

COMMITTEE REPORT OF THE PORTFOLIO COMMITTEE ON HEALTH AND SOCIAL DEVELOPMENT IN RELATION TO THE 2015/16 ANNUAL REPORT FOR DEPARTMENT OF HEALTH – MEETING HELD ON 28 OCTOBER 2016

1. INTRODUCTION

The Portfolio Committee on Health and Social Development (the Committee) conducted an oversight over the Department of Health (the Department), as it is mandated by Section 114 of the Constitution of the Republic of South Africa (Act 108 of 1996), to determine whether the Department has a specific, measurable, achievable, realistic and timeous (SMART) Plan and a sufficient Budget to implement an efficient, effective, equitable and economic service delivery to all the people of the Province during the 2015/16 financial year.

2. METHOD OF WORK

The Speaker referred the Department's 2015/16 Annual Report to the Portfolio Committee on Health and Social Development for consideration and report back to the Legislature, as contemplated in rule 219 (4) of the Rules and Orders of Mpumalanga Provincial Legislature (the Rules).

On 18 October 2016, the administration (Cross-Functional Team) briefed the Committee on the analysis of the 2015/16 Annual Report; thereafter the Committee met with the Department on 28 October 2016 to deliberate and scrutinize in detail the aforementioned document. The Committee then met on 02 November 2016, to consider the draft Committee report.

3. GENERAL OBSERVATIONS

The Committee noted and observed the following from the 2015/16 annual report of the Department:

- ❖ The Department received a qualified audit opinion, this is the third time in a row that the Department received such an outcome, 2013/14, 2014/15 and now 2015/16;
- ❖ The performance information indicates that only 40% of planned targets were achieved against the recorded expenditure of 99%;

- ❖ Programme 2: District Health Services, programme 3: Emergency Medical Services, programme 4: Provincial Hospital Services and programme 5: Tertiary Hospital Services are service delivery programme and they all achieved under 40% of planned targets;
- ❖ Programme 6: Health Science and Training incurred the highest rate on overtime;
- ❖ The Department has a vacancy rate of 7.3%, however senior management has a vacancy of 11.3%, while high skilled supervision has a vacancy rate of 13% and high skilled production has a vacancy rate of 10.9%. This is against the demonstration that the Department has more temporary workers in these categories.

4. PART A: STRATEGIC OVERVIEW

Compliance to the Annual Report Guide

The format of the Annual Report has been compiled in compliance with the National Treasury Guide on Preparation of Annual Report for Departments. However, reference is made to the overview of the MEC where the content lacks clear indications of the achievements of the Department in relation to policy directives and strategic outcome goals.

5. FINANCIAL INFORMATION

Expenditure per programme

PROGRAMME	BUDGET	EXPENDITURE	% OF EXPENDITURE	OVER/ UNDER EXPENDITURE
Administration	298 892 000	297 298 000	99.5%	1 594 000
District Health Services	6 185 757 000	6 175 406 000	99.8%	10 351 000
Emergency Medical Services	309 597 000	309 596 000	100%	1 000
Provincial Hospital Services	1 185 736 000	1 174 385 000	99%	64 000
Tertiary Hospital Services	1 013 144 000	991 759 000	98%	21 385 000
Health Science and Training	373 933 000	369 233 000	99%	4 700 000

Health Care Support	125 687 000	123 451 000	98%	2 236 000
Health Facilities Management	671 156 000	639 264 000	95%	31 892 000
TOTAL	10 163 902 000	10 080 392 000	99%	83 511 000

Expenditure per economic classification

Classification	Final Budget	Actual Expenditure	(over)/ under spending	% (Over) / under spending
Compensation of Employees	6 141 985 000	6 102 017 000	39 968 000	0.7%
Goods and Services	2 921 413 000	2 902 264 000	19 149 000	0.7%
Interest and Rent on Land	-	1 007 000	(1 007 000)	(100%)
Total transfers and subsidies	492 805 000	479 149 000	13 656 000	2.8%
Payment for Capital Assets	607 699 000	595 955 000	11 744 000	1.9%
Payment for Financial Assets		-		
Total	10 163 902	10 080 392	83 511 000	1%

6. REPORT FROM AUDITOR GENERAL

The Department has received a qualified audit opinion from the Auditor General. The bases for qualification are immovable tangible assets, moveable tangible assets, irregular expenditure, transfers and subsidies, contingent liability, Commitments and employee compensation. The Department has received a qualification in the three consecutive financial period from 2013/14; 2014/15 and 2015/16.

7. UPDATED PROGRESS REPORT ON THE 2014/15 ANNUAL REPORT ON HOUSE RESOLUTIONS

The Committee appreciated the progress made by the Department in responding to the 2014/15 Annual Report House resolutions.

Resolution 01: Ensure effective implementation of the turnaround strategy and the Audit Action Plan and provide progress report by 29 February 2016.

Progress: The Department is implementing the turnaround strategy and has reached 1586 of the 1793 (88.5%) objectives of the turnaround strategy, even though the Department is having challenges with the following objectives: Records Management, Human Resource Management and Referral System. The Department is afoot in addressing the challenges through the following:

- E-Health strategy which is being piloted by the NDOH;
- The following managers were appointed: HRM&D, Supply Chain, Financial Management, Budget, Integrated Health Planning, ICT and Hospital Services;
- The Referral Policy is under review and an interim policy has been drafted.

