

COMMITTEE REPORT OF THE PORTFOLIO COMMITTEE ON HEALTH AND SOCIAL DEVELOPMENT IN RELATION TO THE 2nd QUARTER PERFORMANCE REPORT FOR 2015/16 FINANCIAL YEAR - DEPARTMENT OF HEALTH – MEETING HELD ON 03 DECEMBER 2015

1. INTRODUCTION

As stated in Rule 218 sub-rule (1) (2) and (3) of the Rules and Orders of the Mpumalanga Provincial Legislature, the Member of the Executive Council responsible for a provincial Department must table quarterly reports of the department to the Speaker, within 30 calendar days after the end of a quarter.

The Committee considered the 2nd quarterly report of the Department of Health (the Department) for the 2015/16 financial year, reporting period July –September 2015. Interaction with the Department was aimed at assessing the Department's performance for the quarter, in relation to its 2015/16 Annual Performance Plan (APP).

2. METHOD OF WORK

The Speaker referred the Department's second (2nd) quarterly report to the Portfolio Committee on Health and Social Development for consideration and report back to the Legislature, as contemplated in rule 218 (4) of the Rules and Orders of Mpumalanga Provincial Legislature (the Rules).

On 03 December 2015, the Committee met with the Department to deliberate and scrutinize in detail the aforementioned document. The Committee then met on 17 February 2016, to consider the draft Committee report.

3. GENERAL OBSERVATIONS

The Committee observed that:

- The Department has under-spent on seven (07) out of the eight (08) programme, only Programme 6 – Health Science Training over-spent by 2.9%
- The Department had received R60 million during the adjustment budget on compensation of employees and filling of vacant posts.
- The Department had 74 targets and only achieved 35 targets resulting in total targets achieved to be at 47.3% with a recorded expenditure of 47.2%.
- Based on the findings and recommendations for the patients by-passing Primary Health Care (PHCs) for hospitals study, the Department has reportedly developed an implementation plan for improved service delivery.
- 30 ambulances were delivered, three (3) vehicles for Planned Patient Transport Services (PTTS) and fourteen (14) for all-terrain response vehicles which are for replacement and not an addition to the Emergency Medical Services fleet.

4. DELIBERATIONS ON THE 2nd QUARTERLY REPORT

After the MEC's overview, the Acting HOD was requested to brief the Committee on the progress made on the implementation of the APP's strategic objectives of the 2nd quarter. Thereafter the Committee interacted with the Department.

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 has an annual budget of **R 283 305 000**. At the end of the second quarter, the Department recorded an expenditure of **R 139 022 000** resulting in **49.1%** instead of **50%**.

Broadband Access for PHC Facilities

The Committee noted that only eight (08) of the 15 facilities were connected with broadband access in the first quarter and the Department reported then that the delay was due to cash flow challenges. The Committee further noted that the Department reprioritised the outstanding seven (07) facilities for connection in the 3rd and 4th quarter following budget adjustment. The Committee requested the Department to provide a detailed report on the budget and expenditure on the broadband access. The Department reported that the 72 facilities that were connected in the previous financial year (2014/15) were through Telkom. The connectivity for these facilities was budgeted for as part of the telephone/fax account for PHC facilities. An amount of R8, 112,400 is budgeted for telephone/fax account in the current financial year and R4, 092,688 has been spent in the second quarter of the financial year. National Department of Health connected 8 facilities in the first quarter and no facilities were connected in the second quarter of this financial year, since the Department had to prioritise the payment of accruals. An amount of R500, 000 was made available during the budget adjustment process which will enable the Department to connect an additional 20 facilities before the end of the financial year. An amount of R13, 210,200 will be budgeted for in the 2016/17 financial year to ensure broadband access in the remaining 179 PHC facilities.

Record Management System Policy

The Committee enquired if the Department is implementing the record management system policy and procedure manual and the impact thereof. The Department reported that the Records Management System Policy and procedure manual are yet to be implemented; the Department has reviewed and approved the Record Management Policy and the Registry Procedure Manual in October 2015. The Department further reported that they are in the process of developing a costed implementation plan for the Record Management Policy and the Registry Procedure manual to be implemented in the next financial year.

