

SOUTH AFRICAN PHARMACY COUNCIL

Annual Report 2020



**South African
Pharmacy Council**

SOUTH AFRICAN PHARMACY COUNCIL 2018 - 2023



*MD Phasha
President*



*B Molongoana
Vice-President*



*TD Moralo
Treasurer*



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Chairperson: Education
Committee*



*JA Maimin
Chairperson: Practice
Committee*



*A Soka
Chairperson: CPD
Committee*



*Dr M Matlala
Chairperson: Pre-
registrations Committee*



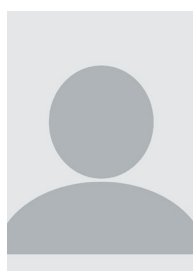
*MS Letsike
Chairperson: Health
Committee*



*JS du Toit
Chairperson: Committee
of Preliminary
Investigations*



*Dr MJ Eksteen
Chairperson: Committee
of Informal Inquiries*



*K Jamaloodien
NDoH Representative*



P Dlwati



HC Hayes



JW Herbert



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Prof. SF Malan



MS Mokgatlha



Prof. N Shellack



*Dr (Adv.) N Shaik-
Peremanov*



TM Shivambu



MS Shuping



Prof. I Truter



CA Venter



Prof. PdW Wolmarans



SOUTH AFRICAN PHARMACY COUNCIL

GENERAL INFORMATION

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	Pharmacy industry regulator
Registered Office	591 Belvedere Street Arcadia Pretoria 0083
Business Address	591 Belvedere Street Arcadia Pretoria 0083
Postal Address	Private Bag X40040 Arcadia Pretoria 0007
Bankers	Standard Bank of South Africa Investec Bank Limited
Independent Auditors	Rakoma and Associates Incorporated Chartered Accountants (SA) Registered Auditor
ISBN	978-0-620-92010-0



SOUTH AFRICAN PHARMACY COUNCIL

PRESENTATION TO THE MINISTER: ANNUAL REPORT, 2020

Minister of Health

It is our pleasure to submit the Annual Report on the activities of the South African Pharmacy Council for the period of 1 January 2020 - 31 December 2020, in terms of the Pharmacy Act, 53 of 1974.



MR MD PHASHA
PRESIDENT



MR VM TLALA
REGISTRAR

Abbreviations and Acronyms

APN	Access Point Name	PA	Pharmacist's Assistant
AQP	Assurance quality partner	PAB	Pharmacist's Assistant (Basic)
ART	Antiretroviral Therapy	PAIA	Promotion of Access to Information Act
BHF	Board of Healthcare Funders	PALB	Pharmacist's Assistant (Learner Basic)
CEO	Chief Executive Officer	PAPB	Pharmacist's Assistant (Post-Basic)
CHE	Council on Higher Education	PALPB	Pharmacist's Assistant (Learner Post-Basic)
CII	Committee of Informal Inquiries	PC	Professional Conduct
CFI	Committee of Formal Inquiry	PCDT	Primary Care Drug Therapy
CFO	Chief Financial Officer	PEP	Post-exposure prophylaxis
CMDD	Centralised Medicine Dispensing and Distribution	PHC	Primary Health Care
COO	Chief Operating Officer	PIMART	Pharmacist-Initiated Management of Antiretroviral Therapy
CPD	Continuing Professional Development	PrEP	Pre-exposure prophylaxis
CPI	Committee of Preliminary Investigation	PSP	Pharmacy support personnel
CS&LS	Company Secretary & Legal Services	PT	Pharmacy Technician
CSR	Communication & Stakeholder Relations	PTA	Pharmacy Technician Assistant
DG	Director-General	QAP	Quality Assurance Partner
DoH	Department of Health	QCTO	Quality Council for Trade and Occupations
DRP	Disaster Recovery Plan	RADU	Remote Automated Dispensing Unit
EAP	Employee Assistance Programme	RCRP	Registrar's Complaints Review Panel
EISA	External integrated summative assessment	REMCO	Remuneration Committee
EPC	Emergency post-coital contraception	ROT	Recovery objective time
EXCO	Executive Committee	RP	Responsible pharmacist
FET	Further Education and Training	RPL	Recognition of Prior Learning
GPE	Good Pharmacy Education	RTC	Rite-to-Care
GPP	Good Pharmacy Practice	SAHCS	Southern African HIV Clinician Society
HEI	Higher Education Institutes	SAHPRA	South African Health Products Regulatory Authority
HEQSF	Higher Education Qualification Sub-Framework	SANC	South African Nursing Council
HET	Higher Education and Training	SAPC	South African Pharmacy Council
HPCSA	Health Professions Council of South Africa	SAPS	South African Police Service
HR	Human Resources	SAQA	South African Qualifications Authority
HWSETA	Health and Welfare Sector Education Training Authority	SDP	Skills Development Provider
ICT	Information and Communications Technology	SME	Small and Medium-sized Enterprises
IFRS	International Financial Reporting Standards	SMME	Small, Medium and Micro Enterprises
ISBN	International Standard Book Number	SMS	Short Message Service
IT	Information Technology	VPN	Virtual Private Network
LS&PC	Legal Services & Professional Conduct	WBL	Work-based learning
MCQ	Multiple-choice questions	WIL	Work-integrated learning
NDoH	National Department of Health		
NLRD	National Learner Reference Database		
OQSF	Occupational Qualifications Sub-framework		

