impact.</p> <p>The National Treasury to remove the threshold and tax every gram of sugar in the beverage as the threshold will threaten health promotion efforts. COSATU emphasised its biased towards jobs, and the need for a clear transitional jobs path to mitigate unintended consequences. It was therefore resolved that the decisions should not be rushed. Jobs losses could be large, as estimated by industry.</p>
<b>Portfolio Committee on Economic Development</b>		
28 June 2017	Briefing on Pharmaceutical matters - Procurement of ARVs	<p>The Committee requested the Department to brief it on the overview of the Pharmaceutical industry, deficits in ARV procurement and the capacity to meet the local demand of ARVs. The Committee also wished to know about the criteria used to award the R10 billion tender to the four companies, including contractual obligations of each company in terms of job creation, skills development, local content, SMME and cooperatives, R &amp; D and technology transfer; and other relevant conditions. The Committee further wanted progress made after the awarding of the ARV tender including distribution figures, plans to produce ARVs locally and the state of the state-owned pharmaceutical company Ketlaphela, collaboration with the DTI during the ARV tender process, as well as any new development or information that may be of interest to the Committee.</p> <p>The Committee was satisfied with the Department's briefing and expressed its wish to be kept informed on the developments on the matter.</p>

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
<b>Portfolio Committee on Health</b>		
02 August 2017	Oversight visit to the NHLS Offices, Sandringham	<p>The Committee conducted an oversight visit to the NHLS Offices and a tour of the National Institute for Communicable Diseases (NICD) laboratories, the TB Centre and Operations Centre.</p> <p>The Committee was briefed on the strike action that was taking place at the time and the impact on service delivery as well as contingency plans in place. Following which the committee met with the Unions to get a better understanding of the challenges and concerns raised. In addition, the Committee was provided with a progress report regarding suspension of the Chief Executive Officer, Chief Financial Officer, the head of procurement, head of supply chain manager and other staff members who were to go through full disciplinary hearings without jeopardising due processes.</p> <p>The Committee was further briefed on the financial position of the entity and the ongoing negotiations between the NHLS and provinces regarding payment of the outstanding debt to the NHLS as well as the impact on provision of quality laboratory services to the public.</p> <p>A background regarding the establishment of the NICD and the National Institute for Occupational Health (NIOH) under the NHLS leading to the NHLS amendment Bill and the National Public Health Institute of South Africa (Bill) Bill and implications thereof was provided.</p>
15 August 2017	Public Hearings on the NHLS Bill	,
16 August 2017	Public Hearings on the NAPHISA Bill	<p>The committee raised concerns about antagonism between different organisations, the SAMRC's motivation to gain influence on NAPHISA and the way in which it was engaging with the Department of Health. SAMRC was requested to compile and submit a report on its agreement and disagreement with the Department. The Cancer Association of SA (CANSAs) highlighted the lack of overarching policy to coordinate different efforts to tackle individual cancers in SA as well as a lack of locally relevant statistics on how the population was affected. Members resolved that the allegations raised were serious and thus needed to be investigated albeit that the allegations were not relevant to the issues at hand.</p>
6 September 2017	Briefing by the SA Human Rights Commission on the Report on KwaZulu-Natal Oncology	<p>The Minister of Health and the Member of the Executive Committee responsible for the KwaZulu-Natal (KZN) Health Department were invited to report back and clarify the issues raised in the presentation by the South African Human Rights Commission (SAHRC) on the inadequate care provided to cancer patients in the province. The KZN Department of Health (DoH) reported that most of the concerns of the SAHRC had been addressed, and plans were under way to further improve the service delivery to cancer patients in the province.</p> <p>The Minister said the National Department of Health (NDoH) had started to take action by looking into the affairs of the provincial department after a protest by the South African Medical Association (SAMA) He had sent a team to KZN to investigate the cause of the problems. To resolve the problems, the NDoH had implemented measures such as taking over the purchase of machines from the provincial Department until it was able to sort out its SCM issues and also repair of one of the faulty machines at Addington Hospital and the purchase of a new machine, and the use of private oncologists at government hospitals</p>
13 September 2017	Briefing the Committee on the Report of the Ministerial Task Team that conducted the investigation on the allegations of mismanagement, poor service delivery and unacceptable conditions at various identified hospitals in South Africa.	<p>The Committee invited the Minister to brief it on the Report. The Minister briefed the Committee and highlighted the findings and recommendations of the Task Team that had been mandated to carry out investigations into service delivery at selected hospitals. The team's 25 recommendations were adopted at the meeting. Many of the team's findings echoed those presented by the National Department of Health. There were also resolutions to engage the provincial executives on the matters that were of concern, especially regarding funding and procurement.</p>
<b>Joint Select Committee on Social Services and Education</b>		
14-18 August 2017	Oversight visit to the Northern Cape Province	<p>A multi-party delegation of the Select Committee on Social Services and Education and Recreation visited the Province on 14-18 August 2017 as part of the NCOP oversight week. The objectives of the visit were to assess the availability of medicines, emergency medical services, infrastructure and human resources. This visit included site visits to Kimberly Hospital and Galeshewe Community Health Centre. The Department was invited to accompany the Committee on this visit to note the issues that were raised for them to be acted upon.</p>

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
<b>Joint Select Committee on Social Services and, Education and Recreation</b>		
04-08 September 2017	A multi-party delegation visiting the KZN Province as part of the NCOP oversight week	<p>A multi-party delegation of the Select Committee on Social Services and, Education and Recreation visited the Province on 04-08 September 2017 as part of the NCOP oversight week. The programme was part of the NCOP Constitutional mandate of ensuring that provincial interests are taken into the national sphere of government.</p> <p>The objectives of the visit were to assess the availability of medicines, emergency medical services, infrastructure and human resources. This included site visits to Addington Hospital and Cato Manor Community Health Centre, as per the attached draft programme. The Department was invited to accompany the Committee on this visit to note the issues that were raised for them to be acted upon.</p>
<b>Portfolio Committee on Health</b>		
13 September 2017	Briefing by Nehawu on the National Health Laboratory Service Amendment Bill [B15-2017]	The National Health and Allied Workers Union (NEHAWU) made a presentation on the proposed amendments to the National Health Laboratory Service Act, No. 37 of 2000. The presentation focused on non-representative of labour in the composition of the Board and lack of a specific funding model in the Amendment as major concerns. The Bill deals mostly with governance, but the funding model was also a systemic problem. The Department of Health indicated that a pilot project has been initiated to test a different funding model
13 September 2017	Medical Innovation Bill, following the work done by the Medicines Control Council (MCC) on the guidelines on Cannabis	The Director General of the Department of Health introduced the Medical Innovation Bill on Cannabis Guidelines. Guidelines on the cultivation of cannabis for medicinal and research purposes had been developed to provide operating procedures in order to regulate the availability and quality of cannabis for medicinal purposes. The presentation clarified the difference between cannabis and hemp, and pointed out that hemp was easily grown and had a multitude of uses and that it could be economically highly beneficial to the country. The Committee members raised a concern about the introduction of medicinal cannabis but, at the same time comfortable with the legislation. Questions were raised about combating fraud and illicit use, as well as the capacity of the Medicines Control Council to deal with the matter
14 September 2017	Briefing on the Report of the Ministerial Task Team that conducted an investigation on allegations of mismanagement, poor service delivery and unacceptable conditions at various public health facilities in South Africa	The Minister of Health addressed the Committee on the findings and recommendations of a Ministerial task team that had been mandated to carry out investigations into service delivery at selected hospitals. The recommendations presented by the Ministerial Task Team were adopted at the meeting. It was resolved to engage the provincial executives on the matters that were of concern, especially regarding funding and procurement
14 September 2017	Briefing by the NDOH on the first quarter report	The Department identified that major challenges were the wider systemic problems affecting the operations of the Department and hospitals. Where decentralisation of funding of hospitals to the provinces had created problems for the NDOH as it had little control over four main areas of its operations which are (a) procurement/ supply chain management, (b) human resources training and recruitment, (c) financial management and (d) maintenance of infrastructure and equipment
3 October 2017	Briefing on the Medical Research Council Annual Report 2016/17	SAMRC was commended for receiving a clean audit and its performance, but in-depth details on their transformation agenda and how research was helping ordinary South Africans and impacted the cost of cancer treatments was questioned. It was further congratulated on the innovation
4 October 2017	National Health Laboratory Services	NHLS presentation highlighted its achievements and key challenges. The NHLS board chairperson indicated that the debt owed by provinces had put NHLS in difficult position and several efforts had been made towards recovering the historic debt, especially from two provinces that topped the debt list. NHLS was asked for a written response on what needed to be done so that the Committee can include it as part of its recommendations as an intervention and written response should also include the amount owed. The portfolio committee resolved to increase its oversight and to frequently meet NHLS
	Office of Health Standards Compliance	The Office of Health Standards Compliance (OHSC) was congratulated for having received an unqualified audit. OHSC's presentation highlighted key achievements for 2016/17 which include signing of two memoranda of agreement with regulators to protect and promote quality and safety in health care, improved IT services, improved communication with stakeholders and setting up of a fully functional Office. Challenges highlighted were that it is experiencing many resignations of staff from OHSC and that norms, standards and regulations had not yet been promulgated which hindered OHSC from exercising its core mandate in the area of inspection and enforcement. It was resolved that the OHSC and NDOH must resolve some of the challenges and that the OHSC should submit a budget review.
	Council for Medical Schemes	<p>The presentation highlighted that the council has performed above the set objectives target. Challenge to manage medical schemes caused by variables such as the management of the change in age distribution, burden of disease and membership growth. There were no material findings raised in the audit report while one material misstatement was corrected</p> <p>The affordability of medical schemes and regulation thereof was questioned. The other concern was that ordinary consumers are generally not able to comprehend the technical jargon used in medical scheme documentation, which was acknowledged by CMS.</p>

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
10 October 2017	<ul style="list-style-type: none"> <li>- Briefing by the CCOD on the performance progress report;</li> <li>- Briefing by the NDOH the Annual Report 2016/17</li> </ul>	<p>The Committee concluded its Budget Review and Recommendation Report process with presentations by the CCOD and the National Department of Health on their annual performance for the past financial year. The presentation showed that CCOD was not close to solving the problems of people. It also highlighted the achievements and challenges of the Commission. The inability of the CCOD to provide an audited report since 2009/2010 financial year was blamed on the poor state of the Commission before the arrival of the current leadership. It was promised that the CCOD would clear its backlog of reports and meet its time frame targets by the 2018/19 financial year. A need for the Commission to expedite its services, because justice delayed was justice denied and a need to provide a financial statement was raised. The last one had been in 2012.</p> <p>The Department of Health presentation showed that that it had received its sixth unqualified audit outcome in the year under review. The Department was commended. The presentation also highlighted some of the achievements which is meeting its targets in four provinces and the submission of the final White Paper on the National Health Insurance (NHI). It had also exceeded its targets on improved access to sexual health, the provision of qualifications for primary health care facilities at ideal clinics, and coverage for spraying against malaria. The Department was questioned on its fruitless and wasteful expenditure, the disparity between funds spent and targets met, the status of interns, strategies to address the non-submission of annual reports by the CCOD for years, and timeframes for putting ex-miners on the CCOD database. All questions raised were responded to by Department's representatives.</p>
8 November 2017	Briefing by the Medical Research Council on its research work on violence, peace and injuries and HIV prevention	MRC presentation highlighted that HIV remained the highest cause of death in South Africa but there was a decline in the rate of infection in children aged below less five years. The efforts made in preventing new infections were highlighted. Injury was found to be one of the ten leading causes of death in South Africa. MRC complained about the data available on injury as insufficient and too generalized to profile death due to violence and injury. It recommended that the Committee should appeal to the Department of Home Affairs to work with the Department of Health to update the forms used in collecting information on the deceased to include a more detailed cause of death.
15 November 2017	Briefing by the MCC on Cannabis - relating to the Medical Innovation Bill	<p>The MCC's report compared the provisions of the Medicines and Related Substances Act with the proposals included in the Medical Innovation Bill. It further indicated that the Medicines Act would allow for the use of medical cannabis once permission had been obtained. Permission would have to be requested by a qualified doctor. The report elaborated on the commercial and industrial uses of cannabis and cannabis by-products, specifically hemp. Cannabis would remain a scheduled substance if used without prior permission.</p> <p>It was agreed that the essence of the Medical Innovation Bill was captured in the Medicines and Related Substances Act, and that the regulations were sufficient to allow for the use of medical cannabis. The options presented to the Committee were to withdraw the Bill or vote for a motion of non-desirability</p> <p>It was resolved that a report should accompany the motion to show the public how far the Committee had come in discussions around medical cannabis.</p>
22 November 2017	Briefing by the NDOH on the 2 <sup>nd</sup> quarter report	<p>The National Department of Health disagreement with Treasury (NT) was discussed. The disagreement was the financing vehicle to be used for the National Health Insurance (NHI) interim fund. Where Treasury leaned towards using it in a programme-structured vehicle, where it would become part of a budget and a conditional grant, the Department of Health said they needed the fund to work with the government agency vehicle and employ the 10 000 available candidates, including 1 000 unemployed graduates, nurses and doctors, as well as allied health professionals, health promoters, environmental healthcare workers and around 8 000 community service employees who would finish their internships this year, to provide services in the health sector on 1 April next year.</p> <p>It was resolved that the Department will provide a report on the matter of interns and of filling posts through the Appropriations Committee.</p>
<b>Portfolio Committee on International Relations and Cooperation</b>		
01 November 2017	Briefing on the Foreign Service Bill	The Portfolio Committee requested the Department to share its inputs on how the Foreign Service Bill that it was processing through Parliament was affecting the Department of Health. The Department briefed the Committee on how the Bill affects the Department, in the context of Health Attaches deployed in the USA and other countries. The Committee was satisfied and appreciated the input made by the Department

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
<b>Select Committee on Petitions and Executive Undertakings</b>		
22 November 2017	Progress report on the implementation of the undertaking made by the Minister to follow up on insufficient standby generators at the National District, Pelonomi and Universities Hospitals in Bloemfontein, Little Fort England in Grahamstown and PZ Meyer in Humansdorp	The Committee requested a briefing from the Minister, on progress made with regards to the undertaking he made. The Minister briefed the Committee and explained that the country was undergoing loadshedding and at the time, the Department of Health (DOH) tried to communicate with Eskom that when it did the loadshedding, it must exempt hospitals but Eskom declined. Ordinarily, hospitals must have standby generators. It was also the broad narrative that Ministers were held accountable even on matters of concurrent function with provinces. The Minister gave examples of programmes that are purely provincial competencies such as Human Resource (HR) matters, procurement, financial management and maintenance of equipment and infrastructure.  The Minister then outlined the case of the generators in the specific hospitals in question. The Committee was happy with the Minister's presentation and agreed with his suggestion that it was about time that Parliament should summon Premiers of Provinces to come and account to Parliament.
<b>Portfolio Committee on Health</b>		
06 February 2018	Briefing by the Northern Cape Department of Health - Northern Cape Psychiatric Hospital	The Northern Cape's Department of Health was called to explain the delayed completion of the hospital construction project for the mentally ill patients, costs incurred due to extension of project timelines and costs recovery. The Department was instructed by the Committee to submit a detailed written report within 14 days
21 February 2018	1. Briefing by the NDOH on Listeriosis; 2. Briefing by the Western Cape Department of Health on water crisis in the Province	The Minister of Health and Department briefed the Committee on identified sources of Listeriosis bacteria, outbreak statistics, its management, public awareness campaign and inter-sectoral action
28 February 2018	Briefing by the CCOD on its annual reports for 2010/11 and 2011/12 financial years	The Annual Reports were long overdue. Committee raised questions regarding controlled and uncontrolled mines, types of levy covering income protection, TB screening for mine workers and workers' compensation in the controlled mines. The CCOD should partner with the Department of Planning Monitoring and Evaluation in working with distressed mining communities.
7 and 14 March 2018	Deliberation on the National Health Laboratory Service Amendment Bill [B15-2017]	Members deliberated on the composition of the NHLS board, governance approach and labour representation on the board. The power of the Minister to dissolve the board and appoint new members was also discussed
20 March 2018	Deliberation on the National Health Laboratory Service Amendment Bill [B15-2017]	Specific clauses were re-drafted to address the submissions made during previous deliberations. The amendments were in clauses 5 (d) and 5(e), 6 (1) (d) and (1) (e), clause 12, clause 13, clause 14 and clause 18.
27 March 2018	Deliberation and adopting the National Health Laboratory Service Amendment Bill	Apart from an issue regarding consistency in numbering style, the Bill was found to be ready for the National Assembly. The Committee also approved the Report to be tabled in the National Assembly together with the Bill.
27 March 2018	Briefing from Mrs C Dudley, MP on the Choice on Termination of Pregnancy Amendment Bill [B34-2017]	Private Member's Bill does not seek to challenge the Constitution but it is aimed at improving the conditions in the current legislation. The Bill proposed three key amendments, mandatory and not non-mandatory counselling by social workers and proposes that budgets be made available for that purpose. The Committee resolved that it would reflect on the Bill in a future meeting and provide input.

### 3.8 Standing Committee on Public Accounts (SCOPA) Resolutions

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
None	Not applicable	Not applicable	Not applicable	Not applicable

### 3.9 Prior modifications to audit reports

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter*
None	Not applicable	Not applicable

### Audit and Risk Committee

The Department's Audit Committee is appointed in terms of section 38 (1) (a) (ii) of the Public Finance Management Act, 1999 (Act 1 of 1999) and Treasury Regulations, which is called "Audit and Risk Committee" (ARC). The ARC discharged its role and responsibilities in line with its Charter. The performance of the ARC was assessed by the Department of Performance Monitoring and Evaluation through its Monitoring Performance Assessment Tool (MPAT) and was found to be fully compliant with legal/regulatory requirements and is doing things smartly.

### Composition and Meetings of the Audit and Risk Audit Committee

The Committee is made up of the following members, the majority of whom are independent and financially competent. The Audit and Risk Committee convened 6 meetings, out of which 4 were Ordinary and 2 were Special. The 2 Special Audit and Risk Committee meetings dealt with the annual financial statements, Annual Performance Plan and Annual Report.

Name	Qualifications	Designation	Date appointed	End of term	Number of meetings attended	
<b>Adv WE Huma</b>	<ul style="list-style-type: none"> <li>- LL.M ( Master of Laws),</li> <li>- LL.B ( Bachelor of Laws),</li> <li>- BProc</li> <li>- Post-Graduate Diploma in Company Direction (Corporate Governance)</li> <li>- Financial Management (Finance for Non-Financial Managers)</li> <li>- Fellow of the Institute of Directors.</li> </ul>	Non-Executive Member	16/03/2011	30/09/2014	3	
		Chairperson	(1 <sup>st</sup> term)	27/10/2014		31/10/2017
<b>Ms PMK Mvulane</b>	<ul style="list-style-type: none"> <li>- Chartered Accountant (SA),</li> <li>- Registered Auditor,</li> <li>- Diploma in Auditing,</li> <li>- Bachelor of Commerce in Accounting,</li> <li>- Bachelor of Commerce in Accounting (Honours),</li> <li>- Final Qualify Examination South African Institute of Chartered Accountants.</li> </ul>	Non-Executive Member	15/06/2012	14/06/2015	6	
			(1 <sup>st</sup> term)	15/06/2015		14/06/2019
		Chairperson	(2 <sup>nd</sup> term)	27/10/2017		14/06/2019
<b>Prof J W Kruger</b>	<ul style="list-style-type: none"> <li>- PhD Computer Science.</li> <li>- M.Sc. Computer Science,</li> <li>- B.Sc. Mathematics, Statistics &amp; Psychology.</li> <li>- Honours. B.Sc in Operations research,</li> <li>- H.O.D Mathematics.</li> </ul>	Non-Executive Member	27/10/2014	31/10/2017	3	
<b>Mr SM Radebe</b>	<ul style="list-style-type: none"> <li>- Chartered Accountant (SA),</li> <li>- Post Graduate Diploma in Accounting,</li> <li>- Bachelor of Commerce (Honours),</li> <li>- Bachelor of Commerce (Bcom).</li> </ul>	Non-Executive Member	01/05/2016	30/04/2019	5	
<b>Ms GZ Nkosi</b>	<ul style="list-style-type: none"> <li>- Chartered Accountant (SA)</li> <li>- Bachelor of Commerce in Accounting,</li> <li>- Bachelor of Commerce in Accounting (Honours).</li> </ul>	Non-Executive Member	01/05/2016	30/04/2019	5	

### 3.10 Audit and Risk Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2018.

#### Audit and Risk Committee Responsibility

The Department's Audit Committee is appointed in terms of section 38 (1) (a) (ii) of the Public Finance Management Act, 1999 (Act 1 of 1999) and Treasury Regulation 3.1 and operated in accordance with the aforementioned regulations including the provisions prescribed in terms of sections 76 (4) (d) and 77 of the Public Finance Management Act; as well as its approved Charter. In the Department the Audit Committee is referred to as Audit and Risk Committee because it also provides oversight on Risk Management Activities.

The primary purpose of the Audit and Risk Committee is to assist the Accounting Officer of the Department in fulfilling her responsibilities to ensure that the Department has and maintains effective, efficient and transparent systems of financial, risk management, governance, and internal control by providing oversight on the following:

- (i) financial reporting, systems of internal control and performance against pre-determined objectives;
- (ii) enhancing business ethics and trust in the Department;
- (iii) ensuring and enhancing the independence of the Internal Audit Activity (IAA);
- (iv) reviewing the strategic and operational risk areas of the Department to be covered in the scope of Internal and External audits;
- (v) ensuring the proper functioning of both the Internal and External Audit Processes, and other assurance services, including Fraud and Corruption Investigation Activities.
- (vi) monitoring compliance with Laws and Regulations and the Code of Conduct.

The Audit and Risk Committee was fully functional and comprised 3 members (external to the Department) as at 31 March 2018, noting that 2 independent members' term ended in September 2017.

#### Effectiveness of Internal Controls

Internal Control is a cost effective process effected by the Senior Management of the Department, designed to provide reasonable assurance regarding the achievement of its objectives in categories of effectiveness and efficiency of operations, financial reporting, compliance to applicable Laws and Regulations as well as Policies and Procedures.

From the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements and the Management Letter of the Auditor-General South Africa, controls were adequate and effective, however, there are some recurring deficiencies from prior years that were noted. The Management has assured the Audit and Risk Committee that those control deficiencies will be addressed through detailed actions plans. Matters of serious concern to the Committee regarding internal controls deficiencies are as follows:

- Inadequate management of Infrastructure Projects;
- Inadequate ICT General and Application Controls and the Business Continuity Plan;
- Inadequate and delayed implementation of management action plans to improve internal controls and performance, as well as the effectiveness of consequence management.

We have noted that IAA assisted management through follow up of action plans to address previous audit findings, reviews of Annual Performance Plan and Financial Statements.



## Internal Audit

The Audit and Risk Committee reviewed and approved the IAA's risk-based three-year rolling and operational plans for 2017/18. The Audit and Risk Committee also monitored performance of Internal Audit Unit against its approved operational plan on a quarterly basis.

We are satisfied that the IAA is operating effectively and that it has addressed the risks pertinent to the Department in its audits. We have met with the IAA during the year to ensure that the function is executed effectively and objectively. We are satisfied with the content and quality of quarterly reports prepared and issued by the IAA during the year under review. The work performed by Internal Audit has enabled the Committee to fulfil its duties around Compliance, Financial Management, Performance and Information Technology.

## Risk Management

The Department has an Audit and Risk Committee which advises the Accounting Officer, on matters of risk management in fulfilling her mandate as required by the Public Finance Management Act [Section 38 (1) (a) (i)], and in line with the Public Sector Risk Management Framework developed by National Treasury. The Risk Management Activities are a standing item in the agenda of the Audit and Risk Committee meetings.

The Audit and Risk Committee monitored on a quarterly basis the achievement of internal risk management milestones as per the Risk Management Implementation Plan. There has been a significant progress with regards to the implementation of risk management function within the Department. Both the strategic and operations risk registers were finalized during the year. The Audit and Risk Committee will continue to monitor the implementation of action plans to address the high risk areas within the department as indicated in the risk register. The department of Planning, Monitoring and Evaluation (DPME) assessed the Risk Management through the Monitoring Performance Assessment Tool (MPAT) and scored the department at Level 4. The meaning of level 4 in terms of DPME is that, the "department is fully compliant with legal/regulatory requirements and is doing things smartly"

The Audit and Risk Committee reviewed and recommended the following documents as required by the Risk Management Framework for approval by the Accounting Officer:

- Risk Management Policy
- Risk Management Strategy
- Risk Management Implementation Plan
- Strategic Risk Register
- Operational Risk Registers

Nevertheless, the Committee still considers the Risk Management Function to be under-resourced in order to function optimally to maximise its coverage of the risk exposures facing the Department, given its current human resources and budget allocation. Efforts to supplement the capacity of the Risk Management Function have been noted by the Committee, and will continue to be monitored.

## The Quality of In-Year monitoring and Quarterly Reports

The Department has reported monthly and quarterly to the National Treasury as required by the PFMA. The Audit and Risk Committee reviewed the quarterly reports prepared and issued by the Accounting Officer of the Department during the year under review, and is satisfied with the content and quality thereof. There has been a notable improvement on the quality of performance information reports and financial statements in the current financial year, mainly due to management's commitment to implementing ARC recommendations.

## Evaluation of Financial Statements and Performance Information

The Audit and Risk Committee has:

- reviewed and discussed the audited financial statement and Performance Information to be included in the annual report, with the Auditor-General South Africa (AGSA), the Accounting Officer and Management;
- reviewed the AGSA management report and management responses thereto;
- reviewed the department's compliance with legal and regulatory provisions; and
- reviewed the financial statements for any significant adjustments resulting from the audit.

## Auditor-General's Report

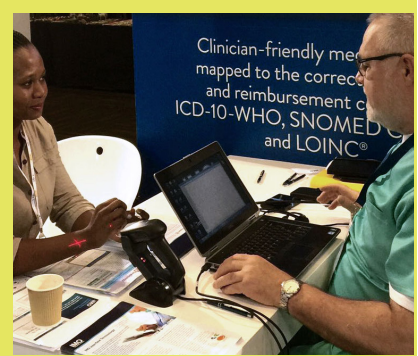
The Audit and Risk Committee has met and discussed the audit outcomes with the AGSA and Management to ensure that there are no unresolved findings. We have also reviewed the department's implementation plan for the audit findings raised in the AGSA management report and continuous oversight will be exercised to ensure that all findings are adequately addressed.

## Conclusion

The Audit and Risk Committee concurs and accepts the conclusion of the AGSA on the annual financial statements and performance information and is of the opinion that the audited annual financial statements be accepted and read in conjunction with the report of the AGSA.



**Ms PMK Mvulane**  
**Chairperson of the Audit and Risk Committee**  
**National Department of Health**  
**Date: 31 July 2018**



# Human Resource Management

## PART C

## Legislation and policies that govern Human Resources Management

POLICY	OBJECTIVE
<b>Basic Condition of Employment Act.</b>	To give effect to the right to fair Labour Practices referred to in Section 23(1) of the constitution by establishing and making provision for the regulation of Basic Condition of Employment Act.
<b>Constitution of the Republic of South Africa</b>	Provides supreme law of the Republic, any law or conduct that is inconsistent with it; is invalid.
<b>Employee Relations Act 66 of 1995</b>	Advances economic development, social justice, labour peace and the democratisation of the workplace by fulfilling the primary objectives of the Act.
<b>Employment Equity Act 55 of 1998</b>	Achieves equity in the workplace by promoting equal opportunity and fair treatment through the elimination of unfair discrimination and implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupational categories and levels in the workplace.
<b>Human Resource Development Strategy for public services Vision 2015</b>	Addresses the major Human Resource capacity constraints currently hampering the effective and equitable delivery of public services.
<b>National Human Resource Development Strategy</b>	Maximises the potential of the people of SA, through the acquisition of knowledge and skills, to work productively and competitively in order to achieve a rising quality of life for all, and to establish an operational plan, together with the necessary institutional arrangements, to achieve this.
<b>Occupational Health and Safety Act 85 of 1993</b>	Provide for occupational health and safety standards that need to be adhered to by the department and the monitoring and evaluation thereof.
<b>Public Finance Management Act,1 of 1999</b>	Provide for the administration of state funds by functionaries, their responsibilities and the incidental matters.
<b>Public Service Regulations, 2016</b>	Provide a new framework for the management of the Public Service; include decentralized decision-making and planning within the boundaries of national strategies, programmes and policies.
<b>Skills Development Act 97 of 1998</b>	Establishes a high –quality skills development system that is cost-effective and accountable, meets skills needs, and promotes employment generated and economic growth.
<b>White Paper on Human Resource Management in the Public Service</b>	Ensures that Human Resource Management in Public Service becomes a model of excellence, in which the management of people is seen as everyone's responsibility and is conducted in a professional manner.
<b>White Paper on Public Service Delivery- Batho Pele</b>	Establishes a framework of values, norms and standards to improve public service delivery.
<b>White Paper on Transformation of the Public Services</b>	Provide for a strategic framework for public services transformation to support the service delivery objective of government.

### 4.1 Introduction

The Human Resources Management and Development (HRM&D) component has continued to provide strategic and improved HR value chain services of high quality to clients. For the financial year under review, the Chief Directorate: HRM&D provided strategic and administrative support to line functionaries in implementing HR practices required to attract, develop, reward and manage employees towards attainment of Departmental Annual Performance Plan (APP) deliverables.

#### 4.1.1 Human Resources Charter

The HR Services Charter was monitored on a continuous basis to ensure that services provided are in line with the set standards and meet the expectations of clients. The National Treasury's cost containment measures resulted in a need for adjustment of APP targets as well as a review of service standards. Clients were timeously alerted of these changes as per the redress provision in the Human Resource Charter.

#### 4.1.2 Organisational Development

The organisational structure continued to support the Strategic Plan and objectives of the Department. The structure and post establishment were aligned, while post establishment was implemented on the PERSAL system.

#### 4.1.3 Recruitment

Recruitment, selection and appointment functions were effectively managed and implemented to ensure achievement of the strategic and service delivery objectives of Department.

#### 4.1.4 Performance Management

The Department has continued to institutionalise performance culture, while enhancing alignment between individual and organisational performance. For the financial year under review, the Department implemented employee development interventions and performance incentives in a consultative manner to enhance employee morale and maintain harmonious labour relations.

#### 4.1.5 Employee Wellness

The Department implemented wellness services and productivity-enhancement programmes. These programmes included but were not limited to periodic health screening of employees, counselling and support services, health and wellness programmes, as well as sport and recreation activities.

#### 4.1.6 Labour Relations

The Department enhanced Union engagement and collective bargaining processes on matters of mutual interests. Grievances, disputes and disciplinary matters were managed effectively during the financial year under review.

#### 4.1.7 HR Challenges

The main HR challenges encountered during the financial

year under review were partial compliance with the legislative framework, and isolated cases of misconduct and incapacity. This was confirmed by the Monitoring Performance Assessment Tool (MPAT) results for 2017, which showed that compliance with the Performance Management Development System (PMDS), management of disciplinary cases, and compliance with the legislative framework and timelines were rated as partially effective. The relevant units are implementing interventions to enhance compliance.

### 4.2 Human resource oversight statistics

#### 4.2.1 Personnel-related expenditure

**Table 4.2.1.1: Personnel expenditure by programme for the period 1 April 2017 and 31 March 2018**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Personnel expenditure as a % of total expenditure <sup>1</sup>	No. of employees <sup>3</sup>	Average personnel cost per employee (R) <sup>2</sup>
Administration	478 160	196 141	1 213	41.0%	419	468.12
NHI, Health PLN & System Enable	841 540	106 023	691	12.6%	157	675.31
HIV&AIDS, TB & Child Health	18 279 941	76 350	936	0.4%	115	663.91
Primary Health Care Services	253 771	189 894	1 215	74.8%	401	473.55
Hospital, Tertiary Ser & HR Development	20 828 771	123 303	1 211	0.6%	259	476.07
Health Regulation & Compliance Management NG	1 742 508	164 552	914	9.4%	346	475.58
Z=Total as on Financial Systems (BAS)	<b>42 424 691</b>	<b>856 263</b>	<b>6 180</b>	<b>2.0%</b>	<b>1697</b>	<b>504.57</b>

\* Includes Minister and Deputy Minister and are accounted for on level 16 (I can't see this point on the table)

<sup>1</sup>: Compensation of employees expenditure divided by total voted expenditure multiplied by 100

<sup>2</sup>: Compensation of employees expenditure divided by number of employees per programme

<sup>3</sup>: Total number of permanent employees plus additional positions on the establishment.

**Table 4.2.1.2 Personnel costs by salary band for the period 1 April 2017 and 31 March 2018**

Salary Bands	Personnel expenditure (R'000)	% of Total personnel cost <sup>1</sup>	Number of employees <sup>3</sup>	Average compensation cost per employee (R) <sup>2</sup>
Unskilled and defined decision	0	0.0%	0	0
Semi-skilled and discretionary decision making	94207	11.0%	411	229
Skilled technical and academically qualified workers, junior management, supervisors, foreman	262160	30.6%	680	386
Professionally qualified and experienced specialists and mid-management	366053	42.8%	494	741
Senior Management	112085	13.1%	98	1144
Top Management	21758	2.5%	14	1554
<b>TOTAL</b>	<b>856263</b>	<b>100.0%</b>	<b>1697</b>	<b>505</b>

\* Includes Minister and Deputy Minister and are accounted for on level 16

<sup>1</sup>: Compensation of employees divided by total Personnel cost for Department multiplied by 100

<sup>2</sup>: Compensation of employees per salary band divided by number of employees per salary band (in hundreds)

<sup>3</sup>: Total number of permanent employees plus additional positions on the establishment

**Table 4.2.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2017 and 31 March 2018**

Programme	Salaries		Overtime		HOA		Medical		Total personnel cost per programme (R'000)
	Amount (R'000)	Salaries as % of personnel cost <sup>1</sup>	Amount (R'000)	Overtime as % of personnel Cost <sup>2</sup>	Amount (R'000)	HOA as % of personnel Cost <sup>3</sup>	Amount (R'000)	Medical subsidy as % of personnel Cost <sup>4</sup>	
Administration	130 835	66.7%	3 916	2.0%	5 814	3.0%	8 871	4.5%	196 141
NHI, Health Planning & System Enable	66 486	62.7%	310	0.29%	2 052	1.9%	3 190	2.9%	106 023
HIV&AIDS, TB & Child Health	54 469	71.3%	27	0.035%	1 639	2.1%	2 294	3.0%	76 350
Primary Health Care Services	130 424	68.7%	7 025	4%	5 333	3.0%	8 795	4.6%	189 894
Hospital, Tertiary Services & HR Development	86 148	69.9%	3 958	3.2%	3 513	2.8%	5 001	4.1%	123 303
Health Regulation & Compliance Management	112 356	68.3%	1 687	1.0%	4 184	2.5%	5 578	3.4%	164 552
<b>Total</b>	<b>580 718</b>	<b>67.8%</b>	<b>16 923</b>	<b>2.0%</b>	<b>22 535</b>	<b>2.6%</b>	<b>33 729</b>	<b>3.9%</b>	<b>856 263</b>

<sup>1</sup> Salaries divided by total personnel cost per programme

<sup>2</sup> Overtime divided by total personnel cost per programme

<sup>3</sup> Home Owner's allowance divided by total personnel cost per programme

<sup>4</sup> Medical Subsidy divided by total personnel cost per programme

**Table 4.2.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2017 and 31 March 2018**

Salary bands	Salary		Overtime		HOA		Medical Subsidy		Total personnel cost per salary band (R'000)
	Amount (R'000)	Salaries as % of personnel cost <sup>1</sup>	Amount (R'000)	Overtime as % of personnel Cost <sup>2</sup>	Amount (R'000)	HOA as % of personnel Cost <sup>3</sup>	Amount (R'000)	Medical subsidy as % of personnel Cost <sup>4</sup>	
Unskilled and defined decision making	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Semi-skilled and discretionary decision making	58878	62.5%	4940	5.2%	5888	6.3%	9182	9.7%	94207
Skilled technical and academically qualified workers, junior management, supervisors, foreman	183156	69.9%	9454	3.6%	9333	3.6%	14429	5.5%	262160
Professionally qualified and experienced specialists and mid-management	253936	69.4%	2529	0.7%	5597	1.5%	8686	2.4%	366053
Senior Management	71454	63.7%	0	0.0%	1653	1.5%	1122	1.0%	112085
Top Management	13294	61.1%	0	0.0%	64	0.3%	310	0.8%	21758
<b>TOTAL</b>	<b>580718</b>	<b>67.8%</b>	<b>16923</b>	<b>2.0%</b>	<b>22535</b>	<b>2.6%</b>	<b>33729</b>	<b>3.9%</b>	<b>856263</b>

<sup>1</sup> Salaries divided by total Compensation of employees' expenditure in table 4.2.1.1 multiplied by 100

<sup>2</sup> Overtime divided by total Compensation of employees' expenditure in table 4.2.1.1 multiplied by 100

<sup>3</sup> Home Owner's allowance divided by total Compensation of employees' expenditure in table 4.2.1.1 multiplied by 100

<sup>4</sup> Medical Subsidy divided by total Compensation of employees' expenditure in table 4.2.1.1 multiplied by 100

### 4.3 Employment and Vacancies

**Table 4.3.1 Employment and vacancies by programme as on 31 March 2018**

Programme	Number of Posts on approved establishment	Number of Filled posts	Vacancy rate <sup>1</sup>	Number of posts additional to the establishment
Administration	472	418	11.2%	1
NHI, Health Planning & System Enable	178	151	12.8%	6
HIV&AIDS, TB & Child Health	133	114	13.5%	1
Primary Health Care Services	481	395	16.6%	6
Hospital, Tertiary Services & HR Development	297	259	12.8%	0
Health Regulation & Compliance Management	379	279	8.7%	67
<b>TOTAL</b>	<b>1940</b>	<b>1616</b>	<b>12.5%</b>	<b>81</b>

1: (Number of permanent posts minus number of filled posts) divided by number of permanent posts multiplied by 100

Office note: Post listed includes only Voted Funds

**Table 4.3.2 Employment and vacancies by salary band as on 31 March 2018**

Salary Band	Number of Posts on approved establishment	Number of posts filled	Vacancy rate <sup>1</sup>	Number of employees additional to the establishment
Unskilled and defined decision making	0	0	0.0%	0
Semi-skilled and discretionary decision making	460	388	10.6%	23
Skilled technical and academically qualified workers, junior management, supervisors, foreman	779	674	12.7%	6
Professionally qualified and experienced specialists and mid-management	565	448	12.6%	46
Senior Management	121	95	19.0%	3
Top Management	15	11	6.7%	3
<b>TOTAL</b>	<b>1940</b>	<b>1616</b>	<b>12.5%</b>	<b>81</b>

<sup>1</sup>(Number of approved posts minus number of filled posts) divided by number of permanent posts multiplied by 100. Office note: Post listed includes only Voted Funds

**Table 4.3.3 Employment and vacancies by critical occupation as on 31 March 2018**

Critical Occupations	Number of Posts on the approved establishment	Number of posts filled	Vacancy rate <sup>1</sup>	Number of Employees additional to the establishment
Administrative related,	50	43	12.0%	1
Artisan project and related superintendents,	1	1	0.0%	0
Auxiliary and related workers,	62	60	3.2%	0
Biochemistry pharmacology. zoology & life science technician,	277	226	10.5%	22
Cleaners in offices workshops hospitals etc.,	75	56	22.7%	2
Client inform clerks(switchboard receptionist information clerks),	4	4	0.0%	0
Communication and information related,	16	12	18.8%	1
Computer programmers.,	1	1	0.0%	0
Computer system designers and analysts.,	0	0	0.0%	0
Custodian personnel,	0	0	0.0%	0
Dental practitioners,	0	0	0.0%	0
Dental Specialist	1	1	0.0%	0
Dental Therapy,	1	0	100.0%	0
Dieticians and nutritionists,	9	8	11.1%	0
Emergency Services Related,	3	3	0.0%	0
Engineering sciences related,	2	2	0.0%	0
Engineers and related professionals,	2	2	0.0%	0
Environmental health,	275	228	16.7%	1
Finance and economics related,	2	2	0.0%	0
Financial and related professionals,	43	38	9.3%	1
Financial clerks and credit controllers,	28	24	3.6%	3
General legal administration & rel. professionals,	1	1	0.0%	0
Head of department/chief executive officer,	1	1	0.0%	0
Health sciences related,	122	101	15.6%	2
Human resources & organisational development & related professional,	51	49	3.9%	0
Human Resources Clerks	0	0	0.0%	0
Human resources related,	6	3	50.0%	0
Information technology related,	24	22	8.3%	0
Legal related,	3	1	66.7%	0
Librarians and related professionals,	0	0	0.0%	0
Library mail and related clerks,	33	28	9.1%	2
Light vehicle drivers,	3	3	0.0%	0
Logistical support personnel,	68	60	11.8%	0
Material-recording and transport clerks,	0	0	0.0%	0
Medical practitioners,	5	3	40.0%	0
Medical specialists,	3	1	0.0%	2
Medical technicians/technologists,	2	2	0.0%	0
Messengers porters and deliverers,	20	20	0.0%	0
Natural sciences related,	0	0	0.0%	0
Other administrative & related clerks and organisers,	234	195	9.8%	16
Other administrative policy and related officers,	108	98	8.3%	1
Other information technology personnel.,	6	3	16.7%	2
Other occupations,	2	2	0.0%	0
Pharmacists,	34	13	5.9%	19
Pharmacologist Pathologists & related Professionals	0	0	0.0%	0
Physicist	0	0	0.0%	0
Professional nurse,	15	12	20.0%	0
Radiography,	2	1	50.0%	0
Secretaries & other keyboard operating clerks,	119	98	16.8%	1
Security officers,	90	81	10.0%	0
Senior managers,	133	103	18.0%	6

Critical Occupations	Number of Posts on the approved establishment	Number of posts filled	Vacancy rate <sup>1</sup>	Number of Employees additional to the establishment
Social Science Related	0	0	0.0%	0
Social work and related professionals,	3	3	0.0%	0
Staff nurses and pupil nurses,	1	1	0.0%	0
Statisticians and related professionals,	0	0	0.0%	0
<b>TOTAL</b>	<b>1940</b>	<b>1616</b>	<b>12.5%</b>	<b>81</b>

<sup>1</sup>(Number of approved posts minus number of filled posts) divided by number of approved posts multiplied by 100. Office note: Post listed includes only Voted Funds

#### 4.4 Filling of SMS Posts

**Table 4.4.1 SMS post information as on 31 March 2018**

SMS Level	Total number of funded SMS posts	Total number of SMS members filled	% of SMS posts filled <sup>1</sup>	Total number of SMS posts vacant	% of SMS posts vacant <sup>2</sup>
Director-General / Head of Department	1	1	100%	0	0%
Salary Level 16, but not HOD	3	3	100%	0	0%
Salary Level 15	11	10	91%	1	9%
Salary Level 14	34	23	68%	11	32%
Salary Level 13	87	75	86%	12	16%
<b>Total</b>	<b>136</b>	<b>112</b>	<b>82%</b>	<b>24</b>	<b>18%</b>

<sup>1</sup>Total number of SMS Posts Filled per level divided by Total number of funded SMS posts per level multiplied by 100

<sup>2</sup>Total number of SMS posts vacant per level divided by Total Number of Funded SMS Posts per level multiplied by 100

**Table 4.4.2 SMS post information as on 30 September 2017**

SMS Level	Total number of funded SMS posts	Total number of SMS members filled	% of SMS posts filled <sup>1</sup>	Total number of SMS posts vacant	% of SMS posts vacant <sup>2</sup>
Director-General / Head of Department	1	1	100%	0	0
Salary Level 16, but not HOD	3	3	100%	0	0
Salary Level 15	11	10	91%	1	9.1%
Salary Level 14	34	24	71%	10	29.4%
Salary Level 13	87	79	91%	8	9.2%
<b>Total</b>	<b>136</b>	<b>117</b>	<b>86%</b>	<b>19</b>	<b>47.3%</b>

<sup>1</sup>Total number of SMS Posts Filled per level divided by Total number of funded SMS posts per level multiplied by 100

<sup>2</sup>Total number of SMS posts vacant per level divided by Total Number of Funded SMS Posts per level multiplied by 100

**Table 4.4.3 Advertising and filling of SMS posts for the period 1 April 2017 and 31 March 2018**

SMS Level	Nr of vacancies advertised in 6 months of becoming vacant	Nr of vacancies per level filled in 6 months after becoming vacant	Nr of vacancies per level filled within 12 months after becoming vacant
Director –General/Head of Department	0	0	0
Salary Level 16 but not HOD	0	0	0
Salary Level 15	0	0	0
Salary Level 14	2	1	0
Salary Level 13	0	0	0
<b>Total</b>	<b>2</b>	<b>1</b>	<b>0</b>

**Table 4.4.4 Reasons for not having complied with the filling of funded vacant SMS post-Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2017 to March 2018**

##### Reasons for vacancies not advertised within six and twelve months

Reprioritisation process due to fiscal constraints. The department is going through a restructuring process where all vacancies are being rationalised and prioritised, as such what might appear as a vacancy on the establishment is not a true reflection of reality. Once the process of consultation and concurrence with MPSA on the proposed new structure has been concluded, a more valid establishment would be yielded from that process. It is envisaged that this process would be concluded before the end of the 2018/19 financial year.