Resolution 02: Ensure that the Quality Improvement Plan is implemented and strengthen the monitoring and evaluation system. A progress report must be provided by 29 February 2016.

Progress: Two (2) Provincial Quality Assurance Review Meetings have been conducted and the implementation of Quality Improvement Plans is monitored for compliance. Approved policies are being implemented by health care establishments.

Resolution 03: Ensure that the 113 personnel, (53 for EMS primary response and 60 for PPTS) are appointed and the relevant resources such as operational vehicles are procured. A progress report should be provided by 29 February 2016.

Progress: All appointed personnel are currently working in the various districts. Out of the 143 posts advertised, 136 personnel were appointed. 7 candidates declined the appointment offer due to having found employment in other provinces. All new appointees have assumed duties with the Department. All 32 Ambulances and 12 Response vehicles have been distributed within the province as per the attached distribution list.

Resolution 04: Strengthen security management and provide the security action plan by 29 February 2016.

Progress: The Department was advised that the security management is the mandate of the Department of Community, Safety, Security and Liaison.

Resolution 05: Provide a detailed plan on how the clinic would be operating as compared to its original status (hospital) and its impact on the service delivery by 29 February 2016.

Progress: Elsie Ballot Hospital is not yet converted into a CHC because the process of reviewing the Service Transformation Plan is not yet finalised. The process is taking longer than anticipated because it requires linking of all proposed changes to new national initiatives and policy directives and also calls for wide consultation both locally and nationally. It is anticipated that the reviewed STP will be completed by end of third

quarter 2016/17 financial year and consultation will be during the fourth quarter 2016/17 financial year and implementation during 2017/18 financial year.

Resolution 06: Provide a comprehensive plan on how the Department will address the challenge of lack of internet connection in health facilities and provide progress report on the implementation of the plan by 29 February 2016.

Progress: The Department has set aside a budget R6, 9m to install 147 PHC facilities on broadband for Ehlanzeni (74) and Nkangala District (73) – 2016/17 financial years. Five (5) hospitals (Rob Ferreira, Ermelo, Witbank, Themba and Mapulaneng) were upgraded to 2Mbps and the other 28 hospitals are on progress to be upgraded to 1Mbps.

Resolution 07: Provide a detailed plan on how the litigations would be addressed before or by 29 February 2016.

Progress: three (3) cases have been finalised to date and 5 are still pending. Fifty two (52) cases have been submitted to Office of the State Attorney for investigation and further actions will be informed by the report of the State Attorney.

Resolution 08: Ensure compliance on the set date of 23 November 2015 for submission of the progress report on the petitions as per the commitment by the Department.

Progress: All petitions received by the Department were responded to and submitted on time.

8. BROAD OVERVIEW BY THE MEC

MEC GP Mashego appreciated the oversight conducted by the Committee and the recommendations thereof. He outlined the following in his broad overview:

The overall performance of the Department for the 2015/16 financial year was at 50% (65/130) compared to 45.8% (55/120) of the 2014/15 planned APP indicator targets.

The Department has received bad public reviews lately on the conditions of health services provincially and the MEC has been accused of failing to meet with unions to address concerns from employees - translations of nurses. All this led to various marches which attracted bad publicity for the Department. However, the Department does acknowledge that the Department has so much work and challenges that needs to be addressed; hence it is categorized under the essential services. The MEC did meet with DENOSA, one of the unions and have agreed to work together going forward.

The Department is aware that there are still nurses that are not translated, but they cannot be translated without following certain processes, there should also be vacant funded posts for the translation. The Department's Chief Director for Human Resource Management and Development, are working around the clock, visiting the districts to address the translation process -this matter is also being discussed in the Chamber with all the unions.

The Department's infrastructure unit is currently working under pressure to address a number of challenges in various facilities; there is a large number of areas where there is a great need for clinics. Due to financial constraints, the Department has opted to build IBT structures. The Innovative Building Technology (IBT) structure has advantages - they are not built with water and brick; however the material used makes the structure to be durable for 50 years. They are quick to erect - between three to four months. The Department is currently building these structures in the following areas: Jerusalema (completed and operationalized), Luphisi, Sibange and Goromane. Fifteen (15) other facilities have already been built in the Gert Sibande District by the National Department, as they are piloting the NHI programme there. The Department had resistance from some of communities (e.g. Sibange) about the IBT structures, while the Department source funds to build Ideal Clinic structures. The Department had to convince the communities and even went as far as showing them already built IBT structures for their satisfaction.

The Department has a challenge with the community of KaMdladla in the Nkomazi Local Municipality; the community is stopping the Department from erecting the IBT structure. The Department met several times with the community and they were given the go-ahead to build, however; there is a group of people who are preventing the Department from building the IBT structure. The group visited the Department on 26 October 2016, the MEC gave them an audience but there was no agreement, the group was requested to visit the IBT structure and thereafter submit their concerns.

Indeed they went and they are happy with the structure. The delegation from KaMdladla has insisted that the MEC must be the one who give more information to the community about the reasons why the Department is building an IBT structure there.