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PART A

GENERAL OVERVIEW

Organisational Purpose



South African Pharmacy Council

Vision

Acceptable quality pharmaceutical services for all.

Mission

Our mission is to promote universal health coverage by ensuring excellent and sustainable patient-centred pharmaceutical services by developing, enhancing and upholding acceptable norms and standards in all spheres of pharmacy.

This will be achieved by:

- protecting the rights and safety of the public;
- promoting the dignity of the profession;
- ensuring ethical practice and conduct;
- ensuring ongoing competency of pharmacy professionals; and
- embracing innovation and technology.

Core Values

- People first – we care, we serve, we collaborate, we belong to the community
- Integrity – we will be ethical, transparent and honest in conducting our business
- Accountability – we are responsible and answerable for our actions
- Professionalism – we will develop our staff to perform their work with expertise, dedication, care and act in a competent and excellent manner at all times

About the Annual Report

This 2020 Annual Report of the South African Pharmacy Council (SAPC) presents the performance information and financial performance of the SAPC over the 2020 performance period and financial year.

The annual report presents reporting information that fulfils reporting requirements in line with 16 of the King IV Code governance principles (Principle 1-16). Reporting information relating to Principle 17: Responsible investment practices by Institutional Investors, is not included as provided nor available as the SAPC is not an institutional investor.

Report layout

The report is divided into four main subcategories, namely:

- Part A: General overview
- Part B: Performance information
- Part C: Human Resources
- Part D: Financial Management and Annual Financial Statements

Reporting period

The information contained herein relates to the work of the SAPC for the period 1 January 2020 – 31 December 2020.

Supplementary information/instruments

The audited Annual Financial Statements for 2020 are found on Page 51 in this report. From the 2021 reporting period, a King IV™ Application Register would be made available as a supplementary report which provides richer detail and cross-references King IV™ governance principles to reporting information contained herein.

Availability of report

Electronic copies of this report and the audited Annual Financial Statements are available on the SAPC website at the following link: <https://www.sapc.za.org/Publications>

ISBN: 978-0-620-92009-4 | **Full name:** Annual Report of the South African Pharmacy Council, 2020

Foreword by the President of Council

I am proud to present the 2020 Annual Report of the South African Pharmacy Council; a report that details the sheer tenacity of the pharmacy profession and the South African health care system during a year that challenged the accepted understanding of what constitutes “normalcy”. The year presented uncharted territory for the pharmacy profession, as well as the health care systems of the world, with the COVID-19 global pandemic taking millions of lives and destabilising economies.

The arrival of the 2019 Coronavirus in South Africa in early 2020 and the subsequent national lockdown of the country threw many sectors of our economy into an incommensurable tailspin, and Pharmacy was not spared. While most of our colleagues had to make do with reduced incomes or losing their pharmacy facilities altogether, we are encouraged that there is hope to rebuild afresh as, during this period, we have managed to sustain the operations of Council and fulfil both its strategic objectives and legislative mandate. Thus ensuring that there continues to exist an enabling environment for old pharmacies to be resuscitated and new ones to be started across the various sectors of Pharmacy.

This was achieved through adopting new ways of carrying out the work of Council, including amongst others introducing remote working arrangements for the staff in the Office of Council, conducting remote online examinations and moving all our workshops for the profession to virtual and social media platforms.

Annual fees paid by pharmacy professionals and organisations are the lifeblood upon which the work of Council, the sustainability of the pharmacy profession, and its continued enhancement and protection as a regulated profession profoundly depend. However, given the havoc wreaked by the pandemic and the resultant national lockdown on pharmacy professionals’ livelihoods, Council resolved to not increase annual fees across all categories of registration for 2020. This is both our token of appreciation and an act of solidarity with the profession for the continued selfless combat mounted by all pharmacy professionals at the COVID-19 frontline.

