



SITUATIONAL ANALYSIS

With a population in excess of 9.5 million people KwaZulu-Natal remains the most populous of South Africa's nine provinces. It also remains the province with some of the most serious socio-economic challenges given the high levels of poverty, poor infrastructure, high illiteracy and innumeracy levels - and this is particularly burdensome of rural communities generally and women, children and the elderly specifically.

From a health management perspective all of the above mentioned factors contribute to the huge burden of disease and test to the limits our capacity of delivering on the Department's core legislative mandates derived from several pieces of legislation.

We have accepted the fact that issues relating to health cannot be viewed in isolation and that government in its entirety must streamline its efforts and interventions in a manner that will tackle underlying factors that aggravate the vulnerability of our people to risks such as disease and hunger.

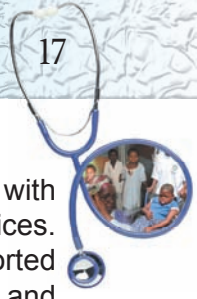
In the previous reporting period the Department of Health focused on identified Presidential Nodal areas in the province such as Umzinyathi, Zululand, Umkhanyakhuda and Ugu. The poverty rate in these areas ranged from 60.2% to 77.1%, with the average unemployment rate being 54%.

This coordinated and consolidated multi-sectoral approach continues to underpin our efforts at achieving our objectives and giving impetus to our departmental vision, mission and core values. However, we also realised that our plans and programmes must reflect the reality that the outcomes we hope to achieve cannot be realised within the constraints of a particular financial year and that a medium term approach must be adopted.

Hence, in April 2005 we adopted a Strategic Plan that provided a medium term expenditure framework that will chart the way forward. The plan is comprehensive in that it involves all the department's programmes i.e Administration, District Health Services, HIV, Aids, STI and TB control, MCWH and Nutrition, Disease Prevention and Control, EMRS, Patient transport and Disaster Management, Provincial Hospitals, Tertiary and Central Hospitals, Health Care Support Programmes, Human Resources and Facilities Management.

The Strategic Plan, apart from being comprehensive is also dynamic in that it is designed to be flexible and capable of adapting to changing circumstances.





The Department's strategic objectives also necessitated a restructuring of our human resources, with initial emphasis on the top management structure, Supply Chain Management and Support Services. After extensive consultations with all stakeholders the structure was approved by the MEC and supported by organised labour. As a result of the new structures there was some re-organisation, re-alignment and delinking of some sections. Some of the new sections include the Service Delivery Planning, Monitoring and Evaluation Section as well as the Corporate Governance, Inter-Governmental Relations and Inter-Sectoral Collaboration. In an effort to strengthen service delivery capacity the department appointed a Chief Operations Officer.

The Department also introduced a Performance Management and Development System for all employees on salary levels 1 to 12 with effect from April 01, 2005. An extensive training programme was undertaken to implement the system in all hospitals and institutions located in KwaZulu-Natal.

Despite the enormous existing challenges including communicable diseases such as HIV Aids and TB as well as internal challenges such as skills shortages and financial constraints among other issues, the KZN Department of Health is making enormous strides, and will continue to do so regardless of the obstacles, so that our actions give meaning to this our Age of Hope.



Table 2: Mortality trends

	1998
Infant mortality (under 1) rate	52,1 per 1 000 live births
Child mortality (under 5)	74.5 per 1000 live births
Maternal mortality	150 per 100 000 live births**

*Source SADHS 1998. SADHS 2003 not released.

** National Figure – not reported for KwaZulu-Natal

Table 3: Top 10 causes of death per 100 000 in KwaZulu-Natal 1998-2002

Categories	% Total Mortality*	% Case Fatality**	Expected Annual Hospital Deaths	95% CI Min Deaths	95%CI Max Deaths
AIDS	39.4	31.5	19 200	16 500	21 900
Tuberculosis (TB)	11.6	13.6	5 700	3 900	7 500
Cardiovascular	9.6	15.6	4 700	3 050	6 350
Respiratory Infections	5.5	7.1	2 700	1 450	3 950
Diarrhoea	5.1	7.1	2 500	1 300	3 700
Diabetes	5.1	16.0	2 500	1 300	3 700
Malignant Neoplasms	4.8	24.6	2 300	1 100	3 500
Intentional Injuries	4.1	6.0	2 000	900	3 100
Peri-natal	3.8	22.9	1 800	700	2 900
Unintentional Injuries	2.1	1.8	1 000	200	1 800
Rest of categories	8.9	4.3	4 300	2 700	5 900
Total	100%		48 700		