In September 2016, the Department suffered a heavy storm in the Nkomazi area. Some of the health facilities suffered serious damages. The Shongwe hospital was the one that was hit hard, followed by three other Primary Health facilities which include Naas CHC, Mangweni CHC, Dludluma and the Malaria Working Station in Tonga. The Department has immediately dispatched a team to go and conduct assessments on the damages, it was found that at Shongwe hospital; the roof in some of the wards was blown away; some areas

such as the Pharmacy, Patient's Wards, Kitchen, and Laundry were amongst the affected areas. Two patients who were in the Labour Ward had to be evacuated to other wards, fortunately there are no reported fatalities or injuries. Contractors are busy on site in all the affected health facilities.

On the 23rd October 2016 the Department suffered a similar storm, though not a greater magnitude, in Dr JS Moroka and Thembisile Hani Municipalities. This affected the roof of the newly opened Tweenfontein G and Greenside CHCs. Kliplatdrift and Weltevrede clinics structures were also affected, the roof of Gembokspruit clinic in Thembisile and the carports were partly damaged. The district infrastructure unit is working with the Department of Public Works, Roads and Transport to speedily attend to the challenge.

The Department has prioritised constructions and renovations in various hospitals, the construction of Bethal hospital and phase 1 of Mapulaneng hospital has commenced.

On Emergency Medical Service, there is a reported case where a woman passed on while waiting for an ambulance to arrive at Kanyamazane Clinic. It was reported that the ambulance only arrived 4 hours later after the patient had passed on, this is the same scenario that happened at Jerusalem clinic and it is unacceptable conducts. The MEC has instructed the EMS section and the Communications unit to publish the numbers of all the people responsible for EMS so that when people call the Call Centre to no avail, calls can be escalated to them. The MEC also held a meeting with EMS Station Managers on the challenges; the MEC will further conduct unannounced visits to the EMS station for oversight.

The Department is currently conducting benchmarking exercises with Free State and North West Provinces in order to compare best practices on EMS management - the two provinces are known to be doing well in implementing EMS services and they have even won international awards.

The Department's HAST and PHC programmes have successfully entered into a Memorandum of Understanding with the Department of Correctional Services on the Operation Phakame!' Impilo for the inmates.

The Department will be providing health services in the three Mpumalanga DCS Management Areas as per the agreement, which are:

- Barberton Management Area: comprised of Nelspruit, Lydenburg, Barberton
- Maximum, Medium A and B, and Barberton Town (Juvenile) Correctional Centres.

- Witbank Management Area: comprised of Belfast, Witbank and Middelburg Correctional Centres.

Through the partnership is established with DCS, the Department will be able to deliver Primary Health Service (PHC), which include health care services for minor ailments, chronic illnesses, maternal and child health services to female inmates and the babies of female inmates in public health facilities, provision of HIV & AIDS, STI's and TB services. The progress made through the partnership so far includes, delivery of health services in the public hospitals - , that is hospitals receive and treat inmates referred by DCS for further management, receive inmates diagnosed with HIV for ART initiation, receive inmates discharged from Correctional Services for continuity of treatment, care and support back in the community.

In the fight against HIV/AIDS and TB, the Department has recently involved key population groups; Lesbians, Gays, Bisexuals, Transgender, Intersexual communities and sex workers in Emahlaheni where issues around HIV/AIDS and TB were discussed. A number of recent studies have shown that the sex worker community is at a substantially elevated risk of contracting HIV and that prevalence rate in this community is among the highest in the world. The following stakeholders were present: Re-action, ANOVA Health: Men having sex with men, PSASA and GRIP.

The Department has received a qualified audit opinion during the year under review on the following issues:

- Immovable tangible capital assets
- Movable tangible capital assets
- Compensation of employees
- Commitments
- Irregular expenditure
- Transfer payments
- Contingent Liability

The Department has developed and is implementing an Audit Action Plan to address the findings of the Auditor General.

The Department recently engaged in talks with the Mpumalanga University on two objectives, one was to share with them current programmes and two was to talk about

identified challenges on: recruitment of specialists, staff turnover, retention and the non-available of a university that provides health programmes. The other objective was to mobilise them to establish a Health Sciences Faculty for the development of the Department's personnel. The university was informed about the Departments' intension to establishment an academic hospital. The University committed that they will be starting with the Bachelor of Sciences in the university and it is in their programmes to start the Science faculty between the year 2018 and 2019.

The Department is committed to continue to work hard to ensure that people receive the much needed health services and that all identified challenges are resolved.