Laundry Model

In their 2014/15 Annual Report, the Department reported to have appointed a service provider to assist with the development of a laundry model which will improve laundry services. The Department also reported that the service provider will conduct feasibility study which will determine the cost benefit analysis on the best model. The Committee wanted to know if the Department has received a report with recommendations from the service provider appointed to develop a laundry model for the province and if the Department has developed a plan to implementing the recommendations. The Department reported to have not received a report from the service provider appointed to develop a laundry model for the province. The Department reported that they have not signed the service level agreement with the appointed service provider since there are challenges with regard to the laundry equipment the service provider is proposing to install at Bethal and Middelburg laundries. The laundry equipment to be installed in the said laundries is also on the contract concluded by the Department of Public Work Road and Transport and this might cause litigations if the two service providers do not sign an agreement before the installation begins. The Department reported to have appointed a company called Brand Talk PTY Ltd in August 2015 to develop a laundry business model and to upgrade the Bethal and Middelburg laundries. The development of the laundry business model is reported to cost R2, 276, 981 and the upgrading of Bethal and Middelburg laundries will cost R69, 485, 219 based on the DPSA rates. The Department further indicated that no payment has been made pending the finalisation of the service level agreement.

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 programme has an annual budget of **R 6 131 596 000** which is **61.3%** of the total budget of the Department. At the end of the Second Quarter the Department reported an expenditure of **R 2 919 698 000** which translate into **47.6%**. In the overall, this programme has underspent its budget by **2.4%**.

National Core Standards and the Ideal Clinic Status

The Committee wanted to know that apart from the Quality Improvement Plans developed by the clinics, has the Department developed a strategic and tactical plan to ensure that all clinics are compliant with the Ideal Clinic initiative and the National Core Standards. The Department reported that apart from the Quality Improvement Plans developed by clinics, the Department has developed a strategic and tactical plan to ensure that all clinics are compliant with the Ideal Clinic Initiative and National Core Standards. The Department would then focus on the following key areas for realisation of the Ideal Clinic Initiative:

- Infrastructure plan to address infrastructure challenges.
- Districts developed and costed plans for medical equipment.
- Rolling out the NHI programme to the other two districts namely, Ehlanzeni and Nkangala using the Health Patient Registration System.
- Appointment of Operational Managers in all PHC facilities is prioritized to strengthen accountability.

In order to improve the performance of clinics with regard to the National Core Standards and the Ideal Clinic Initiative, the Department has reportedly conducted status determination on the 87 PHC facilities targeted to be ideal clinics in the 2015/16 financial year. The Department also reported that external peer assessors from another province will assess the same 87 PHC facilities and the results will inform Quality Improvement Plans that will be costed for the identified gaps to be addressed.

The Department further reported that the status determination on 96 PHC facilities that are targeted to be ideal clinics in the 2016/17 financial year will also be conducted and the results of the status determination will inform a plan that will be developed and costed to address the identified gaps. The Department went on to indicate that the Office of the Health Standard Compliance will also come to the province to assess the PHC facilities for compliance using the Office of Health Standard Compliance (OHSC) tool and their findings will result in Quality Improvement Plans.

PROGRAMME 3: EMERGENCY MEDICAL SERVICES (EMS)

This programme provides 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. The programme has an annual budget of **R 325 837 000**. At the end of the second quarter, the Department recorded an expenditure of **R131 871 000** translating into a **40.5%** expenditure resulting in **9.5%** under expenditure.

Vacancies

Aware that Emergency Medical Services has been continuously reported to have shortage of staff and resources, the Committee requested for a progress report in terms of filling the vacancies. The Department reported that twenty (20) paramedics were appointed and commenced duties on 1st August 2015. The table below indicates the progress regarding the appointment of other EMS personnel:

POSITION	NUMBER	CURRENT STATUS
District Managers	3	Interviews have been conducted and appointments will be made in the 4 th quarter as all outstanding accruals have been settled.
Station Managers	11	
Fleet Manager	1	
Communication Manager	1	
Nkangala Communication Officer	1	
Operational Staff	113	
TOTAL	130	

PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

The Committee noted that this programme renders level 1 and 2 health services in regional hospitals to render TB specialized and Psychiatric hospital services. This programme has an annual budget of **R 1 156 894 000**. At the end of the second quarter, this programme recorded an expenditure of **R 565 293 000** representing a **48.9%** expenditure on total budget. This represents a **1.1%** overall under-spending at the end of the second quarter.