*% Deaths caused by each category

**% Deaths within each category that die

Source: Report on Hospital Discharge Survey in KZN 1998-2002 (Italian Cooperation)
Mortality Data 2004/2005 pending Stats SA release



Table 4: Notifiable conditions

		2001/2002	2002/2003	2003/2004	2004/2005	2005/2006
Acute Flaccid Paralysis	No	1	2	5	12	-
Cholera	No	37 964	3 015	415	16	-
Malaria	No	5 857	1 873	4 097	3 779	-
Measles	No	5	64	130	308	-
Meningococcal infection	No	0	10	57	82	-
Poisoning agricultural stock remedies	No	0	5	0	0	-
Tuberculosis (all types)	No	17 733	51 944	58 037	47 251	-
Typhoid	No	12	0	6	22	-
Viral hepatitis (total)	No	84	108	65	90	-

- There is currently a backlog in the capturing of TB data at district level. This figure represents cases currently recorded in the TB database as maintained by CDC.
- The Cholera figure represents cases currently recorded in the Cholera database as maintained by GIS.
- The Malaria figure represents cases currently recorded in the Malaria database as maintained by Jozini MRC.
- The rest of the figures represent cases currently recorded in the Notification database as maintained by Data management.

Table 5: Evolution of expenditure by budget sub-programme

Programme	2001/02	2002/03	2003/04	2004/05	2005/06	2005/06 Revised	Variance -% under/ (over-expenditure)
	Exp	Exp	Exp	Exp	Exp	Budget	
	R'000	R'000	R'000	R'000	R'000	R'000	
Programme 1: Administration	134,002	143,866	154,176	162,295	192,917	192,917	0.00
Programme 2: District Health Services	3,326,700	3,363,876	3,771,028	4,253,689	4,924,947	4,736,757	(3.97)
District management	31,689	42,178	50,409	67,053	81,393	76,662	(6.17)
Clinics	732,585	753,037	845,016	912,732	932,180	1,006,345	7.37
Community health centres	136,224	144,650	146,254	167,027	220,615	217,476	(1.44)
District hospitals	1,832,976	1,861,724	1,992,238	2,367,227	2,660,326	2,429,656	(9.49)
Community based services	64,911	81,669	46,566	69,438	70,977	97,557	27.25
Other community services	310,401	183,896	211,105	295,711	396,607	313,827	(26.38)
Coroner services	0	0	65	951	2,936	24,976	88.24
HIV/AIDS	49,364	123,401	246,701	348,537	528,093	543,304	2.80
Nutrition	168,550	173,321	232,674	25,013	31,820	26,954	(18.05)
Programme 3: Emergency Medical Services	158,336	196,428	272,046	305,627	420,604	420,604	0.00
Emergency transport	147,081	193,691	268,074	289,981	401,178	401,205	0.01
Planned patient transport	11,255	2,737	3,972	15,646	19,426	19,399	(0.14)
Programme 4: Provincial Hospital Services	2,202,760	2,242,949	2,569,622	2,513,935	2,796,081	2,808,367	0.44



General hospitals (regional)	1,634,424	1,614,437	1,998,812	1,946,654	2,212,986	2,215,547	0.12
TB hospitals	144,556	267,065	251,263	242,287	230,332	235,728	2.29
Psychiatric hospitals	219,254	214,985	258,547	266,760	295,734	298,214	0.83
Subacute, stepdown and chronic hospitals	15,297	139,622	53,730	50,401	49,052	50,740	3.33
Dental training hospitals	7,229	6,840	7,270	7,833	7,977	8,138	1.98
Other specialised	0	0	0	0	0	0	0.00
Programme 5: Central Hospital Services	556,323	969,210	765,370	914,324	1,068,606	1,024,735	(4.28)
Central hospitals	111,265	295,290	211,704	268,529	317,398	299,189	(6.09)
Provincial tertiary hospitals	445,058	673,920	553,666	645,795	751,208	725,546	(3.54)
Programme 6: Health Sciences and Training	210,109	250,234	321,156	364,297	408,227	411,589	0.82
Nurse training colleges	108,027	128,180	166,794	211,031	219,498	216,029	(1.61)
EMS training colleges	3,050	3,851	3,395	4,619	14,786	12,334	(19.88)
Bursaries	22,701	27,555	42,535	27,696	33,818	34,149	0.97
PHC training	32,736	37,207	41,604	39,732	49,084	53,557	8.35
Other training	43,595	53,441	66,828	81,219	91,041	95,520	4.69
Programme 7: Health Care Support Services	0	5,000	10,400	10,600	7,600	7,600	0.00
Laundries							
Engineering							
Forensic services							
Orthotic and prosthetic services							
Medicines trading account	0	5,000	10,400	10,600	7,600	7,600	0.00
Programme 8: Health Facilities Management	624,071	324,009	347,492	425,842	736,770	821,947	10.36
Community health facilities	27,895	61,243	66,081	53,785	224,420	242,323	7.39
EMS	435	0	786	687	6,410	10,200	37.16
District hospitals	44,254	43,306	86,619	148,326	238,641	203,487	(17.28)
Provincial hospitals	72,459	108,051	117,599	186,749	227,624	277,653	18.02
Central hospitals	414,245	48,509	58,708	0	0	48,000	100.00
Other services	64,783	62,900	17,699	36,295	39,675	40,284	1.51
Total: Programmes	7,030,301	7,495,572	8,211,290	8,950,642	10,555,752	10,424,516	(1.26)