9. ANALYSIS ON ANNUAL PERFORMANCE: 2015/16

Programme Performance

PROGRAMME	PLANNED TARGET	TARGET ACHIEVED	% TARGET ACHIEVED	BUDGET	EXPENDITURE	% OF EXPENDITURE	OVER/ UNDER EXPENDITURE
Administration	11	3	27%	298 892 000	297 298 000	99.5%	1 594 000
District Health Services	69	31	45%	6 185 757 000	6 175 406 000	99.8%	10 351 000
Emergency Medical Services	6	2	33%	309 597 000	309 596 000	100%	1 000
Provincial Hospital Services	20	7	35%	1 185 736 000	1 174 385 000	99%	64 000
Tertiary Hospital Services	13	5	38%	1 013 144 000	991 759 000	98%	21 385 000
Health Science and Training	4	3	75%	373 933 000	369 233 000	99%	4 700 000
Health Care Support	3	0	0%	125 687 000	123 451 000	98%	2 236 000
Health Facilities Management	5	2	40%	671 156 000	639 264 000	95%	31 892 000
TOTAL	131	48	37%	10 163 902 000	10 080 392 000	99%	83 511 000

PROGRAMME 1: ADMINISTRATION

The Committee noted that this programme provides the overall management of the Department, strategic planning, legislative, communication services and centralised administrative support through the MEC and administration. This programme was budgeted R 298 892 000 and recorded an expenditure of R R297 298 000 resulting in an under

expenditure of R 1 594 000. This is against the fact that this programme had virements of R 941 000 transferred to programme 3.

The programme had eleven (11) targets and was able to achieve three (3) of its targets and failed to achieve eight (8).

Immovable Tangible Assets

The Committee asked why the Department understated its immovable tangible assets and not include all cost incurred to construct immovable assets which resulted in a qualification. The Department reported to have had a challenge of records management and during the audit of the 2015/16 financial year the Department could not locate payment vouchers relating to payments that were effected for various construction projects since 2007/08. When analysing the payments for the year under review, the oldest payment was for the 2007/08 financial year. The Department reportedly could not perform cost accumulation for most of the projects because of the above mentioned problem. The Department further reported that an amount of R1 billion was recorded in 2014/15 financial year as being for completed projects. This amount was actually the total expenditure on infrastructure projects, and not only for the completed projects. The Department reportedly tried all it could to search for the payment vouchers but to no avail. The Department reported to have now taken a decision to establish a finance registry unit in order to ensure that all payment vouchers are properly filed and also are presented for purpose of compiling financial statements and audit. The Department will appoint 8 (eight) contract workers (Clerks) who will assist in the finance registry and also in the contract management unit.

The Committee further asked if the Department has ensured that all assets are in the assets register and that all assets in the asset register are verified, if yes, enquiring on how the process was done. The Department reported to have conducted 100% verification of assets, however, the following challenges occurred which resulted in the qualification:

- The assets that were procured by the Districts were recorded in the respective districts' asset registers. During the audit it was discovered that most of the assets were transferred to the Community Health Centres and clinics without completing the prescribed transfer forms. The Districts did not keep records of the Primary Health Care facilities where the assets were transferred to and as such the Auditor General could not confirm the existence of these assets. The Department reported to have

issued transfer forms to be used by facilities; however, there is a problem of internal control as assets were transferred without completing these forms. The Department has reportedly now taken a decision that the institutions will be required to report on a monthly basis on all transfers into and out of institutions.

- The process followed in the verification of assets was one where aluminium bar codes were affixed to all the assets after they were physically verified. The assets information was then captured in the asset register after bar coding.
- The Department reportedly also had a problem of fair valuing the assets that were not part of the asset register before. The problem was largely in the medical equipment environment as the prices for the fair valued assets differed to similar assets in the asset register.

Expenditure

The Committee asked if the Department has developed the necessary internal controls to detect and investigate irregular expenditure, if yes, enquired on their effectiveness. The Department reported to have developed the necessary internal controls to detect and investigate irregular expenditure. The Department reported to have compiled a register of all the irregular expenditure as indicated in the Annual Financial Statements and handed them over to the Labour Relations Unit for investigation and consequence management where applicable. The Department also reported to have appointed the following governance structures that check all procurement documents before approval:

- Bid Specification Committee (Head Office – Ad hoc)
- Bid Evaluation Committee (Head Office – Ad hoc)
- Bid Adjudication Committee (Head Office – Standing Committee)
- Economising Committee (Head Office approves requisitions for procurement of goods and services with a transaction value of up to R500 000 per case).
- District Acquisition Committee (approves requisitions for procurement of goods and services which has transaction value of up to R500 000 per case in the District Offices)

- Hospital Finance Committee (approves requisitions for procurement of goods and services with a transaction value of up to R500 000 per case in the Hospitals)

The Department reported that all these committees are supposed to check if rules and regulations have been complied with before goods and services are procured. The Department further reported to have also appointed a Financial Misconduct Committee that will deal with all cases of unauthorised, irregular and fruitless and wasteful expenditure.

The Committee further asked why the Department failed to prevent the irregular expenditure of R 3 248 902 000 which resulted in the qualification of the Department and the remedial measures put in place thereafter. The Department reported that the irregular expenditure incurred largely refers to bids that were awarded in previous financial years for the key accounts of the Department, viz.

- Waste management
- Food supplies to hospitals
- Procurement and management of pharmaceuticals
- Orthopaedic implants

The Department reported that the above mentioned key accounts are of high value and therefore contributed more than 80% of the total irregular expenditure account. The Head of Department reportedly could not prevent the irregular expenditure as there were already legally binding contracts which could have resulted in litigations if not honoured. The Department reportedly referred all these cases to the Labour Relations Unit for investigation and implementation of consequence management. Furthermore the Department has reportedly appointed a Financial Misconduct Committee which is expected to deal with all financial misconduct cases for the current financial year (2016/17). The establishment of this committee will reportedly ensure that all financial misconduct cases are investigated and finalised in the financial year in which they occurred. The Department further reported that the following bids have been finalised and therefore the Department is no longer incurring irregular expenditure.