**Table 4.4.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2017 and 31 March 2018**

##### Disciplinary Steps Taken

None

## 4.5 Job Evaluation

**Table 4.5.1 Job Evaluation by Salary band for the period 1 April 2017 and 31 March 2018**

Salary Band	Number of posts on approved establishment	Number of posts evaluated	% of Posts evaluated per salary band <sup>1</sup>	Posts Upgraded		Posts Downgraded	
				Number	% of posts evaluated <sup>2</sup>	Number	% of posts evaluated <sup>3</sup>
Unskilled and defined decision making	0	0	0%	0	0	0	0
Semi-skilled and discretionary decision making	460	13	2.8%	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foreman	779	13	1.7%	0	0	0	0
Professionally qualified and experienced specialists and mid-management	565	9	1.6%	0	0	0	0
Senior Management Service Band A (13)	87	1	1.1%	0	0	0	0
Senior Management Service Band B (14)	34	2	5.9%	0	0	0	0
Senior Management Service Band C (15)	11	0	0%	0	0	0	0
Senior Management Service Band D (16)	4	0	0%	0	0	0	0
<b>TOTAL</b>	<b>1940</b>	<b>38</b>	<b>2.0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> Number of posts Evaluated divided by Total Number of Post multiplied by 100

<sup>2</sup> Number of posts Upgraded divided by Total Number of Post multiplied by 100

<sup>3</sup> Number of posts Downgraded divided by Total Number of Post multiplied by 100

**Table 4.5.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 and 31 March 2018**

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability	0	0	0	0	0

**Table 4.5.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2017 and 31 March 2018**

Total number of employees whose salaries exceeded the level determined by job evaluation	
Total number of employees whose salaries exceeded the level determined by job evaluation	0

**Table 4.5.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2017 and 31 March 2018**

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability	0	0	0	0	0



## 4.6 Employment Changes

**Table 4.6.1 Annual turnover rates by salary band for the period 1 April 2017 and 31 March 2018**

Salary Band	Number of employees at beginning of period 1 April 2017	Appointments and transfers into the department <sup>1</sup>	Terminations and transfers out of the department <sup>2</sup>	Turnover Rate <sup>3</sup>
Unskilled and defined decision making	0	0	0	0%
Semi-skilled and discretionary decision making	416	14	20	4.7%
Skilled technical and academically qualified workers, junior management, supervisors, foreman	747	10	62	8.2%
Professionally qualified and experienced specialists and mid-management	548	30	54	9.3%
Senior Management	114	0	8	7%
Top Management	12	0	5	41.7%
<b>TOTAL</b>	<b>1837</b>	<b>54</b>	<b>149</b>	<b>7.9%</b>

<sup>1</sup>Appointments include transfers into the Department

<sup>2</sup>Terminations include transfers out of the Department

<sup>3</sup>Terminations divided by (employment at beginning of period plus Appointments) multiplied by 100

Office Note: of the 149 employees, 31 Community Services employees from Port Health were terminated at the end of the community service period

**Table 4.6.2 Annual turnover rates by critical occupation for the period 1 April 2017 and 31 March 2018**

Critical Occupations	Number of employees at the beginning of period 1 April 2017	Appointments and transfers into the department <sup>1</sup>	Terminations and transfers out of the department <sup>2</sup>	Turnover Rate <sup>3</sup>
Administrative related	46	1	0	0%
Ambulance and related workers	0	0	0	0%
Artisan project and related superintendents	1	0	0	0%
Auxiliary and related workers	61	0	1	2%
Biochemistry pharmacology zoology & life sciences. Technician	254	9	16	6%
Cleaners in offices workshops hospitals etc.	66	2	10	15%
Client inform clerks (switchboard reception information clerks)	4	0	0	0%
Communication and information related	15	0	3	20%
Computer programmers.	1	0	0	0%
Computer system designers and analysts.	1	0	0	0%
Custodian personnel	0	0	0	0%
Dental Specialists	1	0	0	0%
Dental Therapy	1	0	1	100%
Dieticians and nutritionists	8	0	0	0%
Electrical and Electronics Engineering Technicians	0	0	0	0%
Emergency Services Related,	3	0	0	0%
Engineering sciences related	2	0	0	0%
Engineers and related professionals	1	0	0	0%
Environmental health	244	1	16	7%
Finance and economics related	2	0	0	0%
Financial and related professionals	42	0	4	10%
Financial clerks and credit controllers	26	1	0	0%
Food services aids and waiters	0	0	0	0%
General legal administration & rel. professionals	2	1	1	33%
Head of department/chief executive officer	1	0	0	0%
Health sciences related	133	2	29	21%
Human resources & organisational development & related professionals	51	0	2	4%
Human resources clerks	0	0	0	0%
Human resources related	4	0	1	25%
Information technology related	23	0	1	4%
Language practitioners interpreters & other communications	0	0	0	0%
Legal related	3	0	1	33%
Librarians and related professionals	0	0	0	0%

Critical Occupations	Number of employees at the beginning of period 1 April 2017	Appointments and transfers into the department <sup>1</sup>	Terminations and transfers out of the department <sup>2</sup>	Turnover Rate <sup>3</sup>
Library mail and related clerks	33	0	2	6%
Light vehicle drivers	3	0	0	0%
Logistical support personnel	64	2	7	11%
Material-recording and transport clerks	0	0	0	0%
Medical practitioners	43	0	1	2%
Medical research and related professionals	0	0	0	0%
Medical specialists	1	2	0	0%
Medical technicians/technologists	2	0	0	0%
Messengers porters and deliverers	20	0	0	0%
Natural sciences related	0	0	0	0%
Other administrative & related clerks and organisers	213	11	11	5%
Other administrative policy and related officers	107	2	11	10%
Other information technology personnel.	5	0	0	0%
Other occupations	2	0	0	0%
Pharmacists	22	17	6	15%
Pharmacologists pathologists & related professional	0	0	0	0%
Physicists	0	0	0	0%
Professional nurse	13	2	2	13%
Radiography	2	0	0	0%
Secretaries & other keyboard operating clerks	104	1	8	8%
Security guards	0	0	0	0%
Security officers	85	0	2	2%
Senior managers	119	0	13	11%
Social Work and related professionals	3	0	0	0%
Staff nurses and pupil nurses	1	0	0	0%
Statisticians and related professionals	0	0	0	0%
<b>TOTAL</b>	<b>1837</b>	<b>54</b>	<b>149</b>	<b>8%</b>

<sup>1</sup> Appointments include transfers into the Department

<sup>2</sup> Terminations include transfers out of the Department

<sup>3</sup> Terminations divided by (employment at beginning of period plus Appointments) multiplied by 100

**Table 4.6.3 Reasons why staff left the department for the period 1 April 2017 and 31 March 2018**

Termination Type	Number of employees terminated	% of Total terminations <sup>1</sup>
Death,	8	5.4
Resignation,	43	28.9
Expiry of contract,	13	8.7
Dismissal - operation changes	0	0
Dismissal - misconduct	2	1.3
Dismissal - inefficiency	0	0
Discharged due to ill health	1	0.7
Retirement,	28	18.8
Transferred Out of the Dept	54	36.2
Other,	0	0
<b>TOTAL</b>	<b>149</b>	<b>100</b>
<b>Total number of employees who left as a % of total employment<sup>2</sup></b>	<b>7.7</b>	

<sup>1</sup> Number of employees terminated divide by Total Termination multiplied by 100

<sup>2</sup> Number of employees terminated divided by Total Employment at start of period of 1 April multiplied by 100

**Table 4.6.4 Promotions by critical occupation for the period 1 April 2017 and 31 March 2018**

Occupation	Employees 1 April 2017	Promotions to another salary level	Salary level promotions as a % of employment <sup>1</sup>	Progressions to another notch within salary level	Notch progressions as a % of employment <sup>2</sup>
Administrative related	46	0	0%	41	89.1%
Ambulance and related workers	0	0	0%	0	0%
Artisan project and related superintendents	1	0	0%	1	100.0%
Auxiliary and related workers	61	0	0%	55	90.2%
Biochemistry pharmacology. Zoology & life sciences. Technicians	254	2	1.6%	187	73.6%
Chemists	0	0	0%	0	0%
Cleaners in offices workshops hospitals etc.	66	0	0%	52	78.8%
Client inform clerks (switchboard reception information clerks)	4	0	0%	4	100.0%
Communication and information related	15	0	0%	14	93.3%
Computer programmers.	1	0	0%	1	100.0%
Computer system designers and analysts.	0	0	0%	0	0%
Custodian personnel	0	0	0%	0	0%
Dental Specialists	1	0	0%	1	100.0%
Dental Therapy	1	0	0%	1	100.0%
Dieticians and nutritionists	8	0	0%	5	62.5%
Diplomats	0	0	0%	0	0%
Emergency Services Related	3	0	0%	2	66.7%
Engineering sciences related	2	0	0%	2	100.0%
Engineers and related professionals	1	0	0%	1	100.0%
Environmental health	244	0	0%	196	80.3%
Finance and economics related	2	0	0%	2	100.0%
Financial and related professionals	42	0	0%	1	2.4%
Financial clerks and credit controllers	26	0	0%	19	73.1%
Food services aids and waiters	0	0	0%	0	0%
General legal administration & rel. professionals	2	0	0%	0	0.0%
Head of department/chief executive officer	1	0	0%	0	0.0%
Health sciences related	133	0	0%	107	80.5%
Human resources & organisational development & related professionals	51	0	0%	48	94.1%
Human resources clerks	0	0	0%	1	
Human resources related	4	0	0%	4	100.0%
Information technology related	23	0	0%	20	87.0%
Language practitioners interpreters & other communicators	0	0	0%	0	0%
Legal related	3	0	0%	0	0%
Librarians and related professionals	0	0	0%	0	0%
Library mail and related clerks	33	0	0%	29	87.9%
Light vehicle drivers	3	0	0%	3	100.0%
Logistical support personnel	64	1	0%	61	95.3%
Material-recording and transport clerks	0	0	0%	0	0%
Medical practitioners	43	0	0%	0	0%
Medical research and related professionals	0	0	0%	0	0%
Medical specialists	1	0	0%	0	0%
Medical technicians/technologists	2	0	0%	2	100.0%
Messengers porters and deliverers	20	0	0%	18	90.0%
Natural sciences related	0	0	0%	0	0%
Other administrative & related clerks and organisers	213	1	0.4%	182	85.4%
Other administrative policy and related officers	107	1	1%	92	86.0%
Other information technology personnel.	5	0	0%	3	60.0%
Other occupations	2	0	0%		0%

Occupation	Employees 1 April 2017	Promotions to another salary level	Salary level promotions as a % of employment <sup>1</sup>	Progressions to another notch within salary level	Notch progressions as a % of employment <sup>2</sup>
Pharmacists	22	0	0%	7	31.8%
Pharmacologists pathologists & related professional	0	0	0%	0	0%
Physicists	0	0	0%	0	0%
Professional nurse	13	0	0%	8	61.5%
Radiography	2	0	0%	1	50.0%
Secretaries & other keyboard operating clerks	104	0	0%	73	70.2%
Security guards	0	0	0%	0	0%
Security officers	85	0	0%	77	90.6%
Senior managers	119	0	0%	86	72.3%
Social Work and related professionals	3	0	0%	3	100.0%
Staff nurses and pupil nurses	1	0	0%	1	100.0%
Statisticians and related professionals	0	0	0%	0	0%
<b>TOTAL</b>	<b>1837</b>	<b>5</b>	<b>0.4%</b>	<b>1325</b>	<b>76.8%</b>

<sup>1</sup> Promotions to another Salary Level divided by Employment at beginning of period multiplied with 100

<sup>2</sup> Progressions to another Notch within Salary Level divided by Employment at the beginning of the period multiplied by 100

**Table 4.6.5 Promotions by salary band for the period 1 April 2017 to 31 March 2018**

Salary Band	Employees 1 April 2017	Promotions to another salary level	Salary Level promotions as a % of employment <sup>1</sup>	Progressions to another notch within Salary Level	Notch progressions as a % of employment <sup>2</sup>
Unskilled and defined decision making,	0	0	0%	0	0%
Semi-skilled and discretionary decision making,	416	1	0.2%	357	85.8%
Skilled technical and academically qualified workers, junior management, supervisors, foreman	747	2	0.3%	614	82.2%
Professionally qualified and experienced specialists and mid-management,	548	2	0.4%	398	73%
Senior Management	114	0	0%	79	69.3%
Top Management,	12	0	0%	7	58.3%

<sup>1</sup> Promotions to another Salary Level divided by Employment at beginning of period multiplied with 100

<sup>2</sup> Progressions to another Notch within Salary Level divided by Employment at the beginning of the period multiplied by 100

## 4.7 Employment equity

**Table 4.7.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2018**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	38	2	3	6	30	5	3	2	89
Professionals	104	1	3	8	138	4	7	23	288
Technicians and associate professionals	242	12	8	19	425	16	16	33	771
Clerks	102	2	2	3	219	16	7	35	386
Service and sales workers	51	0	2	0	27	0	1	0	81
Skilled agriculture and fishery worker	0	0	0	0	0	0	0	0	0
Craft and related trades workers	1	0	0	0	0	0	0	0	1
Plant and machine operators and assemblers	1	0	0	1	1	0	0	0	3
Elementary occupations	31	1	0	0	45	1	0	0	78
<b>TOTAL</b>	<b>570</b>	<b>18</b>	<b>18</b>	<b>37</b>	<b>885</b>	<b>42</b>	<b>34</b>	<b>93</b>	<b>1697</b>
<b>Employees with disabilities</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>9</b>

**Table 4.7.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2018**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	3	1	4	2	1	0	14
Senior Management	40	2	3	8	32	5	3	5	98
Professionally qualified and experienced specialists and mid-management	159	11	7	20	232	7	22	36	494
Skilled technical and academically qualified workers, junior management, supervisors, foreman	193	3	4	6	403	18	7	46	680
Semi-skilled and discretionary decision making,	175	2	1	2	214	10	1	6	411
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>570</b>	<b>18</b>	<b>18</b>	<b>37</b>	<b>885</b>	<b>42</b>	<b>34</b>	<b>93</b>	<b>1697</b>

**Table 4.7.3 Recruitment for the period 1 April 2017 and 31 March 2018**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	8	0	1	1	14	1	5	0	30
Skilled technical and academically qualified workers, junior management, supervisors, foreman	3	0	0	0	7	0	0	0	10
Semi-skilled and discretionary decision making,	7	0	0	0	7	0	0	0	14
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>18</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>28</b>	<b>1</b>	<b>5</b>	<b>0</b>	<b>54</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 4.7.4 Promotions for the period 1 April 2017 and 31 March 2018**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	1	0	0	1	2
Skilled technical and academically qualified workers, junior management, supervisors, foreman	2	0	0	0	0	0	0	0	2
Semi-skilled and discretionary decision making	1	0	0	0	0	0	0	0	1
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>5</b>
<b>Employees with disabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 4.7.5 Terminations for the period 1 April 2017 and 31 March 2018**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	3	1	1	3	3	0	1	1	13
Professionally qualified and experienced specialists and mid-management	17	1	2	5	20	2	3	4	54
Skilled technical and academically qualified workers, junior management, supervisors, foreman	17	0	0	0	32	2	0	11	62
Semi-skilled and discretionary decision making	8	1	0	0	10	0	0	1	20
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>45</b>	<b>3</b>	<b>3</b>	<b>8</b>	<b>65</b>	<b>4</b>	<b>4</b>	<b>17</b>	<b>149</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

**Table 4.7.6 Disciplinary action for the period 1 April 2017 to 31 March 2018**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Suspension	1	0	0	0	0	0	0	0	1

**Table 4.7.7 Skills development for the period 1 April 2017 and 31 March 2018**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	32	1	3	3	19	2	6	1	67
Professionals	85	0	2	9	134	4	7	10	251
Technicians and Associate Professionals	145	1	4	7	275	5	5	10	452
Clerks	37	1	1	0	149	4	6	9	207
Service and Sales Workers	12	0	0	0	1	0	2	0	15
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	1	0	0	0	0	0	0	0	1
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0
Elementary Occupations	13	0	0	0	30	0	0	0	43
<b>TOTAL</b>	<b>325</b>	<b>3</b>	<b>10</b>	<b>19</b>	<b>605</b>	<b>15</b>	<b>26</b>	<b>29</b>	<b>1036</b>
Employees with disabilities	2	0	0	0	1	0	0	0	3

#### 4.8 Signing of performance agreements by SMS members

**Table 4.8.1 Signing of Performance Agreements by SMS members as on 31 March 2018**

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements per level	Signed performance agreements as % of total number of SMS members per Level <sup>1</sup>
Director-General / Head of Department	1	1	1	100%
Salary Level 16, but not HOD	3	3 <sup>2</sup>	1	100%
Salary Level 15	11	10	9	90%
Salary Level 14	34	23	23	100%
Salary Level 13	87	75 <sup>3</sup>	74	100%
<b>Total</b>	<b>136</b>	<b>112</b>	<b>108</b>	<b>99%</b>

<sup>1</sup>Total Number of signed Performance Agreements per level divided by Total Number of SMS Members per level multiplied by 100

<sup>2</sup> Total number of SMS members on Salary level 16 but not HoD excludes Deputy Minister and Minister as this are Political Office Bearers

<sup>3</sup> Cuban Coordinator on salary level 13 who is appointed through Bilateral Agreement between SA and Cuba

**Table 4.8.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2018**

Reasons
One member who did not sign PA is a Health Attaché based in Foreign Mission. This member signs his PA with the Ambassador.

**Table 4.8.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2018**

Reasons
The department has sent a non-compliance letter to the member informing him about the consequences for forfeiting performance incentives due to non-compliance.

#### 4.9 Performance Rewards

**Table 4.9.1 Performance Rewards by race, gender and disability for the period 1 April 2017 to 31 March 2018**

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total employment	% of Total employment <sup>1</sup>	Cost (R'000)	Average cost per beneficiary (R) <sup>2</sup>
African, Female	254	885	28.5%	574 188	20 765
African, Male	186	570	32.2%	4 003 575	21 525
Asian, Female	5	34	14.7%	126 383	25 277
Asian, Male	2	18	11.1%	43 692	21 846
Coloured, Female	16	42	39%	366 200	22 888
Coloured, Male	3	18	16.7%	102 157	34 052
<b>Total Blacks, Female</b>	<b>273</b>	<b>961</b>	<b>28.5%</b>	<b>5 766 771</b>	<b>20 968</b>
<b>Total Blacks, Male</b>	<b>188</b>	<b>606</b>	<b>31.1%</b>	<b>4 149 424</b>	<b>21 443</b>
White, Female	43	93	46.7%	1 162 464	27 034
White, Male	7	37	19.4%	173 274	24 753
Employees with a disability	0	9	0%	0	0.00
<b>TOTAL</b>	<b>516</b>	<b>1697</b>	<b>30%</b>	<b>11 251 933</b>	<b>21 806</b>

<sup>1</sup>: Number of beneficiaries divided by Total Employment multiplied by 100

<sup>2</sup>: Cost divided by Number of beneficiaries

**Table 4.9.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2017 to 31 March 2018**

Salary Band	Beneficiary profile			Cost	
	Number of beneficiaries	Total employment	% of Total employment <sup>1</sup>	Cost (R'000)	Average cost per beneficiary (R) <sup>2</sup>
Unskilled and defined decision making	0	0	0	0	0
Semi-skilled and discretionary decision making	1331	411	32%	1 253	9 000
Skilled technical and academically qualified workers, junior management, supervisors, foreman	208	680	31%	3 311	16 000
Professionally qualified and experienced specialists and mid-management	175	494	35%	6 688	38 000
Senior Management	0	98	0%	0	0
Top Management	0	14	0%	0	0
<b>TOTAL</b>	<b>516</b>	<b>1697</b>	<b>30%</b>	<b>11 252</b>	<b>22 000</b>

<sup>1</sup>: Number of beneficiaries divided by Total Employment multiplied by 100

<sup>2</sup>: Cost divided by Number of beneficiaries

**Table 4.9.3 Performance Rewards by critical occupation for the period 1 April 2017 and 31 March 2018**

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Total employment	% of Total employment <sup>1</sup>	Cost (R)	Average cost per beneficiary (R) <sup>2</sup>
Administrative related,	31	44	70%	1 222	39
Artisan project and related superintendents	1	1	100%	10	10
Auxiliary and related workers	8	60	13%	103	13
Biochemistry pharmacology. zoology & life sciences. Technician	66	248	26%	2 204	33
Cleaners in offices workshops hospitals etc.	18	58	29%	132	7
Client inform clerks (switchboard reception information clerks)	3	4	75%	42	14
Communication and information related	10	13	69%	393	39
Computer programmers.	0	0	0%	0	0
Computer system designers and analysts.	0	0	0%	0	0
Custodian personnel	0	0	0%	0	0
Dental practitioners	0	0	0%	0	0
Dental Specialist	0	1	0%	0	0
Dental Therapy,	0	0	0%	0	0
Dieticians and nutritionists	2	8	25%	87	44
Emergency Services Related,	0	3	0%	0	0
Engineering sciences related	0	2	0%	0	0
Engineers and related professionals	0	2	0%	0	0
Environmental health	3	229	1%	85	28
Finance and economics related	2	2	100%	84	42
Financial and related professionals	20	39	51%	578	29
Financial clerks and credit controllers	8	27	26%	98	12
Food services aids and waiters	0	0	0%	0	0
General legal administration & rel. professionals	0	1	0%	0	0
Head of department/chief executive officer	0	1	0%	0	0
Health sciences related	26	103	25%	920	35
Human resources & organisation development & related professionals	41	49	84%	1 075	26
Human resources related	4	0	0%	227	57
Information technology related	5	3	167%	79	16
Language practitioners interpreters & other communication	0	22	0%	0	0
Legal related	0	1	0%	0	0
Librarians and related professionals	0	0	0%	0	0
Library mail and related clerks	12	30	40%	146	12
Light vehicle drivers	0	3	0%	0	0
Logistical support personnel	27	60	45%	329	12
Material-recording and transport clerks	0	0	0%	0	0
Medical practitioners	0	3	0%	0	0
Medical research and related professionals	0	3	0%	0	0
Medical specialists	0	2	0%	0	0
Medical technicians/technologists	1	20	5%	24	23
Messengers porters and deliverers	9	0	0%	66	7
Other administrative & related clerks and organisers	97	211	45%	1 270	13
Other administrative policy and related officers	46	99	46%	940	20
Other information technology personnel.	1	5	20%	24	24
Other occupations	0	2	0%	0	0
Pharmacists	2	32	6%	45	22
Pharmacologists pathologists & related professionals	0	0	0%	0	0
Physicists	0	0	0%	0	0
Professional nurse	0	12	0%	0	0
Radiography	1	1	100%	25	24
Secretaries & other keyboard operating clerks	40	99	40%	548	14



Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Total employment	% of Total employment <sup>1</sup>	Cost (R)	Average cost per beneficiary (R) <sup>2</sup>
Security guards	0	81	0%	0	0
Security officers	28	109	26%	349	12
Senior managers	0	0	0%	0	0
Social work and related professionals	3	3	100%	131	43
Staff nurses and pupil nurses	1	1	100%	16	16
Statisticians and related professionals	0	0	0%	0	0
<b>TOTAL</b>	<b>510</b>	<b>1697</b>	<b>30%</b>	<b>11 045</b>	<b>22</b>

<sup>1</sup>Number of beneficiaries divided by Total Employment multiplied by 100

<sup>2</sup> Number of beneficiaries divided by cost

**Table 4.9.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2017 and 31 March 2018**

Salary Band	Beneficiary Profile			Cost	
	Number of beneficiaries	Total employment	% of total employment <sup>1</sup>	Cost (R)	Average cost per beneficiary (R) <sup>2</sup>
Band A (13)	0	87	0	0	0
Band B (14)	0	34	0	0	0
Band C (15)	0	11	0	0	0
Band D (16)	0	4	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>136</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> Number of beneficiaries divided by Total Employment multiplied by 100

<sup>2</sup> Cost divided by Number of beneficiaries

## 4.10 Foreign workers

### 4.10.1 Foreign workers by salary band for the period 1 April 2017 and 31 March 2018

Salary Band	01 April 2017		31 March 2018		Change	
	Employment at beginning Period	% of Total <sup>1</sup>	Employment at end of period	% of Total <sup>2</sup>	Change in employment	% of Total <sup>3</sup>
Lower Skilled	0	0%	0	0	0	0%
Highly Skilled production (Level 6-8)	0	0%	0	0	0	0%
Highly skilled supervision (Levels 9-12)	3	5.6%	3	50%	0	0%
Highly skilled supervision contract (Levels 9-12)	48	88.9%	0	0	48	0%
SMS (Levels 13-16)	1	1.9%	2	0	-1	-16.6%
SMS Contract (Level 13-16)	2	3.7%	1	16.7%	1	16.7%
<b>TOTAL</b>	<b>54</b>	<b>100%</b>	<b>6</b>	<b>100%</b>	<b>48</b>	<b>100%</b>

<sup>1</sup> Employment at beginning period within the salary band divided Total Employment at beginning of period multiplied by 100

<sup>2</sup> Employment at end of period within the salary band divided by Total Employment at end of period multiplied by 100

<sup>3</sup> Change in employment within the salary band divided by Total Change in Employment multiplied by 100

**Table 4.10.2 Foreign Workers by major occupation for the period 1 April 2017 to 31 March 2018**

Salary band	01 April 2017		31 March 2018		Change	
	Employment at the beginning of the period	% of total <sup>1</sup>	Employment at the end of the period	% of total <sup>2</sup>	Change in employment	% Change <sup>3</sup>
Biochemistry pharmacology. zoology & life sciences. Technician	1	12.5%	1	20%	0	0%
Financial and related professionals	1	12.5%	1	20%	0	0%
Health sciences related	3	37.5%	1	20%	-2	66.7%
Senior Managers	3	37.5%	3	40%	0	0%
<b>TOTAL</b>	<b>8</b>	<b>100%</b>	<b>6</b>	<b>100%</b>	<b>-2</b>	<b>100%</b>

<sup>1</sup> Employment at beginning of period divided Total Employment at beginning of period multiplied by 100

<sup>2</sup> Employment at end of period divided by Total Employment at end of period multiplied by 100

<sup>3</sup> Change in employment by Total Change in Employment multiplied by 100

## 4.11. Leave utilisation

Table 4.11.1 Sick leave for the period 1 January 2017 to 31 December 2017

Salary Band	Total days	% Days with medical certification <sup>1</sup>	Number of employees using sick leave	% of Total employees using sick leave <sup>2</sup>	Average days per employee <sup>3</sup>	Estimated cost (R'000)	Total number of days with medical certification
Unskilled and defined decision making	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	3079	55.3%	372	24.1%	8.3	2 279	1702
Skilled technical and academically qualified workers, junior management, supervisors, foreman	5498	50.9%	651	42.2%	8.4	7 549	2797
Professionally qualified and experienced specialists and mid-management	3541	53.1%	437	28.3%	8.1	9 461	1880
Senior Management	400	62.8%	61	4.0%	6.6	1 537	251
Top Management	176	61.9%	22	1.4%	8.0	826	109
<b>TOTAL</b>	<b>12694</b>	<b>53.1%</b>	<b>1543</b>	<b>100.0%</b>	<b>8.2</b>	<b>21 654</b>	<b>6739</b>

1: Total number of days with medical certificate within the salary band divided by Total days multiplied by 100

2: Number of employees using disability within the salary band leave divided by Total number of employees using Disability leave multiplied by 100

3: Total Days divided by Number of employees using Disability leave

This table excludes PILIR applications

Table 4.11.2 Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% Days with medical certification <sup>1</sup>	Number of employees using disability leave	% of Total employees using disability leave <sup>2</sup>	Average days per employee <sup>3</sup>	Estimated cost (R'000)	Total number of employees using disability leave
Unskilled and defined decision making,	0	100.0%	0	0.0%	0.0	0	0
Semi-skilled and discretionary decision making,	304	100.0%	13	31.7%	23.4	210	304
Skilled technical and academically qualified workers, junior management, supervisors, foreman	490	100.0%	14	34.1%	35.0	708	490
Professionally qualified and experienced specialists and mid-management,	252	100.0%	13	31.7%	19.4	721	252
Senior Management	23	100.0%	1	2.4%	23.0	93	23
Top Management,	0	100.0%	0	0.0%	0.0	0	0
<b>TOTAL</b>	<b>1069</b>	<b>100.0%</b>	<b>41</b>	<b>100.0%</b>	<b>26.1</b>	<b>1 731</b>	<b>1069</b>

<sup>1</sup>Total number of days with medical certificate within the salary band divided by Total days multiplied by 100

<sup>2</sup>Number of employees using disability within the salary band leave divided by Total number of employees using Disability leave multiplied by 100

<sup>3</sup>Total Days divided by Number of employees using Disability leave

This table excludes PILIR applications that are still to be considered by the Health Risk Manager

Table 4.11.3 Annual Leave for the period 1 January 2017 to 31 December 2017

Salary Band	Total days taken	Average days per employee <sup>1</sup>	Number of employees who took leave
Unskilled and defined decision making	0	0.0	0
Semi-skilled and discretionary decision making	9370	22.5	417
Skilled technical and academically qualified workers, junior management, supervisors, foreman	16862	23.5	719
Professionally qualified and experienced specialists and mid-management	12800	24.5	523
Senior Management	2133	25.4	84
Top Management	880	23.8	37
<b>TOTAL</b>	<b>42045</b>	<b>23.6</b>	<b>1780</b>

<sup>1</sup>Total Days Taken divided by Number of employees who took leave

**Table 4.11.4 Capped leave for the period 1 January 2017 to 31 December 2017**

Salary Band	Total days of capped leave taken	Number of employees who took capped leave	Average number of days taken per employee <sup>1</sup>	Average capped leave per employee as at 31 Dec 2017 <sup>2</sup>	Total number of capped leave available at 31 Dec 2017	Number of employees as at 31 Dec 2017
Unskilled and defined decision making	0	0	0	0	0.0	0
Semi-skilled and discretionary decision making	1	1	1	31.6	2149.0	68
Skilled technical and academically qualified workers, junior management, supervisors, foreman	24	8	3	24.5	3403.0	139
Professionally qualified and experienced specialists and mid-management	13	5	2.6	36.0	4928.7	137
Senior Management	0	0	0	36.3	1124.0	31
Top Management	0	0	0	51.1	511.0	10
<b>TOTAL</b>	<b>38</b>	<b>14</b>	<b>2.7</b>	<b>31.5</b>	<b>12115.7</b>	<b>385</b>

<sup>1</sup> Total Days of capped leave taken within the salary band divided by Number of employees who took capped leave

<sup>2</sup> Total number of capped leave available at 31 December 2017 divided by the Number of Employees as at 31 December 2017

**Table 4.11.5 Leave payouts for the period 1 April 2017 and 31 March 2018**

Reason	Total amount (R'000)	Number of employees	Average payment per employee (R'000) <sup>*1</sup>
Leave payout for 2017/2018 due to non-utilisation of leave for the previous cycle	96	2	48
Capped leave payouts on termination of service for 2017/2018	2 765	37	75
Current leave payout on termination of service for 2017/2018	454	58	8
<b>TOTAL</b>	<b>3 315</b>	<b>97</b>	<b>34</b>

\*1: Total Amount divided by Number of employees

## 4.12 HIV/AIDS and health promotion programmes

**Table 4.12.1 Steps taken to reduce the risk of occupational exposure**

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

**Table 4.12.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)**

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Adv MT Ngake; Chief Negotiator is the chairperson of the integrated employee health and wellness committee
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		3 Employees are available and the available budget is R940 000.00
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	X		The EAP core service is to identify troubled employees, offer counselling, do referrals and follow-up and look at prevention programmes that will enhance productivity. Health and wellness workshops, seminars and awareness campaigns in line with health calendar.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		The Health and Wellness Unit is reconstituting the committee to be inclusive of all the pillars of the strategic framework.
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		Yes. All departmental policies/ workplace guidelines are developed to ensure that no discrimination exists against employees on the basis of HIV/Aids status, for example Recruitment and Leave policy.

Question	Yes	No	Details, if yes
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Employee policy on HIV&Aids and STI and TB in the workplace has been reviewed and is waiting for management approval. Employees and prospective employees have the right to confidentiality with regard to their HIV/Aids status, if an employee informs an employer of their HIV/Aids status. The Unit works closely with Employment Equity, HIV Care and Support Unit and Employment Relations in stigma mitigation and prevention of cases of discrimination. Breaching of confidentiality and acts of discrimination constitutes misconduct.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		On consultation with the Employee Assistance Programme Officer and the Departmental nurse, employees are counselled and encouraged to subject themselves to voluntary testing. Every year the department organises testing facilities for diseases of lifestyle. Where employees are encouraged to test for diseases such as diabetes, hypertension, HIV etc.
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.	X		Condom distribution and promotion of use of condoms. Male and female condoms are available. More condoms are being distributed as the uptake has increased. Health screening uptake has increased by 10% yearly. The number of employees who attend workshops, awareness campaigns and seminars on health and wellness issues has increased by 5% from last year.

