health

Department:
Health
REPUBLIC OF SOUTH AFRICA

Reference No:	
Enquiries:	**Ms K Jamaloodien**
Office No:	**D109A**
Extension:	**8530**
Date:	19 February 2025

THE DIRECTOR-GENERAL

SUBJECT: REQUEST FOR DEVIATION FROM THE SUPPLY CHAIN PROCESSES THROUGH THE SINGLE SELECTION FOR THE ONGOING MAINTENANCE AND DEVELOPMENT OF THE NATIONAL SURVEILLANCE CENTRE FOR A PERIOD OF THREE MONTHS

PURPOSE

1. To request the Director-General of Health to grant the Chief Directorate: Sector Wide Procurement, approval to deviate from standard procurement processes through the single source selection for the ongoing maintenance and development of the National Surveillance Centre for a period of three months.

SUMMARY

2. The National Surveillance Centre (NSC) was conceptualised by the South African National Department of Health (NDoH) in 2015 as a monitoring and evaluation tool to enable visibility of medicine availability across the public health medicine supply chain.

3. The NSC provides a central repository in the South African public health sector for information about medicine availability including stock-on-hand and stock re-order and management information, down to a specific hospital, community health centre or clinic.

4. The benefits of the NSC are data-driven decision making, more time spent on analysis rather than collecting data, timelier monitoring, and the ability to react to performance issues quickly allowing users to plan proactively to manage supply considerations by triangulating this information with supplier and demander data.

5. Technical support for the maintenance and development of the NSC was provided through USAID/PEPFAR-appointed support partner. There was an abrupt termination of the services provided by the support partner which precludes a structured handover of the system to a contractor team that would be appointed in terms of a service provider for technical system support services (system maintenance) for the National Surveillance Centre per SITA procurement processes

6. This submission serves to request the Director-General of Health to grant the Chief Directorate: Sector Wide Procurement, approval to deviate from standard procurement processes through the single source selection for the ongoing maintenance and development of the National Surveillance Centre for a period of three months.

7. This is an urgent, short-term intervention aimed at restoring and maintaining the supply chain visibility until the longer-term intervention is implemented.

STRATEGIC FOCUS OF THE SUBMISSION (APP AND STRATEGIC PLAN)

8. Promote the rational selection and use of medicines and related items to be used in South Africa and to ensure the availability of quality medicines.

DISCUSSION

9. Government has a responsibility to ensure equitable supply of medicines across the public health sector and to quickly and efficiently implement interventions to minimise medicine shortages at health establishments, particularly where those establishments may be resource constrained.

10. Conceptually, the National Department of Health developed the Visibility and Analytics Network (VAN) operating model in order to operationalise the Strategy for Improved Medicine Availability (SIMA).

11. The implementation of the VAN operating model has been key to reducing medicine stock outs across the nation.

12. The National Surveillance Centre (NSC) was conceptualised by the South African National Department of Health (NDoH) in 2015 as a monitoring and evaluation tool to enable visibility of medicine availability across the public health medicine supply chain.

13. The NSC provides a central repository in the South African public health sector for information about medicine availability including stock-on-hand and stock re-order and management information, down to a specific hospital, community health centre or clinic.

14. With the data presented in a graphical and tabulated format, strengths and weaknesses in supply chain performance can be quickly identified and addressed. The dashboards provide data based on key performance indicators (KPIs) that support the strategic objectives of the department and help to focus on the most relevant information.

15. The benefits of the NSC are data-driven decision making, more time spent on analysis rather than collecting data, timelier monitoring, and the ability to react to performance issues quickly allowing users to plan proactively to manage supply considerations by triangulating this information with supplier and demander data. The NSC has matured from a manually updated, static surveillance tool that provided monthly stock-on-hand availability for a handful of hospitals in 2016, to a fully interactive and automated dashboard in 2025.

16. Technical support for the development and maintenance of the NSC was provided through USAID/PEPFAR-appointed support partner. There was an abrupt termination of the services provided by the support partner which did not include a structured handover of the system to a contractor team that would be appointed in terms of a service provider for technical system support services (system maintenance) for the National Surveillance Centre per SITA procurement processes

17. Therefore, the Department requires skilled professionals to maintain and support a complex, large-scale Tableau installation integrated with UiPath and Alteryx. This includes performance optimisation, data governance, automation workflows, and integration of advanced analytics tools. This involves troubleshooting, system monitoring, dashboard development, and ensuring seamless data processing across platforms.

18. Additionally, these professionals must have knowledge of the existing NSC specific implementation in order to be familiar with the complexities involved and have existing knowledge to continue uninterrupted operation of the system.

19. In depth knowledge of the systems from which data is drawn would also be helpful. The most important of these systems are SVS, RxSolution and MEDSAS.