In-Patient Mortality Rate

The Committee enquired if the Department has determined the factors contributing to the high rate of in-patient mortality rate in hospitals and measures put in place to addressing this challenge; including campaigns being done to alert society about early admissions on realisation of sickness.

The Department reported to have determined the high rate of in-patient mortality rate in hospitals and the leading causes are:

- Tuberculosis (TB);
- Congestive Cardiac Failure;
- Cerebrovascular Accident;
- Diabetes Mellitus;
- Pneumonia;
- Lower Respiratory Tract Infection (LRTI).

The mortality rate per hospital is as follows:

- Ermelo hospital: In-patient mortality rate is 3.7%
- Themba hospital: In-patient mortality rate is 6.3%
- Mapulaneng Hospital: In-patient mortality rate is 5.7 %

The Department reported that the regional hospitals conduct health education in the Out-Patients Department (OPD), in the different Specialists Clinics and wards. These are referral hospitals (Level 2) hence they also admit patients with complex medical conditions. The Department also reported that outreach services are also done to PHC and district hospitals to improve access to care and ensure early detection and treatment. In addition to other health education initiatives, the Department is also reportedly involved in taking services to taxi ranks and mines to educate and to screen for diseases of lifestyle, TB and HIV.

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 has an annual budget of **R 1 037 983 000**. At the end of the second quarter, this programme reported an expenditure of **R 486 639 000**, representing **46.4%** expenditure with **3.6 %** under-spending.

In-Patient Mortality Rate

The Committee noted that In-patient Mortality rate for Rob Ferreira hospital is 4, 7% and for Witbank hospital is 6, 6%. The Department reported that the causes of the high in-patient mortality rate in tertiary hospitals are mainly:

- Tuberculosis;
- Pneumonia;
- Renal failure;
- Patients requiring complex specialist interventions.

To reduce the in-patient mortality rate, the Department reported that the hospitals are monitoring implementation of the treatment protocols and guidelines. Referral cluster meetings are conducted with both district and regional hospitals to ensure that patients are referred early for tertiary care.

Noting that TB is reflected as the leading cause of death, the Committee wanted to know if there were contributing factors to this and the plan the Department has in place to mitigating this challenge. The Department reported that Tuberculosis (TB) has always been a leading cause of death in South Africa and developing countries of low socio-economic status and usually occur together with HIV. Unfortunately with the advent of HIV/AIDS, more focus and resources went to HIV/AIDS while TB continued to be a neglected killer disease. The Department reported to have integrated its TB and HIV programme in order to give equal attention to both conditions. The Department further reported to have adopted the United Nations (UN) 90/90/90 strategy for TB and HIV that seeks to ensure that by 2020, 90% of people living with AIDS will know their status and are screened for TB, 90% of those

diagnosed with TB and HIV will be initiated on treatment, and 90% of those on treatment will be virally suppressed and successfully treated for TB. The Department went on to report that high risk and vulnerable populations like those in the mining sector and correctional facilities, have been targeted whereby partnerships have been established with the mining sector and correctional facilities for the management of TB and HIV. The Department is also reportedly decentralising the management of Multi Drug Resistant (MDR) TB by establishing MDR units in each district. The benefit of MDR TB decentralisation is to take services to patients closer to their homes and community.

Training of Health Personnel

The Committee wanted to know if the Department has ensured that this programme as part of its purpose, has targets responding to providing a platform for training of health workers and to conduct research; if yes, to indicate the targets and performance on training of health workers, indicating which health workers were trained and the programmes in which they were trained. And also indicate the research which is conducted under this programme. The Department reported that as part of its purpose, this programme has targets responding to providing a platform for training of health workers and to conduct research; the targets are as follows:

Hospital	Nurse Training Targets & Performance	Interns Targets & Performance	Registrars Targets & Performance
Rob Ferreira hospital	<ul style="list-style-type: none"> • Midwifery 13, to complete in May 2016 • Bridging course 77, 26 will be writing exams in November 2015, whilst 51 will be writing in May 2016 • Enrolled nurses 64, to write exams in May 2016 	<ul style="list-style-type: none"> • 2 years additional clinical training for 48 (based on number of accredited posts by HPCSA) 	<ul style="list-style-type: none"> • None. The hospital is not an accredited site for registrars
Witbank hospital	<ul style="list-style-type: none"> • Midwifery 17: to write exams in May 2016 • Bridging course 33 of which 27 will be writing exams in November 2015 	<ul style="list-style-type: none"> • 2 years additional clinical training for 42 (based on number of accredited posts by HPCSA) 	<ul style="list-style-type: none"> • 13 at different levels of training in conjunction with the University of Pretoria

The Department further reported that conditions of employment for specialists in tertiary hospitals require that 25% of their time must be dedicated to research; however, due to shortage of specialists, this is not possible. Registrars are able to conduct their research at universities as part of their academic requirement.

The Committee then enquired how the research conducted by the Registrars as part of their academic requirement benefited the Department. The Department acknowledged that the research by registrars does not impact on the research targets set by the Department. However, the Department is in the process of establishing a Provincial Research Committee which will be launched in January 2016 to look into research studies conducted in the province and to create a database accordingly.

PROGRAMME 6: HEALTH SCIENCE TRAINING

The Committee noted that the purpose of this programme is to ensure the provision of skills development programmes in support of the attainment of the identified strategic objectives of the Department. This programme has an annual budget of **R 294 926 000**. At the end of the second quarter, this programme reported an expenditure of **R 156 077 000** representing **52.9%** of total expenditure against the total budget. This shows an overspending of **2.9%**.

Training

The Committee requested the Department to expand on their report that indicated that 1 010 professionals were trained on critical skills. The Department reported as per the table below:

	Gert Sibande	Ehlanzeni	Nkangala	TOTAL
1. Number of professional nurses trained on HIV & AIDS, STIs and TB, chronic diseases and other related programmes	192	341	212	745
2. Number of professional nurses trained on IMCI	31	40	14	85
3. Number of doctors trained on HIV & AIDS, STIs and TB, chronic diseases and	22	22	03	47

other related programmes				
4. Number of professional nurses currently mentored on ART in all facilities	00	66	67	133
TOTAL	245	469	296	1 010

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.

This programme has an annual budget of **R 130 272 000**. At the end of the second quarter, the department has spent **R 51 434 000** translating into **39.5%** of total budget. This represents a **10.5%** under-spending at the end of the second quarter.

PROGRAMME 8: HEALTH FACILITIES MANAGEMENT

The Committee noted that the purpose of this programme is to build, upgrade, renovate, rehabilitate and maintain health facilities. This programme has an Annual budget of **R 634 996 000**. At the end of the second quarter, this programme recorded an expenditure of **R 267 745 000** which indicate that the department has spent **42.2%** of its budget which represents an under- spending of **7.8%**.

Expenditure

The Committee wanted to know if the Department has put measures in place to ensuring that this programme does not materially underspent, noting that in 2014/15

financial year it materially underspent by R 139 000 000. The Department responded as per the table below:

Reasons for Previous Years Under Expenditure	Current Financial Year Plan/Measures	Realised Value
<ul style="list-style-type: none"> • Delay in the appointment of key personnel 	<ul style="list-style-type: none"> • Posts have been advertised and filled. 	<ul style="list-style-type: none"> • Improved capacity to plan and undertake oversight on projects • Improved efficiency on equipment's and buildings • Improvement on financial control and expenditure • Improved quality of workmanship and performance of service providers • Improved leadership and technical skills • Improved contract management
<ul style="list-style-type: none"> • Delays in commencement of maintenance plan implementation 	<ul style="list-style-type: none"> • Early implementation of maintenance plan 	
<ul style="list-style-type: none"> • Contractors performance was very slow due to lack of resources and capacity 	<ul style="list-style-type: none"> • With the appointments of key personnel there has since been an improvement in acquisition of services as these personnel are involved throughout the procurement processes (drafting of Bid Specification, Evaluation and Adjudication) • Terminations for poor performance of professionals and contractors • Appointment of Senior Management of the Infrastructure Unit 	
<ul style="list-style-type: none"> • Poor workmanship 		
<ul style="list-style-type: none"> • Lack of leadership by professional team 		