#### 4.13 Labour Relations

**Table 4.13.1 Collective agreements for the period 1 April 2017 and 31 March 2018**

Subject matter	Date
Framework agreement on the payment of rural allowance (resolution 2 of 2017)	01 June 2017
Admission of trade unions to council (resolution 3 of 2017)	21 June 2017
Agreement on the payment of special allowance and danger allowance (Resolution 4 of 2017)	29 June 2017

**Table 4.13.2 Misconduct and disciplinary hearings finalised for the period 1 April 2017 and 31 March 2018**

Outcomes of disciplinary hearings	Number	% of Total	Total
Correctional counselling	0	0%	0
Verbal Warning	0	0%	0
Written Warning	0	0%	0
Final Written Warning	0	0%	0
Suspend without pay	1	50%	1
Fine	0	0%	0
Demotion	0	0%	0
Dismissal	1	50%	1
Not guilty	0	0%	0
Case withdrawn	0	0%	0
<b>Total</b>	<b>2</b>	<b>100%</b>	<b>2</b>

**Table 4.13.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 2018**

Type of misconduct	Number	% of Total	Total
Bribery	1	50%	1
Absenteeism	1	50%	1
<b>Total</b>	<b>2</b>	<b>100%</b>	<b>2</b>

**Table 4.13.4 Grievances lodged for the period 1 April 2017 and 31 March 2018**

Number of grievances addressed	Number	% of Total	Total
Number of grievances resolved	15	25%	15
Number of grievances not resolved	46	75%	46
<b>Total number of grievance lodged</b>	<b>61</b>	<b>100%</b>	<b>61</b>

**Table 4.13.5 Disputes logged with Councils for the period 1 April 2017 and 31 March 2018**

Number of disputes addressed	Number	% of total
Number of disputes upheld	4	57%
Number of disputes dismissed	3	43%
<b>Total number of disputes lodged</b>	<b>7</b>	<b>100%</b>

**Table 4.13.6 Strike actions for the period 1 April 2017 and 31 March 2018**

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

**Table 4.13.7 Precautionary suspensions for the period 1 April 2017 and 31 March 2018**

Precautionary Suspensions	_Total
Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	180
Cost (R'000) of suspensions	18 453.27

#### 4.14 Skills development

**Table 4.14.1 Training needs identified for the period 1 April 2017 and 31 March 2018**

Occupational Categories	Gender	Number of Employees as at 1 April 2017	Internship	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	52	0	48	0	<b>48</b>
	Male	60	0	37	2	<b>39</b>
Professionals	Female	170	0	231	9	<b>240</b>
	Male	112	0	162	3	<b>165</b>
Technicians and associate professionals	Female	486	0	714	17	<b>731</b>
	Male	279	0	363	7	<b>370</b>
Clerks	Female	272	0	328	10	<b>338</b>
	Male	105	0	96	4	<b>100</b>
Service and sales workers	Female	27	0	39	0	<b>39</b>
	Male	52	0	95	2	<b>97</b>
Skilled agriculture and fishery workers	Female	0	0	0	0	<b>0</b>
	Male	0	0	0	0	<b>0</b>
Craft and related trades workers	Female	0	0	0	0	<b>0</b>
	Male	1		2		<b>2</b>
Plant and machine operators and assemblers	Female	1	0	0	0	<b>0</b>
	Male	2	0	2	0	<b>2</b>
Elementary occupations(Labourers and Related Workers)	Female	46	0	56	8	<b>64</b>
	Male	32	0	35	6	<b>41</b>
Gender sub totals	Female	<b>1054</b>	<b>0</b>	<b>1416</b>	<b>44</b>	<b>1460</b>
	Male	<b>643</b>	<b>0</b>	<b>792</b>	<b>24</b>	<b>816</b>
Total		<b>1697</b>	<b>0</b>	<b>2208</b>	<b>68</b>	<b>2276</b>

**Table 4.14.2 Training provided for the period 1 April 2017 and 31 March 2018**

Occupational Categories	Gender	Number of Employees as at 1 April 2017	Internship	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	52	0	26	2	<b>28</b>
	Male	60	0	30	9	<b>39</b>
Professionals	Female	170	25	105	25	<b>155</b>
	Male	112	10	75	11	<b>96</b>
Technicians and associate professionals	Female	486	34	230	32	<b>296</b>
	Male	279	17	122	18	<b>157</b>
Clerks	Female	272	0	143	24	<b>167</b>
	Male	105	0	30	9	<b>39</b>
Service and sales workers	Female	27	0	3	0	<b>3</b>
	Male	52	0	6	6	<b>12</b>
Skilled agriculture and fishery workers	Female	0	0	0	0	<b>0</b>
	Male	0	0	0	0	<b>0</b>
Craft and related trades workers	Female	0	0	0	0	<b>0</b>
	Male	1	0	1	0	<b>1</b>
Plant and machine operators and assemblers	Female	1	0	0	0	<b>0</b>
	Male	2	0	0	0	<b>0</b>
Elementary occupations(Labourers and Related Workers)	Female	46	0	22	8	<b>30</b>
	Male	32	0	7	6	<b>13</b>
Gender sub totals	Female	<b>1054</b>	<b>59</b>	<b>529</b>	<b>87</b>	<b>679</b>
	Male	<b>643</b>	<b>27</b>	<b>271</b>	<b>59</b>	<b>357</b>
Total		<b>1697</b>	<b>86</b>	<b>800</b>	<b>146</b>	<b>1036</b>

**4.15 Injury on duty****Table 4.15.1 Injury on duty for the period 1 April 2017 and 31 March 2018**

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

#### 4.16 Utilisation Consultants

**Table 4.16.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 to 31 March 2018**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
	0	0	0
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
	0	0	0

**Table 4.16.2 Analysis of consultant appointments using appropriated funds, i.t.o. HDIs for the period 1 April 2017 to 31 March 2018**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
	0	0	0

**Table 4.16.3 Report on consultant appointments using Donor funds for the period 1 April 2017 to 31 March 2018**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
	0	0	0
Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
	0	0	0

**Table 4.16.4 Analysis of consultant appointments using Donor funds, i.t.o. HDIs for the period 1 April 2017 to 31 March 2018**

Project Title	% ownership by HDI groups	% management by HDI groups	Number of Consultants from HDI groups that work on the project
No Data	0	0	0

#### 4.17 Severance packages

**Table 4.17.1 Granting of employee initiated severance packages for the period 1 April 2017 and 31 March 2018**

Category	No of applications received	No of applications referred to the MPSA	No of applications supported by MPSA	No of Packages approved by department
Lower Skilled (Salary Level 1-2)	0	0	0	0
Skilled (Salary Level 3-5)	0	0	0	0
Highly Skilled Production (Salary Level 6-8)	0	0	0	0
Highly Skilled Production (Salary Level 9-12)	0	0	0	0
Senior Management (Salary Level 13 and higher)	0	0	0	0
<b>Total</b>	0	0	0	0



# Financial Information

## PART E



## Report of the Auditor-General to Parliament on Vote 16: National Department of Health

### Report on the audit of the financial statements

1. I have audited the financial statements of the national Department of Health set out on pages 107 to 194, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the national Department of Health as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa no 1 of 2017.

### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Emphasis of matters

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

### Material underspending of government grants

7. As disclosed in the appropriation statement note 4.3, the department materially underspent the budget by R 82 193 000 on the National Health Insurance: Health information systems component.

### Restatement of corresponding figures

8. As disclosed in note 32 to the financial statements, the corresponding figures for 31 March 2017 were restated as a result of an error in the financial statements of the entity at, and for the year ended, 31 March 2018.

### Other matters

9. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### Unaudited supplementary schedules

10. The supplementary information set out on pages 195 to 204 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

### Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS, the requirements of the PFMA and 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.
12. In preparing the financial statements, the accounting officer is responsible for assessing the national Department of Health's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

### Auditor-General's responsibilities for the audit of the financial statements

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

### Report on the audit of the annual performance report

#### Introduction and scope

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined

objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

16. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in annual performance report
Programme 2 – National Health Insurance, Health Planning and Systems Enablement	27 – 30
Programme 5 – Hospitals, Tertiary Health Services and Human Resource Development	47 – 53

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

#### **Programme 2 – National Health Insurance, health planning and systems enablement**

20. I did not raise any material findings on the usefulness and reliability of the reported performance information for this programme.

#### **Programme 5: hospitals, tertiary health services and human resource development**

**Indicator: percentage of food tests completed within normative turnaround time (30 days –perishable, and 60 days’ non-perishable)**

21. The achievement for target 100% of food tests completed within normative turnaround time reported in the annual performance report was 20.85%.

However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 21%.

#### **Indicator: percentage backlog eliminated for toxicology tests**

22. The reported achievement of 27.7% backlog eliminated for toxicology tests for target 40% backlog eliminated for toxicology tests, is not reliable as the department did not have an adequate performance management system to maintain records to enable reliable reporting on the achievement of targets. As a result, I was unable to obtain sufficient appropriate audit evidence in some instances; while in other cases, the supporting evidence provided did not agree to the reported achievement. Based on the supporting evidence that was provided, the achievement was 23%, but I was unable to further confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievement.

#### **Indicator: percentage backlog eliminated for blood alcohol tests**

23. The achievement for the target of backlog blood alcohol tests eliminated (100% backlog) in all four laboratories reported in the annual performance report was 78%. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 116%.

#### **Indicator: number of hospitals that achieved an overall performance 75% (or more) compliance with the National Core Standards assessment**

24. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the target of 43 hospitals (8 central, 15 tertiary and 20 regional hospitals). This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of 37 hospitals (8 central, 15 tertiary and 14 regional hospitals) as reported in the annual performance report.

#### **Indicator: number of clinics and community health centres constructed or revitalised**

25. The achievement for the target of 42 clinics and community health centres constructed or revitalised reported in the annual performance report was 27. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 21.

#### **Indicator: number of new facilities that comply with gazette infrastructure norms and standards**

26. I was unable to obtain sufficient appropriate audit

evidence for the reported achievement of the target of specifications of 50 new facilities compliant with infrastructure norms and standards. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of 52 new facilities compliant with infrastructure norms and standards as reported in the annual performance report.

### Other matters

27. I draw attention to the matters below.

### Achievement of planned targets

28. Refer to the annual performance report on pages 27 to 30 and 47 to 53 for information on the achievement of planned targets for the year and explanations provided for the under- or overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 20 to 26 of this report.

### Adjustment of material misstatements

29. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of the Programme 2 - national health insurance, health planning and systems enablement; and Programme 5 - hospitals, tertiary health services and human resource development programmes. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

## Report on the audit of compliance with legislation

### Introduction and scope

30. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
31. The material findings on compliance with specific matters in key legislation are as follows:

### Annual financial statements

32. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA.

33. Material misstatements of immovable assets and commitments identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified audit opinion.

## Other information

34. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.
35. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
36. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
37. I have not yet received the annual report. When I do receive this information, and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to re-issue my auditor's report amended as appropriate.

## Internal control deficiencies

38. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

### Leadership

#### Oversight responsibility

39. The department did not have sufficient monitoring controls to ensure adherence to the internal policies

and procedures at a programme level and for purposes of taking corrective action. Oversight by leadership needs to be improved in the areas where the reporting of performance information is dependent on controls and information originating from information systems.

## Financial and performance management

### Regular, accurate and complete financial and performance reports

40. Significant internal control weaknesses were noted with regard to the accurate and complete recording of immovable assets and commitments. The implementation of adequate controls that will prevent and detect material misstatements remains a challenge for senior management of the department. This resulted in the correction of material misstatements in the financial statements relating to commitments and immovable tangible assets.
41. The audit findings on the annual performance report were caused by significant internal control weaknesses in the infrastructure and pathology unit in relation to controls surrounding proper record keeping and controls over daily and monthly processing and reconciling of transactions.

*Auditor-General*

Pretoria  
31 July 2018



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

### Annexure – Auditor-General’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the entity’s compliance with respect to the selected subject matters.

#### Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether

due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit 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
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
- conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the National Department of Health’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause the entity to cease continuing as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

#### Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Appropriation per programme	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme</b>									
1. Administration	514 838	-	(14 297)	500 541	478 160	22 381	95,5%	448 820	442 877
2. National Health Insurance, Health Planning and Systems Enablement	934 687	-	(9 733)	924 954	841 540	83 414	91,0%	690 593	679 170
3. HIV and AIDS, Tuberculosis and Maternal and Child Health	18 297 778	-	(2 468)	18 295 310	18 279 941	15 369	99,9%	16 006 567	15 965 182
4. Primary Health Care Services	263 899	-	(556)	263 343	253 771	9 572	96,4%	238 055	225 731
5. Hospitals, Tertiary Health Services and Human Resource Development	20 907 784	-	7 016	20 914 800	20 828 771	86 029	99,6%	19 496 416	19 468 716
6. Health Regulation and Compliance Management	1 726 571	-	20 038	1 746 609	1 742 508	4 101	99,8%	1 716 965	1 714 510
<b>Subtotal</b>	<b>42 645 557</b>	<b>-</b>	<b>-</b>	<b>42 645 557</b>	<b>42 424 691</b>	<b>220 866</b>	<b>99,5%</b>	<b>38 597 416</b>	<b>38 496 186</b>
<b>Reconciliation with statement of financial performance</b>									
<b>ADD</b>									
Departmental receipts				76 056				59 233	
Aid assistance				928 153				789 574	
<b>Actual amounts per statement of financial performance (total revenue)</b>				<b>43 649 766</b>				<b>39 446 223</b>	
<b>ADD</b>									
Aid assistance					763 531				764 219
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>43 188 222</b>				<b>39 260 405</b>

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**

Appropriation per economic classification		2017/18						2016/17		
		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
<b>Economic classification</b>										
<b>Current payments</b>										
Compensation of employees	2 590 616	(2 488)	(9 825)	2 578 303	2 481 841	96 462	96,3%	2 441 419	2 234 739	
Salaries and wages	873 358	-	-	873 358	856 263	17 095	98,0%	856 862	837 269	
Social contributions	776 600	(9 609)	(45)	766 946	747 737	19 209	97,5%	752 210	733 742	
Goods and services	96 758	9 609	45	106 412	108 526	(2 114)	102,0%	104 652	103 527	
Administrative fees	1 717 258	(2 488)	(9 825)	1 704 945	1 625 578	79 367	95,3%	1 584 557	1 397 470	
Advertising	825	(67)	(197)	561	213	348	38,0%	692	704	
Minor assets	13 368	(1 796)	2 308	13 880	13 299	581	95,8%	7 853	6 982	
Audit costs: External	105 735	(22 834)	(172)	82 729	11 301	71 428	13,7%	17 898	9 378	
Bursaries: Employees	35 636	(6 938)	(3 140)	25 558	25 549	9	100,0%	24 639	24 458	
Catering: Departmental activities	1 500	-	-	1 500	692	808	46,1%	926	902	
Communication (G&S)	3 903	275	(100)	4 078	2 941	1 137	72,1%	3 142	2 334	
Computer services	17 586	(1 226)	(568)	15 792	13 660	2 132	86,5%	15 631	16 559	
Consultants: Business and advisory services	24 807	31 461	1 313	57 581	45 001	12 580	78,2%	16 536	13 025	
Infrastructure and planning services	244 959	6 179	12 031	263 169	272 817	(9 648)	103,7%	136 809	142 996	
Laboratory services	-	-	-	-	-	-	-	31 000	-	
Legal services	1 665	(1 266)	-	399	73	326	18,3%	4 499	4 499	
Contractors	7 825	615	(1 310)	7 130	6 713	417	94,2%	6 522	6 451	
Agency and support / outsourced services	520 812	4 568	(2 639)	522 741	561 904	(39 163)	107,5%	368 619	363 819	
Entertainment	25 597	10 378	(658)	35 317	34 870	447	98,7%	230 136	135 561	
Fleet services (including government motor transport)	90	(5)	-	85	12	73	14,1%	61	3	
Inventory: Clothing material and accessories	56 800	28 904	(2 361)	83 343	81 908	1 435	98,3%	57 196	54 920	
Inventory: Farming supplies	2 957	(1 757)	-	1 200	802	398	66,8%	1 428	209	
Inventory: Food and food supplies	-	2 108	-	2 108	2 016	92	95,6%	-	-	
Inventory: Fuel, oil and gas	380	(7)	-	373	159	214	42,6%	358	1 065	
Inventory: Materials and supplies	1 730	469	-	2 199	2 068	131	94,0%	1 011	25	
Inventory: Medical supplies	-	-	-	-	-	-	-	148	755	
Inventory: Medicine	96 385	(13 189)	-	83 196	83 160	36	100,0%	167 570	132 453	
Inventory: Other supplies	110 314	(23 589)	-	86 725	86 407	318	99,6%	119 908	119 821	
	13 760	(1 152)	(2 800)	9 808	9 433	375	96,2%	11 485	9 238	

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Appropriation per economic classification		2017/18							2016/17		
		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	
Consumable supplies	2 359	689	(19)	3 029	2 208	821	72,9%	1 406	840		
Consumable: Stationery, printing and office supplies	27 656	(5 682)	(2 010)	19 964	15 164	4 800	76,0%	20 626	17 408		
Operating leases	161 034	(20 238)	(253)	140 543	134 095	6 448	95,4%	135 643	134 885		
Property payments	23 685	15 026	(7 576)	31 135	28 965	2 170	93,0%	17 216	17 182		
Travel and subsistence	99 338	1 034	1 143	101 515	90 385	11 130	89,0%	95 839	92 668		
Training and development	6 060	306	(36)	6 330	5 487	843	86,7%	5 223	5 082		
Operating payments	92 308	557	(2 436)	90 429	83 573	6 856	92,4%	67 277	66 522		
Venues and facilities	17 634	(5 261)	(215)	12 158	10 527	1 631	86,6%	16 980	16 534		
Rental and hiring	550	(50)	(130)	370	176	194	47,6%	280	192		
<b>Transfers and subsidies</b>	<b>39 282 084</b>	<b>1 640</b>	<b>9 249</b>	<b>39 292 973</b>	<b>39 254 610</b>	<b>38 363</b>	<b>99,9%</b>	<b>35 667 346</b>	<b>35 659 990</b>		
Provinces and municipalities	37 570 226	-	-	37 570 226	37 570 226	-	100,0%	33 981 012	33 981 012		
Provinces	37 570 226	-	-	37 570 226	37 570 226	-	100,0%	33 981 012	33 981 012		
Provincial Revenue Funds	37 570 226	-	-	37 570 226	37 570 226	-	100,0%	33 981 012	33 981 012		
Departmental agencies and accounts	1 516 149	73	2 249	1 518 471	1 518 472	(1)	100,0%	1 497 349	1 497 348		
Social security funds	3 718	-	-	3 718	3 718	-	100,0%	3 541	3 541		
Departmental agencies and accounts (non-business entities)	1 512 431	73	2 249	1 514 753	1 514 754	(1)	100,0%	1 493 808	1 493 807		
Foreign governments and international organisations	-	-	-	-	-	-	-	16 031	16 031		
Non-profit institutions	193 737	-	-	193 737	155 374	38 363	80,2%	168 449	161 670		
Households	1 972	1 567	7 000	10 539	10 538	1	100,0%	4 505	3 929		
Social benefits	1 972	1 567	-	3 539	3 529	-	100,0%	4 236	3 669		
Other transfers to households	-	-	7 000	7 000	6 999	1	100,0%	269	260		
<b>Payments for capital assets</b>	<b>772 778</b>	<b>690</b>	<b>576</b>	<b>774 044</b>	<b>668 003</b>	<b>86 041</b>	<b>88,9%</b>	<b>487 991</b>	<b>600 798</b>		
Buildings and other fixed structures	643 984	-	-	643 984	577 139	66 845	89,6%	449 883	574 044		
Buildings	643 984	-	-	643 984	577 139	66 845	89,6%	449 883	574 044		
Machinery and equipment	123 794	690	576	125 060	110 864	14 196	88,9%	35 682	24 575		
Transport equipment	-	-	-	-	-	-	-	176	176		
Other machinery and equipment	123 794	690	576	125 060	110 864	14 196	88,6%	35 506	24 399		
Software and other intangible assets	5 000	-	-	5 000	-	5 000	-	2 426	2 179		
<b>Payments for financial assets</b>	<b>79</b>	<b>158</b>	<b>-</b>	<b>237</b>	<b>237</b>	<b>-</b>	<b>100,0%</b>	<b>660</b>	<b>659</b>		
<b>Total</b>	<b>42 645 557</b>	<b>-</b>	<b>-</b>	<b>42 645 557</b>	<b>42 424 691</b>	<b>220 866</b>	<b>99,5%</b>	<b>38 597 416</b>	<b>38 496 186</b>		

**Health Vote 16**  
Appropriation Statement for the Year ended 31 March 2018

		2017/18						2016/17	
		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
<b>Programme 1: Administration</b>									
<b>Sub programme</b>									
1. Ministry	31 840	-	-	31 840	26 492	5 348	83,2%	30 076	29 041
2. Management	19 566	3 627	-	23 193	22 319	874	96,2%	22 121	22 121
3. Corporate Services	235 501	8 274	(141)	243 634	231 112	12 522	94,9%	203 732	199 225
4. Office Accommodation	165 179	(8 000)	(7 000)	150 179	147 103	3 076	98,0%	142 962	142 962
5. Financial Management	62 752	(3 901)	(7 156)	51 695	51 134	561	98,9%	49 929	49 528
<b>Total for sub programmes</b>	<b>514 838</b>	<b>-</b>	<b>(14 297)</b>	<b>500 541</b>	<b>478 160</b>	<b>22 381</b>	<b>95,5%</b>	<b>448 820</b>	<b>442 877</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>507 550</b>	<b>(296)</b>	<b>(14 297)</b>	<b>492 957</b>	<b>473 197</b>	<b>19 760</b>	<b>96,0%</b>	<b>438 467</b>	<b>432 768</b>
Compensation of employees	197 170	-	-	197 170	196 141	1 029	99,5%	191 148	187 591
Salaries and wages	173 566	(970)	-	172 596	170 364	2 232	98,7%	166 588	163 091
Social contributions	23 604	970	-	24 574	25 777	(1 203)	104,9%	24 560	24 500
Goods and services	310 380	(296)	(14 297)	295 787	277 056	18 731	93,7%	247 319	245 177
Administrative fees	623	(17)	(197)	409	110	299	26,9%	250	299
Advertising	7 417	954	2 588	10 959	10 575	384	96,5%	5 263	5 170
Minor assets	2 856	(515)	(82)	2 259	496	1 763	22,0%	599	256
Audit costs: External	32 315	(6 978)	(3 140)	22 197	22 197	-	100,0%	21 818	21 818
Bursaries: Employees	1 500	-	-	1 500	692	808	46,1%	926	902
Catering: Departmental activities	556	272	-	828	467	361	56,4%	547	418
Communication (G&S)	10 964	(1 560)	(588)	8 816	7 047	1 769	79,9%	8 584	9 442
Computer services	21 877	13 741	167	35 785	36 671	(886)	102,5%	11 540	9 535
Consultants: Business and advisory services	2 924	1 875	(180)	4 619	4 341	278	94,0%	5 475	5 729
Legal services	7 725	615	(1 310)	7 030	6 713	317	95,5%	6 472	6 451
Contractors	6 190	(3 314)	-	2 876	2 245	631	78,1%	624	602
Agency and support / outsourced services	95	22	-	117	86	31	73,5%	1 757	1 757
Entertainment	43	-	-	43	-	43	-	21	-
Fleet services (including government motor transport)	7 495	(275)	(2 020)	5 200	3 772	1 428	72,5%	6 039	6 039
Inventory: Clothing material and accessories	307	58	-	365	7	358	1,9%	32	-
Inventory: Food and food supplies	119	4	-	123	57	66	46,3%	130	45
Inventory: Fuel, oil and gas	41	21	-	62	3	59	4,8%	6	12



**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**

	2017/18						2016/17		
	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
Inventory: Materials and supplies	-	-	-	-	-	-	-	53	3
Inventory: Medical supplies	5	-	-	5	-	5	-	-	-
Inventory: Other supplies	320	-	-	320	2	318	0,6%	-	-
Consumable supplies	944	(36)	-	908	899	9	99,0%	486	433
Consumable: Stationery, printing and office supplies	11 650	299	(1 250)	10 699	8 509	2 190	79,5%	7 858	7 597
Operating leases	144 994	(20 042)	(30)	124 922	123 313	1 609	98,7%	131 005	131 085
Property payments	21 475	15 713	(7 000)	30 188	28 164	2 024	93,3%	16 593	16 634
Travel and subsistence	18 678	(1 002)	(740)	16 936	13 789	3 147	81,4%	14 306	14 284
Training and development	5 710	-	-	5 710	4 833	877	84,6%	4 573	4 584
Operating payments	2 712	(365)	(300)	2 047	1 304	743	63,7%	2 048	1 788
Venues and facilities	745	234	(215)	764	764	-	100,0%	314	294
Rental and hiring	100	-	-	100	-	100	-	-	-
<b>Transfers and subsidies</b>	<b>2 677</b>	<b>229</b>	-	<b>2 906</b>	<b>2 906</b>	-	<b>100,0%</b>	<b>3 181</b>	<b>3 136</b>
Departmental agencies and accounts	2 252	54	-	2 306	2 306	-	100,0%	2 808	2 808
Departmental agencies (non-business entities)	2 252	54	-	2 306	2 306	-	100,0%	2 808	2 808
Households	425	175	-	600	600	-	100,0%	373	328
Social benefits	425	175	-	600	600	-	100,0%	373	328
<b>Payments for capital assets</b>	<b>4 597</b>	-	-	<b>4 597</b>	<b>1 976</b>	<b>2 621</b>	<b>43,0%</b>	<b>7 026</b>	<b>6 826</b>
Machinery and equipment	4 597	-	-	4 597	1 976	2 621	43,0%	4 847	4 647
Transport equipment	-	-	-	-	-	-	-	176	176
Other machinery and equipment	4 597	-	-	4 597	1 976	2 621	43,0%	4 671	4 471
Software and other intangible assets	-	-	-	-	-	-	-	2 179	2 179
<b>Payments for financial assets</b>	<b>14</b>	<b>67</b>	-	<b>81</b>	<b>81</b>	-	<b>100,0%</b>	<b>146</b>	<b>147</b>
<b>Total</b>	<b>514 838</b>	-	<b>(14 297)</b>	<b>500 541</b>	<b>478 160</b>	<b>22 381</b>	<b>95,5%</b>	<b>448 820</b>	<b>442 877</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18										2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
<b>Current payments</b>	<b>31 499</b>	<b>(171)</b>	-	<b>31 328</b>	<b>26 237</b>	<b>5 091</b>	<b>83,7%</b>	<b>29 768</b>	<b>28 732</b>			
Compensation of employees	17 175	-	-	17 175	16 484	691	96,0%	18 501	17 526			
Salaries and wages	15 038	-	-	15 038	14 754	284	98,1%	16 476	15 838			
Social contributions	2 137	-	-	2 137	1 730	407	81,0%	2 025	1 688			
Goods and services	14 324	(171)	-	14 153	9 753	4 400	68,9%	11 267	11 206			
Advertising	-	-	-	-	-	-	-	43	-			
Minor assets	464	-	-	464	20	444	4,3%	65	-			
Catering: Departmental activities	200	-	-	200	45	155	22,5%	150	43			
Communication (G&S)	1 259	-	-	1 259	545	714	43,3%	1 032	972			
Computer services	20	-	-	20	-	20	-	-	-			
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	20			
Contractors	120	-	-	120	38	82	31,7%	72	33			
Agency and support / outsourced services	-	-	-	-	-	-	-	70	91			
Entertainment	40	-	-	40	-	40	-	20	-			
Fleet services (including government motor transport)	2 650	(221)	-	2 429	1 865	564	76,8%	2 200	2 804			
Inventory: Clothing material and accessories	5	-	-	5	-	5	-	10	-			
Inventory: Food and food supplies	27	-	-	27	8	19	29,6%	30	9			
Inventory: Fuel, oil and gas	-	-	-	-	1	(1)	-	2	1			
Inventory: Materials and supplies	-	-	-	-	-	-	-	21	-			
Inventory: Other supplies	10	-	-	10	-	10	-	-	-			
Consumable supplies	33	-	-	33	7	26	21,2%	79	9			
Consumable: Stationery, printing and office supplies	988	50	-	1 038	717	321	69,1%	716	667			
Operating leases	460	-	-	460	288	172	62,6%	358	356			
Travel and subsistence	7 546	(134)	-	7 412	5 736	1 676	77,4%	6 079	5 970			
Training and development	-	-	-	-	-	-	-	50	-			
Operating payments	102	-	-	102	111	(9)	108,8%	130	118			
Venues and facilities	300	134	-	434	372	62	85,7%	140	113			
Rental and hiring	100	-	-	100	-	100	-	-	-			
<b>Transfers and subsidies</b>	<b>-</b>	<b>166</b>	<b>-</b>	<b>166</b>	<b>166</b>	<b>-</b>	<b>100,0%</b>	<b>-</b>	<b>-</b>			
Departmental agencies and accounts	-	44	-	44	44	-	100,0%	-	-			
Departmental agencies (non-business entities)	-	44	-	44	44	-	100,0%	-	-			

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18							2016/17	
	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
Households	-	122	-	122	122	-	100,0%	-	-
Social benefits	-	122	-	122	122	-	100,0%	-	-
<b>Payments for capital assets</b>	<b>341</b>	-	-	<b>341</b>	<b>84</b>	<b>257</b>	<b>24,6%</b>	<b>299</b>	<b>299</b>
Machinery and equipment	341	-	-	341	84	257	24,6%	299	299
Transport equipment	-	-	-	-	-	-	-	176	176
Other machinery and equipment	341	-	-	341	84	257	24,6%	123	123
<b>Payments for financial assets</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>5</b>	<b>-</b>	<b>100,0%</b>	<b>9</b>	<b>10</b>
<b>Total</b>	<b>31 840</b>	<b>-</b>	<b>-</b>	<b>31 840</b>	<b>26 492</b>	<b>5 348</b>	<b>83,2%</b>	<b>30 076</b>	<b>29 041</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	19 269	3 624	-	22 893	22 215	678	97,0%	21 781	21 981
Compensation of employees	14 991	3 627	-	18 618	18 618	-	100,0%	16 885	16 886
Salaries and wages	14 113	2 807	-	16 920	16 680	240	98,6%	14 701	15 124
Social contributions	878	820	-	1 698	1 938	(240)	114,1%	2 184	1 762
Goods and services	4 278	(3)	-	2 475	3 597	678	84,1%	4 896	5 095
Administrative fees	5	-	-	5	-	5	-	-	11
Minor assets	74	(20)	-	54	18	36	33,3%	60	29
Catering: Departmental activities	95	110	-	205	139	66	67,8%	95	87
Communication (G&S)	405	31	-	436	248	188	56,9%	589	369
Consultants: Business and advisory services	-	-	-	-	1	(1)	-	45	19
Legal services	200	(110)	-	90	-	90	-	300	231
Contractors	-	6	-	6	2	4	33,3%	14	8
Agency and support / outsources services	10	-	-	10	-	10	-	-	-
Fleet services (including government motor transport)	236	(7)	-	229	248	(19)	108,3%	840	370
Inventory: Food and food supplies	12	-	-	12	12	-	100,0%	22	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	8
Inventory: Materials and supplies	-	-	-	-	-	-	-	2	-
Inventory: Medical supplies	5	-	-	5	-	5	-	-	-
Consumable supplies	3	-	-	3	1	2	33,3%	8	2
Consumable: Stationery, printing and office supplies	290	(50)	-	240	211	29	87,9%	195	140
Operating leases	105	(35)	-	70	57	13	81,4%	80	75
Travel and subsistence	2 835	37	-	2 872	2 627	245	91,5%	2 636	3 733
Operating payments	3	35	-	38	26	12	68,4%	5	6
Venues and facilities	-	-	-	-	7	(7)	-	5	7
<b>Transfers and subsidies</b>	-	3	-	3	3	-	100,0%	57	57
Departmental agencies and accounts	-	3	-	3	3	-	100,0%	-	-
Departmental agencies (non-business entities)	-	3	-	3	3	-	100,0%	-	-
Households	-	-	-	-	-	-	-	57	57

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18						2016/17		
	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
Social benefits	-	-	-	-	-	-	-	57	57
<b>Payments for capital assets</b>	<b>297</b>	-	-	<b>297</b>	<b>101</b>	<b>196</b>	<b>34,0%</b>	<b>283</b>	<b>83</b>
Machinery and equipment	297	-	-	297	101	196	34,0%	283	83
Other machinery and equipment	297	-	-	297	101	196	34,0%	283	83
<b>Total</b>	<b>19 566</b>	<b>3 627</b>	-	<b>23 193</b>	<b>22 319</b>	<b>874</b>	<b>96,2%</b>	<b>22 121</b>	<b>22 121</b>

Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>229 469</b>	<b>8 152</b>	<b>(141)</b>	<b>237 480</b>	<b>226 564</b>	<b>10 916</b>	<b>95,4%</b>	<b>194 303</b>	<b>189 841</b>
Compensation of employees	141 180	(6 526)	-	134 654	134 316	338	99,7%	130 732	128 149
Salaries and wages	123 784	(6 526)	-	117 258	115 608	1 650	98,6%	113 719	110 285
Social contributions	17 396	-	-	17 396	18 708	(1 312)	107,5%	17 013	17 864
Goods and services	88 289	14 678	(1 41)	102 826	92 248	10 578	89,7%	63 571	61 692
Administrative fees	424	(20)	-	404	2	402	0,5%	50	121
Advertising	7 356	954	2630	10 940	10 575	365	96,7%	5 220	5 091
Minor assets	2 204	(495)	-	1 709	453	1 256	26,5%	253	227
Bursaries: Employees	1 500	-	-	1 500	692	808	46,1%	926	902
Catering: Departmental activities	223	162	-	385	245	140	63,6%	300	226
Communication (G&S)	9 193	(1 591)	(588)	7 014	6 152	862	87,7%	6 846	7 991
Computer services	21 857	13 741	167	35 765	36 671	(906)	102,5%	11 540	9 535
Consultants: Business and advisory services	2 924	1 440	-	4 364	4 114	250	94,3%	5 430	5 690
Legal services	5 525	1 410	-	6 935	6 713	222	96,8%	5 881	5 918
Contractors	1 858	(420)	-	1 438	1 000	438	69,5%	428	466
Agency and support / outsourced services	85	22	-	107	86	21	80,4%	1 685	1 665
Entertainment	3	-	-	3	-	3	-	1	-
Fleet services (including government motor transport)	4 144	(47)	(1 600)	2 497	1 624	873	65,0%	2 778	2 712
Inventory: Clothing material and accessories	302	58	-	360	7	353	1,9%	22	-

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification		2017/18						2016/17		
		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
Inventory: Food and food supplies		69	4	-	73	29	44	39,7%	59	29
Inventory: Fuel, oil and gas		41	21	-	62	2	60	3,2%	4	3
Inventory: Materials and supplies		-	-	-	-	-	-	-	23	2
Inventory: Other supplies		310	-	-	310	2	308	0,6%	-	-
Consumable supplies		901	(36)	-	865	890	(25)	102,9%	373	407
Consumable: Stationery, printing and office supplies		10 051	106	(1 050)	9 107	7 320	1 787	80,4%	6 724	6 479
Operating leases		1 550	(7)	-	1 543	1 147	396	74,3%	1 001	937
Property payments		3 293	813	-	4 106	4 048	58	98,6%	3 207	3 420
Travel and subsistence		6 229	(1 137)	300	5 392	4 091	1 301	75,9%	4 328	3 507
Training and development		5 710	-	-	5 710	4 833	877	84,6%	4 523	4 584
Operating payments		2 307	(400)	-	1 907	1 167	740	61,2%	1 859	1 632
Venues and facilities		230	100	-	330	385	(55)	116,7%	110	148
<b>Transfers and subsidies</b>		<b>2 677</b>	<b>60</b>	-	<b>2 737</b>	<b>2 737</b>	-	<b>100,0%</b>	<b>3 092</b>	<b>3 047</b>
Departmental agencies and accounts		2 252	7	-	2 259	2 259	-	100,0%	2 808	2 808
Departmental agencies (non-business entities)		2 252	7	-	2 259	2 259	-	100,0%	2 808	2 808
Households		425	53	-	478	478	-	100,0%	284	239
Social benefits		425	53	-	478	478	-	100,0%	284	239
<b>Payments for capital assets</b>		<b>3 341</b>	-	-	<b>3 341</b>	<b>1 735</b>	<b>1 606</b>	<b>51,9%</b>	<b>6 214</b>	<b>6 214</b>
Machinery and equipment		3 341	-	-	3 341	1 735	1 606	51,9%	4 035	4 035
Other machinery and equipment		3 341	-	-	3 341	1 735	1 606	51,9%	4 035	4 035
Software and other intangible assets		-	-	-	-	-	-	-	2 179	2 179
<b>Payments for financial assets</b>		<b>14</b>	<b>62</b>	-	<b>76</b>	<b>76</b>	-	<b>100,0%</b>	<b>123</b>	<b>123</b>
<b>Total</b>		<b>235 501</b>	<b>8 274</b>	<b>(141)</b>	<b>243 634</b>	<b>231 112</b>	<b>12 522</b>	<b>94,9%</b>	<b>203 732</b>	<b>199 225</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18						2016/17		
	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
<b>Current payments</b>	<b>165 179</b>	<b>(8 000)</b>	<b>(7 000)</b>	<b>150 179</b>	<b>147 103</b>	<b>3 076</b>	<b>98,0%</b>	<b>142 962</b>	<b>142 962</b>
Goods and services	165 179	(8 000)	(7 000)	150 179	147 103	3 076	98,0%	142 962	142 962
Contractors	4 207	(2 900)	-	1 307	1 205	102	92,2%	100	94
Consumable supplies	-	-	-	-	-	-	-	-	5
Operation leases	142 790	(20 000)	-	122 790	121 782	1 008	99,2%	129 476	129 649
Property payments	18 182	14 900	(7 000)	26 082	24 116	1 966	92,5%	13 386	13 214
<b>Total</b>	<b>165 179</b>	<b>(8 000)</b>	<b>(7 000)</b>	<b>150 179</b>	<b>147 103</b>	<b>3 076</b>	<b>98,0%</b>	<b>142 962</b>	<b>142 962</b>

Economic classification	2017/18						2016/17		
	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
<b>Current payments</b>	<b>62 134</b>	<b>(3 901)</b>	<b>(7 156)</b>	<b>51 077</b>	<b>51 078</b>	<b>(1)</b>	<b>100,0%</b>	<b>49 653</b>	<b>49 252</b>
Compensation of employees	23 824	2 899	-	26 723	26 723	-	100,0%	25 030	25 030
Salaries and wages	20 631	2 749	-	23 380	23 322	58	99,8%	21 692	21 844
Social contributions	3 193	150	-	3 343	3 401	(58)	101,7%	3 338	3 186
Goods and services	38 310	(6 800)	(7 156)	24 354	24 355	(1)	100,0%	24 623	24 222
Administrative fees	194	3	(197)	-	108	(108)	-	200	167
Advertising	61	-	(42)	19	-	19	-	-	79
Minor assets	114	-	(82)	32	5	27	15,6%	221	-
Audit costs: External	32 315	(6 978)	(3 140)	22 197	22 197	-	100,0%	21 818	21 818
Catering: Departmental activities	38	-	-	38	38	-	100,0%	2	62
Communication (G&S)	107	-	-	107	102	5	95,3%	117	110
Consultants: Business and advisory services	-	435	(180)	255	226	29	88,6%	-	-
Legal services	2 000	(685)	(1 310)	5	-	5	-	291	302
Contractors	5	-	-	5	-	5	-	10	1
Agency and support / outsourced services	-	-	-	-	-	-	-	2	1
Fleet services (including government motor transport)	465	-	(420)	45	35	10	77,8%	221	153
Inventory: Food and food supplies	11	-	-	11	8	3	72,7%	19	7

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**

Economic classification	2017/18										2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure	Final appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-	7	1	
Consumable supplies	7	-	-	7	1	6	14,3%	26	10	26	10	
Consumable: Stationery, printing and office supplies	321	193	(200)	314	261	53	83,1%	223	311	223	311	
Operating leases	89	-	(30)	59	39	20	66,1%	90	68	90	68	
Travel and subsistence	2 068	232	(1 040)	1 260	1 335	(75)	106,0%	1 263	1 074	1 263	1 074	
Operating payments	300	-	(300)	-	-	-	-	54	32	54	32	
Venues and facilities	215	-	(215)	-	-	-	-	59	26	59	26	
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	32	32	32	32	
Households	-	-	-	-	-	-	-	32	32	32	32	
Social benefits	-	-	-	-	-	-	-	32	32	32	32	
<b>Payments for capital assets</b>	<b>618</b>	-	-	<b>618</b>	<b>56</b>	<b>562</b>	<b>9,1%</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	
Machinery and equipment	618	-	-	618	56	562	9,1%	230	230	230	230	
Other machinery and equipment	618	-	-	618	56	562	9,1%	230	230	230	230	
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	14	14	14	14	
<b>Total</b>	<b>62 752</b>	<b>(3 901)</b>	<b>(7 156)</b>	<b>51 695</b>	<b>51 134</b>	<b>561</b>	<b>98,9%</b>	<b>49 929</b>	<b>49 528</b>	<b>49 929</b>	<b>49 528</b>	



Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

		2017/18						2016/17		
		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
<b>Sub programme</b>										
1.	Programme Management	3 952	29	-	3 981	3 328	653	83,6%	3 649	3 628
2.	Technical Policy and Planning	97 781	(3 099)	-	94 682	92 751	1 911	98,0%	20 575	18 123
3.	Health Information Management, Monitoring and Evaluation	67 133	-	(9 733)	57 400	56 041	1 359	97,6%	81 724	81 632
4.	Sector-Wide Procurement	139 445	(7 209)	-	132 236	39 453	92 783	29,8%	26 567	26 567
5.	Health Financing and National Health Insurance	546 709	6 567	-	553 276	567 004	(13 728)	102,5%	485 599	476 785
6.	International Health and Development	79 687	3 712	-	83 399	82 963	436	99,5%	72 479	72 435
<b>Total for sub programmes</b>		<b>934 687</b>	<b>-</b>	<b>(9 733)</b>	<b>924 954</b>	<b>841 540</b>	<b>83 414</b>	<b>91,0%</b>	<b>690 593</b>	<b>679 170</b>
<b>Economic classification</b>										
<b>Current payments</b>		<b>822 445</b>	<b>(24)</b>	<b>(9 733)</b>	<b>812 688</b>	<b>770 619</b>	<b>42 069</b>	<b>94,8%</b>	<b>569 090</b>	<b>558 188</b>
	Compensation of employees	114 740	-	(7 484)	107 256	106 023	1 233	98,9%	109 525	109 525
	Salaries and wages	101 257	(180)	(5 432)	95 645	94 412	1 233	98,7%	97 736	97 736
	Social contributions	13 483	180	(2 052)	11 611	11 611	-	100,0%	11 789	11 789
	Goods and services	707 705	(24)	(2 249)	705 432	664 596	40 836	94,2%	459 565	448 663
	Administrative fees	95	(50)	-	45	5	40	11,1%	51	48
	Advertising	506	(200)	-	306	267	39	87,3%	546	-
	Minor assets	85 429	(13 596)	-	71 833	4 235	67 598	5,9%	847	176
	Catering: Departmental activities	957	(157)	-	800	604	196	75,5%	691	384
	Communication (G&S)	949	(80)	-	869	659	210	75,8%	971	922
	Computer services	585	16 930	-	17 515	4 053	13 462	23,1%	792	228
	Consultants: Business and advisory services	31 704	(1 120)	(2 249)	28 335	34 865	(6 530)	123,0%	30 711	33 783
	Contractors	504 616	6 288	-	510 904	551 276	(40 372)	107,9%	360 295	357 963
	Agency and support / outsourced services	120	(100)	-	20	-	20	-	6 221	-
	Entertainment	5	-	-	5	12	(7)	240,0%	10	1
	Fleet services (including government motor transport)	2 141	(235)	-	1 906	1 678	228	88,0%	2 841	2 759
	Inventory: Food and food supplies	58	-	-	58	32	26	55,2%	60	29
	Inventory: Fuel, oil and gas	6	(4)	-	2	1	1	50,0%	1	6
	Inventory: Materials and supplies	-	-	-	-	-	-	-	67	2
	Inventory: Medicine	3	-	-	3	-	3	-	2	1
	Consumable supplies	264	811	-	1 075	676	399	62,9%	176	34
	Consumable: Stationery, printing and office supplies	3 235	(1 530)	-	1 705	1 482	223	86,9%	2 374	1 320
	Operating leases	12 082	(182)	-	11 900	8 011	3 889	67,3%	1 000	696

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

	2017/18						2016/17		
	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
Property payments	-	-	-	-	-	-	-	80	16
Travel and subsistence	23 761	297	-	24 058	25 173	(1 115)	104,6%	22 791	21 869
Training and development	100	(100)	-	-	-	-	-	420	498
Operating payments	34 920	(4 119)	-	30 801	29 736	1 065	96,5%	26 025	25 926
Venues and facilities	6 149	(2 877)	-	3 272	1 818	1 454	55,6%	2 553	1 999
Rental and hiring	20	-	-	20	13	7	65,0%	40	3
<b>Transfers and subsidies</b>	<b>28 716</b>	<b>9</b>	-	<b>28 725</b>	<b>323</b>	<b>28 402</b>	<b>1,1%</b>	<b>119 879</b>	<b>119 878</b>
Provinces and municipalities	-	-	-	-	-	-	-	94 227	94 227
Provinces	-	-	-	-	-	-	-	94 227	94 227
Provincial Revenue Funds	-	-	-	-	-	-	-	94 227	94 227
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	3	-	3	3	-	100,0%	-	-
Non-profit institutions	-	3	-	3	3	-	100,0%	-	-
Households	28 401	-	-	28 401	-	28 401	-	25 364	25 364
Social benefits	315	6	-	321	320	1	99,7%	288	287
Other transfer to households	315	6	-	321	320	1	99,7%	287	287
<b>Payments for capital assets</b>	<b>83 526</b>	<b>-</b>	<b>-</b>	<b>83 526</b>	<b>70 583</b>	<b>12 943</b>	<b>84,5%</b>	<b>1 599</b>	<b>1 080</b>
Machinery and equipment	78 526	-	-	78 526	70 583	7 943	89,9%	1 599	1 080
Other machinery and equipment	78 526	-	-	78 526	70 583	7 943	89,9%	1 599	1 080
Software and other intangible assets	5 000	-	-	5 000	-	5 000	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>15</b>	<b>15</b>	<b>-</b>	<b>100,0%</b>	<b>25</b>	<b>24</b>
<b>Total</b>	<b>934 687</b>	<b>-</b>	<b>(9733)</b>	<b>924 954</b>	<b>841 540</b>	<b>83 414</b>	<b>91,0%</b>	<b>690 593</b>	<b>679 170</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification		2017/18						2016/17		
		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
<b>Current payments</b>		<b>3 319</b>	<b>29</b>	-	<b>3 348</b>	<b>3 202</b>	<b>146</b>	<b>95,6%</b>	<b>3 589</b>	<b>3 589</b>
Compensation of employees		2 940	29	-	2 969	2 969	-	100,0%	3 113	3 113
Salaries and wages		2 760	29	-	2 789	2 596	193	93,1%	2 949	2 736
Social contributions		180	-	-	180	373	(193)	207,2%	164	377
Goods and services		379	-	-	379	233	146	61,5%	476	476
Administrative fees		-	-	-	-	-	-	-	5	-
Minor assets		-	-	-	-	-	-	-	3	5
Communication (G&S)		-	-	-	-	40	(40)	-	34	52
Computer services		-	-	-	-	-	-	-	4	-
Consultants: Business and advisory services		200	-	-	200	-	200	-	-	-
Fleet services (including government motor transport)		-	-	-	-	1	(1)	-	28	31
Inventory: Food and food supplies		-	-	-	-	3	(3)	-	4	1
Consumable supplies		-	-	-	-	-	-	-	2	3
Consumable: Stationery, printing and office supplies		-	-	-	-	2	(2)	-	14	2
Travel and subsistence		179	-	-	179	187	(8)	104,5%	379	382
Operating payments		-	-	-	-	-	-	-	3	-
<b>Transfers and subsidies</b>		-	-	-	-	-	-	-	<b>7</b>	<b>7</b>
Households		-	-	-	-	-	-	-	<b>7</b>	<b>7</b>
Social benefits		-	-	-	-	-	-	-	<b>7</b>	<b>7</b>
<b>Payments for capital assets</b>		<b>633</b>	-	-	<b>633</b>	<b>126</b>	<b>507</b>	<b>19,9%</b>	<b>53</b>	<b>32</b>
Machinery and equipment		633	-	-	633	126	507	19,9%	53	32
Other machinery and equipment		633	-	-	633	126	507	19,9%	53	32
<b>Total</b>		<b>3 952</b>	<b>29</b>	-	<b>3 981</b>	<b>3 328</b>	<b>653</b>	<b>83,6%</b>	<b>3 649</b>	<b>3 628</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

2.2 Technical Policy and Planning		2017/18							2016/17	
		Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
<b>Current payments</b>		<b>27 455</b>	<b>(3 118)</b>	-	<b>24 337</b>	<b>22 431</b>	<b>92,2%</b>	<b>20 256</b>	<b>17 921</b>	
Compensation of employees		12 315	90	-	12 405	12 405	100,0%	11 624	11 624	
Salaries and wages		10 868	90	-	10 958	10 977	100,2%	10 636	10 318	
Social contributions		1 447	-	-	1 447	1 428	98,7%	988	1 306	
Goods and services		15 140	(3 208)	-	11 932	10 026	84,0%	8 632	6 297	
Administrative fees		55	(50)	-	5	-		10	40	
Advertising		185	(170)	-	15	-		110	-	
Minor assets		1 119	3 754	-	4 873	3 973	81,5%	188	47	
Catering: Departmental activities		290	(120)	-	170	110	64,7%	100	18	
Communication (G&S)		150	10	-	160	46	28,8%	148	83	
Consultants: Business and advisory services		4 850	(4 340)	-	510	577	113,1%	10	1	
Contractors		3	(3)	-	-	-		30	-	
Fleet services (including government motor transport)		597	(100)	-	497	370	74,4%	1 270	1 298	
Inventory: Food and food supplies		22	-	-	22	5	22,7%	20	6	
Inventory: Fuel, oil and gas		-	1	-	1	1	100,0%	-	-	
Inventory: Materials and supplies		-	-	-	-	-		60	-	
Consumable supplies		107	811	-	918	655	71,4%	56	2	
Consumable: Stationery, printing and office supplies		1177	(540)	-	637	786	123,4%	220	124	
Operating leases		290	(140)	-	150	137	91,3%	160	88	
Property payments		-	-	-	-	-		80	16	
Travel and subsistence		5 040	(1 606)	-	3 434	2 765	80,5%	3 130	2 439	
Operating payments		955	(570)	-	385	238	61,8%	2 510	1 757	
Venues and facilities		300	(145)	-	155	363	234,2%	530	378	
<b>Transfers and subsidies</b>		<b>118</b>	<b>9</b>	-	<b>127</b>	<b>127</b>	<b>100,0%</b>	<b>-</b>	<b>-</b>	
Departmental agencies and accounts		-	3	-	3	3	100,0%	-	-	
Departmental agencies (non-business entities)		-	3	-	3	3	100,0%	-	-	
Households		118	6	-	124	124	100,0%	-	-	
Social benefits		118	6	-	124	124	100,0%	-	-	
<b>Payments for capital assets</b>		<b>70 188</b>	<b>-</b>	<b>-</b>	<b>70 188</b>	<b>70 183</b>	<b>100,0%</b>	<b>318</b>	<b>201</b>	
Machinery and equipment		70 188	-	-	70 188	70 183	100,0%	318	201	
Other machinery and equipment		70 188	-	-	70 188	70 183	100,0%	318	201	
<b>Payments for financial assets</b>		<b>-</b>	<b>10</b>	<b>-</b>	<b>10</b>	<b>10</b>	<b>100,0%</b>	<b>1</b>	<b>1</b>	
<b>Total</b>		<b>97 761</b>	<b>(3 099)</b>	<b>-</b>	<b>94 662</b>	<b>92 751</b>	<b>98,0%</b>	<b>20 575</b>	<b>18 123</b>	

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>38 695</b>	-	<b>(9 733)</b>	<b>28 962</b>	<b>56 005</b>	<b>(27 043)</b>	<b>193,4%</b>	<b>55 785</b>	<b>55 785</b>
Compensation of employees	27 576	-	(7 484)	20 092	20 092	-	100,0%	21 114	21 114
Salaries and wages	22 678	-	(5 432)	17 246	17 559	(313)	101,8%	18 289	18 428
Social contributions	4 898	-	(2 052)	2 846	2 533	313	89,0%	2 825	2 686
Goods and services	11 119	-	(2 249)	8 870	35 913	(27 043)	404,9%	34 671	34 671
Administrative fees	20	-	-	20	-	20	-	20	-
Advertising	220	(50)	-	170	118	52	69,4%	255	-
Minor assets	430	(232)	-	198	33	165	16,7%	416	27
Catering: Departmental activities	200	-	-	200	155	45	77,5%	200	146
Communication (G&S)	152	(90)	-	62	53	9	85,5%	152	83
Computer services	575	(340)	-	235	202	33	86,0%	625	226
Consultants: Business and advisory services	3 500	2 870	(2 249)	4 121	32 677	(28 556)	792,9%	27 343	29 945
Contractors	8	-	-	8	-	8	-	8	-
Agency and support / outsourced services	120	(100)	-	20	-	20	-	121	-
Fleet services (including government motor transport)	482	(50)	-	432	458	(26)	106,0%	447	378
Inventory: Food and food supplies	10	-	-	10	9	1	90,0%	10	6
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	1	1
Inventory: Materials and supplies	-	-	-	-	-	-	-	3	2
Consumable supplies	56	-	-	56	2	54	3,6%	52	11
Consumable: Stationery, printing and office supplies	883	(650)	-	233	156	77	67,0%	632	564
Operating leases	400	(140)	-	260	255	5	98,1%	500	255
Travel and subsistence	2 663	(8)	-	2 655	1 685	970	63,5%	2 686	1 339
Operating payments	1 000	(880)	-	120	48	72	40,0%	850	1 564
Venues and facilities	400	(330)	-	70	62	8	88,6%	350	124
<b>Transfers and subsidies</b>	<b>28 438</b>	-	-	<b>28 438</b>	<b>36</b>	<b>28 402</b>	<b>0,1%</b>	<b>25 482</b>	<b>25 482</b>
Non-profit institutions	28 401	-	-	28 401	-	28 401	-	25 364	25 364
Households	37	-	-	37	36	1	97,3%	118	118
Social benefits	37	-	-	37	36	1	97,3%	118	118
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>435</b>	<b>343</b>
Machinery and equipment	-	-	-	-	-	-	-	435	343
Other machinery and equipment	-	-	-	-	-	-	-	435	343
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	<b>22</b>	<b>22</b>
<b>Total</b>	<b>67 133</b>	-	<b>(9 733)</b>	<b>57 400</b>	<b>56 041</b>	<b>1 359</b>	<b>97,6%</b>	<b>81 724</b>	<b>81 632</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification		2017/18						2016/17		
		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
<b>Current payments</b>		<b>132 393</b>	<b>(7 214)</b>	-	<b>125 179</b>	<b>39 296</b>	<b>85 883</b>	<b>31,4%</b>	<b>26 213</b>	<b>26 213</b>
Compensation of employees		30 147	(7 209)	-	22 938	21 705	1 233	94,6%	20 572	20 572
Salaries and wages		27 142	(7 209)	-	19 933	18 798	1 135	94,3%	17 753	17 753
Social contributions		3 005	-	-	3 005	2 907	98	96,7%	2 789	2 819
Goods and services		102 246	(5)	-	102 241	17 591	84 650	17,2%	5 641	5 641
Advertising		35	-	-	35	-	35	-	-	-
Minor assets		83 427	(17 100)	-	66 327	118	66 209	0,2%	84	85
Catering: Departmental activities		225	-	-	225	212	13	94,2%	241	105
Communication (G&S)		65	-	-	65	44	21	67,7%	57	40
Computer services		-	17 270	-	17 270	3 825	13 445	22,1%	156	-
Consultants: Business and advisory services		905	-	-	905	1 298	(393)	143,4%	402	858
Contractors		102	-	-	102	71	31	69,6%	102	50
Fleet services (including government motor transport)		234	(5)	-	229	195	34	85,2%	228	323
Inventory: Food and food supplies		7	-	-	7	4	3	57,1%	10	3
Inventory: Materials and supplies		-	-	-	-	-	-	-	2	-
Consumable supplies		13	15	-	28	4	24	14,3%	8	8
Consumable: Stationery, printing and office supplies		140	(15)	-	125	116	9	92,8%	588	52
Operating leases		11 200	-	-	11 200	7 307	3 893	65,2%	100	143
Travel and subsistence		4 688	(170)	-	4 518	4 053	465	89,7%	2 832	3 042
Operating payments		605	-	-	605	99	506	16,4%	46	155
Venues and facilities		600	-	-	600	245	355	40,8%	785	777
<b>Transfers and subsidies</b>		-	-	-	-	-	-	-	<b>78</b>	<b>78</b>
Households		-	-	-	-	-	-	-	78	78
Social benefits		-	-	-	-	-	-	-	78	78
<b>Payments for capital assets</b>		<b>7 052</b>	-	-	<b>7 052</b>	<b>152</b>	<b>6 900</b>	<b>2,2%</b>	<b>276</b>	<b>276</b>
Machinery and equipment		7 052	-	-	7 052	152	6 900	2,2%	276	276
Other machinery and equipment		7 052	-	-	7 052	152	6 900	2,2%	276	276
<b>Payment for financial assets</b>		-	<b>5</b>	-	<b>5</b>	<b>5</b>	-	<b>100,0%</b>	-	-
<b>Total</b>		<b>139 445</b>	<b>(7 209)</b>	-	<b>132 236</b>	<b>39 453</b>	<b>92 783</b>	<b>29,8%</b>	<b>26 567</b>	<b>26 567</b>

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**  
**2.5 Health Financing and National Health Insurance**

Economic classification	2017/18					2016/17			
	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
<b>Current payments</b>	<b>541 511</b>	<b>6 567</b>	-	<b>548 078</b>	<b>566 901</b>	<b>(18 823)</b>	<b>103,4%</b>	<b>390 870</b>	<b>382 302</b>
Compensation of employees	9 880	5 290	-	15 170	15 170	-	100,0%	16 116	16 116
Salaries and wages	8 640	5 110	-	13 750	13 410	340	97,5%	13 909	14 250
Social contributions	1 240	180	-	1 420	1 760	(340)	123,9%	2 207	1 866
Goods and services	531 631	1 277	-	532 908	551 731	(18 823)	103,5%	374 754	366 186
Advertising	30	(30)	-	-	-	-	-	77	-
Minor assets	101	(18)	-	83	38	45	45,8%	102	6
Catering: Departmental activities	142	(37)	-	105	71	34	67,6%	50	84
Communication (G&S)	122	-	-	122	123	(1)	100,8%	120	160
Computer services	-	-	-	-	-	-	-	2	2
Consultants: Business and advisory services	22 219	150	-	22 369	209	22 160	0,9%	2 956	2 969
Contractors	498 503	8 371	-	506 874	548 594	(41 720)	108,2%	360 140	357 909
Agency and support / outsourced services	-	-	-	-	-	-	-	6 000	-
Fleet services (including government motor transport)	88	(30)	-	58	69	(11)	119,0%	265	259
Inventory: Food and food supplies	11	-	-	11	8	3	72,7%	8	9
Inventory: Materials and supplies	-	-	-	-	-	-	-	2	-
Consumable supplies	8	-	-	8	3	5	37,5%	3	2
Consumable: Stationery, printing and office supplies	460	(325)	-	135	214	(79)	158,5%	420	168
Operating leases	60	98	-	158	184	(26)	116,5%	150	77
Travel and subsistence	2 404	169	-	2 573	1 855	718	72,1%	3 153	3 417
Training and development	100	(100)	-	-	-	-	-	420	498
Operating payments	4 851	(4 769)	-	82	33	49	40,2%	154	147
Venues and facilities	2 532	(2 202)	-	330	330	-	100,0%	732	478
Rental and hiring	-	-	-	-	-	-	-	-	1
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94 311</b>	<b>94 311</b>
Provinces and municipalities	-	-	-	-	-	-	-	94 227	94 227
Provinces	-	-	-	-	-	-	-	94 227	94 227
Provincial Revenue Funds	-	-	-	-	-	-	-	94 227	94 227
Households	-	-	-	-	-	-	-	84	84
Other transfers to households	-	-	-	-	-	-	-	84	84
<b>Payments for capital assets</b>	<b>5 198</b>	<b>-</b>	<b>-</b>	<b>5 198</b>	<b>103</b>	<b>5 095</b>	<b>2,0%</b>	<b>417</b>	<b>171</b>
Machinery and equipment	198	-	-	198	103	95	52,0%	417	171
Other machinery and equipment	198	-	-	198	103	95	52,0%	417	171
Software and other intangible assets	5 000	-	-	5 000	-	5 000	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>
<b>Total</b>	<b>546 709</b>	<b>6 567</b>	<b>-</b>	<b>553 276</b>	<b>567 004</b>	<b>(13 728)</b>	<b>102,5%</b>	<b>485 599</b>	<b>476 785</b>

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**

2.6 International Health and Development		2017/18						2016/17		
		Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>		79 072	3 712	-	82 784	82 784	-	100,0%	72 377	72 378
Compensation of employees		31 882	1 800	-	33 682	33 682	-	100,0%	36 986	36 986
Salaries and wages		29 169	1 800	-	30 969	31 072	(103)	100,3%	34 170	34 251
Social contributions		2 713	-	-	2 713	2 610	103	96,2%	2 816	2 735
Goods and services		47 190	1 912	-	49 102	49 102	-	100,0%	35 391	35 392
Administrative fees		20	-	-	20	5	15	25,0%	16	8
Advertising		36	50	-	86	149	(63)	173,3%	104	-
Minor assets		352	-	-	352	73	279	20,7%	54	6
Catering: Departmental activities		100	-	-	100	56	44	56,0%	100	31
Communication (G&S)		460	-	-	460	353	107	76,7%	460	504
Computer services		10	-	-	10	26	(16)	260,0%	5	-
Consultants: Business and advisory services		30	200	-	230	104	126	45,2%	-	10
Contractors		6 000	(2 080)	-	3 920	2 611	1 309	66,6%	15	4
Agency and support / outsourced services		-	-	-	-	-	-	-	100	-
Entertainment		5	-	-	5	12	(7)	240,0%	10	1
Fleet services (including government motor transport)		740	(50)	-	690	585	105	84,8%	603	470
Inventory: Food and food supplies		8	-	-	8	3	5	37,5%	8	4
Inventory: Fuel, oil and gas		6	(5)	-	1	-	1	-	-	5
Inventory: Medicine		3	-	-	3	-	3	-	2	1
Consumable supplies		80	(15)	-	65	12	53	18,5%	55	8
Consumable: Stationery, printing and office supplies		575	-	-	575	208	367	36,2%	500	410
Operating leases		132	-	-	132	128	4	97,0%	90	133
Travel and subsistence		8 787	1 912	-	10 699	14 628	(3 929)	136,7%	10 611	11 250
Operating payments		27 509	2 100	-	29 609	29 318	291	99,0%	22 462	22 303
Venues and facilities		2 317	(200)	-	2 117	818	1 299	38,6%	156	242
Rental and hiring		20	-	-	20	13	7	65,0%	40	2
<b>Transfers and subsidies</b>		<b>160</b>	-	-	<b>160</b>	<b>160</b>	-	<b>100,0%</b>	<b>1</b>	-
Households		160	-	-	160	160	-	100,0%	1	-
Social benefits		160	-	-	160	160	-	100,0%	-	-
Other transfers to households		-	-	-	-	-	-	-	1	-
<b>Payments for capital assets</b>		<b>455</b>	-	-	<b>455</b>	<b>19</b>	<b>436</b>	<b>4,2%</b>	<b>100</b>	<b>57</b>
Machinery and equipment		455	-	-	455	19	436	4,2%	100	57
Other machinery and equipment		455	-	-	455	19	436	4,2%	100	57
<b>Payments for financial assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>
<b>Total</b>		<b>79 687</b>	<b>3 712</b>	<b>-</b>	<b>83 399</b>	<b>82 963</b>	<b>436</b>	<b>99,5%</b>	<b>72 479</b>	<b>72 435</b>



**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**

		2017/18						2016/17		
		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
<b>Sub programme</b>										
1. Programme Management		6 458	7	-	6 465	5 293	1 172	81,9%	5 065	4 446
2. HIV and AIDS		18 024 381	-	-	18 024 381	18 014 119	10 262	99,9%	15 749 040	15 712 480
3. Tuberculosis		26 298	(7)	-	26 291	25 541	750	97,1%	24 404	24 326
4. Women's Maternal & Reproductive Health		18 190	-	(2 468)	15 722	14 230	1 492	90,5%	14 579	11 569
5. Child, Youth and School Health		222 451	-	-	222 451	220 758	1 693	99,2%	213 479	212 361
<b>Total for sub programmes</b>		<b>18 297 778</b>	<b>-</b>	<b>(2 468)</b>	<b>18 295 310</b>	<b>18 279 941</b>	<b>15 369</b>	<b>99,9%</b>	<b>16 006 567</b>	<b>15 965 182</b>
<b>Economic classification</b>										
<b>Current payments</b>		<b>523 685</b>	<b>(159)</b>	<b>(2 468)</b>	<b>521 058</b>	<b>516 594</b>	<b>4 464</b>	<b>99,1%</b>	<b>543 849</b>	<b>508 243</b>
Compensation of employees		79 420	-	(1 592)	77 828	76 350	1 478	98,1%	79 898	75 573
Salaries and wages		70 337	-	(1 592)	68 745	66 969	1 776	97,4%	69 580	66 324
Social contributions		9 083	-	-	9 083	9 381	(298)	103,3%	10 318	9 249
Goods and services		444 265	(159)	(876)	443 230	440 244	2 986	99,3%	463 951	432 670
Administrative fees		-	-	-	-	2	(2)	-	1	-
Advertising		3 860	(3 391)	-	469	468	1	99,8%	1 165	1 094
Minor assets		2 466	(1 703)	=	763	261	502	34,2%	2 038	1 626
Catering: Departmental activities		409	75	-	484	362	122	74,8%	344	234
Communication (G&S)		1 090	257	-	1 347	1 290	57	95,8%	1 542	1 376
Computer services		-	-	-	-	-	-	-	10	-
Consultants: Business and advisory services		119 144	(4 063)	-	115 081	115 069	12	100,0%	69 169	69 169
Contractors		633	(617)	-	16	8	8	50,0%	25	-
Agency and support / outsourced services		16 682	14 934	-	31 616	31 605	11	100,0%	25 117	24 867
Fleet services (including government motor transport)		26 778	32 081	-	58 859	60 061	(1 202)	102,0%	22 944	22 787
Inventory: Food and food supplies		53	-	-	53	20	33	37,7%	50	24
Inventory: Fuel, oil and gas		77	(42)	-	35	7	28	20,0%	30	3
Inventory: Materials and supplies		-	-	-	-	-	-	-	8	2
Inventory: Medical supplies		94 675	(13 247)	-	81 428	81 428	-	100,0%	159 370	131 352
Inventory: Medicine		110 050	(23 339)	-	86 711	86 407	304	99,6%	119 796	119 796
Consumable supplies		86	(29)	-	57	33	24	57,9%	98	41
Consumable: Stationery, printing & office supplies		5 238	(3 880)	-	1 358	830	528	61,1%	6 030	5 467
Operating leases		605	(153)	-	452	303	149	67,0%	399	430

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Programme 3: HIV and AIDS, Tuberculosis, Maternal and Child Health											
2017/18											2016/17
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000
Property payments	-	-	-	-	-	-	-	-	-	15	-
Travel and subsistence	17 766	(744)	-	17 022	16 885	137	99,2%	18 657	18 395		18 395
Operating payments	39 153	6 874	(876)	45 151	42 877	2 274	95,0%	31 477	30 787		30 787
Venues and facilities	5 500	(3 172)	-	2 328	2 328	-	100,0%	5 666	5 220		5 220
<b>Transfers and subsidies</b>	<b>17 757 821</b>	<b>130</b>	-	<b>17 757 951</b>	<b>17 748 031</b>	<b>9 920</b>	<b>99,9%</b>	<b>15 461 783</b>	<b>15 456 399</b>		<b>15 456 399</b>
Provinces and municipalities	17 577 737	-	-	17 577 737	17 577 737	-	100,0%	15 290 603	15 290 603		15 290 603
Provinces	17 577 737	-	-	17 577 737	17 577 737	-	100,0%	15 290 603	15 290 603		15 290 603
Provincial Revenue Funds	17 577 737	-	-	17 577 737	17 577 737	-	100,0%	15 290 603	15 290 603		15 290 603
Departmental agencies and accounts	17 547	-	-	17 547	17 547	-	100,0%	16 711	16 711		16 711
Departmental agencies	17 547	-	-	17 547	17 547	-	100,0%	16 711	16 711		16 711
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-		-
Non-profit institutions	162 376	-	-	162 376	152 456	9 920	93,9%	140 049	134 665		134 665
Households	161	130	-	291	291	-	100,0%	50	50		50
Social benefits	161	130	-	291	291	-	100,0%	50	50		50
<b>Payments for capital assets</b>	<b>16 267</b>	-	-	<b>16 267</b>	<b>15 282</b>	<b>985</b>	<b>93,9%</b>	<b>894</b>	<b>498</b>		<b>498</b>
Machinery and equipment	16 267	-	-	16 267	15 282	985	93,9%	894	498		498
Other machinery and equipment	16 267	-	-	16 267	15 282	985	93,9%	894	498		498
<b>Payments for financial assets</b>	<b>5</b>	<b>29</b>	-	<b>34</b>	<b>34</b>	-	<b>100,0%</b>	<b>41</b>	<b>42</b>		<b>42</b>
<b>Total</b>	<b>18 297 778</b>	-	<b>(2 468)</b>	<b>18 295 310</b>	<b>18 279 941</b>	<b>15 369</b>	<b>99,9%</b>	<b>16 006 567</b>	<b>15 965 182</b>		<b>15 965 182</b>

**Health Vote 16**  
Appropriation Statement for the Year ended 31 March 2018

3.1 Programme Management	2017/18						2016/17		
	Economic classification	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000
<b>Current payments</b>	<b>5 191</b>	<b>7</b>	<b>-</b>	<b>5 198</b>	<b>4 851</b>	<b>347</b>	<b>93,3%</b>	<b>5 007</b>	<b>4 446</b>
Compensation of employees	3 883	-	-	3 883	3 536	347	91,1%	3 858	3 297
Salaries and wages	3 465	-	-	3 465	3 104	361	89,6%	3 532	2 896
Social contributions	418	-	-	418	432	(14)	103,3%	326	401
Goods and services	1 308	7	-	1 315	1 315	-	100,0%	1 149	1 149
Administrative fees	-	-	-	-	-	-	-	1	-
Minor assets	39	-	-	39	22	17	56,4%	22	-
Communication (G&S)	-	7	-	7	14	(7)	200,0%	40	43
Computer services	-	-	-	-	-	-	-	10	-
Fleet services (including government motor transport)	189	-	-	189	124	65	65,6%	19	176
Inventory: Food and food supplies	7	-	-	7	2	5	28,6%	2	2
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	12	-
Inventory: Medical supplies	4	-	-	4	-	4	-	-	-
Consumable supplies	5	-	-	5	5	-	100,0%	-	-
Consumable: Stationery, printing and office supplies	38	50	-	88	25	63	28,4%	5	2
Operating leases	60	-	-	60	43	17	71,7%	-	-
Travel and subsistence	966	(50)	-	916	977	(61)	106,7%	592	925
Venues and facilities	-	-	-	-	103	(103)	-	446	1
<b>Payments for capital assets</b>	<b>1 267</b>	<b>-</b>	<b>-</b>	<b>1 267</b>	<b>442</b>	<b>825</b>	<b>34,9%</b>	<b>58</b>	<b>-</b>
Machinery and equipment	1 267	-	-	1 267	442	825	34,9%	58	-
Other machinery and equipment	1 267	-	-	1 267	442	825	34,9%	58	-
<b>Total</b>	<b>6 458</b>	<b>7</b>	<b>-</b>	<b>6 465</b>	<b>5 293</b>	<b>1 172</b>	<b>81,9%</b>	<b>5 065</b>	<b>4 446</b>

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**

Economic classification	2017/18					2016/17			
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>267 946</b>	<b>(17)</b>	<b>-</b>	<b>267 929</b>	<b>266 357</b>	<b>1 572</b>	<b>99,4%</b>	<b>287 019</b>	<b>255 874</b>
Compensation of employees	34 899	-	876	35 775	35 775	-	100,0%	34 701	34 701
Salaries and wages	30 892	-	876	31 768	31 165	603	98,1%	29 996	30 289
Social contributions	4 007	-	-	4 007	4 610	(603)	115,0%	4 705	4 412
Goods and services	231 817	(17)	(876)	230 924	230 582	342	99,9%	252 318	221 173
Administrative fees	-	-	-	-	1	(1)	-	-	-
Advertising	200	(200)	-	-	-	-	-	39	29
Minor assets	330	-	-	330	18	312	5,5%	220	11
Catering: Departmental activities	50	-	-	50	22	28	44,0%	100	39
Communication (G&S)	520	-	-	520	578	(58)	111,2%	410	511
Consultants: Business and advisory services	100 000	8 600	-	108 600	108 729	(129)	100,1%	54 614	54 379
Contractors	10	-	-	10	2	8	20,0%	16	-
Agency and support / outsourced services	10	-	-	10	-	10	-	15	-
Fleet services (including gov motor transport)	580	(17)	-	563	910	(347)	161,6%	1 920	1 407
Inventory: Food and food supplies	20	-	-	20	7	13	35,0%	20	10
Inventory: Fuel, oil and gas	25	-	-	25	1	24	4,0%	17	1
Inventory: Materials and supplies	-	-	-	-	-	-	-	7	2
Medical supplies	94 116	(13 197)	-	80 919	80 899	20	100,0%	158 739	130 721
Inventory: Medicine	50	-	-	50	-	50	-	-	-
Consumable supplies	50	-	-	50	7	43	14,0%	48	14
Consumable: Stationery, printing and office supplies	502	-	-	502	183	319	36,5%	525	204
Operating leases	200	(140)	-	60	60	-	100,0%	100	138
Property payments	-	-	-	-	-	-	-	15	-
Travel and subsistence	6 795	(1 063)	-	5 732	5 078	654	88,6%	8 551	8 278
Operating payments	28 159	6 000	(876)	33 283	33 831	(548)	101,6%	26 762	25 285
Venues and facilities	200	-	-	200	256	(56)	128,0%	200	144

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification		2017/18						2016/17		
		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
<b>Transfers and subsidies</b>		<b>17 757 660</b>	<b>8</b>	-	<b>17 757 668</b>	<b>17 747 748</b>	<b>9 920</b>	<b>99,9%</b>	<b>15 461 772</b>	<b>15 456 388</b>
Provinces and municipalities		17 577 737	-	-	17 577 737	17 577 737	-	100,0%	15 290 603	15 290 603
Provinces		17 577 737	-	-	17 577 737	17 577 737	-	100,0%	15 290 603	15 290 603
Provincial Revenue Funds		17 577 737	-	-	17 577 737	17 577 737	-	100,0%	15 290 603	15 290 603
Departmental agencies and accounts		17 547	-	-	17 547	17 547	-	100,0%	16 711	16 711
Departmental agencies (non-business related)		17 547	-	-	17 547	17 547	-	100,0%	16 711	16 711
Foreign governments & international organisations		-	-	-	-	-	-	-	14 370	14 370
Non-profit institutions		162 376	-	-	162 376	152 456	9 920	93,9%	140 049	135 226
Households		-	8	-	8	8	-	100,0%	39	39
Social benefits		-	8	-	8	8	-	100,0%	39	39
<b>Payments for capital assets</b>		-	-	-	-	-	-	-	<b>234</b>	<b>203</b>
Machinery and equipment		-	-	-	-	-	-	-	234	203
Other machinery and equipment		-	-	-	-	-	-	-	234	203
<b>Payments for financial assets</b>		<b>5</b>	<b>9</b>	-	<b>14</b>	<b>14</b>	-	<b>100,0%</b>	<b>15</b>	<b>15</b>
<b>Total</b>		<b>18 024 381</b>	-	-	<b>18 024 381</b>	<b>18 014 119</b>	<b>10 262</b>	<b>99,9%</b>	<b>15 749 040</b>	<b>15 712 480</b>

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Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18					2016/17			
	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
<b>Current payments</b>	<b>26 188</b>	<b>(149)</b>	-	<b>26 039</b>	<b>25 289</b>	<b>750</b>	<b>97,1%</b>	<b>24 177</b>	<b>24 177</b>
Compensation of employees	12 834	-	-	12 834	12 228	606	95,3%	12 850	12 850
Salaries and wages	11 132	-	-	11 132	10 862	270	97,6%	11 297	11 374
Social contributions	1 702	-	-	1 702	1 366	336	80,3%	1 553	1 476
Goods and services	13 354	(149)	-	13 205	13 061	144	98,9%	11 327	11 327
Minor assets	180	(166)	-	14	14	-	100,0%	172	-
Catering: Departmental activities	60	-	-	60	108	(48)	180,0%	60	31
Communication (G&S)	160	-	-	160	137	23	85,6%	150	140
Consultants: Business and advisory services	4 000	1 043	-	5 043	4 953	90	98,2%	2 289	2 604
Contractors	100	(100)	-	-	-	-	-	-	-
Fleet services (including government motor transport)	720	(305)	-	415	494	(79)	119,0%	690	711
Inventory: Food and food supplies	19	-	-	19	9	10	47,4%	18	9
Inventory: Fuel, oil and gas	-	-	-	-	1	(1)	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	1	-
Consumable supplies	23	(23)	-	-	-	-	-	40	1
Consumable: Stationery, printing and office supplies	940	(518)	-	422	423	(1)	100,2%	3 360	3 127
Operating leases	75	(8)	-	67	57	10	85,1%	69	52
Travel and subsistence	3 687	1 337	-	5 024	6 309	(1 285)	125,6%	3 970	4 137
Operating payments	3 090	(2 063)	-	1 027	27	1 000	2,6%	375	395
Venues and facilities	300	654	-	954	529	425	55,5%	133	120
<b>Transfers and subsidies</b>	<b>110</b>	<b>122</b>	-	<b>232</b>	<b>232</b>	-	<b>100,0%</b>	-	-
Households	110	122	-	232	232	-	100,0%	-	-
Social benefits	110	122	-	232	232	-	100,0%	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>201</b>	<b>123</b>
Machinery and equipment	-	-	-	-	-	-	-	201	123
Other machinery and equipment	-	-	-	-	-	-	-	201	123
<b>Payments for financial assets</b>	-	<b>20</b>	-	<b>20</b>	<b>20</b>	-	<b>100,0%</b>	<b>26</b>	<b>26</b>
<b>Total</b>	<b>26 298</b>	<b>(7)</b>	-	<b>26 291</b>	<b>25 541</b>	<b>750</b>	<b>97,1%</b>	<b>24 404</b>	<b>24 326</b>

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Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>18 157</b>	-	<b>(2 468)</b>	<b>15 689</b>	<b>14 197</b>	<b>1 492</b>	<b>90,5%</b>	<b>14 460</b>	<b>11 523</b>
Compensation of employees	12 188	-	(2 468)	9 720	9 571	149	98,5%	12 433	9 623
Salaries and wages	10 985	-	(2 468)	8 517	8 491	26	99,7%	11 080	8 533
Social contributions	1 203	-	-	1 203	1 080	123	89,9%	1 353	1 090
Goods and services	5 969	-	-	5 969	4 626	1 343	77,5%	2 027	1 900
Administrative fees	-	-	-	-	1	(1)	-	-	-
Advertising	2 310	(2 248)	-	62	61	1	98,4%	60	-
Minor assets	67	(10)	-	57	11	46	19,3%	11	5
Catering: Departmental activities	139	-	-	139	124	15	89,2%	30	13
Communication (G&S)	50	-	-	50	44	6	88,0%	60	62
Consultants: Business and advisory services	52	1 083	-	1 135	1 139	(4)	100,4%	38	2
Contractors	523	(517)	-	6	6	-	100,0%	5	-
Agency and support / outsourced services	17	(10)	-	7	-	7	-	60	20
Fleet services (including gov motor transport)	104	103	-	207	204	3	98,6%	90	85
Inventory: Food and food supplies	5	-	-	5	1	4	20,0%	6	2
Inventory: Fuel, oil and gas	-	8	-	8	2	6	25,0%	-	1
Consumable: Stationery, printing & office supplies	617	(352)	-	265	114	151	43,0%	181	158
Operating leases	80	(5)	-	75	62	13	82,7%	80	60
Travel and subsistence	1 700	337	-	2 037	1 769	268	86,8%	1 096	1 086
Operating payments	305	1 611	-	1 916	1 088	828	56,8%	205	325
Venues and facilities	-	-	-	-	-	-	-	105	81
<b>Transfers and subsidies</b>	<b>33</b>	-	-	<b>33</b>	<b>33</b>	-	<b>100,0%</b>	-	-
Households	33	-	-	33	33	-	100,0%	-	-
Social benefits	33	-	-	33	33	-	100,0%	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>119</b>	<b>45</b>
Machinery and equipment	-	-	-	-	-	-	-	119	45
Other machinery and equipment	-	-	-	-	-	-	-	119	45
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	<b>1</b>
<b>Total</b>	<b>18 190</b>	-	<b>(2 468)</b>	<b>15 722</b>	<b>14 230</b>	<b>1 492</b>	<b>90,5%</b>	<b>14 579</b>	<b>11 569</b>