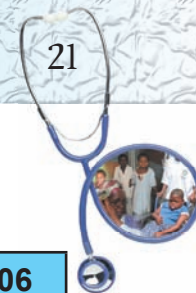


Table 6: Evolution of expenditure by budget per capita sub-programme (constant 05/06 prices)

	2001/03	2003/04	2004/05	2005/06
Population	9,490,795	9,577,877	9,665,758	9,651,100
% insured	12%	12%	12%	12%
Uninsured population	8,351,900	8,428,532	8,505,867	8,492,968
Conversion to constant 2004/05 prices				
	Exp per capita Uninsured	Exp per capita Uninsured	Exp per capita Uninsured	Exp per capita Uninsured
Programme	R'000	R'000	R'000	R'000
Programme 1: Administration	19.64	19.76	19.84	22.71
Programme 2: District Health Services	459.16	483.21	520.09	579.89
Programme 3: Emergency Medical Services	26.81	34.86	37.37	49.52
Programme 4: Provincial Hospital Services	306.15	329.44	307.38	329.22
Programme 5: Central Hospital Services	132.29	98.07	111.79	125.82
Programme 6: Health Sciences and Training	34.16	41.15	44.54	48.07
Programme 7: Health Care Support Services	0.68	1.33	1.30	0.89
Programme 8: Health Facilities Management	44.23	44.53	52.07	86.75
Total: Programmes	1023.12	1052.35	1094.38	1242.87

Calculate by (expenditure) x (conversion factor)/(uninsured population)

Notes

1. The difference in the figures for previous years relate mainly to the revision of the population figures and the change of constant prices from the 2003/04 financial year to the 2004/05 financial year.
2. The high income per capita in 2001/02 in Programme 2 results mainly from the inflated expenditure resulting from the cholera epidemic and the building of Inkosi Albert Luthuli Central Hospital. This negates the apparent decrease in 2002/03.
3. The increase in 2002/03 in Central Hospital Services relates to the dual funding required to run these services at Wentworth, King Edward and Inkosi Albert Luthuli hospitals during the period of commissioning the latter.
4. The inflated figure for 2001/02 in Programme 8 relates mainly to the final payment for the building of Inkosi Albert Luthuli Central Hospital and accounts for the skewed per capita income in this Programme.



Table 7: Expenditure on conditional grants

	01/02	02/03	03/04	04/05	05/06
National Tertiary Services	427,525	488,575	551,831	619,449	691,451
HIV and AIDS	13,315	54,470	85,591	187,223	251,468
Hospital Revitalisation	87,000	111,000	34,353	78,546	111,821
Integrated Nutrition Programme	136,485	136,337	176,646	24,513	26,954
Hospital Management and Quality Improvement	957	19,000	16,375	15,794	19,514
Health Professions Training and Development	154,388	164,755	164,513	183,989	180,087
Inkosi Albert Luthuli Central Hospital	153,577	-	-	-	-
Provincial Infrastructure Grant	23,862	46,358	70,043	128,459	157,561
Coroner Services	0	0	65	940	2,624
Cholera epidemic	0	0	0	6,100	-
TOTAL	997,109	1,020,495	1,099,417	1,245,013	1,441,480

Please note that there was a typing error in the 2003/04 book. This has been corrected in the above schedule.

Note:

The expenditure reflected includes the roll-overs from previous financial years.