Confirmation of Resource and Skills Gap

20. To minimise risks and ensure immediate continuation of service, a team of consultants with the following skills is required:
    - In depth knowledge of National Surveillance Centre data structures, code and configurations across Tableau, Alteryx and UiPath with some understanding of the upstream source systems, such as SVS, RxSolution and MEDSAS.
    - Experience of building large scale solutions using Microsoft SQL, Tableau, UiPath and Alteryx.
    - The team should include practitioners who are certified for Tableau (Tableau Desktop Specialist Certification) and Alteryx (Alteryx Designer Practitioner).

21. Having explored the ability of the NDoH to maintain the NSC in-house, the finding is that NDoH lacks the necessary in-house skills and certifications to effectively maintain and support this complex data ecosystem.

22. Given the technical demands and the need for specialised knowledge, it is impractical to train personnel within the available timeframe. Engaging external professionals will ensure system stability, enhance data-driven decision-making, and provide knowledge transfer for long-term sustainability.

23. The following consultants are recommended for appointments because the services they will provide represent a natural continuation of previous work carried out by the consultants through the USAID/PEPFAR-appointed support partner to whom they were contracted:
    - Andre de Beer
    - Fred de Beer
    - Mncedisi Khulekani Dube
    - Francois Olivier

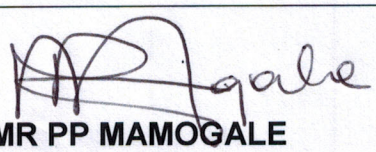
24. This is an urgent, short-term intervention aimed at restoring and maintaining the supply chain visibility until the longer-term intervention is implemented.

RELEVANCE TO THE NATIONAL DEVELOPMENT PLAN

25. The National development plan in chapter 10, identify the improvement of Health Information system as one of the priorities to achieve health goals of the 2030 vision.

CORPORATE SERVICES IMPLICATIONS

26. Not applicable.



MR PP MAMOGALE
ACTING HEAD: CORPORATE SERVICES
DATE: 20/02/2025

FINANCIAL AND SUPPLY CHAIN MANAGEMENT IMPLICATIONS

27. In terms of section 15.1.2 of the Supply Chain Policy of 31 March 2021, "Single-source selection may be appropriate only if it presents a clear advantage over competition (i) for services that represent a natural continuation of previous work carried out by the consultant, and continuity of downstream work is considered essential."

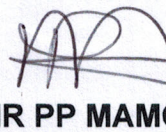
28. The consultants recommended for appointment previously provided the required service through the USAID/PEPFAR-appointed support partner. Their appointments will provide a natural continuation of previous work carried out until these services are contracted for using the SITA procurement process.

29. Based on the Guide on Hourly Rates for Consultants published by the Department of Public Service and Administration in 2003, the consultants should be paid an hourly rate as Model B long Term, option B2.2 Partial overheads, no markup and at level 12. See attached Annexure A Hourly rates for consultants, with effect from 01 July 2020.

30. In terms of the Category of Fee Earning Staff (Section 3 of the DPSA's Guide) these consultants have been identified as Professional/Technical Staff and the appropriate salary band would be Level 12.

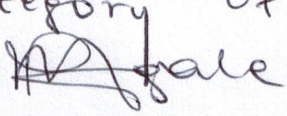
31. The financial implications are as follows:
    Four consultants, working eight hours per day for 22 days per month with an hour rate of R 871:
    Per consultant: 8 hours x 22 days x R871 = 4 x R153 296
    Total per month: 613 184
    Total for 3 months: R1 839 552

32. Please find included in the submission:
    - Annexure A: Guide on Hourly Rates for Consultants published by the Department of Public Service and Administration in 2003
    - Annexure B: Hourly Rates for Consultants – with effect from 1 July 2020 (latest available)
    - Annexure C: Curriculum Vitae - Andre de Beer
    - Annexure D: Curriculum Vitae - Fred de Beer
    - Annexure E: Curriculum Vitae - Channah Olivier
    - Annexure D: Curriculum Vitae - Francois Olivier
    - Annexure E:



MR PP MAMOGALE
CHIEF FINANCIAL OFFICER
DATE: 20/02/2025

Scm to ensure that the ~~time~~ rates proposed are market related and that correct category of consultants is utilised



RECOMMENDATION

33. It is recommended that the Director-General of Health grants the Chief Directorate: Sector Wide Procurement, approval to deviate from standard procurement processes through the single source selection for the ongoing maintenance and development of the National Surveillance Centre for a period of three months.

CHIEF DIRECTOR: SECTOR WIDE PROCUREMENT **MS K JAMALOODIEN** K Jamaloodien **DATE:** 19/2/2025	**DEPUTY DIRECTOR-GENERAL:** **PROF N CRISP** **BRANCH: NATIONAL HEALTH INSURANCE** Nicholas Crisp **DATE:** 19/02/2025 **Recommended/~~Not recommended~~**
DIRECTOR GENERAL: HEALTH **DR SSS BUTHELEZI** SSS **DATE:** 21/02/2025 **Approved/~~Not approved/amended~~**	

Please take care of CFO's comments.
SSS