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**  
**3.5 Child, Youth and School Health**

Economic classification	2017/18						2016/17		
	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
<b>Current payments</b>	<b>207 433</b>	-	-	<b>207 433</b>	<b>205 900</b>	<b>1 533</b>	<b>99,3%</b>	<b>213 186</b>	<b>212 223</b>
Compensation of employees	15 616	-	-	15 616	15 240	376	97,6%	16 056	15 102
Salaries and wages	13 863	-	-	13 863	13 347	516	96,3%	13 675	13 232
Social contributions	1 753	-	-	1 753	1 893	(140)	108,0%	2 381	1 870
Goods and services	191 817	-	-	191 817	190 660	1 157	99,4%	197 130	197 121
Advertising	1 350	(943)	-	407	407	-	100,0%	1 066	1 065
Minor assets	1 850	(1 527)	-	323	196	127	60,7%	1 613	1 610
Catering: Departmental activities	160	75	-	235	108	127	46,0%	154	151
Communication (G&S)	360	250	-	610	517	93	84,8%	882	620
Consultants: Business and advisory services	15 092	(14 789)	-	303	248	55	81,8%	12 228	12 184
Contractors	-	-	-	-	-	-	-	4	-
Agency and support / outsourced services	16 655	14 944	-	31 599	31 605	(6)	100,0%	25 042	24 847
Fleet services (including government motor transport)	25 185	32 300	-	57 485	58 329	(844)	101,5%	20 225	20 408
Inventory: Food and food supplies	2	-	-	2	1	1	50,0%	4	1
Inventory: Fuel, oil and gas	52	(50)	-	2	3	(1)	150,0%	1	1
Inventory: Medical supplies	555	(50)	-	505	529	(24)	104,8%	631	631
Inventory: Medicine	110 000	(23 339)	-	86 661	86 407	254	99,7%	119 796	119 796
Consumable supplies	8	(6)	-	2	21	(19)	1 050,0%	10	26
Consumable: Stationery, printing & office supplies	3 141	(3 060)	-	81	85	(4)	104,9%	1 959	1 976
Operating leases	190	-	-	190	81	109	42,6%	150	180
Travel and subsistence	4 618	(1 305)	-	3 313	2 752	561	83,1%	4 448	3 969
Operating payments	7 599	1 326	-	8 925	7 931	994	88,9%	4 135	4 782
Venues and facilities	5 000	(3 826)	-	1 174	1 440	(266)	122,7%	4 782	4 874
<b>Transfers and subsidies</b>	<b>18</b>	-	-	<b>18</b>	<b>18</b>	-	<b>100,0%</b>	<b>11</b>	<b>11</b>
Households	18	-	-	18	18	-	100,0%	11	11
Social benefits	18	-	-	18	18	-	100,0%	11	11
<b>Payments for capital assets</b>	<b>15 000</b>	-	-	<b>15 000</b>	<b>14 840</b>	<b>160</b>	<b>98,9%</b>	<b>282</b>	<b>127</b>
Machinery and equipment	15 000	-	-	15 000	14 840	160	98,9%	282	127
Other machinery and equipment	15 000	-	-	15 000	14 840	160	98,9%	282	127
<b>Total</b>	<b>222 451</b>	-	-	<b>222 451</b>	<b>220 758</b>	<b>1 693</b>	<b>99,2%</b>	<b>213 479</b>	<b>212 361</b>



Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

		2017/18						2016/17		
		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
<b>Programme 4: Primary Health Care Services</b>										
<b>Sub programme</b>										
1. Programme Management	3 136	1 266	-	4 402	3 955	447	89,8%	3 338	3 336	
2. District Health Services	46 266	(7 061)	(830)	38 375	34 947	3 428	91,1%	22 153	19 550	
3. Communicable Diseases	21 723	(319)	(2 200)	19 204	18 397	807	95,8%	18 711	17 589	
4. Non-Communicable Diseases	22 491	328	(487)	22 332	21 236	1 096	95,1%	21 913	19 425	
5. Health Promotion and Nutrition	26 256	(1 867)	(1 350)	23 039	21 306	1 733	92,5%	23 344	19 135	
6. Environmental & Port Health Services	144 027	7 653	4 311	155 991	153 930	2 061	98,7%	148 596	146 696	
<b>Total for sub programmes</b>	<b>283 899</b>	<b>-</b>	<b>(556)</b>	<b>263 343</b>	<b>253 771</b>	<b>9 572</b>	<b>96,4%</b>	<b>238 055</b>	<b>225 731</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>255 618</b>	<b>(1 192)</b>	<b>(556)</b>	<b>253 870</b>	<b>244 189</b>	<b>9 681</b>	<b>96,2%</b>	<b>231 897</b>	<b>221 809</b>	
Compensation of employees	185 583	-	4 311	189 894	189 894	-	100,0%	186 410	177 860	
Salaries and wages	164 413	(4 219)	4 071	164 265	164 190	75	100,0%	161 206	154 076	
Social contributions	21 170	4 219	240	25 629	25 704	(75)	100,3%	25 204	23 784	
Goods and services	70 035	(1 192)	(4 867)	63 976	54 295	9 681	84,9%	45 487	43 949	
Administrative fees	55	-	-	55	68	(13)	123,6%	51	68	
Advertising	1 135	856	(280)	1 711	1 673	38	97,8%	320	314	
Minor assets	11 749	(5 132)	(170)	6 447	5 730	717	88,9%	3 172	2 939	
Catering: Departmental activities	1 358	35	(100)	1 293	925	368	71,5%	747	722	
Communication (G&S)	1 555	490	-	2 045	2 144	(99)	104,8%	1 611	1 587	
Computer services	10	(5)	-	5	2	3	40,0%	-	-	
Consultants: Business and advisory services	1 604	(442)	(100)	1 062	359	703	33,8%	1 560	1 471	
Contractors	365	471	(65)	771	408	363	52,9%	488	293	
Agency and support / outsourced services	1 000	(828)	-	172	-	172	-	-	-	
Entertainment	10	(5)	-	5	-	5	-	2	-	
Fleet services (including gov motor transport)	12 802	(1 114)	(1 063)	10 625	10 210	415	96,1%	13 727	13 566	
Inventory: Clothing material and supplies	2 400	(1 665)	-	735	735	-	100,0%	1 240	134	
Inventory: Farming supplies	-	2 108	-	2 108	2 016	92	95,6%	-	-	
Inventory: Food and food supplies	52	(11)	-	41	17	24	41,5%	34	14	
Inventory: Fuel, oil and gas	15	(1)	-	14	1	13	7,1%	3	2	
Inventory: Materials and supplies	-	-	-	-	-	-	-	7	-	

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

	2017/18					2016/17			
	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
Inventory: Medical supplies	1 000	350	-	1 350	1 358	(8)	100,6%	870	889
Inventory: Medicine	201	(200)	-	1	-	1		-	3
Inventory: Other supplies	-	-	-	-	-	-		-	75
Consumable supplies	689	26	(19)	696	438	258	62,9%	56	51
Consumable: Stationery, printing and office supplies	3 761	(374)	(560)	2 827	1 338	1 489	47,3%	686	719
Operating leases	855	125	(23)	957	629	328	65,7%	1 047	810
Property payments	-	263	-	263	178	85	67,7%	-	90
Travel and subsistence	15 570	3 696	(1 417)	17 849	15 539	2 310	87,1%	12 116	12 116
Training and development	150	406	(36)	520	520	-	100,0%	-	-
Operating payments	9 694	(1 326)	(1 034)	7 334	4 917	2 417	67,0%	2 629	2 977
Venues and facilities	4 005	1 085	-	5 090	5 090	-	100,0%	5 121	5 129
<b>Transfers and subsidies</b>	<b>3 015</b>	<b>502</b>	-	<b>3 517</b>	<b>3 475</b>	<b>42</b>	<b>98,8%</b>	<b>4 819</b>	<b>2 894</b>
Departmental agencies and accounts	-	13	-	13	13	-	100,0%	-	-
Departmental agencies (non-business entities)	-	13	-	13	13	-	100,0%	-	-
Non-profit institutions	2 960	-	-	2 960	2 918	42	98,6%	3 036	1 641
Households	55	489	-	544	544	-	100,0%	1 783	1 253
Social benefits	55	489	-	544	544	-	100,0%	1 776	1 253
Other transfers to households	-	-	-	-	-	-		7	-
<b>Payments for capital assets</b>	<b>5 255</b>	<b>690</b>	-	<b>5 945</b>	<b>6 096</b>	<b>(151)</b>	<b>102,5%</b>	<b>1 311</b>	<b>1 000</b>
Machinery and equipment	5 255	690	-	5 945	6 096	(151)	102,5%	1 311	1 000
Other machinery and equipment	5 255	690	-	5 945	6 096	(151)	102,5%	1 311	1 000
<b>Payments for financial assets</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>11</b>	<b>-</b>	<b>100,0%</b>	<b>28</b>	<b>28</b>
<b>Total</b>	<b>263 899</b>	<b>-</b>	<b>(556)</b>	<b>263 343</b>	<b>253 771</b>	<b>9 572</b>	<b>96,4%</b>	<b>238 055</b>	<b>225 731</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification		2017/18						2016/17		
		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
<b>Current payments</b>		<b>2 881</b>	<b>576</b>	-	<b>3 457</b>	<b>3 378</b>	<b>79</b>	<b>97,7%</b>	<b>3 325</b>	<b>3 325</b>
Compensation of employees		2 346	576	-	2 922	2 922	-	100,0%	2 681	2 681
Salaries and wages		2 099	500	-	2 599	2 607	(8)	100,3%	2 405	2 391
Social contributions		247	76	-	323	315	8	97,5%	276	290
Goods and services		535	-	-	535	456	79	85,2%	644	644
Minor assets		2	-	-	2	4	(2)	200,0%	4	-
Catering: Departmental activities		50	(25)	-	25	27	(2)	108,0%	50	62
Communication (G&S)		40	(15)	-	25	25	-	100,0%	45	41
Fleet services (including gov motor transport)		44	(20)	-	24	12	12	50,0%	53	43
Inventory: Food and food supplies		4	-	-	4	2	2	50,0%	2	2
Inventory: Materials and supplies		-	-	-	-	-	-	-	1	-
Consumable supplies		2	-	-	2	3	(1)	150,0%	3	1
Consumable: Stationery, printing & office supplies		62	(10)	-	52	50	2	96,2%	49	43
Operating leases		40	-	-	40	36	4	90,0%	89	41
Travel and subsistence		291	70	-	361	297	64	82,3%	348	411
<b>Payments for capital assets</b>		<b>255</b>	<b>690</b>	-	<b>945</b>	<b>577</b>	<b>368</b>	<b>61,1%</b>	<b>13</b>	<b>11</b>
Machinery and equipment		255	690	-	945	577	368	61,1%	13	11
Other machinery and equipment		255	690	-	945	577	368	61,1%	13	11
<b>Total</b>		<b>3 136</b>	<b>1 266</b>	-	<b>4 402</b>	<b>3 955</b>	<b>447</b>	<b>89,8%</b>	<b>3 338</b>	<b>3 336</b>

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**

Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditures % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>41 266</b>	<b>(7 061)</b>	<b>(830)</b>	<b>33 375</b>	<b>29 428</b>	<b>3 947</b>	<b>88,2%</b>	<b>21 828</b>	<b>19 225</b>
Compensation of employees	12 750	(6 981)	-	5 769	5 769	-	100,0%	8 172	5 777
Salaries and wages	10 870	(5 821)	-	5 049	5 091	(42)	100,8%	6 310	5 119
Social contributions	1 880	(1 160)	-	720	678	42	94,2%	1 862	658
Goods and services	28 516	(80)	(830)	27 606	23 659	3 947	85,7%	13 656	13 448
Advertising	-	-	-	-	-	-	-	48	48
Minor assets	10 751	(4 738)	-	6 013	5 504	509	91,5%	3 018	2 798
Catering: Departmental activities	250	75	-	325	279	46	85,8%	65	80
Communication (G&S)	82	-	-	82	91	(9)	111,0%	55	63
Consultants: Business and advisory services	600	-	-	600	-	600	-	-	309
Contractors	12	20	-	32	84	(52)	262,5%	2	-
Fleet services (including gov motor transport)	3 275	-	(380)	2 895	2 069	826	71,5%	1 963	1 356
Inventory: Food and food supplies	8	-	-	8	2	6	25,0%	7	1
Inventory: Materials and supplies	-	-	-	-	-	-	-	2	-
Inventory: Medical supplies	-	-	-	-	-	-	-	1	-
Consumable supplies	590	-	-	590	380	210	64,4%	16	11
Consumable: Stationery, printing and office supplies	1 108	(20)	(30)	1 058	232	826	21,9%	38	153
Operating leases	35	10	-	45	24	21	53,3%	-	44
Property payments	-	33	-	33	33	-	100,0%	-	-
Travel and subsistence	5 475	4 680	(320)	9 835	8 600	1 235	87,4%	5 311	5 074
Training and development	100	456	(36)	520	520	-	100,0%	-	-
Operating payments	4 890	(596)	(64)	4 230	2 920	1 310	69,0%	780	993
Venues and facilities	1 340	-	-	1 340	2 921	(1 581)	218,0%	2 350	2 518
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	<b>46</b>	<b>46</b>
Households	-	--	-	-	-	-	-	46	46
Social benefits	-	-	-	-	-	-	-	46	46
<b>Payments for capital assets</b>	<b>5 000</b>	-	-	<b>5 000</b>	<b>5 519</b>	<b>(519)</b>	<b>110,4%</b>	<b>279</b>	<b>279</b>
Machinery and equipment	5 000	-	-	5 000	5 519	(519)	110,4%	279	279
Other machinery and equipment	5 000	-	-	5 000	5 519	(519)	110,4%	279	279
<b>Total</b>	<b>46 266</b>	<b>(7 061)</b>	<b>(830)</b>	<b>38 375</b>	<b>34 947</b>	<b>3 428</b>	<b>91,1%</b>	<b>22 153</b>	<b>19 550</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification		2017/18						2016/17		
		Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>		<b>21 723</b>	<b>(319)</b>	<b>(2 200)</b>	<b>19 204</b>	<b>18 397</b>	<b>807</b>	<b>95,8%</b>	<b>18 555</b>	<b>17 434</b>
Compensation of employees		11 595	291	-	11 886	11 886	-	100,0%	12 004	10 882
Salaries and wages		10 093	291	-	10 384	10 311	73	99,3%	10 567	9 467
Social contributions		1 502	-	-	1 502	1 575	(73)	104,9%	1 437	1 415
Goods and services		10 128	(610)	(2 200)	7 318	6 511	807	89,0%	6 551	6 552
Administrative fees		-	-	-	-	1	(1)	-	-	-
Advertising		200	-	(200)	-	-	-	-	-	-
Minor assets		365	(337)	-	28	27	1	96,4%	30	29
Catering: Departmental activities		500	(91)	(100)	309	218	91	70,6%	178	168
Communication (G&S)		105	(5)	-	100	91	9	91,0%	77	109
Computer services		10	(5)	-	5	2	3	40,0%	-	-
Contractors		5	(5)	-	-	-	-	-	2	4
Fleet services (including gov motor transport)		1 065	(35)	(400)	630	926	(296)	147,0%	2 260	2 454
Inventory: Farming supplies		-	2 018	-	2 018	2 016	2	99,9%	-	-
Inventory: Food and food supplies		20	(10)	-	10	3	7	30,0%	10	4
Inventory: Fuel, oil and gas		10	(10)	-	-	-	-	-	2	1
Inventory: Medical supplies		-	-	-	-	8	(8)	-	-	-
Inventory: Medicine		200	(200)	-	-	-	-	-	-	2
Consumable supplies		40	(29)	-	11	4	7	36,4%	8	12
Consumable: Stationery, printing & office supplies		1 505	(318)	(400)	787	524	263	66,6%	161	152
Operating leases		150	(20)	-	130	95	35	73,1%	90	123
Travel and subsistence		3 633	(1 093)	(480)	2 060	1 476	584	71,7%	1 815	1 807
Operating payments		1 320	(470)	(620)	230	128	102	55,7%	466	400
Venues and facilities		1 000	-	-	1 000	992	8	99,2%	1 452	1 287
<b>Payments for capital assets</b>		-	-	-	-	-	-	-	<b>156</b>	<b>155</b>
Machinery and equipment		-	-	-	-	-	-	-	156	155
Other machinery and equipment		-	-	-	-	-	-	-	156	155
<b>Total</b>		<b>21 723</b>	<b>(319)</b>	<b>(2 200)</b>	<b>19 204</b>	<b>18 397</b>	<b>807</b>	<b>95,8%</b>	<b>18 711</b>	<b>17 589</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>20 418</b>	<b>328</b>	<b>(487)</b>	<b>20 259</b>	<b>19 163</b>	<b>1 096</b>	<b>94,6%</b>	<b>19 376</b>	<b>17 479</b>
Compensation of employees	15 083	328	-	15 411	15 411	-	100,0%	16 202	14 305
Salaries and wages	13 746	38	-	13 784	13 689	95	99,3%	14 475	12 701
Social contributions	1 337	290	-	1 627	1 722	(95)	105,8%	1 727	1 604
Goods and services	5 335	-	(487)	4 848	3 752	1 096	77,4%	3 174	3 174
Advertising	160	-	(80)	80	79	1	98,8%	40	39
Minor assets	167	(25)	(106)	36	15	21	41,7%	15	7
Catering: Departmental activities	178	(11)	-	167	118	49	70,7%	53	37
Communication (G&S)	93	-	-	93	98	(5)	105,4%	35	113
Consultants: Business and advisory services	1 004	(442)	(100)	462	359	103	77,7%	1 560	1 162
Contractors	5	-	-	5	3	2	60,0%	-	-
Fleet services (including gov motor transport)	173	-	-	173	130	43	75,1%	38	136
Inventory: Food and food supplies	8	-	-	8	2	6	25,0%	2	2
Inventory: Fuel, oil and gas	3	-	-	3	-	3	-	1	-
Inventory: Medicine	1	-	-	1	-	1	-	-	1
Inventory: Other supplies	-	-	-	-	-	-	-	-	75
Consumable supplies	21	(7)	-	14	-	14	-	5	2
Consumable: Stationery, printing and office supplies	326	174	(20)	480	223	257	46,5%	72	49
Operating leases	180	-	-	180	111	69	61,7%	66	71
Travel and subsistence	1 667	390	(165)	1 892	1 809	83	95,6%	918	1 094
Operating payments	1 034	(166)	(16)	852	425	427	49,9%	264	289
Venues and facilities	315	87	-	402	380	22	94,5%	105	97
<b>Transfers and subsidies</b>	<b>2 073</b>	<b>-</b>	<b>-</b>	<b>2 073</b>	<b>2 073</b>	<b>-</b>	<b>100,0%</b>	<b>2 394</b>	<b>1 844</b>
Non-profit institutions	2 073	-	-	2 073	2 073	-	100,0%	2 191	1 641
Households	-	-	-	-	-	-	-	203	203
Social benefits	-	-	-	-	-	-	-	203	203
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129</b>	<b>88</b>
Machinery and equipment	-	-	-	-	-	-	-	129	88
Other machinery and equipment	-	-	-	-	-	-	-	129	88
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>14</b>
<b>Total</b>	<b>22 491</b>	<b>328</b>	<b>(487)</b>	<b>22 332</b>	<b>21 236</b>	<b>1 096</b>	<b>95,1%</b>	<b>21 913</b>	<b>19 425</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18					2016/17			
	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
<b>Current payments</b>	<b>25 341</b>	<b>(2 275)</b>	<b>(1 350)</b>	<b>21 716</b>	<b>20 025</b>	<b>1 691</b>	<b>92,2%</b>	<b>21 891</b>	<b>18 755</b>
Compensation of employees	15 949	(1 867)	-	14 082	14 082	-	100,0%	17 304	14 168
Salaries and wages	13 995	(1 727)	-	12 268	12 273	(5)	100,0%	15 502	12 413
Social contributions	1 954	(140)	-	1 814	1 809	5	99,7%	1 802	1 755
Goods and services	9 392	(408)	(1 350)	7 634	5 943	1 691	77,8%	4 587	4 587
Advertising	725	886	-	1 611	1 580	31	98,1%	214	210
Minor assets	204	(27)	(64)	113	127	(14)	112,4%	18	9
Catering: Departmental activities	300	27	-	327	189	138	57,8%	271	244
Communication (G&S)	350	(200)	-	150	137	13	91,3%	85	155
Contractors	93	224	(65)	252	-	252	-	58	-
Agency and support / outsourced services	1 000	(828)	-	172	-	172	-	-	-
Fleet services (including government motor transport)	645	(59)	(283)	303	220	83	72,6%	533	470
Inventory: Food and food supplies	5	(1)	-	4	4	-	100,0%	3	3
Inventory: Fuel, oil and gas	2	(1)	-	1	-	1	-	-	1
Inventory: Medical supplies	1 000	350	-	1 350	1 350	-	100,0%	869	869
Consumable supplies	26	(3)	(19)	4	3	1	75,0%	11	-
Consumable: Stationery, printing and office supplies	410	(300)	(110)	-	-	-	-	77	31
Operating leases	200	(45)	(23)	132	94	38	71,2%	292	138
Travel and subsistence	2 312	(481)	(452)	1 379	1 053	326	76,4%	1 187	1 315
Operating payments	1 720	50	(334)	1 436	1 064	372	74,1%	449	609
Venues and facilities	400	-	-	400	122	278	30,5%	520	533
<b>Transfers and subsidies</b>	<b>904</b>	<b>408</b>	<b>-</b>	<b>1 312</b>	<b>1 270</b>	<b>42</b>	<b>96,8%</b>	<b>1 215</b>	<b>237</b>
Non-profit institutions	887	-	-	887	845	42	95,3%	845	-
Households	17	408	-	425	425	-	100,0%	370	237
Social benefits	17	408	-	425	425	-	100,0%	370	237
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>224</b>	<b>130</b>
Machinery and equipment	-	-	-	-	-	-	-	224	130
Other machinery and equipment	-	-	-	-	-	-	-	224	130
<b>Payments for financial assets</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>11</b>	<b>-</b>	<b>100,0%</b>	<b>14</b>	<b>13</b>
<b>Total</b>	<b>26 256</b>	<b>(1 867)</b>	<b>(1 350)</b>	<b>23 039</b>	<b>21 306</b>	<b>1 733</b>	<b>92,5%</b>	<b>23 344</b>	<b>19 135</b>

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**

Economic classification		2017/18						2016/17		
		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
<b>Current payments</b>		<b>143 989</b>	<b>7 559</b>	<b>4 311</b>	<b>155 859</b>	<b>153 798</b>	<b>2 061</b>	<b>98,7%</b>	<b>146 922</b>	<b>145 591</b>
Compensation of employees		127 860	7 653	4 311	139 824	139 824	-	100,0%	130 047	130 047
Salaries and wages		113 610	2 500	4 071	120 181	120 219	(38)	100,0%	111 947	111 985
Social contributions		14 250	5 153	240	19 643	19 605	38	99,8%	18 100	18 062
Goods and services		16 129	(94)	-	16 035	13 974	2 061	87,1%	16 875	15 544
Administrative fees		55	-	-	55	67	(12)	121,8%	51	68
Advertising		50	(30)	-	20	14	6	70,0%	18	17
Minor assets		260	(5)	-	255	53	202	20,8%	87	96
Catering: Departmental activities		80	60	-	140	94	46	67,1%	130	131
Communication (G&S)		885	710	-	1 595	1 702	(107)	106,7%	1 314	1 106
Contractors		250	232	-	482	321	161	66,6%	426	289
Entertainment		10	(5)	-	5	-	5	-	2	-
Fleet services (including gov motor transport)		7 600	(1 000)	-	6 600	6 853	(253)	103,8%	8 880	9 107
Inventory: Clothing material and supplies		2 400	(1 665)	-	735	735	-	100,0%	1 240	134
Inventory: Farming supplies		-	90	-	90	-	90	-	-	-
Inventory: Food and food supplies		7	-	-	7	4	3	57,1%	10	2
Inventory: Fuel, oil and gas		-	10	-	10	1	9	10,0%	-	-
Inventory: Materials and supplies		-	-	-	-	-	-	-	4	-
Consumable supplies		10	65	-	75	48	27	64,0%	13	25
Consumable: Stationery, printing and office supplies		350	100	-	450	309	141	68,7%	289	291
Operating leases		250	180	-	430	269	161	62,6%	510	393
Property payments		-	230	-	230	145	85	63,0%	-	90
Travel and subsistence		2 192	130	-	2 322	2 304	18	99,2%	2 537	2 415
Training and development		50	(50)	-	-	-	-	-	-	-
Operating payments		730	(144)	-	586	380	206	64,8%	670	686
Venues and facilities		950	998	-	1 948	675	1 273	34,7%	694	694



Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification		2017/18						2016/17		
		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
<b>Transfers and subsidies</b>		<b>38</b>	<b>94</b>	-	<b>132</b>	-	<b>100,0%</b>	<b>1 164</b>	<b>767</b>	
Departmental agencies and accounts		-	13	-	13	-	100,0%	-	-	
Departmental agencies (non-business entities)		-	13	-	13	-	100,0%	-	-	
Households		38	81	-	119	-	100,0%	1 164	767	
Social benefits		38	81	-	119	-	100,0%	1 157	767	
Other transfers to households		-	-	-	-	-	-	7	-	
<b>Payments for capital assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>510</b>	<b>337</b>	
Machinery and equipment		-	-	-	-	-	-	510	337	
Other machinery and equipment		-	-	-	-	-	-	510	337	
<b>Payments for capital assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	
<b>Total</b>		<b>144 027</b>	<b>7 653</b>	<b>4 311</b>	<b>155 991</b>	<b>2 061</b>	<b>98,7%</b>	<b>148 596</b>	<b>146 696</b>	

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**

Programme 5: Hospital, Tertiary Health Services and Human Resource Development												
Economic classification	2017/18						2016/17					
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Final expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000			
<b>Sub programme</b>												
1. Programme Management	3 692	(956)	-	2 736	956	1 780	34,9%	2 816	2 614			
2. Health Facilities Infrastructure Management	6 423 670	-	-	6 423 670	6 356 326	67 344	99,0%	5 984 045	5 973 459			
3. Tertiary Health Care Planning and Policy	11 680 763	-	-	11 680 763	11 679 930	833	100,0%	10 850 317	10 850 183			
4. Hospital Management	4 955	956	-	5 911	5 865	46	99,2%	8 273	8 108			
5. Human Resources for Health	2 653 788	(2 745)	7 000	2 658 043	2 655 831	2 212	99,9%	2 515 400	2 515 297			
6. Nursing Services	6 562	1 574	-	8 136	8 006	130	98,4%	7 297	7 289			
7. Forensic Chemistry Laboratories	127 405	-	16	127 421	114 759	12 662	90,1%	120 819	104 446			
8. Violence, Trauma and EMS	6 949	1 171	-	8 120	7 098	1 022	87,4%	7 449	7 320			
<b>Total for sub programmes</b>	<b>20 907 784</b>	<b>-</b>	<b>7 016</b>	<b>20 914 800</b>	<b>20 828 771</b>	<b>86 029</b>	<b>99,6%</b>	<b>19 496 416</b>	<b>19 468 716</b>			
<b>Economic classification</b>												
<b>Current payments</b>	<b>254 651</b>	<b>(380)</b>	<b>1</b>	<b>254 272</b>	<b>239 384</b>	<b>14 888</b>	<b>94,1%</b>	<b>423 392</b>	<b>279 872</b>			
Compensation of employees	128 470	-	5 311	133 781	123 303	10 478	92,2%	140 305	138 008			
Salaries and wages	116 321	(440)	3 511	119 392	107 072	12 320	89,7%	125 347	122 324			
Social contributions	12 149	440	1 800	14 389	16 231	(1 842)	112,8%	14 958	15 684			
Goods and services	126 181	(380)	(5 310)	120 491	116 081	4 410	96,3%	283 087	141 864			
Administrative fees	12	-	-	12	1	11	8,3%	238	227			
Advertising	150	(15)	-	135	-	135	-	194	53			
Minor assets	2 438	(1 598)	100	940	219	721	23,3%	10 412	3 993			
Catering: Departmental activities	318	50	-	368	223	145	60,6%	219	160			
Communication	1 195	(440)	200	955	801	154	83,9%	1 429	1 329			
Computer services	1 460	770	(304)	1 926	1 926	-	100,0%	1 129	1 142			
Consultants: Business & advisory services	76 050	-	-	76 050	82 136	(6 086)	108,0%	2 337	1 140			
Infrastructure and planning services	-	-	-	-	-	-	-	31 000	-			
Laboratory services	25	-	-	25	-	25	-	-	-			
Legal services	100	-	-	100	-	100	-	-	-			
Contractors	7 556	2 603	(2 374)	7 785	7 596	189	97,6%	6 602	4 852			
Agency and support / outsourced services	1 900	700	(658)	1 942	1 729	213	89,0%	189 794	101 976			
Entertainment	2	-	-	2	-	2	-	8	-			
Fleet services (including government motor transport)	1 570	(632)	466	1 404	902	502	64,2%	3 742	1 894			
Inventory: Clothing material and accessories	100	-	-	100	60	40	60,0%	105	75			

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Programme 5: Hospital, Tertiary Health Services and Human Resource Development												
Economic classification	2017/18						2016/17					
	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	Final expenditure R'000	Actual expenditure R'000		
Inventory: Food and food supplies	57	-	-	57	21	36	36,8%	48	944	944		
Inventory: Fuel, oil and gas	1 576	445	-	2 021	2 020	1	100,0%	966	-	-		
Inventory: Materials and supplies	-	-	-	-	-	-	-	6	729	729		
Inventory: Medical supplies	265	(192)	-	73	53	20	72,6%	7 080	114	114		
Inventory: Medicine	60	(50)	-	10	-	10	-	50	-	-		
Inventory: Other supplies	13 090	(962)	(2 800)	9 328	9 316	12	99,9%	11 365	9 068	9 068		
Consumable supplies	205	(23)	-	182	76	106	41,8%	218	106	106		
Consumable: Stationery, printing and office supplies	1 309	(100)	-	1 209	839	370	69,4%	1 000	525	525		
Operating leases	848	(86)	-	762	685	77	89,9%	790	628	628		
Property payments	-	-	-	-	-	-	-	-	5	5		
Travel and subsistence	13 885	(655)	400	13 630	6 607	7 023	48,5%	12 484	11 416	11 416		
Training and development	50	-	-	50	49	1	98,0%	-	-	-		
Operating payments	1 333	(114)	(210)	1 009	652	357	64,6%	1 051	1 086	1 086		
Venues and facilities	247	(81)	-	166	7	159	4,2%	580	213	213		
Rental and hiring	380	-	(130)	250	163	87	65,2%	240	189	189		
<b>Transfers and subsidies</b>	<b>19 993 255</b>	<b>333</b>	<b>7 000</b>	<b>20 000 588</b>	<b>20 000 588</b>	<b>-</b>	<b>100,0%</b>	<b>18 598 040</b>	<b>18 598 040</b>	<b>18 598 040</b>		
Provinces and municipalities	19 992 489	-	-	19 992 489	19 992 489	-	100,0%	18 596 182	18 596 182	18 596 182		
Provinces	19 992 489	-	-	19 992 489	19 992 489	-	100,0%	18 596 182	18 596 182	18 596 182		
Provincial Revenue Funds	19 992 489	-	-	19 992 489	19 992 489	-	100,0%	18 596 182	18 596 182	18 596 182		
Foreign governments and international organisations	-	-	-	-	-	-	-	1 661	1 661	1 661		
Households	766	333	7 000	8 099	8 099	-	100,0%	197	197	197		
Social benefits	766	333	-	1 099	1 100	(1)	100,1%	197	197	197		
Other transfers to household	-	-	7 000	7 000	6 999	1	100,0%	-	-	-		
<b>Payments for capital assets</b>	<b>659 872</b>	<b>-</b>	<b>16</b>	<b>659 888</b>	<b>590 722</b>	<b>69 166</b>	<b>89,5%</b>	<b>474 609</b>	<b>590 431</b>	<b>590 431</b>		
Buildings & other fixed structures	643 984	-	-	643 984	577 139	66 845	89,6%	449 883	574 044	574 044		
Buildings	643 984	-	-	643 984	577 139	66 845	89,6%	449 883	574 044	574 044		
Machinery and equipment	15 888	-	16	15 904	13 583	2 321	85,4%	24 479	16 387	16 387		
Other machinery and equipment	15 888	-	16	15 904	13 583	2 321	85,4%	24 479	16 387	16 387		
Software and other intangible assets	-	-	-	-	-	-	-	247	-	-		
<b>Payments for financial assets</b>	<b>6</b>	<b>47</b>	<b>(1)</b>	<b>52</b>	<b>52</b>	<b>-</b>	<b>100,0%</b>	<b>375</b>	<b>373</b>	<b>373</b>		
<b>Total</b>	<b>20 907 784</b>	<b>-</b>	<b>7 016</b>	<b>20 914 800</b>	<b>20 828 771</b>	<b>86 029</b>	<b>99,6%</b>	<b>19 496 416</b>	<b>19 468 716</b>	<b>19 468 716</b>		

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

5.1 Programme Management									
Economic classification	2017/18					2016/17			
	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
<b>Current payments</b>	<b>3 631</b>	<b>(956)</b>	-	<b>2 675</b>	<b>956</b>	<b>1 719</b>	<b>35,7%</b>	<b>2 755</b>	<b>2 614</b>
Compensation of employees	2 849	(956)	-	1 893	892	1 001	47,1%	2 145	2 145
Salaries and wages	2 670	(956)	-	1 714	810	904	47,3%	1 983	2 011
Social contributions	179	-	-	179	82	97	45,8%	162	134
Goods and services	782	-	-	782	64	718	8,2%	610	469
Administrative fees	-	-	-	-	-	-	-	5	1
Advertising	10	-	-	10	-	10	-	53	53
Minor assets	36	-	-	36	-	36	-	20	-
Catering: Departmental activities	10	-	-	10	-	10	-	5	2
Communication (G&S)	20	-	-	20	-	20	-	16	13
Entertainment	1	-	-	1	-	1	-	2	-
Fleet services (including gov motor transport)	45	-	-	45	11	34	24,4%	32	43
Inventory: Food and food supplies	4	-	-	4	-	4	-	5	2
Consumable supplies	8	-	-	8	-	8	-	5	-
Consumable: Stationery, printing and office supplies	29	-	-	29	2	27	6,9%	19	3
Operating leases	20	-	-	20	25	(5)	125,0%	13	10
Travel and subsistence	545	-	-	545	26	519	4,8%	427	275
Operating payments	23	-	-	23	-	23	-	8	67
Venues and facilities	31	-	-	31	-	31	-	-	-
<b>Payments for capital assets</b>	<b>61</b>	-	-	<b>61</b>	-	<b>61</b>	-	<b>58</b>	-
Machinery and equipment	61	-	-	61	-	61	-	58	-
Other machinery and equipment	61	-	-	61	-	61	-	58	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	<b>3</b>	-
<b>Total</b>	<b>3 692</b>	<b>(956)</b>	-	<b>2 736</b>	<b>956</b>	<b>1 780</b>	<b>34,9%</b>	<b>2 816</b>	<b>2 614</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>95 066</b>	<b>(35)</b>	-	<b>95 031</b>	<b>94 634</b>	<b>397</b>	<b>99,6%</b>	<b>252 177</b>	<b>119 629</b>
Compensation of employees	12 571	(35)	(966)	11 570	11 570	-	100,0%	10 885	10 885
Salaries and wages	11 493	(35)	(966)	10 492	10 256	236	97,8%	10 613	9 654
Social contributions	1 078	-	-	1 078	1 314	(236)	121,9%	272	1 231
Goods and services	82 495	-	966	83 461	83 064	397	99,5%	241 292	108 744
Advertising	100	-	-	100	-	100	-	6	-
Minor assets	475	(40)	-	435	9	426	2,1%	10 130	3 918
Catering: Departmental activities	30	50	-	80	32	48	40,0%	10	1
Communication (G&S)	-	-	200	200	86	114	43,0%	40	126
Consultants: Business and advisory services	75 000	-	-	75 000	79 960	(4 960)	106,6%	-	-
Infrastructure and planning services	-	-	-	-	-	-	-	31 000	-
Legal services	100	-	-	100	-	100	-	-	-
Contractors	-	50	-	50	-	50	-	-	-
Agency and support / outsourced services	-	-	200	200	92	108	46,0%	187 000	100 218
Fleet services (including gov motor transport)	70	-	366	436	180	256	41,3%	2 047	442
Inventory: Food and food supplies	20	-	-	20	2	18	10,0%	10	2
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	726
Inventory: Medical supplies	-	-	-	-	-	-	-	7 000	-
Consumable supplies	-	-	-	-	-	-	-	35	1
Consumable: Stationery, printing and office supplies	50	140	-	190	141	49	74,2%	103	54
Operating leases	80	-	-	80	41	39	51,3%	-	-
Travel and subsistence	6 270	(200)	200	6 270	2 469	3 801	39,4%	3 906	3 245
Training and development	50	-	-	50	44	6	88,0%	-	-
Operating payments	100	-	-	100	8	92	8,0%	-	-
Venues and facilities	70	-	-	70	-	70	-	5	11
Rental and hiring	80	-	-	80	-	80	-	-	-
<b>Transfers and subsidies</b>	<b>5 684 495</b>	-	-	<b>5 684 495</b>	<b>5 684 495</b>	-	<b>100,0%</b>	<b>5 272 680</b>	<b>5 272 680</b>
Provinces and municipalities	5 684 495	-	-	5 684 495	5 684 495	-	100,0%	5 272 680	5 272 680
Provinces	5 684 495	-	-	5 684 495	5 684 495	-	100,0%	5 272 680	5 272 680
Provincial Revenue Funds	5 684 495	-	-	5 684 495	5 684 495	-	100,0%	5 272 680	5 272 680
<b>Payments for capital assets</b>	<b>644 104</b>	-	-	<b>644 104</b>	<b>577 157</b>	<b>66 947</b>	<b>89,6%</b>	<b>459 188</b>	<b>581 150</b>
Buildings and other fixed structures	643 984	-	-	643 984	577 139	66 845	89,6%	449 883	574 044
Buildings	643 984	-	-	643 984	575 164	66 845	89,6%	449 883	574 044
Machinery and equipment	120	-	-	120	18	102	15,0%	9 305	7 106
Other machinery and equipment	120	-	-	120	18	102	15,0%	9 305	7 106
<b>Payments for financial assets</b>	<b>5</b>	<b>35</b>	-	<b>40</b>	<b>40</b>	-	<b>100,0%</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>6 423 670</b>	<b>-</b>	<b>-</b>	<b>6 423 670</b>	<b>6 356 326</b>	<b>67 344</b>	<b>99,0%</b>	<b>5 984 045</b>	<b>5 973 459</b>