- Waste management
- Orthopaedic implants

The Department reported that the following bids are in the process of being advertised and it is expected that awards would have been made by January 2017.

- Food supplies for hospitals
- Procurement and management of pharmaceuticals

Overtime Payments

The Committee asked if the Department has ensured that all employees who were paid overtime had actually worked overtime; further enquired on control measures put in place to ensure that overtime payment is paid accordingly without an error. The Department reported to have ensured that all employees who were paid overtime have actually worked. The Department reported that the challenge was with the commuted overtime for Doctors whereby there was a monthly duty roster instead of a daily attendance register. The Department outlined that all facilities must ensure that checklists are in place which entails the following:

- Pre-Authorisation Approval for overtime to be performed for the financial year
- Duty roster reflecting names of officials who were assigned
- Attendance register
- Expenditure report
- A duly completed overtime claim form specifying number of overtime hours worked (Normal and or Sunday / holiday hours)

The Department also reported that Human Resource Committees have been established at District offices and Hospital level to do quality assurance. The National Department of Health is reportedly reviewing the Commuted Overtime Policy and the Mpumalanga Department of Health has commenced the consultations with all relevant stakeholders.

Commuted Overtime

The Committee further asked how the Department monitor the registers for commuted overtime. The Department defined commuted overtime as a flexible system averaging the overtime hours worked to accommodate medical practitioners who perform scheduled

overtime on a regular basis over a four week period. The Department reportedly monitors commuted overtime through the district and hospital Human Resource committees by means of duty rosters and attendance registers. The committee meet on a monthly basis.

Probation Period

Considering that Professional Nurses take more than two years (under probation) in the Department, the Committee enquired on the prescribed probation period. The Department reported that it utilises the probation period as determined by DPSA, which is 12 months. New employees are expected to complete module 1 of the Compulsory Induction Programme before their employment can be confirmed. The period for the confirmation of probation is extended to 24 months as a result of the backlog in enrolling the new employees from 1st July 2012. The Department reported that the backlog is expected to be completed by the end of 2017.

Electronic Patient Records Management System

The Committee noted that the Department planned to implement the Electronic Patient Records Management System in the 2016/17 financial year. The bid was reportedly advertised and closed on 12 August 2016; however, the National Department of Health has requested the Department to withdraw the tender because they (NDoH) indicated they will be able to do the same work through the implementation of the National Health Insurance as well as the e-Health projects.

Vacancies

The Committee asked if the vacant posts are funded and why hasn't the Department filled them. The Department reported that there is a total number of 1 866 funded vacant posts. The Department has reportedly filled 1 255 of the 1 866 funded vacant posts, resulting to 527 funded vacant posts. The Department reported that posts have been advertised and the appointments will be staggered because of the projected overspending on Compensation of Employees.

Payment Vouchers

The Committee commended the Department for the contract appointment of the eight administrative clerks who will assist in the finance registry and contract management unit, however, the Committee asked if the appointment will address the challenge of the payment vouchers for infrastructure related projects. The Department reported that the appointment of the eight contract clerks will address the challenge of missing payment vouchers whereby four clerks will be allocated to finance registry to deal with all the payment vouchers that are already in the Department including the old ones. The other four clerks will be allocated to contract management to ensure that all pre-tender and bidding documents are retrieved from the implementing agent for purposes of reconstructing audit files with all the relevant documents. In case payment vouchers for previous financial year are not found the Department reported that it will use copies of invoices sourced from contractors and consultants as per agreement with the office of auditor general.

PROGRAMME 2: DISTRICT HEALTH SERVICES

The purpose of programme 2 is to render comprehensive primary health care services to the community using the district health system model. The budget appropriated to this programme is **R 6 185 757 000**. The total expenditure for this programme is **R 6 175 406 000**. This indicates a under spending of **R 10 351 000**.

The programme has **69** planned targets and only **31** targets have been achieved.

Ward Based PHC Outreach Teams (WBPHCOTs)

The Committee enquired on the effectiveness of the Ward Based PHC Outreach Teams (WBPHCOTs) in light of the reported research from the University of Pretoria that WBPHCOT and Community Health Workers are mostly ineffective and dysfunctional. The Department reported to have ensured the effectiveness of Ward Based PHC Outreach Teams (WBPHCOTs) in the province through provision of training to all Team Leaders and Community Health Workers. The Department reported that the training is coupled with a supervised practical exposure in households to enhance the skill of the Community Health Workers. Additional to the above, monthly and quarterly performance reports of the existing teams are reportedly submitted and analysed as a form of monitoring. The Department reported that a formal study to evaluate effectiveness and impact of established WBPHCOTs

has been conducted in Gert-Sibande and the final report is due for presentation by the 7th of November 2016. The Department further reported that by 2015/16, the province had 123/560 teams established which covered only 129/402 wards.

Service Delivery Gaps

The Committee asked what the service delivery gaps are and the measures put in place to address them. The Department outlined the following in response:

Inadequate Human Resources

The Department is reportedly not affected by the moratorium to appoint and fill vacant funded posts, however the budget is limited hence the Department filled 2 776 posts in 2015/16 and 1 239 posts from April – September 2016.