This moratorium on fee increments means that pharmacy professional annual fees continue to be the lowest amongst comparable health professions, with a variance of at least 25%. And are still considerably lower than comparable professionals in other sectors of the economy (+100% difference). Given that Council’s service providers usually adjust their costs with double-digit figures in line with industry escalations and the fact that inflationary forces continue to erode the buying power of the current fees, we must guard against having to adjust fees at an above-inflation figure in the near future. Where this could be avoided, we will do our best to avoid it. We hope and trust that, in the interest of ensuring the sustainability of Council and Pharmacy as a profession and noble calling, the profession will rally behind such a move to replenish reserve funds which have helped us survive the worst phase of COVID-19 without having to increase fees or borrow to fund operations.

I am proud to announce that we have achieved another clean audit from Council’s external auditors, this is the 12th consecutive clean audit opinion for the organisation and the second consecutive for the current Council term. This is a feat we commit to maintain for the foreseeable future by ensuring robust systems of assurance, financial prudence and corporate governance, for the benefit of South Africans and the profession at large.



Mr MD Phasha
President

It is encouraging that, in the first year of implementation, pharmacists appreciated the need for continuous development and learning, and complied with the *Regulations relating to Continuing Professional Development (CPD)*. Nine (9) in ten (10) pharmacists complied fully with all required six (6) CPD entry submissions by the end of 2020. We hope that in 2021, we will reach 100% compliance by the end of the year to ensure that pharmacists remain highly competent in line with the changing practice environment.

In line with our legislative mandate to protect the right of the South African public to quality pharmaceutical care and safeguard the good image of the profession, Council conducts inspections across all sectors of Pharmacy. Despite the national lockdown proving to be a setback in this work, we have managed to inspect 1 525 facilities between June and December 2020. These inspections included monitoring, training, disciplinary and new pharmacy inspections.

Worth celebrating is the fact that we have noticed a considerable decline in serious matters of professional misconduct on a year-on-year basis between 2019 and 2020. Matters before the Committee of Formal Inquiry (CFI) had declined 92% from 25 matters in 2019 to only two (2) matters in 2020. However, it is concerning that in both matters, pharmacy owners allowed unregistered persons to practise the scope of practice of a pharmacist. This poses a serious danger to the health of patients and the dignity of the pharmacy profession and should be frowned upon and discouraged by the profession at all times.

Our standard-setting work continued unabated across all focus areas including education, pharmacy practice, pre-registration and continuing professional development. Among our key achievements has been the publication of the *Good Pharmacy Education Standards: Occupational Qualification Sub-framework*, which would enable the continuation of the training of pharmacy support personnel (PSP) on the expiry of the current Pharmacist’s Assistants’ qualifications. The new PSP qualifications have already been registered with the South African Qualifications Authority (SAQA) and have three exit levels: Pharmacist’s Assistant (Basic), Pharmacist’s Assistant (Post-Basic), and Pharmacy Technician.

The labour market situation across South Africa's economic sectors is quite unfavourable for job seekers, and Pharmacy is no exception. Having noticed the inability of some of our Bachelor of Pharmacy (BPharm) graduates to attain internships immediately upon graduation, Council has published and implemented *Guidelines for the registration of persons who hold a BPharm as Pharmacist's Assistant (Post-Basic)*. These aim to eliminate the period of limbo that some graduates may find themselves in while still searching for Pharmacist Intern opportunities, by allowing them to practise the scope of a Pharmacist's Assistant (Post-Basic).

Over the year under review, we have continued to work together with all stakeholders and partners in pursuit of shared objectives and Council's mandate. The need for a concerted effort against all public health challenges continues to be amplified as the national health system grapples with COVID-19, which exacerbates the strain already applied by rising HIV infections and the onslaught of lifestyle diseases in our communities. Similarly, Pharmacy as a profession continues to face hurdles as it advances in line with changing health care demands and the unique conditions of the South African national health care system. As such, Council will continue collaborating with pharmacy associations and industry formations, other Statutory Health Councils, the Ministry of Health and other stakeholders, as disunity amongst ourselves can only mean disasters for the 60 million South Africans whose faith is in all of us for their health and wellbeing. As it is said among the Sotho-Tswana languages of Southern Africa, "*Tau tša hloka seboka di šitwa ke nare e hlotša*" (this African proverb translates as follows: *lions who do not work as a united pride get defeated by a limping buffalo*).

Once again, the Pharmacy profession has shown leadership in the health sector by leading in administering most of the COVID-19 vaccines in the private sector, as at the time of writing. I applaud the members of the profession for ensuring that our country gets vaccinated and accordingly protected from the severity of the COVID-19 infections.