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5.3 Tertiary Health Care Planning and Policy		2017/18						2016/17		
		Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>		<b>4 561</b>	-	-	<b>4 561</b>	<b>3 742</b>	<b>819</b>	<b>82,0%</b>	<b>3 484</b>	<b>3 405</b>
Compensation of employees		3 556	-	-	3 556	3 001	555	84,4%	2 677	2 677
Salaries and wages		3 244	(70)	-	3 174	2 622	552	82,6%	2 215	2 343
Social contributions		312	70	-	382	379	3	99,2%	462	334
Goods and services		1 005	-	-	1 005	741	264	73,7%	807	728
Minor assets		34	45	-	79	70	9	88,6%	79	27
Catering: Departmental activities		53	-	-	53	52	1	98,1%	44	41
Communication (G&S)		50	-	-	50	26	24	52,0%	20	14
Fleet services (including gov motor transport)		82	(44)	-	38	13	25	34,2%	43	40
Inventory: Food and food supplies		7	-	-	7	3	4	42,9%	4	3
Consumable supplies		7	-	-	7	-	7	-	6	5
Consumable: Stationery, printing and office supplies		15	(15)	-	-	-	-	-	1	-
Operating leases		43	10	-	53	51	2	96,2%	38	21
Travel and subsistence		653	54	-	707	525	182	74,3%	572	577
Operating payments		-	-	-	-	1	(1)	-	-	-
Venues and facilities		61	(50)	-	11	-	11	-	-	-
<b>Transfers and subsidies</b>		<b>11 676 145</b>	-	-	<b>11 676 145</b>	<b>11 676 145</b>	-	<b>100,0%</b>	<b>10 846 778</b>	<b>10 846 778</b>
Provinces and municipalities		11 676 145	-	-	11 676 145	11 676 145	-	100,0%	10 846 778	10 846 778
Provinces		11 676 145	-	-	11 676 145	11 676 145	-	100,0%	10 846 778	10 846 778
Provincial Revenue Funds		11 676 145	-	-	11 676 145	11 676 145	-	100,0%	10 846 778	10 846 778
<b>Payments for capital assets</b>		<b>57</b>	-	-	<b>57</b>	<b>43</b>	<b>14</b>	<b>75,4%</b>	<b>55</b>	<b>-</b>
Machinery and equipment		57	-	-	57	43	14	75,4%	55	-
Other machinery and equipment		57	-	-	57	43	14	75,4%	55	-
<b>Total</b>		<b>11 680 763</b>	-	-	<b>11 680 763</b>	<b>11 679 930</b>	<b>833</b>	<b>100,0%</b>	<b>10 850 317</b>	<b>10 850 183</b>

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Economic classification		2017/18						2016/17		
		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
<b>Current payments</b>		<b>4 849</b>	<b>956</b>	-	<b>5 805</b>	<b>5 798</b>	<b>7</b>	<b>99,9%</b>	<b>6 534</b>	<b>6 402</b>
Compensation of employees		3 593	956	-	4 549	4 549	-	100,0%	4 196	4 196
Salaries and wages		3 230	806	-	4 036	4 017	19	99,5%	3 725	3 716
Social contributions		363	150	-	513	532	(19)	103,7%	471	480
Goods and services		1 256	-	-	1 256	1 249	7	99,4%	2 338	2 206
Administrative fees		-	-	-	-	1	(1)	-	-	-
Minor assets		15	21	-	36	31	5	86,1%	10	10
Catering: Departmental activities		30	-	-	30	12	18	40,0%	23	8
Communication (G&S)		42	-	-	42	53	(11)	126,2%	47	46
Consultants: Business and advisory services		-	-	-	-	185	(185)	-	322	780
Contractors		10	(10)	-	-	-	-	-	10	-
Entertainment		1	-	-	1	-	1	-	1	-
Fleet services (including gov motor transport)		114	(50)	-	64	43	21	67,2%	137	94
Inventory: Food and food supplies		2	-	-	2	2	-	100,0%	3	1
Consumable supplies		4	5	-	9	4	5	44,4%	3	-
Consumable: Stationery, printing and office supplies		60	(10)	-	50	45	5	90,0%	52	47
Operating leases		20	-	-	20	11	9	55,0%	8	-
Travel and subsistence		863	19	-	882	751	131	85,1%	1 310	1 159
Operating payments		60	56	-	116	108	8	93,1%	24	22
Venues and facilities		35	(31)	-	4	3	1	75,0%	388	39
<b>Transfers and subsidies</b>		-	-	-	-	-	-	-	<b>1 661</b>	<b>1 661</b>
Foreign governments and international organisations		-	-	-	-	-	-	-	1 661	1 661
<b>Payments for capital assets</b>		<b>106</b>	-	-	<b>106</b>	<b>67</b>	<b>39</b>	<b>63,2%</b>	<b>78</b>	<b>45</b>
Machinery and equipment		106	-	-	106	67	39	63,2%	78	45
Other machinery and equipment		106	-	-	106	67	39	63,2%	78	45
<b>Total</b>		<b>4 955</b>	<b>956</b>	-	<b>5 911</b>	<b>5 865</b>	<b>46</b>	<b>99,2%</b>	<b>8 273</b>	<b>8 108</b>

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Economic classification	2017/18						2016/17		
	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
<b>Current payments</b>	<b>21 060</b>	<b>(2 858)</b>	-	<b>18 202</b>	<b>16 022</b>	<b>2 180</b>	<b>88,0%</b>	<b>38 044</b>	<b>38 043</b>
Compensation of employees	16 721	(2 745)	-	13 976	13 759	217	98,4%	32 885	32 885
Salaries and wages	16 394	(2 745)	-	13 649	11 972	1 677	87,7%	30 911	30 924
Social contributions	327	-	-	327	1 787	(1 460)	546,5%	1 974	1 961
Goods and services	4 339	(113)	-	4 226	2 263	1 963	53,5%	5 159	5 158
Administrative fees	1	-	-	1	-	1	-	223	223
Advertising	-	-	-	-	-	-	-	120	-
Minor assets	145	-	-	145	32	113	22,1%	28	5
Catering: Departmental activities	70	-	-	70	46	24	65,7%	35	32
Communication (G&S)	60	-	-	60	58	2	96,7%	50	58
Consultants: Business and advisory services	100	(100)	-	-	-	-	-	-	-
Contractors	358	-	-	358	322	36	89,9%	160	158
Agency and support / outsourced services	-	100	-	100	10	90	10,0%	-	-
Fleet services (including gov motor transport)	337	(113)	-	224	184	40	82,1%	345	335
Inventory: Food and food supplies	5	-	-	5	3	2	60,0%	8	3
Inventory: Fuel, oil and gas	1	-	-	1	-	1	-	1	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	1	-
Consumable supplies	5	-	-	5	2	3	40,0%	7	5
Consumable: Stationery, printing and office supplies	225	-	-	225	95	130	42,2%	104	98
Operating leases	150	-	-	150	78	72	52,0%	115	76
Travel and subsistence	2 802	-	-	2 802	1 340	1 462	47,8%	3 719	3 907
Operating payments	80	-	-	80	93	(13)	116,3%	71	95
Venues and facilities	-	-	-	-	-	-	-	172	163
<b>Transfers and subsidies</b>	<b>2 632 587</b>	<b>101</b>	<b>7 000</b>	<b>2 639 688</b>	<b>2 639 688</b>	<b>-</b>	<b>100,0%</b>	<b>2 476 866</b>	<b>2 476 866</b>
Provinces and municipalities	2 631 849	-	-	2 631 849	2 631 849	-	100,0%	2 476 724	2 476 724
Provinces	2 631 849	-	-	2 631 849	2 631 849	-	100,0%	2 476 724	2 476 724
Provincial Revenue Funds	2 631 849	-	-	2 631 849	2 631 849	-	100,0%	2 476 724	2 476 724
Households	738	101	7 000	7 839	7 839	-	100,0%	142	142
Social benefits	738	101	-	839	840	(1)	100,1%	142	142
Other transfers to households	-	-	7 000	7 000	6 999	1	100,0%	-	-
<b>Payments for capital assets</b>	<b>141</b>	<b>-</b>	<b>-</b>	<b>141</b>	<b>109</b>	<b>32</b>	<b>77,3%</b>	<b>130</b>	<b>27</b>
Machinery and equipment	141	-	-	141	109	32	77,3%	130	27
Other machinery and equipment	141	-	-	141	109	32	77,3%	130	27
<b>Payments for financial assets</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>12</b>	<b>12</b>	<b>-</b>	<b>100,0%</b>	<b>360</b>	<b>361</b>
<b>Total</b>	<b>2 653 788</b>	<b>(2 745)</b>	<b>7 000</b>	<b>2 658 043</b>	<b>2 655 831</b>	<b>2 212</b>	<b>99,9%</b>	<b>2 515 400</b>	<b>2 515 297</b>



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Economic classification		2017/18						2016/17		
		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
<b>Current payments</b>	<b>6 504</b>	<b>1 514</b>	-	<b>8 018</b>	<b>7 891</b>	<b>127</b>	<b>98,4%</b>	<b>7 242</b>	<b>7 242</b>	
Compensation of employees	5 629	1 574	-	7 203	7 203	-	100,0%	6 500	6 500	
Salaries and wages	5 549	964	-	6 513	6 337	176	97,3%	5 919	5 743	
Social contributions	80	610	-	690	866	(176)	125,5%	581	757	
Goods and services	875	(60)	-	815	688	127	84,4%	742	742	
Minor assets	13	15	-	28	30	(2)	107,1%	5	7	
Catering: Departmental activities	50	-	-	50	31	19	62,0%	27	19	
Communication (G&S)	46	-	-	46	53	(7)	115,2%	114	70	
Fleet services (including government motor transport)	67	(15)	-	52	36	16	69,2%	98	35	
Inventory: Food and food supplies	15	-	-	15	9	6	60,0%	12	9	
Consumable supplies	1	-	-	1	1	-	100,0%	3	1	
Consumable: Stationery, printing and office supplies	39	-	-	39	29	10	74,4%	38	28	
Operating leases	35	-	-	35	54	(19)	154,3%	30	24	
Travel and subsistence	607	(60)	-	547	436	111	79,7%	326	489	
Training and development	-	-	-	-	5	(5)	-	-	-	
Operating payments	2	-	-	2	-	2	-	89	60	
Venues and facilities	-	-	-	-	4	(4)	-	-	-	
<b>Transfers and subsidies</b>	-	<b>60</b>	-	<b>60</b>	<b>60</b>	-	<b>100,0%</b>	-	-	
Households	-	60	-	60	60	-	100,0%	-	-	
Social benefits	-	60	-	60	60	-	100,0%	-	-	
<b>Payments for capital assets</b>	<b>58</b>	-	-	<b>58</b>	<b>55</b>	<b>3</b>	<b>94,8%</b>	<b>55</b>	<b>47</b>	
Machinery and equipment	58	-	-	58	55	3	94,8%	55	47	
Other machinery and equipment	58	-	-	58	55	3	94,8%	55	47	
<b>Total</b>	<b>6 562</b>	<b>1 574</b>	-	<b>8 136</b>	<b>8 006</b>	<b>130</b>	<b>98,4%</b>	<b>7 297</b>	<b>7 289</b>	

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**  
**5.7 Forensic Chemistry Laboratory**

	2017/18					2016/17			
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>112 180</b>	<b>(172)</b>	<b>1</b>	<b>112 009</b>	<b>101 290</b>	<b>10 719</b>	<b>90,4%</b>	<b>105 849</b>	<b>95 294</b>
Compensation of employees	78 704	35	6 277	85 016	76 311	8 705	89,8%	75 296	72 998
Salaries and wages	68 894	935	4 477	74 306	65 672	8 634	88,4%	64 811	62 745
Social contributions	9 810	(900)	1 800	10 710	10 639	71	99,3%	10 485	10 253
Goods and services	33 476	(207)	(6 276)	26 993	24 979	2 014	92,5%	30 553	22 296
Administrative fees	5	-	-	5	-	5	-	-	3
Advertising	10	-	-	10	-	10	-	-	-
Minor assets	1 684	(1 684)	100	100	41	59	41,0%	82	14
Communication (G&S)	927	(440)	-	487	461	26	94,7%	1 137	935
Computer services	1 460	770	(304)	1 926	1 926	-	100,0%	1 124	1 142
Consultants: Business and advisory services	950	100	-	1 050	16	1 034	1,5%	2 000	360
Laboratory services	25	-	-	25	-	25	-	-	-
Contractors	7 187	2 563	(2 374)	7 376	7 274	102	98,6%	6 425	4 694
Agency and support / outsourced services	1 900	600	(858)	1 642	1 627	15	99,1%	2 794	1 758
Fleet services (including gov motor transport)	680	(330)	100	450	387	63	86,0%	855	641
Inventory: Clothing material and supplies	100	-	-	100	7	93	7,0%	75	75
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	920
Inventory: Fuel, oil and gas	1 575	445	-	2 020	2 020	-	100,0%	960	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	5	3
Inventory: Medical supplies	265	(192)	-	73	53	20	72,6%	80	114
Inventory: Medicine	60	(50)	-	10	-	10	-	50	-
Inventory: Other supplies	13 090	(962)	(2 800)	9 328	9 316	12	99,9%	11 365	9 068
Consumable supplies	115	(18)	-	97	56	41	57,7%	117	36
Consumable: Stationery, printing and office supplies	650	(335)	-	315	250	65	79,4%	640	197
Operating leases	500	(126)	-	374	366	8	97,9%	566	465
Travel and subsistence	1 130	(398)	200	932	621	311	66,6%	1 349	964
Operating payments	863	(150)	(210)	503	395	108	78,5%	689	713
Rental and hiring	300	-	(130)	170	163	7	95,9%	240	189
<b>Transfers and subsidies</b>	<b>28</b>	<b>172</b>	<b>-</b>	<b>200</b>	<b>200</b>	<b>-</b>	<b>100,0%</b>	<b>55</b>	<b>55</b>
Households	28	172	-	200	200	-	100,0%	55	55
Social benefits	28	172	-	200	200	-	100,0%	55	55
<b>Payments for capital assets</b>	<b>15 196</b>	<b>-</b>	<b>16</b>	<b>15 212</b>	<b>13 269</b>	<b>1 943</b>	<b>87,2%</b>	<b>14 903</b>	<b>9 085</b>
Machinery and equipment	15 196	-	16	15 212	13 269	1 943	87,2%	14 656	9 085
Other machinery and equipment	15 196	-	16	15 212	13 269	1 943	87,2%	14 656	9 085
Software and other intangible assets	-	-	-	-	-	-	-	247	-
<b>Payments for financial assets</b>	<b>1</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>12</b>
<b>Total</b>	<b>127 405</b>	<b>-</b>	<b>16</b>	<b>127 421</b>	<b>114 759</b>	<b>12 662</b>	<b>90,1%</b>	<b>120 819</b>	<b>104 446</b>

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Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>6 800</b>	<b>1 171</b>	-	<b>7 971</b>	<b>7 076</b>	<b>895</b>	<b>88,8%</b>	<b>7 307</b>	<b>7 243</b>
Compensation of employees	4 847	1 171	-	6 018	6 018	-	100,0%	5 721	5 722
Salaries and wages	4 847	661	-	5 508	5 386	122	97,8%	5 170	5 188
Social contributions	-	510	-	510	632	(122)	123,9%	551	534
Goods and services	1 953	-	-	1 953	1 058	895	54,2%	1 586	1 521
Administrative fees	6	-	-	6	-	6	-	10	-
Advertising	30	(15)	-	15	-	15	-	15	-
Minor assets	36	45	-	81	6	75	7,4%	58	12
Catering: Departmental activities	75	-	-	75	50	25	66,7%	75	57
Communication (G&S)	50	-	-	50	64	(14)	128,0%	5	67
Computer services	-	-	-	-	-	-	-	5	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	15	-
Contractors	1	-	-	1	-	1	-	7	-
Entertainment	-	-	-	-	-	-	-	5	-
Fleet services (including gov motor transport)	175	(80)	-	95	48	47	50,5%	185	264
Inventory: Clothing material and accessories	-	-	-	-	53	(53)	-	30	-
Inventory: Food and food supplies	4	-	-	4	2	2	50,0%	6	4
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	5	-
Consumable supplies	65	(10)	-	55	13	42	23,6%	42	58
Consumable: Stationery, printing and office supplies	241	120	-	361	277	84	76,7%	43	98
Operating leases	-	30	-	30	59	(29)	196,7%	20	32
Travel and subsistence	1 015	(70)	-	945	439	506	46,5%	875	800
Operating payments	205	(20)	-	185	47	138	25,4%	170	129
Venues and facilities	50	-	-	50	-	50	-	15	-
<b>Payments for capital assets</b>	<b>149</b>	-	-	<b>149</b>	<b>22</b>	<b>127</b>	<b>14,8%</b>	<b>142</b>	<b>77</b>
Machinery and equipment	149	-	-	149	22	127	14,8%	142	77
Other machinery and equipment	149	-	-	149	22	127	14,8%	142	77
<b>Total</b>	<b>6 949</b>	<b>1 171</b>	-	<b>8 120</b>	<b>7 098</b>	<b>1 022</b>	<b>87,4%</b>	<b>7 449</b>	<b>7 320</b>

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**  
**Programme 6: Health Regulation and Compliance Management**

Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1. Programme Management	4 532	1 425	607	6 564	6 262	302	95,4%	4 172	4 114
2. Food Control	11 528	(1 671)	-	9 857	9 454	403	95,9%	9 453	8 570
3. Radiation Control and Health Technology	152 404	246	16 599	169 249	169 249	-	100,0%	163 843	163 843
4. Public Entities Management	1 496 434	-	2 832	1 499 266	1 498 922	344	100,0%	1 477 825	1 477 814
5. Compensation Commissioner for Occupational Diseases & Occupational Health	61 673	-	-	61 673	58 621	3 052	95,1%	61 672	60 169
<b>Total for sub programmes</b>	<b>1 726 571</b>	<b>-</b>	<b>20 038</b>	<b>1 746 609</b>	<b>1 742 508</b>	<b>4 101</b>	<b>99,8%</b>	<b>1 716 965</b>	<b>1 714 510</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>226 667</b>	<b>(437)</b>	<b>17 228</b>	<b>243 458</b>	<b>239 833</b>	<b>3 625</b>	<b>98,5%</b>	<b>234 724</b>	<b>233 859</b>
Compensation of employees	167 975	-	(546)	167 429	164 552	2 877	98,3%	149 576	148 712
Salaries and wages	150 706	(3 800)	(603)	146 303	144 730	1 573	98,9%	131 753	130 191
Social contributions	17 269	3 800	57	21 126	19 822	1 304	93,8%	17 823	18 521
Goods and services	58 692	(437)	17 774	76 029	75 281	748	99,0%	85 148	85 147
Administrative fees	40	-	-	40	27	13	67,5%	101	62
Advertising	300	-	-	300	316	(16)	105,3%	365	351
Minor assets	797	(290)	(20)	487	360	127	73,9%	830	388
Audit costs: External	3 321	40	-	3 361	3 352	9	99,7%	2 821	2 640
Catering: Departmental activities	305	-	-	305	360	(55)	118,0%	594	416
Communication (G&S)	1 833	107	(180)	1 760	1 719	41	97,7%	1 494	1 903
Computer services	875	25	1 450	2 350	2 349	1	100,0%	3 065	2 120
Consultants: Business and advisory services	13 533	9 929	14 560	38 022	38 022	-	100,0%	27 557	31 704
Laboratory services	1 640	(1 266)	-	374	73	301	19,5%	4 499	4 499
Legal services	-	-	-	-	-	-	-	50	-
Contractors	1 452	(863)	(200)	389	371	18	95,4%	585	109
Agency and support / outsourced services	5 800	(4 350)	-	1 450	1 450	-	100,0%	7 247	6 961
Entertainment	30	-	-	30	-	30	-	20	2
Fleet services (including gov motor transport)	6 014	(921)	256	5 349	5 285	64	98,8%	7 903	7 875
Inventory: Clothing material and accessories	150	(150)	-	-	-	-	-	51	-
Inventory: Food and food supplies	41	-	-	41	12	29	29,3%	36	9
Inventory: Fuel, oil and gas	15	50	-	65	36	29	55,4%	5	2

**Health Vote 16**  
**Appropriation Statement for the Year ended 31 March 2018**  
**Programme 6: Health Regulation and Compliance Management**

Economic classification	2017/18						2016/17		
	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
Inventory: Materials and supplies	-	-	-	-	-	-	-	7	19
Inventory: Medical supplies	440	(100)	-	340	321	19	94,4%	250	118
Inventory: Medicine	-	-	-	-	-	-	-	60	21
Inventory: Other supplies	350	(190)	-	160	115	45	71,9%	120	95
Consumable supplies	171	(60)	-	111	86	25	77,5%	372	175
Consumable: Stationery, printing and office supplies	2 463	(97)	(200)	2 166	2 166	-	100,0%	2 678	1 780
Operating leases	1 650	100	(200)	1 550	1 154	396	74,5%	1 402	1 236
Property payments	2 210	(950)	(576)	684	623	61	91,1%	528	437
Travel and subsistence	9 678	(558)	2 900	12 020	12 392	(372)	103,1%	15 485	14 588
Training and development	50	-	-	50	85	(35)	170,0%	230	-
Operating payments	4 496	(393)	(16)	4 087	4 087	-	100,0%	4 047	3 958
Venues and facilities	988	(450)	-	538	520	18	96,7%	2 746	3 679
Rental and hiring	50	(50)	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 496 600</b>	<b>437</b>	<b>2 249</b>	<b>1 499 286</b>	<b>1 499 287</b>	<b>(1)</b>	<b>100,0%</b>	<b>1 479 644</b>	<b>1 479 643</b>
Departmental agencies and accounts	1496 350	3	2 249	1 498 602	1 498 603	(1)	100,0%	1 477 830	1 477 829
Social security funds	3 718	-	-	3 718	3 718	-	100,0%	3 541	3 541
Departmental agencies (non-business entities)	1 492 632	3	2 249	1 494 884	1 494 885	(1)	100,0%	1 474 289	1 474 288
Households	250	434	-	684	684	-	100,0%	1 814	1 814
Social benefits	250	434	-	684	684	-	100,0%	1 553	1 554
Other transfers to households	-	-	-	-	-	-	-	261	260
<b>Payments for capital assets</b>	<b>3 261</b>	<b>-</b>	<b>560</b>	<b>3 821</b>	<b>3 344</b>	<b>477</b>	<b>87,5%</b>	<b>2 552</b>	<b>963</b>
Machinery and equipment	3 261	-	560	3 821	3 344	477	87,5%	2 552	963
Other machinery and equipment	3 261	-	560	3 821	3 344	477	87,5%	2 552	963
<b>Payments for financial assets</b>	<b>43</b>	<b>-</b>	<b>1</b>	<b>44</b>	<b>44</b>	<b>-</b>	<b>100,0%</b>	<b>45</b>	<b>45</b>
<b>Total</b>	<b>1 726 571</b>	<b>-</b>	<b>20 038</b>	<b>1 746 609</b>	<b>1 742 508</b>	<b>4 101</b>	<b>99,8%</b>	<b>1 716 965</b>	<b>1 714 510</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

6.1 Programme Management		2017/18						2016/17		
		Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>		<b>3 907</b>	<b>1 422</b>	<b>607</b>	<b>5 936</b>	<b>5 936</b>	-	<b>100,0%</b>	<b>4 114</b>	<b>4 114</b>
Compensation of employees		3 574	671	607	4 852	4 852	-	100,0%	3 550	3 550
Salaries and wages		3 172	671	550	4 383	4 383	10	99,8%	3 115	3 153
Social contributions		402	-	57	469	469	(10)	102,2%	435	397
Goods and services		333	751	-	1 084	1 084	-	100,0%	564	564
Catering: Departmental activities		5	(3)	-	2	-	2	-	20	7
Communication (G&S)		30	-	-	30	23	7	76,7%	40	41
Fleet services (including government motor transport)		33	-	-	33	51	(18)	154,5%	66	37
Inventory: Food and food supplies		4	-	-	4	1	3	25,0%	6	1
Consumable: Stationery, printing and office supplies		22	(12)	-	10	-	10	-	47	6
Operating leases		-	-	-	-	-	-	-	24	30
Travel and subsistence		239	386	-	625	632	(7)	101,1%	361	442
Venues and facilities		-	380	-	380	377	3	99,2%	-	-
<b>Transfers and subsidies</b>		<b>60</b>	<b>3</b>	-	<b>63</b>	<b>63</b>	-	<b>100,0%</b>	-	-
Departmental agencies and accounts		-	3	-	3	3	-	100,0%	-	-
Departmental agencies (non-business entities)		-	3	-	3	3	-	100,0%	-	-
Households		60	-	-	60	60	-	100,0%	-	-
Social benefits		60	-	-	60	60	-	100,0%	-	-
<b>Payments for capital assets</b>		<b>565</b>	-	-	<b>565</b>	<b>263</b>	<b>302</b>	<b>46,5%</b>	<b>58</b>	-
Machinery and equipment		565	-	-	565	263	302	46,5%	58	-
Other machinery and equipment		565	-	-	565	263	302	46,5%	58	-
<b>Total</b>		<b>4 532</b>	<b>1 425</b>	<b>607</b>	<b>6 564</b>	<b>6 262</b>	<b>302</b>	<b>95,4%</b>	<b>4 172</b>	<b>4 114</b>

Health Vote 16  
Appropriation Statement for the Year ended 31 March 2018

6.2 Food Control		2017/18						2016/17		
		Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>		<b>11 486</b>	<b>(1 677)</b>	-	<b>9 809</b>	<b>9 406</b>	<b>403</b>	<b>95,9%</b>	<b>9 397</b>	<b>8 532</b>
Compensation of employees		8 751	(671)	-	8 080	8 080	-	100,0%	8 658	7 793
Salaries and wages		7 744	(671)	-	7 073	7 046	27	99,6%	7 774	6 787
Social contributions		1 007	-	-	1 007	1 034	(27)	102,7%	884	1 006
Goods and services		2 735	(1 006)	-	1 729	1 326	403	76,7%	739	739
Minor assets		108	31	-	139	91	48	65,5%	52	27
Catering: Departmental activities		35	(20)	-	15	11	4	73,3%	9	3
Communication (G&S)		35	-	-	35	36	(1)	102,9%	24	34
Consultants: Business and advisory services		50	-	-	50	38	12	76,0%	15	-
Laboratory services		500	(166)	-	334	73	261	21,9%	-	-
Fleet services (including gov motor transport)		190	(116)	-	74	73	1	98,6%	127	148
Inventory: Food and food supplies		9	-	-	9	-	9	-	1	-
Inventory: Materials and supplies		-	-	-	-	-	-	-	-	10
Consumable supplies		15	-	-	15	-	15	-	12	7
Consumable: Stationery, printing and office supplies		330	(190)	-	140	87	53	62,1%	124	136
Operating leases		50	-	-	50	42	8	84,0%	50	43
Travel and subsistence		1 113	(255)	-	858	873	(15)	101,7%	323	329
Operating payments		300	(290)	-	10	2	8	20,0%	2	2
<b>Transfers and subsidies</b>		<b>42</b>	<b>6</b>	-	<b>48</b>	<b>48</b>	-	<b>100,0%</b>	-	-
Households		42	6	-	48	48	-	100,0%	-	-
Social benefits		42	6	-	48	48	-	100,0%	-	-
<b>Payments for capital assets</b>		-	-	-	-	-	-	-	-	<b>38</b>
Machinery and equipment		-	-	-	-	-	-	-	-	38
Other machinery and equipment		-	-	-	-	-	-	-	-	38
<b>Total</b>		<b>11 528</b>	<b>(1 671)</b>	-	<b>9 857</b>	<b>9 454</b>	<b>403</b>	<b>95,9%</b>	<b>9 453</b>	<b>8 570</b>

Vote 16  
Appropriation Statement for the Year ended 31 March 2018  
6.3 Radiation Control and Health Technology

Economic classification	2017/18						2016/17		
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>151 691</b>	<b>(39)</b>	<b>16 614</b>	<b>168 266</b>	<b>168 266</b>	<b>-</b>	<b>100,0%</b>	<b>161 915</b>	<b>161 915</b>
Compensation of employees	125 783	(6 575)	(4 254)	114 954	114 954	-	100,0%	103 046	103 046
Salaries and wages	111 638	(6 575)	(4 254)	100 809	102 141	(1 332)	101,3%	91 177	91 177
Social contributions	14 145	-	-	14 145	12 813	1 332	90,6%	11 869	11 869
Goods and services	25 908	6 536	20 868	53 312	53 312	-	100,0%	58 869	58 869
Administrative fees	40	-	-	40	27	13	67,5%	101	62
Advertising	50	50	-	100	72	28	72,0%	100	64
Minor assets	298	(121)	-	177	175	2	98,9%	715	264
Catering: Departmental activities	210	23	-	233	301	(68)	129,2%	520	382
Communication (G&S)	883	(83)	-	800	836	(36)	104,5%	765	1 005
Computer services	680	-	1 600	2 280	2 288	(8)	100,4%	2 908	1 968
Consultants: Business and advisory services	9 683	8 769	16 112	34 564	32 735	1 829	94,7%	23 007	27 279
Laboratory services	1 140	(1 100)	-	40	-	40	-	4 499	4 499
Legal services	-	-	-	-	-	-	-	50	-
Contractors	20	-	-	20	10	10	50,0%	235	2
Agency and support / outsourced services	50	(50)	-	-	140	(140)	-	500	282
Entertainment	30	-	-	30	-	30	-	20	2
Fleet services (including gov motor transport)	3 819	(110)	256	3 965	3 908	57	98,6%	5 651	5 458
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	51	-
Inventory: Food and food supplies	16	-	-	16	9	7	56,3%	22	4
Inventory: Fuel, oil and gas	-	-	-	-	1	(1)	-	3	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	7
Inventory: Medical supplies	15	-	-	15	1	14	6,7%	-	-
Inventory: Medicine	-	-	-	-	-	-	-	60	21
Inventory: Other supplies	50	-	-	50	2	48	4,0%	20	-
Consumable supplies	128	(60)	-	68	81	(13)	119,1%	357	167
Consumable: Stationery, printing and office supplies	571	(40)	-	531	1 267	(736)	238,6%	1 641	1 011
Operating leases	1 200	-	-	1 200	832	368	69,3%	928	881
Property payments	-	-	-	-	38	(38)	-	-	-
Travel and subsistence	5 296	(19)	2 900	8 177	9 002	(825)	110,1%	12 580	10 947



Note 16  
Appropriation Statement for the Year ended 31 March 2018

6.3 Radiation Control and Health Technology		2017/18						2016/17		
		Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Training and development	-	-	-	-	85	(85)	-		230	-
Operating payments	836	27	-	863	1 359	(496)		157,5%	1 160	885
Venues and facilities	893	(750)	-	143	143	-		100,0%	2 746	3 679
<b>Transfers and subsidies</b>	<b>123</b>	<b>285</b>	-	<b>408</b>	<b>408</b>	-		<b>100,0%</b>	<b>1 180</b>	<b>1 180</b>
Households	123	285	-	408	408	-		100,0%	1 180	1 180
Social benefits	123	285	-	408	408	-		100,0%	1 180	1 180
<b>Payments for capital assets</b>	<b>562</b>	-	(16)	<b>546</b>	<b>546</b>	-		<b>100,0%</b>	<b>717</b>	<b>717</b>
Machinery and equipment	562	-	(16)	546	546	-		100,0%	717	717
Other machinery and equipment	562	-	(16)	546	546	-		100,0%	717	717
<b>Payments for financial assets</b>	-	-	-	-	-	-			<b>31</b>	<b>31</b>
<b>Total</b>	<b>152 404</b>	<b>246</b>	<b>16 599</b>	<b>169 249</b>	<b>169 249</b>	-		<b>100,0%</b>	<b>163 843</b>	<b>163 843</b>

6.4 Public Entities Management		2017/18						2016/17		
		Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>3 802</b>	-	<b>583</b>	<b>4 385</b>	<b>4 040</b>	<b>345</b>		<b>92,1%</b>	<b>3 451</b>	<b>3 451</b>
Compensation of employees	2 785	-	583	3 368	3 368	-		100,0%	2 799	2 799
Salaries and wages	2 392	-	583	2 975	2 967	8		99,7%	2 348	2 474
Social contributions	393	-	-	393	401	(8)		102,0%	451	325
Goods and services	1 017	-	-	1 017	672	345		66,1%	652	652
Advertising	200	-	-	200	244	(44)		122,0%	265	287
Minor assets	21	-	-	21	14	7		66,7%	-	9
Catering: Departmental activities	25	-	-	25	23	2		92,0%	15	-
Communication (G&S)	45	-	-	45	46	(1)		102,2%	35	33
Consultants: Business and advisory services	200	(50)	-	150	-	150		-	-	7
Fleet services (including gov motor transport)	2	-	-	2	1	1		50,0%	-	5
Inventory: Food and food supplies	2	-	-	2	2	-		100,0%	1	-
Consumable: Stationery, printing and office supplies	240	50	-	290	187	103		64,5%	140	82
Travel and subsistence	157	-	-	157	135	22		86,0%	98	72

Vote 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification	2017/18					2016/17			
	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
Operating payments	110	-	-	110	20	90	18,2%	98	157
Venues and facilities	15	-	-	15	-	15	-	-	-
<b>Transfers and subsidies</b>	<b>1 492 632</b>	<b>-</b>	<b>2 249</b>	<b>1 494 881</b>	<b>1 494 882</b>	<b>(1)</b>	<b>100,0%</b>	<b>1 474 319</b>	<b>1 474 318</b>
Departmental agencies and accounts	1 492 632	-	2 249	1 494 881	1 494 882	(1)	100,0%	1 474 289	1 474 288
Departmental agencies (non-business entities)	1 492 632	-	2 249	1 494 881	1 494 882	(1)	100,0%	1 474 289	1 474 288
Households	-	-	-	-	-	-	-	30	30
Social benefits	-	-	-	-	-	-	-	30	30
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55</b>	<b>45</b>
Machinery and equipment	-	-	-	-	-	-	-	55	45
Other machinery and equipment	-	-	-	-	-	-	-	55	45
<b>Total</b>	<b>1 496 434</b>	<b>-</b>	<b>2 832</b>	<b>1 499 266</b>	<b>1 498 922</b>	<b>344</b>	<b>100,0%</b>	<b>1 477 825</b>	<b>1 477 814</b>

Economic classification	2017/18					2016/17			
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>55 781</b>	<b>(143)</b>	<b>(576)</b>	<b>55 062</b>	<b>52 185</b>	<b>2 877</b>	<b>94,8%</b>	<b>55 847</b>	<b>55 847</b>
Compensation of employees	27 082	6 575	2 518	36 175	33 298	2 877	92,0%	31 523	31 524
Salaries and wages	25 760	2 775	2 518	31 053	28 193	2 860	90,8%	27 339	26 600
Social contributions	1 322	3 800	-	5 122	5 105	17	99,7%	4 184	4 924
Goods and services	28 699	(6 718)	(3 094)	18 887	18 887	-	100,0%	24 324	24 323
Advertising	50	(50)	-	-	-	-	-	-	-
Minor assets	370	(200)	(20)	150	80	70	53,3%	63	88
Audit costs: External	3 321	40	-	3 361	3 352	9	99,7%	2 821	2 640
Catering: Departmental activities	30	-	-	30	25	5	83,3%	30	24
Communication (G&S)	840	190	(180)	850	778	72	91,5%	630	790
Computer services	195	25	(150)	70	61	9	87,1%	157	152
Consultants: Business and advisory services	3 600	1 210	(1 552)	3 258	5 249	(1 991)	161,1%	4 535	4 418
Contractors	1 432	(863)	(200)	369	361	8	97,8%	350	107
Agency and support / outsourced services	5 750	(4 300)	-	1 450	1 310	140	90,3%	6 747	6 679
Fleet services (including gov motor transport)	1 970	(695)	-	1 275	1 252	23	98,2%	2 059	2 227

Note 16  
Appropriation Statement for the Year ended 31 March 2018

Economic classification		2017/18						2016/17		
		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
Inventory: Clothing material and supplies		150	(150)	-	-	-	-	-	-	-
Inventory: Food and food supplies		10	-	-	10	-	10	4	6	4
Inventory: Fuel, oil and gas		15	50	-	65	35	30	53,8%	2	2
Inventory: Materials and supplies		-	-	-	-	-	-	2	7	2
Inventory: Medical supplies		425	(100)	-	325	320	5	98,5%	250	118
Inventory: Other supplies		300	(190)	-	110	113	(3)	102,7%	100	95
Consumable supplies		28	-	-	28	5	23	17,9%	3	1
Consumable: Stationery, printing and office supplies		1 300	95	(200)	1 195	625	570	52,3%	726	545
Operating leases		400	100	(200)	300	280	20	93,3%	400	282
Property payments		2 210	(950)	(576)	684	585	99	85,5%	528	437
Travel and subsistence		2 873	(670)	-	2 203	1 750	453	79,4%	2 123	2 798
Training and development		50	-	-	50	-	50	-	-	-
Operating payments		3 250	(130)	(16)	3 104	2 706	398	87,2%	2 787	2 914
Venues and facilities		80	(80)	-	-	-	-	-	-	-
Rental and hiring		50	(50)	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>		<b>3 743</b>	<b>143</b>	-	<b>3 886</b>	<b>3 886</b>	-	<b>100,0%</b>	<b>4 145</b>	<b>4 145</b>
Departmental agencies and accounts		3 718	-	-	3 718	3 718	-	100,0%	3 541	3 541
Social security funds		3 718	-	-	3 718	3 718	-	100,0%	3 541	3 541
Households		25	143	-	168	168	-	100,0%	604	604
Social benefits		25	143	-	168	168	-	100,0%	343	344
Other transfers to households		-	-	-	-	-	-	-	261	260
<b>Payments for capital assets</b>		<b>2 134</b>	-	<b>576</b>	<b>2 710</b>	<b>2 535</b>	<b>175</b>	<b>93,5%</b>	<b>1 666</b>	<b>1 63</b>
Machinery and equipment		2 134	-	576	2 710	2 535	175	93,5%	1 666	1 63
Other machinery and equipment		2 134	-	576	2 710	2 535	175	93,5%	1 666	1 63
<b>Payments for financial assets</b>		<b>15</b>	-	-	<b>15</b>	<b>15</b>	-	<b>100,0%</b>	<b>14</b>	<b>14</b>
<b>Total</b>		<b>61 673</b>	-	-	<b>61 673</b>	<b>58 621</b>	<b>3 052</b>	<b>95,1%</b>	<b>61 672</b>	<b>60 169</b>

**Health Vote 16****Notes of appropriation for the Year ended 31 March 2018****1 Details of transfers and subsidies as per Appropriation Act (after virements):**

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

**2 Detail of specifically and exclusively appropriated amounts voted (after Virement):**

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

**3 Detail on payments for financial assets**

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
Administration	500 541	478 160	22 381	4%
Delays in receiving the invoice for the renewal of the software license from the supplier has resulted in non-payment and the lease contract for the Forensic Chemistry Laboratory was not signed.				
National Health Insurance, Health Planning and System Enablement	924 954	841 540	83 414	9%
There was no expenditure for the Drug Related Group project during 2017/18 year. New in-kind grant for Medicine Stock System was experiencing initial difficulties to spend funds.				
HIV & AIDS, TB, Maternal and Child Health	18 295 310	18 279 941	15 369	0%
Primary Health Care Services	263 343	253 771	9 572	4%
Invoices were delayed for Ideal Clinic Realisation and Maintenance (ICRM) feedback and planning meetings that were conducted in provinces.				
Hospitals, Tertiary Services & Human Resource Development	20 914 800	20 828 771	86 029	0%
Health Regulation and Compliance Management	1 746 609	1 742 508	4 101	0%

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Current payments</b>				
Compensation of employees	873 358	856 263	17 095	2%
Goods and services	1 704 945	1 625 578	79 367	6%
<b>Transfers and subsidies</b>				
Provinces and municipalities	37 570 226	37 570 226	-	0%
Departmental agencies and accounts	1 518 471	1 518 472	(1)	0%
Non-profit institutions	193 737	155 374	9 962	5%
Households	10 539	10 538	1	0%

**Health Vote 16****Notes of appropriation for the Year ended 31 March 2018****Per economic classification**

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Payments for capital assets</b>				
Buildings and other fixed structures	643 984	577 139	66 845	11%
Machinery and equipment	125 060	110 864	14 196	11%
Software and Intangible assets	5 000	-	5 000	100%
<b>Payments for financial assets</b>	237	237	-	0%

**Compensation of Employees:**

Posts were not filled.

**Goods and Services:**

New in-kind grant was experiencing initial difficulties to spend funds.

Delays in receiving the invoice for the renewal of the software license from the supplier has resulted in non-payment and the lease contract for the Forensic Chemistry Laboratory was not signed.