Inadequate equipment

The Department reportedly centralised the budget for the procurement of equipment to be able to procure in bulk and save more, while enhancing efficiency and effectiveness on procurement of equipment for health facilities. Several Bids have been advertised for medical equipment and will be finalised before the end of 2016/17 financial year.

Insufficient number of Specialists

- The Department is reportedly in a process of finalising a new MOU with the University of Pretoria with an aim of getting support on the provision of Specialists
- The Department reportedly has an Earmarked Budget to send doctors from the province to go and specialise in different domains – 23 Registrars
- The Department's long term plan is reportedly to establish the Faculty of Health Sciences in the University of Mpumalanga.

The Department also reported that poor infrastructure that does not cater the need of services that has to be delivered. The Department has an Infrastructure Development and maintenance plan that addresses the gaps that have been identified on Infrastructure.

Inadequate learning and teaching opportunities to train and groom more health care workers. The Department is reportedly in a process of establishing a Satellite Nursing College in Rob Ferreira hospital to increase the intake of student nurses. The Department has also reportedly signed a Memorandum of Understanding with Kwa-Zulu Natal province

for 100 student nurses and 10 Registrars to be trained per year. The Department further reported that it continues to recruit students on the Cuba Medical Programme (99 students 2015/16 and 10 students 2016/17), the Department of Education has recruited 54 Medical students to study in Russia.

The Committee noted that the Department has since developed a Comprehensive Advocacy Communication Social Mobilisation Strategy to increase Community Awareness of Health services and strategies to address service delivery on HAST, Neonatal Strategy and Litigation management were also developed and implemented.

Home Based Care programme

The Committee enquired on the criteria used for the funding of Home Based Care centres. The Department outlined the following as the funding criteria for NPOs within the Home Based Care programme in response:

- The organisation must be non-profit and registered under the NPO Act 71 of 1997, section 21 Company or Trust.
- The organisation must provide services within Primary Health Care package which also includes HIV and AIDS, STIs and TB.
- Only Organisations that have been in operation for a minimum of one year will be considered for funding.
- The organisation must be based and serving the community of Mpumalanga Province.
- The Organisation should be linked to a health facility within the area of operation and provide activities that are aligned to the strategy and priorities of the Department and municipality.
- The Organisation must submit and Audited Financial Statement (if funded previously)

The Department further reported that approval will be subject to funding availability within the Department and the number of qualifying NPOs within the catchment area.

PROGRAMME 3: EMERGENCY MEDICAL SERVICES

The Committee noted that the purpose of this programme is to provide pre-hospital medical services, inter-hospital transfers, Rescue and Planned Patient Transport to all inhabitants of Mpumalanga within the national norms of 15 minutes in urban areas and 40 minutes in rural areas. This programme was allocated a total budget of **R 309 597 000**. This programme incurred an expenditure of **R 309 596 000** with a under spending of **R1 000** owing to the fact that **R 3 080 000** was virements out of the programme to other programme avoiding material under spending in the programme and offsetting overspending in other programmes

The programme has a total of six **(6)** planned targets and only achieved two **(2)**.

Emergency Medical Services (EMS) Personnel

Noting that the Department failed to meet all the EMS response time, the Committee asked if the Department has put measures in place to addressing the failure and if the Department had any plans to appoint additional personnel to close gaps in an effort to increase the number of operational ambulances. The Department reported to have plans to appoint 96 personnel within the 2016/17 financial year; 26 Advanced Life Support, 20 Intermediate Life Support and 50 Basic Life Support and the appointments are planned to be concluded by 30 November 2016 for the candidates to start working on 01December 2016. The Department reported to have put the following measures in place to ensure the achievement of planned targets:

- The Department will be appointing 96 personnel for the EMS primary response. The increase in the number of ambulances is envisaged to increase the response time to an extent and impact positively on the response time;
- An assessment will be done after the appointment to ascertain where gaps exist so that they can further be addressed in the 2017/18 financial year;
- The integration of PPTS into EMS by the end of the financial year should alleviate the pressure from Primary Response thereby freeing up some of the ambulances to be available for response to emergencies.

The Department also reported to be benchmarking with the Free State and North West provinces on the implementation of the Computer Aided Dispatch (CAD) system. The contract for the system that was procured for the 2010 FIFA World Cup project has reportedly expired; the Department had no funding to carry over the contract.

Expenditure

The Committee noted with concern that Programme 3: recorded overtime at 27.4% considering the poor performance of this programme in meeting its planned targets. The Department reported that the expenditure is as a result of staff shortages within the programme and the overtime personnel is normally called in to supplement for that. Further to this, the Department reported that EMS provides medical services standby at events within the province and this is done purely on overtime basis to avoid pulling staff out of operations thereby creating shortages in primary response ambulances. The Department indicated that this has a significant impact and contribution to the increase in overtime expenditure as well. The third contributory factor is reportedly the training of personnel which results in gaps at respective bases thereby supplementing that with overtime staff to ensure that bases run adequately.

PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

The Committee noted that the purpose of this programme is to render level 1 and 2 health services in regional hospitals to render TB specialized and Psychiatric hospital services. This programme is the second biggest programme of the Department accounting for 10% of the total budget of the Department. The programme was appropriated R 1 185 736 000 and recorded an expenditure of R 1 174 385 000. Resulting in R64 000 under spending.

This programme had a total of 20 planned targets achieving only 7 targets.

National Core Standards

The Committee noted that the Department had a benchmarking exercise with KwaZulu-Natal Province on National Core Standards. As per the report of the Department, the Department visited Nkosi Albert Luthuli Central Hospital and Benedictine District Hospital in Kwa Zulu Natal on 10 and 11 February 2016. The good practice that were noted on the benchmarking exercise are: cleanliness, waste management, linen services, infection prevention and control, availability of medicine and medical class two items, reducing waiting times and queues, improving values and attitudes, health technology, patient and staff safety and access control, clinical audit and peer reviews, emergency generators, hospital boards, National Core Standards, security measures and maintenance.

PROGRAMME 5: CENTRAL AND TERTIARY HOSPITAL SERVICES

The purpose of this programme is to render secondary and tertiary health care services and to provide a platform for training of health care workers including research. This programme is appropriated **R 1 013 144 000** which makes this programme the third biggest programme of the Department. This programme recorded an expenditure of **R 991 759 000**. This translate in an under expenditure of **R 11 565 000**.

This programme had a total of **13** planned targets and only **5** were achieved.

National Core Standards

The Committee asked why the Department failed to ensure that hospitals meet the extreme vital measures of hospital as per the National Core Standards. The Department reported that the design of the infrastructure is not purpose built as per the current Norms and Standards. The National Core Standards requirements should be incorporated into the future planning and renovations of the hospitals. The Department reported that National Core Standards requires certain sensitive areas to have security guards e.g. paediatric, maternity, psychiatry etc. The number of security personnel allocated in the two hospitals is inadequate; the Department reported that the Department of Community Safety, Security & Liaison will be engaged on the matter.

PROGRAMME 6: HEALTH SCIENCE TRAINING

The purpose of the programme is for skills development as outlined by the strategic of the Department on personnel development. Targets were based on bursaries for medicine studies, nurses training, learnerships, and internships as well as ABET. The Department has been appropriated **R373 933 000** and has recorded an expenditure of **R 369 233 000** which has resulted in an under spending of **R 4 700 000**.

The programme had four **(4)** planned targets and three **(3)** were achieved.

Expenditure

The Committee noted with concern that the Department recorded a high expenditure on overtime payment under this programme. The Department reported that the reason for the

expenditure is that the Health Professions Training and Development grant resides in this programme and it is used to pay Specialists and Registrars which includes commuted overtime.

Accreditation for Rob Ferreira Hospital

The Committee requested for progress on the accreditation of Rob Ferreira Hospital to provide training. The Department reported to have ensured that Rob Ferreira hospital is accredited in 2016/17. Infrastructure is in place and procurement of furniture and books is underway, the South African Nursing Council has been requested to conduct an accreditation visit.

Admission at the Nursing College

The Committee asked how the Department was going to address the following noted challenges and allegations: allegations of nepotism and bribery during admission, non-availability of additional space to train student nurses and the actual performance of students. The Department reported to have centralised the recruitment of student nurses to the Provincial Office. To mitigate against the identified challenges the Department has the following in place:

- The advertisement specifies that no fees are payable to be admitted at the nursing college and also warns against bribery. The Department reportedly utilises local media to create awareness. All affected individuals are encouraged to open criminal cases with SAPS.
- The Department is expanding into satellite campuses in all the districts starting with Rob Ferreira hospital for the 2016/17 financial year. The Department has a Memorandum of Understanding with KwaZulu-Natal Province to train hundred professional nurses per year.
- The Department has aligned the selection criteria with the Department of Higher Education. Only those who meet the requirements for nursing training are selected.

PROGRAMME 7: HEALTH CARE SUPPORT SERVICES

The purpose of this programme is to improve the quality and access of healthcare services through:

- The availability of pharmaceuticals and other ancillaries;
- Rendering of credible forensic health care which contributes meaningfully to the criminal justice system;
- The availability and use of the appropriate health technologies;
- Improvement of quality of life by providing needed assistive devices;
- Coordination and stakeholder management involved in specialized care;
- Rendering in-house services within the health care value chain.

The programme is appropriated **R 125 687 000** and recorded an expenditure of **R 123 451 000** representing an under expenditure of **R 2 236 000**.

The programme had three **(3)** planned targets and achieved none **(0)** of its targets.

Rx Solution

The Committee asked if the Department has made a request to the National Department of Health to roll out the Rx Solution to all hospitals in the 2016/17 Financial period. The Department reported to have requested National Department of Health to implement Rx Solution in all hospitals in 2016/17. The Department reported that the system (Rx Solution) has been installed in all hospitals, however, fully implemented in seven hospitals (Rob Ferreira, Witbank, Ermelo, Shongwe, Evander, Standerton TB and Standerton Hospitals).

PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

The purpose of this programme is to build, upgrade, renovate, rehabilitate and maintain health facilities. This programme has been appropriated **R 671 156 000** and incurred an expenditure of **R 639 264 000** resulting in an under expenditure of **R 31 392 000**.