Performance by Consultants and Contractors

The Committee asked what penalties are imposed by the Department on terminated services by consultants and contractors as a result of poor performance. The Department reported that with Contractors, prior to commencement of the project and conclusion of the contract, the contractor is expected to have in place a construction guarantee, which is a percentage relative to the value of the project. During the life span of the project for every invoice submitted, 10% of the value invoiced is retained and released when the project is handed over. This serves as security measures in the case a contractor defaults and end up being terminated, the employer deducts from any of the two securities for any expenses incurred and if necessary, the contractor can be blacklisted through the Construction Industry Development Board – CIDB. With Consultants, the Department reported that prior to

commencement of the project and conclusion of the contract, consultants are required to produce professional indemnity which is a form of security should there be any termination, negligence etc. which the employer deducts from the indemnity. And in the extreme, the consultant can be reported to the respective professional council.

5. COMMITTEE FINDINGS FROM THE INTERACTION WITH THE DEPARTMENT

After the interaction with the Department, the Committee made the following findings:

- a) The Department failed to connect the targeted fifteen (15) Primary Health Centres (PHCs) for broadband access in the first quarter, only eight (08) against the fifteen (15) PHCs were connected in the first quarter. No connections were made in the second quarter due to the prioritisation of payment of accruals, the remaining seven (07) facilities were reprioritised for connection in the third and fourth quarter. After budget adjustment, an amount of R 500 000.00 was made available to enable the Department to connect twenty (20) PHC facilities by the end of 2015/16 financial year – this is inclusive of the 08 PHCs that have already been connected plus the 07 PHCs that were left out in the first quarter plus an additional 05 for the total of 20 PHCs.
- b) The Department reviewed and approved the Records Management Policy and the Registry Procedure Manual in October 2015, however, the Department is also in the process of developing a costed implementation plan for the Records Management Policy and the Registry Procedure Manual to be implemented in the next financial year – 2016/17;
- c) The Department has appointed a service provider to develop a provincial laundry model on laundry services, however, the service level agreement has not been signed due to the challenges noted by the Department with regards to the laundry equipment proposed for use by the service provider;
- d) The Department is in the process of establishing a Provincial Research Committee which will be launched in January 2016 to look into research studies conducted in the province and to create a database accordingly;

- e) Apart from the Quality Improvement Plans developed by clinics, the Department has developed a strategic and tactical plan to ensure that all clinics are compliant with the Ideal Clinic Initiative and National Core Standards;
- f) Interviews for hundred and thirty (130) EMS posts have been conducted among other vacancies; however, appointments are scheduled to take place in the fourth quarter.

6. RECOMMENDATIONS IN RESPECT OF THE FINDINGS

The Committee recommends that the Department must:

- a) Provide a detailed progress report on the connection of the Broadband access of the PHCs inclusive of the budget and expenditure by 11 March 2016;
- b) Provide a progress report on the development of a costed implementation plan for the Records Management Policy and the Registry Procedure Manual to be implemented in the next financial year – 2016/17, by 11 March 2016;
- c) Provide a detailed progress report on the development of the provincial laundry model; indicating if the service level agreement has been signed ,if the Department has received a report with recommendations from the service provider on the provincial laundry model and further outline the Department's plan (if any) to implementing the service provider's recommendations by 11 March 2016;
- d) Provide a detailed progress report on the establishment of the Provincial Research Committee by 11 March 2016;
- e) Strengthen monitoring and evaluation on the implementation of the Quality Improvement Plans developed by the clinics and the Strategic and Tactical Plan to ensure that all clinics are compliant with the Ideal Clinic Initiative and National Core Standards. Also provide a detailed progress report on the implementation of the aforementioned plans by 11 March 2016;
- f) Provide a detailed progress report on the filling of all vacant posts by 11 March 2016.

7. 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 2nd quarter report of the Department of Health and also thanked the Legislature staff for their support and contribution towards the production of this report.

Lastly, the Chairperson requests the august House to adopt the report with its recommendations and provide a progress report by **11 March 2016**.



HON. P NGOBENI

**CHAIRPERSON: PORTFOLIO COMMITTEE ON
HEALTH & SOCIAL DEVELOPMENT**



DATE