Invoices were delayed for Ideal Clinic Realisation and Maintenance (CRM) feedback and planning meetings that were conducted in provinces.

**Transfer and Subsidies:**

Not all Non-Profit Institutions applied for funding.

**Payment for capital assets:**

Delay in infrastructure projects due to technical compliance complexity, delays in awarding projects to contractors and contractual issues with some contractors.

There was no expenditure for the Drug Related Group project during 2017/18 financial year.

Medicines Stock System is not fully functional yet.

**4.3 Per conditional grant**

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000

**Direct Grants**

National Tertiary Services	11 676 145	11 676 145	-	0%
Comprehensive HIV/AIDS and TB	17 577 737	17 577 737	-	0%
Health Facility Revitalization	5 684 495	5 684 495	-	0%
Health Professions Training and Development	2 631 849	2 631 849	-	0%
National Health Insurance	-	-	-	0%

**Indirect Grants**

Health Facilities Infrastructure	718 984	657 099	61 885	9%
Human Papilloma Virus Vac- cine	200 000	199 534	466	0%
Health Professional Contract- ing (NHI)	518 053	549 035	(30 982)	(6)%
Ideal Clinics	30 000	26 590	3 410	11%
Information Systems (NHI)	166 000	83 807	82 193	50%

Delay in infrastructure projects due to technical compliance complexity, delays in awarding projects to contractors and contractual issues with some contractors.

Invoices were delayed for Ideal Clinic Realisation and Maintenance (ICRM) feedback and planning meetings that were conducted in provinces.

Medicines Stock system is not fully functional yet.

## Health Vote 16

## Statement of Financial Performance for the Year ended 31 March 2018

	Notes	2017/18 R'000	2016/17 R'000
<b>REVENUE</b>			
Annual appropriation	1	42 645 557	38 597 416
Departmental revenue	2	76 056	59 233
Aid assistance	3	928 153	789 574
<b>TOTAL REVENUE</b>		<b>43 649 766</b>	<b>39 446 223</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	856 263	837 269
Goods and services	5	1 625 578	1 397 470
Aid assistance	3	757 987	737 979
<b>Total current expenditure</b>		<b>3 239 828</b>	<b>2 972 718</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	39 254 610	35 659 990
<b>Total transfers and subsidies</b>		<b>39 254 610</b>	<b>35 659 990</b>
<b>Expenditure for capital assets</b>			
Tangible assets	8	693 547	624 859
Intangible assets	8	-	2 179
<b>Total expenditure for capital assets</b>		<b>693 547</b>	<b>627 038</b>
<b>Payments for financial assets</b>	6	237	659
<b>TOTAL EXPENDITURE</b>		<b>43 188 222</b>	<b>39 260 405</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>461 544</b>	<b>185 818</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		220 866	101 230
Annual appropriation		220 866	101 230
Conditional grants		-	-
Departmental revenue and NRF Receipts	13	76 056	59 233
Aid assistance	3	164 622	25 355
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>461 544</b>	<b>185 818</b>

## Health Vote 16

## Statement of Financial Position for the Year ended 31 March 2018

	Notes	2017/18 R'000	2016/17 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>417 567</b>	<b>284 044</b>
Cash and cash equivalents	9	313 542	174 373
Prepayments and advances	10	64 054	69 314
Receivables	11	39 971	40 357
<b>Non-current assets</b>		<b>31 195</b>	<b>11 346</b>
Receivables	11	31 195	11 346
<b>TOTAL ASSETS</b>		<b>448 762</b>	<b>295 390</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>440 742</b>	<b>293 168</b>
Voted funds to be surrendered to the Revenue Fund	12	220 866	101 230
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	2 448	12 127
Payables	14	52 806	153 890
Aid assistance repayable	3.1	164 622	25 354
Aid assistance unutilised	3.1	-	567
<b>TOTAL LIABILITIES</b>		<b>440 742</b>	<b>293 168</b>
<b>NET ASSETS</b>		<b>8 020</b>	<b>2 222</b>
<b>Represented by:</b>			
Recoverable revenue		8 020	2 222
<b>TOTAL</b>		<b>8 020</b>	<b>2 222</b>

*Health Vote 16*

## Statement of changes in Net Assets for the Year ended 31 March 2018

	Note	2017/18 R'000	2016/17 R'000
<b>Recoverable revenue</b>			
Opening balance		2 222	1 918
Transfers:		<b>5 798</b>	<b>304</b>
Irrecoverable amounts written off	6.1	(237)	(659)
Debts recovered (included in departmental receipts)		(472)	(279)
Debts raised		6 507	1 242
Closing balance		<b>8 020</b>	<b>2 222</b>
<b>TOTAL</b>		<b>8 020</b>	<b>2 222</b>



Vote 16  
Cash Flow Statement for the Year ended 31 March 2018

Notes	2017/18	2016/17
	R'000	R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts	<b>43 649 766</b>	<b>39 446 223</b>
Annual appropriated funds received	1.1 42 645 557	38 597 416
Departmental revenue received	2 71 488	55 606
Interest received	2.2 4 568	3 627
Aid assistance received	3 928 153	789 574
Net (increase)/decrease in working capital	(115 207)	231 878
Surrendered to Revenue Fund	(186 965)	(272 353)
Surrendered to RDP Fund/Donor	(25 921)	(39 614)
Current payments	(3 239 828)	(2 972 718)
Payments for financial assets	(237)	(659)
Transfers and subsidies paid	(39 254 610)	(35 659 990)
<b>Net cash flow available from operating activities</b>	<b>15 826 918</b>	<b>732 767</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for capital assets	8 (693 547)	(627 038)
Proceeds from sales of capital assets	2.3	
<b>Net cash flows from investing activities</b>	<b>(693 547)</b>	<b>(627 038)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distribution/dividend received		
Increase/(decrease) in net assets	5 798	304
<b>Net cash flows from financing activities</b>	<b>5 798</b>	<b>304</b>
Net increase/(decrease) in cash and cash equivalents	139 169	106 033
Cash and cash equivalents at beginning of period	174 373	68 340
<b>Cash and cash equivalents at end of period</b>	<b>9 313 542</b>	<b>174 373</b>

## Health Vote 16

## Accounting Policies for the Year ended 31 March 2018

<b>Summary of significant accounting policies</b>	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
<b>1</b>	<p><b>Basis of preparation</b> The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
<b>2</b>	<p><b>Going concern</b> The financial statements have been prepared on a going concern basis.</p>
<b>3</b>	<p><b>Presentation currency</b> Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
<b>4</b>	<p><b>Rounding</b> Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
<b>5</b>	<p><b>Foreign currency translation</b> Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
<b>6</b>	<p><b>Comparative information</b></p>
<b>6.1</b>	<p><b>Prior period comparative information</b> 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.</p>
<b>6.2</b>	<p><b>Current year comparison with budget</b> A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
<b>7</b>	<p><b>Revenue</b></p>
<b>7.1</b>	<p><b>Appropriated funds</b> Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
<b>7.2</b>	<p><b>Departmental revenue</b> Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>7.3</b>	<p><b>Accrued departmental revenue</b> Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: – it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and – the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off processes.</p>
<b>8</b>	<p><b>Expenditure</b></p>
<b>8.1</b>	<p><b>Compensation of employees</b></p>
<b>8.1.1</b>	<p><b>Salaries and wages</b> Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b> Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
<b>8.2</b>	<p><b>Other expenditure</b> Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>

**Health Vote 16**  
**Accounting Policies for the Year ended 31 March 2018**

<b>8.3</b>	<b>Accruals and payables not recognised</b> Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department or in the case of transfers and subsidies when they are due and payable. Accruals and payables not recognised are measured at cost.
<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<b>Operating leases</b> Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
<b>8.4.2</b>	<b>Finance leases</b> Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"> <li>– cost, being the fair value of the asset; or</li> <li>– the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul>
<b>9</b>	<b>Aid assistance</b>
<b>9.1</b>	<b>Aid assistance received</b> Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
<b>9.2</b>	<b>Aid assistance paid</b> Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
<b>10</b>	<b>Cash and cash equivalents</b> Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. 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.
<b>11</b>	<b>Prepayments and advances</b> Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Advances are expensed on receipt of proof of expenditure incurred.
<b>12</b>	<b>Loans and receivables</b> Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
<b>13</b>	<b>Investments</b> Investments are recognised in the statement of financial position at cost.
<b>14</b>	<b>Financial assets</b>
<b>14.1</b>	<b>Financial assets (not covered elsewhere)</b> A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
<b>14.2</b>	<b>Impairment of financial assets</b> Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
<b>15</b>	<b>Payables</b> Loans and payables are recognised in the statement of financial position at cost.
<b>16</b>	<b>Capital Assets</b>
<b>16.1</b>	<b>Immovable capital assets</b> Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.

**Health Vote 16**  
**Accounting Policies for the Year ended 31 March 2018**

<b>16.2</b>	<p><b>Movable capital assets</b></p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
<b>16.3</b>	<p><b>Intangible assets</b></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
<b>17</b>	<p><b>Provisions and Contingents</b></p>
<b>17.1</b>	<p><b>Provisions</b></p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
<b>17.2</b>	<p><b>Contingent liabilities</b></p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
<b>17.3</b>	<p><b>Contingent assets</b></p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
<b>17.4</b>	<p><b>Commitments</b></p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
<b>18</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>– approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>– approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>– transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
<b>19</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>20</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>21</b>	<p><b>Changes in accounting policies, accounting estimates and errors</b></p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>

## Health Vote 16

## Accounting Policies for the Year ended 31 March 2018

22	<p><b>Events after the reporting date</b></p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p><b>Principal-Agent arrangements</b></p> <p>The Department is party to a principal-agent arrangement for Development Bank of Southern Africa - Management of Infrastructure and Refurbishment projects; COEGA Development Corporation - Management of Infrastructure project; CPI - Payroll Administration of NHI Contracted General Practitioners and the Foundation for Professional Development - to support the contracting and performance management of general practitioners to provide preventative and clinical services on a sessional basis in public health care facilities. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
24	<p><b>Departures from the MCS requirements</b></p> <p>Management has concluded that the financial statements present fairly the department's primary and secondary information. The department complied with all the requirements of the Standard.</p>
25	<p><b>Capitalisation reserve</b></p> <p>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 recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
26	<p><b>Recoverable revenue</b></p> <p>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. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
27	<p><b>Related party transactions</b></p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
28	<p><b>Inventories (Effective from 1 April 2017)</b></p> <p>At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements. Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value. Subsequent measurement of the cost of inventory is determined on the weighted average basis.</p>
29	<p><b>Public-Private Partnerships</b></p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
30	<p><b>Employee benefits</b></p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

## Health Vote 16

Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 1. Annual Appropriation

## 1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2017/18			2016/17	
	Final appropriation	Actual funds received	Funds not requested/ not received	Final appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	514 838	514 838	-	461 964	461 964
National Health Insurance, Health Planning and Systems	934 687	934 687	-	588 620	588 620
HIV and AIDS, Tuberculosis, Maternal and Child Health	18 297 778	18 297 778	-	16 009 609	16 009 609
Primary Health Care Services	263 899	263 899	-	256 539	256 539
Hospitals, Tertiary Health Services and Human Resource	20 907 784	20 907 784	-	19 573 998	19 573 998
Health Regulation and Compliance Management	1 726 571	1 726 571	-	1 706 686	1 706 686
<b>Total</b>	<b>42 645 557</b>	<b>42 645 557</b>	<b>-</b>	<b>38 597 416</b>	<b>38 597 416</b>

## 1.2 Conditional grants

Notes

	Notes	2017/18	2016/17
		R'000	R'000
Total grants received	36	1 633 037	1 261 230

## 2. Departmental revenue

		2017/18	2016/17
		R'000	R'000
Sales of goods and services other than capital assets	2.1	67 180	54 298
Interest, dividends and rent on land	2.2	4 568	3 627
Transactions in financial assets and liabilities	2.4	4 308	1 308
<b>Total revenue collected</b>		<b>76 056</b>	<b>59 233</b>
<b>Departmental revenue collected</b>		<b>76 056</b>	<b>59 233</b>

## 2.1 Sales of goods and services other than capital assets

	2	2017/18	2016/17
		R'000	R'000
Sales of goods and services produced by the department		67 149	54 298
Sales by market establishment		153	172
Administrative fees		66 617	53 627
Other sales		379	499
Sales of scrap, waste and other used current goods		31	-
<b>Total</b>		<b>67 180</b>	<b>54 298</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 2.2 Interest, dividends and rent on land

	Notes	2017/18	2016/17
		R'000	R'000
	2		
Interest		4 568	3 627
<b>Total</b>		<b>4 568</b>	<b>3 627</b>

## 2.3 Transactions in financial assets and liabilities

	Notes	2017/18	2016/17
		R'000	R'000
	2		
Receivables		424	623
Stale cheques written back		12	35
Other Receipts including Recoverable Revenue		3 872	650
<b>Total</b>		<b>4 308</b>	<b>1 308</b>

## 3. Aid assistance

	Notes	2017/18	2016/17
		R'000	R'000
Opening Balance		25 921	40 180
Prior period error			
As restated		25 921	40 180
Transferred from statement of financial performance	3.1	164 622	25 355
Paid during the year		(25 921)	(39 614)
<b>Closing Balance</b>		<b>164 622</b>	<b>25 921</b>

## 3.1 Analysis of balance by source

	Notes	2017/18	2016/17
		R'000	R'000
Aid assistance from RDP	3	164 622	25 354
Aid assistance from other sources		-	567
<b>Closing balance</b>		<b>164 622</b>	<b>25 921</b>

## 3.2 Analysis of balance

	Notes	2017/18	2016/17
		R'000	R'000
Aid assistance unutilised	3	-	567
Aid assistance repayable		164 622	25 354
<b>Closing balance</b>		<b>164 622</b>	<b>25 921</b>

## 3.3 Aid assistance expenditure per economic classification

	Notes	2017/18	2016/17
		R'000	R'000
	3		
Current		757 987	757 979
Capital		5 544	26 240
Transfers and subsidies		-	-
<b>Total aid assistance expenditure</b>		<b>763 531</b>	<b>764 219</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 4. Compensation of employees

## 4.1 Salaries and Wages

	Notes	2017/18	2016/17
		R'000	R'000
Basic salary		580 718	567 735
Performance award		11 252	11 438
Service Based		881	724
Compensative/circumstantial		23 623	25 972
Other non-pensionable allowances		131 263	127 873
<b>Total</b>		<b>747 737</b>	<b>733 742</b>

## 4.2 Social contributions

	Notes	2017/18	2016/17
		R'000	R'000
<b>Employer contributions</b>			
Pension		74 669	71 518
Medical		33 729	31 875
Bargaining council		128	133
<b>Total</b>		<b>108 526</b>	<b>103 526</b>
<b>Total compensation of employees</b>		<b>856 263</b>	<b>837 269</b>
Average number of employees		1 837	1 999

## 5. Goods and services

	Notes	2017/18	2016/17
		R'000	R'000
Administrative fees		213	666
Advertising		13 300	6 943
Minor assets	5.1	11 297	9 445
Bursaries (employees)		692	902
Catering		2 941	2 344
Communication		13 661	16 561
Computer services	5.2	45 003	13 024
Consultants: Business and advisory services		272 817	142 995
Laboratory services		73	4 499
Legal services		6 713	6 450
Contractors		561 905	363 815
Agency and support / outsourced services		34 869	135 562
Entertainment		12	3
Audit cost – external	5.3	25 549	24 457
Fleet services		81 909	54 920
Inventory	5.4	184 045	263 573
Consumables	5.5	17 371	18 245
Operating leases		134 093	134 886
Property payments	5.6	28 966	17 182



**Health Vote 16****Notes to the Annual Financial Statement for the Year ended 31 March 2018**

		176	192
	Notes	2017/18	2016/17
		R'000	R'000
Rental and hiring			
Travel and subsistence	5.7	90 384	92 666
Venues and facilities		10 529	16 534
Training and development		5 487	5 082
Other operating expenditure	5.8	83 573	66 524
<b>Total</b>		<b>1 625 578</b>	<b>1 397 470</b>
<b>5.1 Minor assets</b>			
	5		
Machinery and equipment		11 297	9 445
<b>Total</b>		<b>11 297</b>	<b>9 445</b>
<b>5.2 Computer services</b>			
	5		
SITA computer services		9 332	2 339
External computer service providers		35 671	10 685
<b>Total</b>		<b>45 003</b>	<b>13 024</b>
<b>5.3 Audit cost – External</b>			
	5		
Regularity audits		25 549	24 457
<b>Total</b>		<b>25 549</b>	<b>24 457</b>
<b>5.4 Inventory</b>			
	5		
Clothing material and accessories		802	209
Farming supplies		2 016	-
Food and food supplies		161	158
Fuel, oil and gas		2 067	938
Materials and supplies		-	31
Medical supplies		83 160	133 178
Medicine		86 407	119 821
Other supplies	5.4.1	9 432	9 238
<b>Total</b>		<b>184 045</b>	<b>263 573</b>
<b>5.4.1 Other supplies</b>			
Laboratory chemicals		2 815	2 890
Laboratory supplies		6 615	6 348
Paper/plastic		2	-
<b>Total</b>		<b>9 432</b>	<b>9 238</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 5.5 Consumables

	Notes	2017/18	2016/17
	5	R'000	R'000
Consumable supplies		2 207	843
Uniform and clothing		600	13
Household supplies		441	537
Building material and supplies		23	-
Communication accessories		2	-
IT consumables		1 074	242
Other consumables		67	51
Stationery, printing and office supplies		15 164	17 402
<b>Total</b>		<b>17 371</b>	<b>18 245</b>

## 5.6 Property payments

		2017/18	2016/17
	5	R'000	R'000
Municipal services		23 113	12 890
Property management fees		1 108	608
Other		4 745	3 684
<b>Total</b>		<b>28 966</b>	<b>17 182</b>

## 5.7 Travel and subsistence

		2017/18	2016/17
	5	R'000	R'000
Local		71 427	69 114
Foreign		18 957	23 552
<b>Total</b>		<b>90 384</b>	<b>92 666</b>

## 5.8 Other operating expenditure

		2017/18	2016/17
	5	R'000	R'000
Professional bodies, membership and subscription fees		62 177	48 922
Resettlement costs		307	771
Other		21 089	16 831
<b>Total</b>		<b>83 573</b>	<b>66 524</b>

## 6. Payments for financial assets

		2017/18	2016/17
	6.1	R'000	R'000
Debts written off		237	659
<b>Total</b>		<b>237</b>	<b>659</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 6.1 Debts written off

	Notes	2017/18	2016/17
	6	R'000	R'000
<b>Recoverable revenue written off</b>			
Salary debt		10	58
Tax debt		-	4
Debts written off relating to fruitless and wasteful expenditure		-	17
Bursary debt		100	442
Telephone debt		-	12
Travel and subsistence		-	14
Leave without pay		-	1
Other		1	32
Loss of State Property		126	79
<b>Total</b>		<b>237</b>	<b>659</b>
<b>Total debt written off</b>		<b>237</b>	<b>659</b>

## 7. Transfers and subsidies

		2017/18	2016/17
		R'000	R'000
Provinces and municipalities	37	37 570 226	33 981 012
Departmental agencies and accounts	Annex 1A	1 518 472	1 497 348
Foreign governments and international organisations	Annex 1B	-	16 031
Non-profit institutions	Annex 1C	155 374	161 670
Households	Annex 1D	10 538	3 929
<b>Total</b>		<b>39 254 610</b>	<b>35 659 990</b>

## 8. Expenditure for capital assets

		2017/18	2016/17
		R'000	R'000
<b>Tangible assets</b>			
Buildings and other fixed structures	31.1	577 139	574 044
Machinery and equipment	29	116 408	50 815
<b>Intangible assets</b>			
Software	30	-	2 179
<b>Total</b>		<b>693 547</b>	<b>627 038</b>

## Health Vote 16

Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 8.1 Analysis of funds utilised to acquire capital assets – 2017/18

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>688 003</b>	<b>5 544</b>	<b>693 547</b>
Buildings and other fixed structures	577 139	-	577 139
Machinery and equipment	110 864	5 544	116 408
<b>Total</b>	<b>688 003</b>	<b>5 544</b>	<b>693 547</b>

## 8.2 Analysis of funds utilised to acquire capital assets – 2016/17

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>598 619</b>	<b>26 240</b>	<b>624 859</b>
Buildings and other fixed structures	574 044	-	574 044
Machinery and equipment	24 575	26 240	50 815
<b>Intangible assets</b>	<b>2 179</b>	<b>-</b>	<b>2 179</b>
Software	2 179	-	2 179
<b>Total</b>	<b>600 798</b>	<b>26 240</b>	<b>627 038</b>

## 9. Cash and cash equivalents

Notes	2017/18	2016/17
	R'000	R'000
Consolidated Paymaster General Account	313 517	174 348
Cash receipts	-	-
Cash on hand	25	25
<b>Total</b>	<b>313 542</b>	<b>174 373</b>

## 10. Prepayments and advances

	2017/18	2016/17
	R'000	R'000
Travel and subsistence	23	104
Advances paid (Not expensed) 10.1	64 031	69 210
<b>Total</b>	<b>64 054</b>	<b>69 314</b>

## 10.1 Advances paid (Not expensed)

		Balance as at 1 April 2017	Less: Amount expensed in current year	Add: Current year advances	Balance as at 31 March 2018
		R'000	R'000	R'000	R'000
National departments	Anx7A	5 018	15 422	17 596	7 192
Provincial departments	Anx7A	2 193	10 061	10 418	2 550
Public entities	Anx7A	61 999	337 361	329 651	54 289
<b>Total</b>		<b>69 210</b>	<b>362 844</b>	<b>357 665</b>	<b>64 031</b>

## Health Vote 16

Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 11. Receivables

	Notes	2017/18			2016/17		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1						
	Anx3	32 835	28 885	61 720	39 144	8 936	48 080
Recoverable expenditure	15.3	(106)	-	(106)	(6)	-	(6)
Staff debt	15.4	6 544	317	6 861	823	376	1 199
Fruitless and wasteful expenditure	15.6	2	-	2	-	-	-
Other debtors	15.5	696	1 993	2 689	396	2 034	2 430
<b>Total</b>		<b>39 971</b>	<b>31 195</b>	<b>71 166</b>	<b>40 357</b>	<b>11 346</b>	<b>51 703</b>

## 11.1 Claims recoverable

	11	2017/18	2016/17
		R'000	R'000
National departments		8	90
Provincial departments		2 429	1 453
Public entities		59 283	46 537
Private enterprises		-	-
<b>Total</b>		<b>61 720</b>	<b>48 080</b>

## 11.2 Recoverable expenditure (disallowance accounts)

	11	2017/18	2016/17
		R'000	R'000
Salary tax debt		-	4
Salary disallowance account		(106)	(10)
<b>Total</b>		<b>(106)</b>	<b>(6)</b>

## 11.3 Staff debt

	11	2017/18	2016/17
		R'000	R'000
Bursary debt		528	582
Salary over payment		14	41
Leave without Pay		291	-
Loss/damage to State Property		107	19
Fruitless and wasteful expenditure		5 921	-
Other		-	557
<b>Total</b>		<b>6 861</b>	<b>1 199</b>

## 11.4 Other debtors

	11	2017/18	2016/17
		R'000	R'000
Schedule 9 medication		47	45
Laboratory tests		-	-
Other debtors		-	98
Ex-employees		2 642	2 287
<b>Total</b>		<b>2 689</b>	<b>2 430</b>

## Health Vote 16

Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 11.5 Fruitless and wasteful expenditure

	Notes	2017/18	2016/17
	11	R'000	R'000
Opening balance		-	-
Less amounts recovered		-	-
Transfers from note 32 Fruitless and Wasteful expenditure		2	-
<b>Total</b>		<b>2</b>	<b>-</b>

## 11.6 Impairment of receivables

	2017/18	2016/17
	R'000	R'000
Estimate of impairment of receivables	1 266	1 134
<b>Total</b>	<b>1 266</b>	<b>1 134</b>

## 12. Voted funds to be surrendered to the Revenue Fund

	2017/18	2016/17
	R'000	R'000
Opening balance	101 230	215 100
As restated	101 230	215 100
Transfer from statement of financial performance (as restated)	220 866	101 230
Paid during the year	(101 230)	(215 100)
<b>Closing balance</b>	<b>220 866</b>	<b>101 230</b>

## 13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	2017/18	2016/17
	R'000	R'000
Opening balance	12 127	10 147
As restated	12 127	10 147
Transfer from Statement of Financial Performance (as restated)	76 056	59 233
Paid during the year	(85 735)	(57 253)
<b>Closing balance</b>	<b>2 448</b>	<b>12 127</b>

## 14. Payables – current

		2017/18	2016/17
		R'000	R'000
Advances received	14.1	52 284	152 316
Clearing accounts	14.2	522	1 574
<b>Total</b>		<b>52 806</b>	<b>153 890</b>

## 14.1 Advances received

		2017/18	2016/17
		R'000	R'000
National departments	Anx7B	-	-
Provincial departments	Anx7B	52 284	152 232
Public entities	Anx7B	-	58
Other institutions	Anx7B	-	26
<b>Total</b>		<b>52 284</b>	<b>152 316</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 14.2 Clearing accounts

	Notes	2017/18	2016/17
	14	R'000	R'000
PAYE		512	1 574
Pension fund		5	-
Housing		5	-
<b>Total</b>		<b>522</b>	<b>1 574</b>

## 15. Net cash flow available from operating activities

	2017/18	2016/17
	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance	461 544	185 818
Add back non cash/cash movements not deemed operating activities	365 159	546 949
(Increase)/decrease in receivables – current	(19 463)	145 125
(Increase)/decrease in prepayments and advances	5 260	(10 867)
Increase/(decrease) in payables – current	(101 084)	97 620
Expenditure on capital assets	693 547	627 038
Surrenders to Revenue Fund	(186 965)	(272 353)
Surrenders to RDP Fund/Donor	(25 921)	(39 614)
<b>Net cash flow generated by operating activities</b>	<b>826 918</b>	<b>732 767</b>

## 16. Reconciliation of cash and cash equivalents for cash flow purposes

	2017/18	2016/17
	R'000	R'000
Consolidated Paymaster General account	313 517	174 348
Cash receipts	-	-
Cash on hand	25	25
<b>Total</b>	<b>313 542</b>	<b>174 373</b>

## 17. Contingent liabilities and contingent assets

## 17.1 Contingent liabilities

		2017/18	2016/17
		R'000	R'000
<b>Liable to Nature</b>			
Claims against the department	Annex 2B	13 658	13 505
<b>Total</b>		<b>13 658</b>	<b>13 505</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 18. Commitments

	2017/18 R'000	2016/17 R'000
<b>Current expenditure</b>	<b>668 180</b>	<b>580 866</b>
Approved and contracted	204 195	121 908
Approved but not yet contracted	463 985	458 958
<b>Capital expenditure</b>	<b>1 512 505</b>	<b>1 314 181</b>
Approved and contracted	377 760	149 552
Approved but not yet contracted	1 134 745	1 164 629
<b>Total Commitments</b>	<b>2 180 685</b>	<b>1 895 047</b>

A bank balance carried by SAHPRA as at 31 March 2018 is not included in the cash and cash equivalents. The balance will be disclosed in SAHPRA's financial statements during their reporting period.

## 19. Accruals and payables not recognised

## 19.1 Accruals

	2017/18 R'000			2016/17 R'000
Listed by economic classification	30 Days	30+ Days	Total	Total
Goods and services	98 301	108 120	206 421	197 966
Transfers and subsidies	204	-	204	-
Capital assets	29 647	9 530	39 177	77 840
Other	-	6	6	169
<b>Total</b>	<b>128 152</b>	<b>117 656</b>	<b>245 808</b>	<b>275 975</b>

	2017/18 R'000	2016/17 R'000
<b>Listed by programme level</b>		
Administration	35 494	16 067
Health Planning and System Enablement	23 307	128 713
HIV and AIDS, TB, Maternal Child and Women's Health	133 151	29 258
Primary Health Care Services	2 579	2 467
Hospital Tertiary Services, Workforce Development	48 256	95 766
Health Regulation and Compliance	3 021	3 704
<b>Total</b>	<b>245 808</b>	<b>275 975</b>

## 20. Employee benefits

	2017/18 R'000	2016/17 R'000
Leave entitlement	33 593	38 771
Service bonus (Thirteenth cheque)	25 171	23 044
Performance awards	119	749
Capped leave commitments	18 301	19 646
<b>Total</b>	<b>77 184</b>	<b>82 210</b>

An amount of R383 001,06 for leave was implemented after 31 March 2018 and negative leave credits amount to R1 589 302,40.



## Health Vote 16

Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 21. Lease commitments

## 21.1 Operating leases expenditure

2017/18	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	99 454	1 944	101 398
Later than 1 year and not later than 5 years	156 507	1 293	157 800
<b>Total lease commitments</b>	<b>255 961</b>	<b>3 237</b>	<b>259 198</b>

2016/17	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	99 093	2 731	101 824
Later than 1 year and not later than 5 years	255 934	1 735	257 669
<b>Total lease commitments</b>	<b>355 027</b>	<b>4 466</b>	<b>359 493</b>

## 22. Accrued departmental revenue

	Note	2017/18 R'000	2016/17 R'000
Interest, dividends and rent on land		439	71
<b>Total</b>		<b>439</b>	<b>71</b>

## 22.1 Analysis of accrued departmental revenue

		2017/18 R'000	2016/17 R'000
Opening balance	22	71	272
Less: amounts received		(3 523)	(2 448)
Add: amounts recognised		3 891	2 247
Less: amounts written-off/reversed as irrecoverable		-	-
<b>Closing balance</b>		<b>439</b>	<b>71</b>

## 23. Irregular expenditure

## 23.1 Reconciliation of irregular expenditure

	2017/18 R'000	2016/17 R'000
Opening balance	5 984	4 906
Prior period error		
As restated	5 984	4 906
Add: Irregular expenditure – relating to prior year	11 865	-
Add: Irregular expenditure – relating to current year	61 574	1 388
Less: Prior year amounts condoned	(1 912)	(310)
<b>Closing balance</b>	<b>77 511</b>	<b>5 984</b>

## Analysis of awaiting condonation per age classification

Current year	61 574	1 388
Prior years	15 937	4 596
<b>Total</b>	<b>77 511</b>	<b>5 984</b>

1. An amount of R8 835 million is still to be processed and shall be recorded as irregular expenditure as procurement procedures were not followed when the contract was concluded.

2. The payments awarded to HISP and HST is currently being investigated to determine the full extend of the irregularity.

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

**23.2 Details of irregular expenditure – added current year (relating to current and prior years)**

Incident	Disciplinary steps taken/criminal proceedings	2017/18
		R'000
Health Information Systems Programme	Procurement procedures not followed. The irregular expenditure is under investigation.	11 865
Infrastructure: Disapproved invoices still processed	Procurement procedures not followed. The irregular expenditure is under investigation.	216
Insurance Treasury threshold exceeded	The irregular expenditure is under investigation	39
Health Information Systems Programme	Procurement procedures not followed. The irregular expenditure is under investigation.	15 019
Health System Trust	Procurement procedures not followed. The irregular expenditure is under investigation.	13 382
HPV: HP Contracting	Expenditure not in accordance with allocation letter. The irregular expenditure is under investigation.	32 918
<b>Total</b>		<b>73 439</b>

**23.3 Details of irregular expenditure condoned**

Incident	Condoned by (condoning authority)	2017/18
		R'000
World TB day commemoration eThekweni KZN		
24 March 2011	National Treasury	1 912
<b>Total</b>		<b>1 912</b>

**24. Fruitless and wasteful expenditure****24.1 Reconciliation of fruitless and wasteful expenditure**

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		6 442	6 052
Prior period error			
As restated		6 442	6 052
Fruitless and wasteful expenditure – relating to prior year		(5 907)	-
Fruitless and wasteful expenditure – relating to current year		1 224	402
Less: Amounts resolved		-	(12)
Less: Amounts transferred to receivables for recovery	15.6	(2)	-
<b>Closing balance</b>		<b>1 757</b>	<b>6 442</b>

**24.2 Analysis of awaiting resolution per economic classification**

	2017/18	2016/17
	R'000	R'000
Current	1 085	6 442
Capital	672	-
<b>Total</b>	<b>1 757</b>	<b>6 442</b>

## Health Vote 16

Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 24.3 Analysis of Current Year's Fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2017/18
		R'000
Motor vehicle licences	Recovery from official	2
Traffic fines	Under investigation	18
No show	Under investigation	17
SARS penalties and interest	Under investigation	515
Key projects – Siloam Hospital	Under investigation	672
<b>Total</b>		<b>1 224</b>

## 25. Related party transactions

The following entities fall under the Minister of Health's portfolio:

- Medical Research Council,
- National Health Laboratory Services,
- Council for Medical Schemes,
- Office of Health Standard Compliance, and
- South African Health Products Regulatory Authority (SAHPRA).

Quarterly transfer payments were made by the Department to the above entities during 2017/18 period (except SAHPRA)

## 26. Key management personnel

	No. of Individuals	2017/18	2016/17
		R'000	R'000
Political office bearers (provide detail below)	2	5 085	5 200
Officials:			
Level 15 to 16	17	27 904	29 686
Level 14 (incl. CFO if at a lower level)	34	41 113	40 532
Family members of key management personnel	1	961	912
<b>Total</b>		<b>75 063</b>	<b>76 330</b>

The Minister's salary was R2 808 022,13 and that of the Deputy Minister was R2 276 914,04.

## 27. Public Private Partnership

There are currently no other PPP as regulated by National Treasury, Regulation 16 registered at National Department of Health.

## 28. Provisions

	Note	2017/18	2016/17
		R'000	R'000
Long Service Awards	28.1	840	740
Resolved cases from contingent liabilities (Legal)		-	120
<b>Total</b>		<b>840</b>	<b>860</b>

## 28.1 Reconciliation of movement in provisions – 2017/18

	Provision 1	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	740	120	-	860
Increase in provision	840	-	-	840
Settlement of provision	(740)	(120)	-	(860)
<b>Closing balance</b>	<b>840</b>			<b>840</b>

## Health Vote 16

Notes to the Annual Financial Statement for the Year ended 31 March 2018

## Reconciliation of movement in provisions – 2016/17

	Provision 1	Provision 2	Provision 3	Total provisions
	R'000	R'000	R'000	R'000
Opening balance	837	210	-	1 047
Increase in provision	740	-	-	740
Settlement of provision	(781)	(90)	-	(871)
Change in provision due to change in estimation of inputs	(56)	-	-	(56)
<b>Closing balance</b>	<b>740</b>	<b>120</b>	<b>-</b>	<b>860</b>

At this stage the Department is not able to reliably measure the long term portion of the long service awards.

## 29. Movable Tangible Capital Assets

Movement in movable tangible capital assets per asset register for the year ended 31 march 2018

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>Machinery and equipment</b>	<b>262 014</b>	<b>-</b>	<b>112 069</b>	<b>78 049</b>	<b>296 034</b>
Transport assets	4 219	-	-	-	4 219
Computer equipment	84 013	-	74 393	71 494	86 912
Furniture and office equipment	17 216	-	759	6	17 969
Other machinery and equipment	156 566	-	36 917	6 549	186 934
<b>Total movable tangible capital assets</b>	<b>262 014</b>	<b>-</b>	<b>112 069</b>	<b>78 049</b>	<b>296 034</b>

## 29.1 Additions

Additions to movable tangible capital assets per asset register for the year ended 31 march 2018

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>Machinery and equipment</b>	<b>110 864</b>	<b>1 205</b>	<b>-</b>	<b>-</b>	<b>112 069</b>
Computer equipment	74 343	50	-	-	74 393
Furniture and office equipment	726	33	-	-	759
Other machinery and equipment	35 795	1 122	-	-	36 917
<b>Total additions to movable tangible capital assets</b>	<b>110 864</b>	<b>1 205</b>	<b>-</b>	<b>-</b>	<b>112 069</b>

## 29.2 Disposals

Disposals of movable tangible capital assets per asset register for the year ended 31 march 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>Machinery and equipment</b>	<b>450</b>	<b>77 599</b>	<b>78 049</b>	<b>28</b>
Computer equipment	444	71 050	71 494	-
Furniture and office equipment	6	-	6	28
Other machinery and equipment	-	6 549	6 549	-
<b>Total disposal of movable tangible capital assets</b>	<b>450</b>	<b>77 599</b>	<b>78 049</b>	<b>28</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 29.3 Movement for 2016/17

## Movement in tangible capital assets per asset register for the year ended 31 March 2017

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>310 145</b>	-	<b>37 085</b>	<b>(85 216)</b>	<b>262 014</b>
Transport assets	4 043	-	176	-	4 219
Computer equipment	134 355	-	6 116	(56 458)	84 013
Furniture and office equipment	16 735	-	1 012	(531)	17 216
Other machinery and equipment	155 012	-	29 781	(28 227)	156 566
<b>Total movable tangible capital assets</b>	<b>310 145</b>	-	<b>37 085</b>	<b>(85 216)</b>	<b>262 014</b>

## 29.4 Minor assets

## Movement in minor assets per the asset register for the year ended 31 March 2018

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	38 492	-	38 492
Additions	-	-	-	11 472	-	11 472
Disposals	-	-	-	9 948	-	9 948
<b>Total minor assets</b>	-	-	-	<b>40 016</b>	-	<b>40 016</b>
	<b>Specialised military assets</b>	<b>Intangible assets</b>	<b>Heritage assets</b>	<b>Machinery and equipment</b>	<b>Biological assets</b>	<b>Total</b>
Number of R1 minor assets	-	-	-	21	-	21
Number of minor assets at cost	-	-	-	27 845	-	27 845
<b>Total number of minor assets</b>	-	-	-	<b>27 866</b>	-	<b>27 866</b>

## Movement in minor assets per the asset register for the year ended 31 March 2017

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	43 367	-	43 367	
Prior period error	-	-	-	-	-	
Additions	-	-	10 098	-	10 098	
Disposals	-	-	14 973	-	14 973	
<b>Total minor assets</b>	-	-	<b>38 492</b>	-	<b>38 492</b>	
	<b>Specialised military assets</b>	<b>Intangible assets</b>	<b>Heritage assets</b>	<b>Machinery and equipment</b>	<b>Biological assets</b>	<b>Total</b>
Number of R1 minor assets	-	-	-	124	-	124
Number of minor assets at cost	-	-	-	27 600	-	27 600
<b>Total number of minor assets</b>	-	-	-	<b>27 724</b>	-	<b>27 724</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

**29.5 Movable assets written off**

Movable assets written off for the year ended as at 31 March 2017

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery & equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	-	-	913	-	913
<b>Total movable assets written off</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>913</b>	<b>-</b>	<b>913</b>

**30. S42 Movable Capital Assets**

Major assets subjected to transfer in terms of S42 of the PFMA – 31 March 2018

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery & equipment R'000	Biological assets R'000	Total R'000
No of Assets	-	-	-	197	-	197
Value of the asset (R'000)	-	-	-	13 810	-	13 810

Minor assets subjected to transfer in terms of S42 of the PFMA – 31 march 2018

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery & equipment R'000	Biological assets R'000	Total R'000
No of Assets	-	-	-	56	-	56
Value of the asset (R'000)	-	-	-	14	-	14

**31. Intangible Capital Assets**

Movement in intangible capital assets per asset register for the year ended 31 March 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	72 936	-	-	-	72 936
<b>Total intangible capital assets</b>	<b>72 936</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72 936</b>

**31.1 Movement for 2016/17**

Movement in intangible capital assets per asset register for the year ended 31 march 2017

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	70 757	-	2 179	-	72 936
<b>Total intangible capital assets</b>	<b>70 757</b>	<b>-</b>	<b>2 179</b>	<b>-</b>	<b>72 936</b>

**32. Immovable Tangible Capital Assets**

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2018

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	474 397	-	475 573	484	949 486
Other fixed structures	474 397	-	475 573	484	949 486
<b>Total immovable tangible capital assets</b>	<b>474 397</b>	<b>-</b>	<b>475 573</b>	<b>484</b>	<b>949 486</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

**32.1 Additions**

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2018

	Cash	Non-cash	(capital work in progress current costs and finance lease pay- ments)	Received cur- rent, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>Building and other fixed structures</b>	<b>577 139</b>	<b>632 300</b>	<b>(733 866)</b>	<b>-</b>	<b>475 573</b>
Other fixed structures	577 139	632 300	(733 866)	-	475 573
<b>Total additions to immovable tangible capital assets</b>	<b>577 139</b>	<b>632 300</b>	<b>(733 866)</b>	<b>-</b>	<b>475 573</b>

**32.2 Disposals**

Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2018

	Sold for cash	Non-cash dis- posal	Total dispos- als	Cash received actual
	R'000	R'000	R'000	R'000
<b>Buildings and other fixed structures</b>		<b>484</b>	<b>484</b>	<b>-</b>
Other fixed structures		484	484	-
<b>Total disposals of immovable tangible capital assets</b>		<b>484</b>	<b>484</b>	<b>-</b>

**32.3 Movement for 2016/17**

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2017

	Opening bal- ance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>Buildings &amp; other fixed structures</b>	<b>120 851</b>	<b>71 025</b>	<b>407 766</b>	<b>125 245</b>	<b>474 397</b>
Other fixed structures	120 851	71 025	407 766	125 245	474 397
<b>Total immovable tangible capital assets</b>	<b>120 851</b>	<b>71 025</b>	<b>407 766</b>	<b>125 245</b>	<b>474 397</b>

**32.3.1 Prior period error**

	2016/17 R'000
<b>Nature of prior period error</b>	<b>71 025</b>
Relating to 2016/17 (affecting the opening balance)	71 025
<b>Total prior period errors</b>	<b>71 025</b>

## Health Vote 16

## Notes to the Annual Financial Statement for the Year ended 31 March 2018

## 32.4 Capital Work-in-progress

## CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018

Notes	Opening balance 1 April 2017	Current Year WIP	Ready for use (assets to the AR)/ contracts terminated	Closing balance 31 March 2018
Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures	632 300	577 139	475 573	733 866
<b>TOTAL</b>	<b>632 300</b>	<b>577 139</b>	<b>475 573</b>	<b>733 866</b>

## Age analysis on ongoing projects

	Number of projects		2017/18	Total R'000
	Planned, construction not started	Planned, construc- tion started		
0 to 1 year	58	224		317 079
1 to 3 year(s)	13	37		219 625
3 to 5 years	2	-		36 904
Longer than 5 years	2	-		3 531
<b>Total</b>	<b>75</b>	<b>261</b>		<b>577 139</b>

## Capital work-in-progress as at 31 March 2017

Annexure 7	Opening balance 1 April 2017	Current Year WIP	Ready for use (assets to the AR)/ contracts terminated=	Closing balance 31 March 2018
	R'000	R'000	R'000	R'000
Buildings and other fixed structures	539 603	574 044	(407 766)	632 300
<b>Total</b>	<b>539 603</b>	<b>574 044</b>	<b>(407 766)</b>	<b>632 300</b>

## 33. Principal-agent arrangements

## 33.1 Department acting as the principal

	Fee paid	
	2017/18	2016/17
	R'000	R'000
Development Bank of SA	252 318	92 642
COEGA Development Corporation	54	165 267
CPI	133	101 482
Foundation for Professional Development	416 447	234 598
<b>Total</b>	<b>668 952</b>	<b>593 989</b>

Development Bank of South Africa: Management of Infrastructure and Refurbishment projects.