This programme had five **(5)** planned targets and only achieved two **(2)**.

Kanyamazane CHC

The Committee requested for progress report on the construction of the new Kanyamazane CHC. The Department reported that the site has been secured, planning and design is at 70%. The Department is reportedly in engagements with Mbombela municipality on the bulk earthworks and relocation of services, there is a political intervention on the matter; however funding is available for the construction of the new clinic.

KwaZamokuhle CHC

The Committee queried the building of KwaZamokuhle CHC within the boundaries of the stadium. The Department reported that a site for KwaZamokuhle CHC was allocated through the Steve Tshwete local municipal council resolution. The Department further reported that the lost portion of the stadium will be compensated for by the municipality and the contractor will rehabilitate the adjacent site to be part of the stadium.

10. COMMITTEE FINDINGS

After lengthy deliberation with the Department, the Committee made the following findings:

- a) The overall performance of the Department is at 50% and the Department received a qualified audit opinion;
- b) The Department has taken a decision to establish a finance registry unit in order to ensure that all payment vouchers are properly filed and also are presented for purpose of compiling financial statements and audit, eight (8) contract workers (Clerks) will be appointed for this purpose;
- c) For Programme 3: Emergency Medical services, the Department plans to appoint 96 personnel within the 2016/17 financial year; 26 Advanced Life Support, 20 Intermediate Life Support and 50 Basic Life Support and the appointments are planned to be concluded by 30 November 2016 for the candidates to start working on 01December 2016;
- d) The Department conducted benchmarking exercise at Nkosi Albert Luthuli Central Hospital and Benedictine District Hospital in Kwa Zulu Natal Province on 10 and 11 February 2016 respectively;
- e) The Department has ensured that Rob Ferreira hospital is accredited in 2016/17 financial year to provide nursing training. Infrastructure is in place and procurement of furniture

and books is underway, the South African Nursing Council has been requested to conduct an accreditation visit;

- f) The Department has benchmarked with Free State and North West provinces on best practices on Emergency Medical services during October and November 2016 respectively;
- g) The Department has planned to build an Innovation Building Technology (IBT) structure at KaMdladla in Nkomazi area, construction is delayed by protesting community members demanding for a brick building instead of the IBT structure;
- h) There is high failure rate at the nursing college and it is allegedly associated with fraudulent (corrupt) admission processes – admission of unqualified students through bribery and nepotism;
- i) Damage of health facilities during storms:
 - i. In September 2016, a number of health facilities in the Nkomazi area suffered hail storm damages. Those affected are Shongwe Hospital, Naas, Mangweni and Dludluma CHCs and Malaria Working Station in Tonga. The Department has put measures in place already to address the damages;
 - ii. In October 2016, the following health facilities also suffered hail storm damages in Dr JS Moroka and Thembisile Hani Municipal areas: Tweefontein and Greenside CHCs, Kliplatdrift, Weltevrede, Gembokspruit and Thembisile Clinics. The district is reportedly working together with the Department of Public Works, Roads and Transport to addressing the damages.

11. RECOMMENDATIONS

The Committee recommends that the Department must:

- a) Strengthen internal controls put in place and ensure that Auditor General's findings are effectively addressed, provide progress report by 27 February 2017;
- b) Provide progress report on the establishment of the Finance Registry Unit and the appointment of the eight contract administrative clerks by 27 February 2017;
- c) Provide a detailed progress report on the appointment of the ninety-six Emergency Medical Services personnel inclusive of where they are placed by 27 February 2017;
- d) Provide progress report on the implementation of recommendations emanating from the benchmarking exercise report conducted at Nkosi Albert Luthuli Central Hospital and Benedictine District Hospital in Kwa Zulu Natal by 27 February 2017;

- e) Provide progress report on the state of readiness for Rob Ferreira Hospital to provide nursing training in the 2017 academic year by 27 February 2017;
- f) Provide progress report on the benchmarking exercise conducted on Emergency Medical Services with Free State and North West provinces inclusive of the reports emanating from the visits and the Department's plan on how to implement the recommendations thereof, by 27 February 2017;
- g) Provide progress report on the construction of an Innovation Building Technology (IBT) structure at KaMdladla in Nkomazi area by 27 February 2017;
- h) Initiate investigation on the allegations and provide a detailed progress report inclusive of the pass rate by 27 February 2017;
- i) Provide a detailed progress report inclusive of timeframes on the measures put in place to address the storm damages in finding (h) (i) and (ii) by 27 February 2017.

12. CONCLUSION

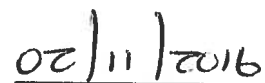
The Chairperson wishes to express her gratitude to the MEC Hon GP Mashego; the HOD and the senior officials of the Department of Health for their active involvement during the deliberations with the Department.

The Chairperson further wishes to thank the Hon. Members of the Committee for their sterling participation and input during the deliberations on the 2015/16 annual report of the Department of Health and also thanked the Legislature staff for the support they provided the Committee during the deliberations.

Lastly, the Chairperson requests the august House to adopt the report with its recommendations and the Department to provide a progress report by **27 February 2017**.



HON. P NGOBENI
CHAIRPERSON: PORTFOLIO COMMITTEE ON
HEALTH & SOCIAL DEVELOPMENT



DATE