COEGA: Management of Infrastructure project.

CPI: Payroll Administration of NHI Contracted General Practitioners; and

Foundation for Professional Development: To support the contracting and performance management of general practitioners to provide preventative and clinical services on a sessional basis in public health care.



**Health Vote 16****Notes to the Annual Financial Statement for the Year ended 31 March 2018****34. Prior period errors****34.1 Prior period error**

	2016/17 R'000
<b>Assets: (e.g. Receivables, Investments, Accrued</b>	
Immovable Tangible Assets	71 025
<b>Net effect</b>	<b>71 025</b>

**34.2 Correction of prior period errors****Other: Irregular expenditure, fruitless and wasteful**

Health Information System Programme (Irregular expenditure)	11 865
	<b>11 865</b>

An amount of R11,865 million was omitted on the 2016/17 financial statements as it was not recorded in the irregular expenditure register.

**35. Inventory (Effective 1 April 2017)**

	Note	2017/18 R'000	2016/17 R'000
	<i>Annexure 5</i>		
Opening balance		2 478	3 481
Add/(Less): Adjustments to prior year balances		-	-
Add: Additions/Purchases - Cash		184 045	410 085
Add: Additions - Non-cash		-	-
(Less): Issues		(81 547)	(406 140)
Add/(Less): Adjustments		(101 026)	(4 948)
Closing balance		<b>3 950</b>	<b>2 478</b>

Health Vote 16  
Notes to the Annual Financial Statement for the Year ended 31 March 2018

36. Statement of conditional grants received

Name of grant	Grant Allocation						Spent			2016/17		
	Division of Revenue Act Provincial grants		DORA adjustments		Other adjustments		Total available		Amount received by department		Amount spent by department	
	R'000	Roll overs	R'000	R'000	R'000	R'000	R'000	R'000	Under (Overspending)	% of available funds spent by department	R'000	R'000
Health Facility Infrastructure	948 984	-	(230 000)	-	718 984	718 984	657 099	61 885	91%	697 082	686 496	
Health Professional												
Contracting (NHI)	318 053	-	200 000	-	518 053	518 053	549 035	(30 982)	106%	364 148	361 580	
HPV Vaccine	200 000	-	-	-	200 000	200 000	199 534	466	100%	190 000	189 992	
Ideal Clinics	30 000	-	-	-	30 000	30 000	26 590	3 410	89%	10 000	9 792	
Information Systems	166 000	-	-	-	166 000	166 000	83 807	82 193	50%			
	<b>1 663 037</b>	<b>-</b>	<b>(30 000)</b>	<b>-</b>	<b>1 633 037</b>	<b>1 633 037</b>	<b>1 516 065</b>	<b>116 972</b>		<b>1 261 230</b>	<b>1 247 860</b>	

37. Statement of conditional grants paid to the provinces

Name of province / grant	Grant allocation				Transfer			Spent			2016/17				
	Division of Revenue Act		Roll Overs		Total available		Funds withheld		Reallocations by National Treasury or National Department		Amount received by department		Amount spent by department		
	R'000	Adjustments	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	%	R'000	R'000		
<b>Summary by province</b>															
Eastern Cape	3 778 750	-	-	-	3 778 750	-	-	3 778 750	-	-	3 798 952	3 433 642	101%	3 433 642	
Free State	2 884 563	-	-	-	2 884 563	-	-	2 884 563	-	-	2 823 920	2 611 506	98%	2 611 506	
Gauteng	9 664 962	-	-	-	9 664 962	-	-	9 664 962	-	-	9 674 503	8 637 060	100%	8 637 060	
Kwazulu-Natal	8 030 060	-	-	-	8 030 060	-	-	8 030 060	-	-	8 032 269	7 286 682	100%	7 286 682	
Limpopo	2 360 492	-	11 802	-	2 372 294	-	-	2 372 294	-	-	2 281 683	2 031 804	96%	2 031 804	
Mpumalanga	1 731 807	-	8 032	-	1 739 839	-	-	1 739 839	-	-	1 675 969	1 526 018	96%	1 526 018	
Northern Cape	1 348 327	-	-	-	1 348 327	-	-	1 348 327	-	-	1 430 697	1 293 517	106%	1 293 517	
North West	2 241 762	-	30 000	-	2 271 762	-	-	2 271 762	-	-	2 209 762	1 980 161	97%	1 980 161	
Western Cape	5 479 669	-	-	-	5 479 669	-	-	5 479 669	-	-	5 441 272	5 180 622	99%	5 180 622	
<b>TOTAL</b>	<b>37 520 392</b>	<b>-</b>	<b>49 834</b>	<b>-</b>	<b>37 570 226</b>	<b>-</b>	<b>-</b>	<b>37 570 226</b>	<b>-</b>	<b>-</b>	<b>37 369 027</b>	<b>33 981 012</b>		<b>33 981 012</b>	
<b>Summary by grant</b>															
Health Professions Training & Development	2 631 849	-	-	-	2 631 849	-	-	2 631 849	-	-	2 588 568	2 476 724	98%	2 476 724	
National Tertiary Services Grant	11 676 145	-	-	-	11 676 145	-	-	11 676 145	-	-	11 661 286	10 846 778	100%	10 846 778	
Comprehensive HIV & AIDS Grant	17 557 903	-	19 834	-	17 577 737	-	-	17 577 737	-	-	17 543 374	15 290 603	100%	15 290 603	
Health Facility Revitalisation Grant	5 654 495	-	30 000	-	5 684 495	-	-	5 684 495	-	-	5 575 799	5 272 680	98%	5 272 680	
NHI Grant	-	-	-	-	-	-	-	-	-	-	-	94 227	-	94 227	
	<b>37 520 392</b>	<b>-</b>	<b>49 834</b>	<b>-</b>	<b>37 570 226</b>	<b>-</b>	<b>-</b>	<b>37 570 226</b>	<b>-</b>	<b>-</b>	<b>37 570 226</b>	<b>33 981 012</b>		<b>33 981 012</b>	

Health Vote 16  
Notes to the Annual Financial Statement for the Year ended 31 March 2018

Name of Province / Grant	Grant Allocation			Transfer			Spent			2016/17 Division of Revenue Act R'000	
	Division of Revenue Act	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by Nation- al Treasury or National Department	Amount received by department	Amount spent by department		% of available funds spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		%
<b>1. Health Profession Training and Development Grant</b>											
Eastern Cape	226 566	-	-	226 566	226 566	-	-	226 566	226 663	100%	213 212
Free State	165 973	-	-	165 973	165 973	-	-	165 973	165 973	100%	156 189
Gauteng	919 432	-	-	919 432	919 432	-	-	919 432	904 053	98%	865 244
Kwazulu-Natal	331 944	-	-	331 944	331 944	-	-	331 944	331 944	100%	312 377
Limpopo	131 726	-	-	131 726	131 726	-	-	131 726	131 684	100%	123 960
Mpumalanga	108 014	-	-	108 014	108 014	-	-	108 014	99 962	93%	101 646
Northern Cape	86 300	-	-	86 300	86 300	-	-	86 300	65 824	76%	81 815
North West	119 194	-	-	119 194	119 194	-	-	119 194	119 765	100%	111 565
Western Cape	542 700	-	-	542 700	542 700	-	-	542 700	542 700	100%	510 716
	<b>2 631 849</b>	-	-	<b>2 631 849</b>	<b>2 631 849</b>	-	-	<b>2 631 849</b>	<b>2 588 568</b>		<b>2 476 724</b>
<b>2. National Tertiary Services Grant</b>											
Eastern Cape	890 973	-	-	890 973	890 973	-	-	890 973	893 688	100%	838 458
Free State	1 018 025	-	-	1 018 025	1 018 025	-	-	1 018 025	1 018 025	100%	958 021
Gauteng	4 110 484	-	-	4 110 484	4 110 484	-	-	4 110 484	4 110 049	100%	3 727 048
Kwazulu-Natal	1 696 266	-	-	1 696 266	1 696 266	-	-	1 696 266	1 696 266	100%	1 596 286
Limpopo	366 314	-	-	366 314	366 314	-	-	366 314	366 283	100%	344 723
Mpumalanga	110 103	-	-	110 103	110 103	-	-	110 103	109 839	100%	103 597
Northern Cape	340 032	-	-	340 032	340 032	-	-	340 032	335 852	99%	318 661
North West	267 538	-	-	267 538	267 538	-	-	267 538	254 874	195%	253 096
Western Cape	2 876 410	-	-	2 876 410	2 876 410	-	-	2 876 410	2 876 410	100%	2 706 888
	<b>11 676 145</b>	-	-	<b>11 676 145</b>	<b>11 676 145</b>	-	-	<b>11 676 145</b>	<b>11 661 286</b>		<b>10 846 778</b>

Health Vote 16  
Notes to the Annual Financial Statement for the Year ended 31 March 2018

Name of Province / Grant	Grant allocation			Transfer			Spent		2016/7 Division of Revenue Act R'000			
	Division of Revenue Act R'000	Roll overs R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	Funds withheld R'000	Re-allocations by Nation- al Treasury or National Department			Amount received by department R'000	Amount spent by department R'000	% of available funds spent by department %
							%					
<b>3. Comprehensive HIV &amp; AIDS Grant</b>												
Eastern Cape	2 040 454	-	-	2 040 454	2 040 454	-	-	-	2 040 454	2 042 315	100%	1 755 385
Free State	1 148 408	-	-	1 148 408	1 148 408	-	-	-	1 148 408	1 148 408	100%	1 015 061
Gauteng	3 744 381	-	-	3 744 381	3 744 381	-	-	-	3 744 381	3 744 381	100%	3 259 407
Kwazulu-Natal	4 852 495	-	-	4 852 495	4 852 495	-	-	-	4 852 495	4 852 495	100%	4 244 243
Limpopo	1 354 308	-	11 802	1 366 110	1 366 110	-	-	-	1 366 110	1 366 911	100%	1 176 489
Mpumalanga	1 188 073	-	8 032	1 196 105	1 196 105	-	-	-	1 196 105	1 196 069	100%	1 032 055
Northern Cape	478 242	-	-	478 242	478 242	-	-	-	478 242	468 761	98%	413 231
North West	1 296 769	-	-	1 296 769	1 296 769	-	-	-	1 296 769	1 269 261	98%	1 127 523
Western Cape	1 454 773	-	-	1 454 773	1 454 773	-	-	-	1 454 773	1 454 773	100%	1 267 209
	<b>17 557 903</b>	<b>-</b>	<b>19 834</b>	<b>17 577 737</b>	<b>17 577 737</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 577 737</b>	<b>17 543 374</b>		<b>15 290 603</b>
<b>4. Health Facility revitalisation Grant</b>												
Eastern Cape	620 757	-	-	620 757	620 757	-	-	-	620 757	636 286	103%	619 041
Free State	552 157	-	-	552 157	552 157	-	-	-	552 157	491 514	89%	474 692
Gauteng	890 665	-	-	890 665	890 665	-	-	-	890 665	916 020	103%	777 818
Kwazulu-Natal	1 149 355	-	-	1 149 355	1 149 355	-	-	-	1 149 355	1 151 564	100%	1 114 693
Limpopo	508 144	-	-	508 144	508 144	-	-	-	508 144	416 805	82%	379 089
Mpumalanga	325 617	-	-	325 617	325 617	-	-	-	325 617	270 099	83%	281 174
Northern Cape	443 753	-	-	443 753	443 753	-	-	-	443 753	560 260	126%	472 267
North West	558 261	-	30 000	588 261	588 261	-	-	-	588 261	565 862	96%	480 434
Western Cape	605 786	-	-	605 786	605 786	-	-	-	605 786	567 389	94%	673 472
	<b>5 654 495</b>	<b>-</b>	<b>30 000</b>	<b>5 684 495</b>	<b>5 684 495</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 684 495</b>	<b>5 575 799</b>		<b>5 272 680</b>
<b>5. NHI Grant</b>												
Eastern Cape	-	-	-	-	-	-	-	-	-	-	-	7 546
Free State	-	-	-	-	-	-	-	-	-	-	-	7 543
Gauteng	-	-	-	-	-	-	-	-	-	-	-	7 543
Kwazulu-Natal	-	-	-	-	-	-	-	-	-	-	-	19 083
Limpopo	-	-	-	-	-	-	-	-	-	-	-	7 543
Mpumalanga	-	-	-	-	-	-	-	-	-	-	-	7 546
Northern Cape	-	-	-	-	-	-	-	-	-	-	-	7 543
North West	-	-	-	-	-	-	-	-	-	-	-	7 543
Western Cape	-	-	-	-	-	-	-	-	-	-	-	22 337
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>94 227</b>

The variance between the actual transfer and actual expenditure is covered from the roll over funds at Provincial level.

## Health Vote 16

Annexures to the Annual Financial Statement for the Year ended 31 March 2018

## ANNEXURE 1A

## Statement of Transfers to Departmental Agencies and Accounts

DEPARTMENT/ AGENCY/ ACCOUNT	Transfer allocation				Transfer		2016/17
	Adjusted appropriation	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Compensation Commissioner for Occupational Diseases	3 718	-	-	3 718	3 718	100%	3 541
Medical Research Council	614 961	-	2 249	617 210	617 210	100%	660 270
Council for Medical Schemes	5 496	-	-	5 496	5 496	100%	1 613
National Health Laboratory Services	746 464	-	-	746 464	746 464	100%	711 871
Health and Welfare Sector Education and Training Authority	2 252	-	-	2 252	2 252	100%	2 807
South African National AIDS Council	17 547	-	-	17 547	17 547	100%	16 711
South African Health Products Regulatory Authority	133 648	-	(133 648)	-	-	-	-
Office of Health Standard Compliance	125 711	-	-	125 711	125 711	100%	100 535
South African Broadcasting Corporation	-	-	73	73	74	101%	-
<b>TOTAL</b>	<b>1 649 797</b>	<b>-</b>	<b>(131 326)</b>	<b>1 518 471</b>	<b>1 518 472</b>		<b>1 497 348</b>

## ANNEXURE 1B

## Statement of transfers to foreign government and international organisations

Foreign government/ international organisation	Transfer allocation				Expenditure		2016/17
	Adjusted appropriation Act	Roll overs	Adjustments	Total avail- able	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
International AIDS Council	-	-	-	-	-	-	14 370
International Hospital Federation	-	-	-	-	-	-	1 646
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 016</b>

## Health Vote 16

Annexures to the Annual Financial Statement for the Year ended 31 March 2018

## ANNEXURE 1C

## Statement of transfers to non-profit institutions

Non-Profit Institutions	Transfer allocation				Expenditure		2016/17
	Adjusted appropriation Act	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
Health System Trust	15 019	-	-	15 019	-		11 969
Health Information System Programme (HISP)	13 382	-	-	13 382	-		12 745
Life Line	22 000	-	-	22 000	22 000	100%	20 953
LoveLife	61 200	-	-	61 200	61 200	100%	57 808
National Council Against Smoking	887	-	-	887	845	95%	-
National Kidney Foundation of South Africa	350	-	-	350	350		-
Soul City	19 226	-	-	19 226	17 996	94%	14 465
South African Community Epidemiology Network on Drug Abuse (SACENDU)	520	-	-	520	520		496
SA Council for the Blind	832	-	-	832	832	100%	792
South African Federation for Mental Health	371	-	-	371	371		353
Wits Health Consortium	-	-	-	-	-		650
<b>HIV and AIDS: NGOs</b>	<b>51 450</b>	<b>-</b>	<b>8 500</b>	<b>59 950</b>	<b>51 260</b>	<b>86%</b>	<b>41 439</b>
Agri AIDS SA NPC	-	-	-	-	879		879
Alliance Against HIV/AIDS (AAHA)	-	-	-	-	1 067		1 066
Boithuti Lesedi Project	-	-	-	-	1 196		1 195
Centre for Positive Care (CPC)	-	-	-	-	1 796		1 796
Community Development Foundation of South Africa	-	-	-	-	2 000		2 000
Community Responsiveness Programme (CRP)	-	-	-	-	729		729
Eagle Training	-	-	-	-	561		561
Educational Support Services Trust (ESST)	-	-	-	-	2 512		2 512
Friends for Life	-	-	-	-	1 006		1 006
Get Down Productions	-	-	-	-	3 238		3 238
Get Ready Information Services	-	-	-	-	1 166		1 166
Health Care Development and Training	-	-	-	-	561		561
Highveld East Aids Projects Support (HEAPS)	-	-	-	-	3 881		3 881
Hospice Palliative Care Association	-	-	-	-	1 174		1 174
Humana People to People	-	-	-	-	831		831
Leandra Community Centre	-	-	-	-	1 423		1 423
Leseding Care Givers	-	-	-	-	1 390		1 390
Mothers2Mothers SA	-	-	-	-	561		561
Mpilonhle	-	-	-	-	963		963
Muslim Aids Programme (MAP)	-	-	-	-	673		673
National Institute Community Development and Management (NICDAM)	-	-	-	-	1 898		1 899

## Health Vote 16

## Annexures to the Annual Financial Statement for the Year ended 31 March 2018

	Transfer allocation				Expenditure		2016/17
	Adjusted appropriation Act	Roll overs	Adjustments	Total available	Actual transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Non-Profit Institutions</b>							
National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health (NLGBTHI)	-	-	-	-	1 968		1 968
Public universities South Africa	-	-	8 500	8 500	10 331		1 831
Ramotshinyadi HIV/AIDS	-	-	-	-	561		561
Seboka Training and Support Network	-	-	-	-	1 209		1 209
St Joseph Care Centre – Sizanani	-	-	-	-	841		841
TB/HIV Care Association	-	-	-	-	1 254		1 254
The Training Institute for Primary Health Care (TIPHC)	-	-	-	-	989		989
Ukhamba Projects	-	-	-	-	1 207		1 208
Zakheni Training and Development	-	-	-	-	2 074		2 074
National Association of People Living with HIV/AIDS	-	-	-	-	1 321		-
<b>Total</b>	<b>185 237</b>	<b>-</b>	<b>8 500</b>	<b>193 737</b>	<b>155 374</b>		<b>161 670</b>

## ANNEXURE 1D

## Statement of transfers to households

	Transfer allocation				Expenditure		2016/17
	Adjusted appropriation Act	Roll Overs	Adjustments	Total available	Actual transfer	% of Available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Households</b>							
<b>Transfers</b>							
Leave gratuities	1 972	-	1 567	3 539	3 539	100%	3 669
Bursaries (Non-Employees)	-	-	7 000	7 000	6 999	100%	260
<b>TOTAL</b>	<b>1 972</b>	<b>-</b>	<b>8 567</b>	<b>10 539</b>	<b>10 538</b>		<b>3 929</b>

## Health Vote 16

## Annexures to the Annual Financial Statement for the Year ended 31 March 2018

## ANNEXURE 1E

## Statement of gifts, donations and sponsorships received

Name of organisation	Nature of gift, donation or sponsorship	2017/18	2016/17
		R'000	R'000
<b>Received in kind</b>			
Action on Antibiotic Resistance (ReACT)	Travel and subsistence	18	-
Albertina Sisulu Executive Leadership Programme in Health (ASELPH)	Seminar	109	-
African Renaissance Fund	Travel and subsistence related	-	52
African Regulatory Collaborative	Travel and subsistence related	21	11
African Union Commission	Travel and subsistence related	-	12
African Union Inter African Bureau Animal Resource	Meeting	131	-
Aurum	Registration fees	-	10
African Society for Laboratory Medicine	Workshop	-	38
Bill and Melinda Gates Foundation	Travel and subsistence related	174	215
Botswana Labour Migrants (BOLAMA)	Travel and subsistence related	4	-
Broad Reach Health Care	Training/Travel and subsistence Related	122	289
Bloomberg Philanthropies	Implementation of obesity strategy	20 219	-
CABRI Policy Dialogue	Travel and subsistence related	-	42
Child Development Centre (CDC) Paediatric	Travel and subsistence related	-	125
Clinton Health Access Initiative	Travel and subsistence related	265	-
Desmond Tutu HIV Centre and the London School of Hygiene & Tropical Medicine	Training/Travel and subsistence related	96	-
Development Innovative Advance Europe	Workshop	33	-
DR-TB STAT and University Research Corporation (URC)	Travel and subsistence related	188	-
East Central and Southern Africa Health Community (ECSA-HC Partnership)	Travel and subsistence related	73	-
E8 Secretariat and UCSF Global Health Group	Travel and subsistence related	148	81
Embassy of Netherlands	Training/Travel and subsistence related	434	-
European Union (not NDoH EU funds)	Travel and subsistence related	-	37
European Directorate for Quality of Medicine (EDQM)	Travel and subsistence related	17	-
Federation of Indian Chambers of Commerce and Industry	Workshop	5	-
FUNDSA	Travel and subsistence related	46	49
Foundation Merieux	Meeting	22	-
German Cooperation	Travel and subsistence related	76	-
Gesellschaft Fuer Inteen Zusammenarbeit	Travel and subsistence related	-	169
Global Expert Network Conference	Travel and subsistence related	-	81
Government Employees Pension Fund (GEPF)	Meeting	177	-
Global Health Advocacy Incubator (GHAi)	Workshop	80	-
Global Health Strategies	Travel and subsistence related	88	-
Harvard University	Travel and subsistence related	178	-
Human Science Research Council	Travel and subsistence related	33	-
ICAP at Columbia University	Workshop/Travel and subsistence related	133	-
Indian Government	Travel and subsistence related	-	113
International Agency for the prevention of Blindness	Meeting	18	-
International DIS Society	Travel and subsistence related	306	-
International Atomic Energy Agency	Travel and subsistence related	168	45
International Conference on Birth Defects and Disabilities (ICBD)	Travel and subsistence related	10	-
International Federation of Gynaecology and Obstetrics	Travel and subsistence related	-	40
International Training and Education Centre for Healths SA (ITEC)	Travel and subsistence related	638	-
International Tuberculosis Research Center of Korea (ITRC)	Travel and subsistence related	43	-
Institute for Healthcare Improvement	Workshop	132	-
INTERPOL	Travel and subsistence related	35	-
Janssen Pharmaceutical (Pty) Ltd	Training/Travel and subsistence related	308	-



## Health Vote 16

## Annexures to the Annual Financial Statement for the Year ended 31 March 2018

Name of organisation	Nature of gift, donation or sponsorship	2017/18	2016/17
		R'000	R'000
Japan International Cooperation Agency	Travel and subsistence related/Training	24	166
Joep Lange Institute	Training	18	-
Johnson and Johnson	School Deworming programme	42 290	-
KNect365 Lie Sciences	Conference	22	-
Lisbon Institute of Global Mental Health	Workshop	41	-
Liverpool School Tropical Medicine	Travel and subsistence related	73	-
Medicines Patent Pool Organisation	Travel and subsistence related	257	260
Medical Control Authority of Zimbabwe	Travel and subsistence related	85	-
Middle East and North Africa Health Policy Forum (MENA HFP)	Travel and subsistence related	61	-
National Convention Bureau	Travel and subsistence related	-	136
National Institutes of Communicable Diseases	Travel and subsistence related	-	38
New Partnership for Africa's Development (NEPAD)	Travel and subsistence related	30	281
Norvatis	Meeting/Travel and subsistence related	-	27
NSF Euro Consultants	Meeting/Travel and subsistence related	14	-
Omar Cancer Association	Travel and subsistence related	-	66
Operation Smile	Travel and subsistence related	-	35
Organisation for Animal Health	Seminar	9	-
Paul Elrich Institute	Travel and subsistence related	20	69
Pharmaceuticals and Medical Devices Agency (PMDA)	Travel and subsistence related	55	40
Programme Support Pro-Poor Development	Travel and subsistence related	73	-
Public Service Co-ordinating Bargaining Council (PSCBC)	Travel and subsistence related	82	23
Public Health and Social Development Sectorial Bargaining Council (PHSDSBC)	Conference/Travel and subsistence related	101	135
Resilient and Responsive Health System	Travel and subsistence related	-	53
Rutgers Global Tuberculosis Institute	Travel and subsistence related	-	27
Right to Care	Training	48	-
Sandia National Laboratories	Training/Travel and subsistence related	47	-
Southern Africa Trust	Training/Travel and subsistence related	9	-
South African Development Cooperation Secretariat	Travel and subsistence related	34	13
South African Medical Research Council (SAMRC)	Travel and subsistence related	31	-
South African Development Community/World Bank/NEPAD	Travel and subsistence related	-	55
Stop TB Partnership	Travel and subsistence related	128	37
Strategic Information for SA	Travel and subsistence related	-	45
ST Elevation Myocardial Infection (STEMI)	Meeting	6	-
Taskforce for Global Health	Travel and subsistence related	23	-
TB in Mining Sector	Travel and subsistence related	779	-
TB Alliance	Travel and subsistence related	76	51
The Brazilian Government	Travel and subsistence related	26	-
The Codex Secretariat at the FAO	Travel and subsistence related	45	-
The Egyptian Agency of Partnership for Development	Travel and subsistence related	50	-
The Government of Lesotho and WHO	Meeting	69	-
The Secretariat United Nations Children Emergency Fund	Travel and subsistence related	-	204
United Nations AIDS	Travel and subsistence related/Workshop	815	112
United Nations Children Emergency Fund (UNICEF)	Travel and subsistence related	183	164
United Nations Population Fund Agency (UNFPA)	Travel and subsistence related/Workshop	141	-
United Nations Office on Drugs and Crime	Meeting	40	-
United Nations Secretary – General High Level Panel	Travel and subsistence related/Meeting	-	132
United States Department Agricultural (USDA)	Travel and subsistence related	119	-
University of Washington International Training and Education	Travel and subsistence related	-	164
United States Pharmacopeia - Ghana	Travel and subsistence related	53	100
University of Witwatersrand	Travel and subsistence related	-	12
University of Pretoria	Travel and subsistence related	22	-
University College London (UCL)	Meeting	13	-

## Health Vote 16

## Annexures to the Annual Financial Statement for the Year ended 31 March 2018

Name of organisation	Nature of gift, donation or sponsorship	2017/18	2016/17
		R'000	R'000
UNITAID	Travel and subsistence related	31	-
Uppsala University	Travel and subsistence related	-	46
Vision Community Based Rehabilitation Association	Travel and subsistence related	14	-
Wilton Park	Travel and subsistence related	148	-
World Bank	Meeting/Workshop/Travel and Subsistence related	-	199
World Bank (Regional Coordinating Mechanism Secretariat)	Travel and subsistence related	27	-
World Organisation for Animal Health (OIE)	Seminar	13	-
World Health Organisation	Meeting/Workshop/Travel and Subsistence related	3 368	2 012
World Health Federation	Travel and subsistence related	92	-
WHO – AHPSR	Travel and subsistence related	343	-
WHO/NEPAD/SADC Secretariat	Workshop	128	-
WHO and the Government of Russian Federation	Meeting	103	-
WHO Headquarters, Health Systems Governance and Financing	Meeting	56	-
ZAZIBONA	Travel and subsistence related	90	-
<b>Subtotal</b>		<b>74 973</b>	<b>6 111</b>
<b>TOTAL</b>		<b>74 973</b>	<b>6 111</b>

## ANNEXURE 1F

## Statement of aid assistance received

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Paid back on/by 31 March 2018	Closing balance
		R'000	R'000	R'000		R'000
<b>Received in kind</b>						
CDC United State	Tuberculosis, HIV and AIDS prevention	3 367	187 051	(170 833)	3 367	16 218
EU Primcare	Primary Health Care Purposes	4 629	214 629	(175 756)	4 629	28 873
Global Funds	HIV & AIDS Prevention	17 358	512 903	(402 567)	17 358	110 336
KFW: Germany		-	13 570	(4 375)	-	9 195
EU Masibambane	Training of Medical Students	534	-	-	534	-
Health and Welfare SETA	Environmental Health Purposes	33	-	-	33	-
<b>TOTAL</b>		<b>25 921</b>	<b>928 153</b>	<b>(763 531)</b>	<b>25 921</b>	<b>164 622</b>

## ANNEXURE 1G

## Statement of gifts, donations and sponsorships made

NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
(Group major categories but list material items including name of organisation)	R'000	R'000
<b>Made in kind</b>		
Dr J Raman, Prof R Maharaj & Ms H Harris to Malaria sites	-	32
<b>Total</b>	<b>-</b>	<b>32</b>

## Health Vote 16

Annexures to the Annual Financial Statement for the Year ended 31 March 2018

## ANNEXURE 2

## Statement of contingent liabilities as at 31 March 2018

Nature of Liability	Opening balance 1 April 2017 R'000	Liabilities incurred during the year R'000	Liabilities paid/ cancelled/reduced during the year R'000	Liabilities recoverable (provide details hereunder) R'000	Closing balance 31 March 2018 R'000
<b>Claims against the department</b>					
Barry Mellor vs Kagiso Tholo	15	-	-	-	15
Hlomphang Moreku vs The Minister of Health	1	-	(1)	-	-
Dr D P Mahlangu	2 195	-	-	-	2 195
Metronic	3 824	-	-	-	3 824
ZLD Panel Beaters vs The Minister of Health	400	-	-	-	400
Mr J Leslie	870	-	-	-	870
Ms E Mulutsi	1 200	-	-	-	1 200
Nomusa Mabasa	5 000	-	-	-	5 000
Simphiwe Mhlauli	-	154	-	-	154
<b>Subtotal</b>	<b>13 505</b>	<b>154</b>	<b>(1)</b>	<b>-</b>	<b>13 658</b>
<b>TOTAL</b>	<b>13 505</b>	<b>154</b>	<b>(1)</b>	<b>-</b>	<b>13 658</b>

## ANNEXURE 3

## Claims recoverable

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Department</b>								
Provincial Health:								
KwaZulu/Natal	-	-	-	1 453	-	1 453		
Department of Energy	-	-	-	82	-	82		
Government Employees Pension Fund	-	-	8	8	8	8		
Provincial Health: Limpopo	-	-	2 373	-	2 373	-		
Provincial Health Gauteng	-	-	56	-	56	-		
	-	-	<b>2 437</b>	<b>1 543</b>	<b>2 437</b>	<b>1 543</b>		
<b>Other Government Entities</b>								
Global Fund (SARS VAT)	-	-	48 309	41 337	48 309	41 337		
Office of Health Standard Compliance (OHSC)	-	-	183	2 159	183	2 159		
CDC (SARS VAT)	-	-	10 791	3 041	10 791	3 041		
	-	-	<b>59 283</b>	<b>46 537</b>	<b>59 283</b>	<b>46 537</b>		
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>61 720</b>	<b>48 080</b>	<b>61 721</b>	<b>48 080</b>		

## ANNEXURE 4

## Inter-government payables

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2017/18	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>								
<b>Current</b>								
Provincial Health: Eastern Cape	-	6 414	81 475		81 475	6 414		
Provincial Health: Free State	-	-	268		268	-		
Provincial Health: Northern Cape	-	-	240		240	-		
DIRCO	-	1 486	-		-	1 486		
Provincial Health: Gauteng	-	25 896	3		3	25 896		
Provincial Health: Limpopo	-	109 085	108 692		108 692	109 085		
Provincial Health: North West	-	6 500	114 359		114 359	6 500		
Provincial Health: KwaZulu/Natal	-	-	463		463	-		
Treasury (Global funds: RDP)	-	1 337	19 741		19 741	1 337		
NDoH – Transport JNLS	-	5 489	8 886		8 886	5 489		
<b>Subtotal</b>	<b>-</b>	<b>156 207</b>	<b>334 127</b>		<b>334 127</b>	<b>156 207</b>		
<b>OTHER GOVERNMENT ENTITY</b>								
<b>Current</b>								
<b>Subtotal</b>	<b>-</b>	<b>58</b>	<b>58</b>	<b>-</b>	<b>58</b>	<b>58</b>		
<b>TOTAL</b>	<b>-</b>	<b>156 265</b>	<b>334 185</b>	<b>-</b>	<b>334 185</b>	<b>156 265</b>		

## ANNEXURE 5

## Inventories

Inventory [Per major category]	2017/18		2016/17	
	Quantity	R'000	Quantity	R'000
Opening balance	40 983	2 478	351 078	3 481
Add/(Less): Adjustments to prior year balance	-	-	-	-
Add: Additions/Purchases - Cash	135 037 013	294 273	203 129 104	410 085
Add: Additions - Non-cash	-	-	74	-
(Less): Issues	(133 067 555)	(191 775)	(203 432 572)	(406 140)
Less: Internal Transfers	(1 856 309)	(101 599)	(8 887)	(4 903)
Add/(Less): Adjustments	1 298	603	2 186	(111)
Add: Weighted average price	-	(30)	-	66
<b>Closing balance</b>	<b>155 430</b>	<b>3 950</b>	<b>40 983</b>	<b>2 478</b>

## ANNEXURE 6

## Movement in Capital Work in Progress

Movement in capital work in progress for the year ended 31 March 2018

	Opening balance	Current year capital WIP	Completed as-sets	Closing balance
	R'000	R'000	R'000	R'000
<b>Buildings and other fixed structures</b>	<b>632 300</b>	<b>577 139</b>	<b>(475 573)</b>	<b>733 866</b>
Other fixed structures	632 300	577 139	(475 573)	733 866
<b>TOTAL</b>	<b>632 300</b>	<b>577 139</b>	<b>(475 573)</b>	<b>733 866</b>

Movement in capital work in progress for the year ended 31 March 2017

	Opening balance	Prior period errors	Current year capital WIP	Completed as-sets	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>Buildings and other fixed structures</b>	<b>539 603</b>	<b>(73 581)</b>	<b>574 044</b>	<b>(407 766)</b>	<b>632 300</b>
Other fixed structures	539 603	(73 581)	574 044	(407 766)	632 300
<b>TOTAL</b>	<b>539 603</b>	<b>(73 581)</b>	<b>574 044</b>	<b>(407 766)</b>	<b>632 300</b>

## ANNEXURE 7A

## Inter-entity advances paid (note 10)

Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
<b>National Departments</b>						
<b>Current</b>						
DIRCO	-	5 018	7 192	-	7 192	5 018
<b>Subtotal</b>	<b>-</b>	<b>5 018</b>	<b>7 192</b>	<b>-</b>	<b>7 192</b>	<b>5 018</b>
<b>Provincial Departments</b>						
<b>Current</b>						
Provincial Health: Western Cape	-	2 193	2 550	-	2 550	2 193
<b>Subtotal</b>	<b>-</b>	<b>2 193</b>	<b>2 550</b>	<b>-</b>	<b>2 550</b>	<b>2 193</b>
<b>Public entities</b>						
<b>Current</b>						
DBSA: FET (94 clinics)	-	6 544	27 449	-	27 449	6 544
COEGA	-	55 455	27 056	-	27 056	55 455
<b>Subtotal</b>	<b>-</b>	<b>61 999</b>	<b>54 505</b>	<b>-</b>	<b>54 505-</b>	<b>61 999</b>
<b>Total</b>	<b>-</b>	<b>69 210</b>	<b>64 247</b>	<b>-</b>	<b>64 247</b>	<b>69 210</b>

## ANNEXURE 7B

## Inter-entity advances received (note 14)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Provincial departments</b>						
<b>Current</b>						
Provincial Health: Eastern Cape	-	8 665	2 250	-	2 250	8 665
Provincial Health: Free State	-	-	1 352	-	1 352	-
Provincial Health: Northern Cape	-	-	240	-	240	-
Provincial Health: Gauteng Province	-	25 895	2	-	2	25 896
Provincial Health: Limpopo	-	109 085	-	-	-	109 085
Provincial Health: KwaZulu/ Natal	-	1 949	44 049	-	44 049	1 949
Provincial Health: North West	-	6 638	4 391	-	4 391	6 638
<b>Subtotal</b>	-	<b>152 232</b>	<b>52 284</b>	-	<b>52 284</b>	<b>152 232</b>
<b>Public entities</b>						
<b>Current</b>						
African Renaissance Fund	-	-	-	-	-	-
OHSC	-	58	-	-	-	58
DBSA: PMSU	-	-	-	-	-	-
<b>Subtotal</b>	-	<b>58</b>	-	-	-	<b>58</b>
<b>Other institutions</b>						
<b>Current</b>						
Civicious	-	26	-	-	-	26
<b>Subtotal</b>	-	<b>26</b>	-	-	-	<b>26</b>
<b>Total</b>	-	<b>152 316</b>	<b>52 284</b>	-	<b>52 284</b>	<b>152 316</b>
<b>Current</b>	-	152 316	52 284	-	52 284	152 316
<b>Non-current</b>	-	-	-	-	-	-

## ANNEXURE 8

## Immovable assets additional disclosure


The detail for note 41.7 may be included in this annexure.

Wording to suit their specific circumstances in order to comply with the Immovable Asset Guide can be inserted here.

In addition to the detail for note 41.7 the department should address the information regarding:

1. Surveyed but unregistered land parcels and
2. Contingent assets.





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