Our work is not the result of siloed labour, as such all the achievements of Council highlighted in the following pages could not have been possible without the input and support of various stakeholders and partners. It is for this reason that, on behalf of the 24-member Council collective, I express our gratitude to the following for their continued support and collaboration: the Ministry of Health, the nine members of executive councils (MECs) responsible for health across South Africa, all Statutory Health Councils, education and training councils and quality assurers, the South African Health Products Regulatory Authority (SAHPRA), law enforcement agencies, pharmacy industry formations and professional associations across the lengths and breaths of our beautiful country and, last but not least, each and every registered person of our beautiful profession.



MR MD PHASHA
PRESIDENT

Registrar & CEO's Performance Overview

The number 12 holds significance across many cultures, professions and civilisations. It is present in most facets of our lives, signifying completeness; for instance, the Gregorian/Julian calendars, used across most of the modern world, comprises 12 months, an average human has 12 pairs of ribs, so is the number of hours on a clock face. We refer to the significance of this number as we are thrilled to announce that Council has achieved its twelfth consecutive clean audit opinion in 2020.

Clean audits, if not supported by evidence of service delivery and fulfilment of strategic objectives, are only splendid hollow ornaments signifying sore emptiness, and therefore, meaningless. The volume and value of actual operational output and the confirmation of financial prudence are key co-dependent measures of an organisation's fulfilment of purpose. We are confident that the highlights of Council's 2020 strategic, operational and financial governance outputs as contained in the following pages attest to this.

This overview would be glaringly incomplete if I omit the expression of my sincerest gratitude to the former Registrar & CEO of the South African Pharmacy Council, Mr Amos Masango, who had sterlingly steered the Office of Council to many a glory across various of its strategic objectives, including growing the pharmacy human resources to meet national health objectives, managing Council resources in a manner that appreciates the need for both proper governance and control, as well as the continued sustainability of operations, and executing Council's legislative mandate with precise rigour. Mr Masango has also presided over and led the execution of the splendid work we report on throughout this report. On behalf of the staff in the Office of the Registrar, Council, and the profession, I thank Mr Masango for his leadership, stellar work, and guidance throughout his period at the helm of the Office of the Registrar.

The following paragraphs provide highlights of the performance outputs executed by Council, its committees, and the Office of the Registrar in 2020.

Universally acceptable standards

Standard setting, review and development is at the core of pharmacy education and training, pharmacy practice and pharmacy professionals' ethical conduct. In response to various factors, including, but not limited to, changes in the practice environment, national legislation, national health objectives and advances in pharmaceutical care, Council continuously reviews, updates and establishes standards to ensure the advancement of the profession and to protect the public's right to quality pharmaceutical care. Among standards and guidelines published for implementation during the year under review are the following:

Good Pharmacy Education Standards for the Occupational Qualification Sub-Framework

This set of Good Pharmacy Education (GPE) standards was developed to enable the actualisation of the new Occupational Certificates for Pharmacy Support Personnel (PSPs) and to ensure that there is no break in the training of new PSPs at the expiry of the current Pharmacist's Assistants' qualifications.



Mr VM Tlala
Registrar/CEO

Guidelines for the registration of persons who hold a Bachelor of Pharmacy (BPharm) as Pharmacist's Assistant (Post-Basic)

These guidelines came about as a result of Council observing that some BPharm graduates find themselves unemployed despite completing their qualifications, due to limited internship placement opportunities. In line with these guidelines, BPharm graduates without internship can now be registered as Pharmacist's Assistants (Post-Basic) while they are still searching for an internship placement.

Guidance document for continuing professional development

With 2020 being the first year of CPD compliance, pharmacists needed guidance on the process of engaging in CPD and recording CPD activities on Council systems. The *Guidance document for continuing professional development* was developed as part of supplementary orientation material and interventions to help pharmacists comply with CPD requirements.

Safeguarding the rights of the public to pharmaceutical care that complies with universal norms, maintaining the dignity and integrity of the profession

In pursuit of Council's objects as spelt out in Section 3, sub-sections (c), (d), and (g), more than 1 400 premises inspections were conducted throughout the country, despite having only about half a year to conduct inspections due to the national COVID-19 lockdown. The rate of compliance to Good Pharmacy Practice (GPP) as measured through the achievement of Grades A & B inspection outcomes is currently 75% nationally, with 1 036 and 89 pharmacy facilities achieving Grade A and B inspection outcomes respectively. However, it is concerning that 368 (25%) of the facilities achieved inspection outcomes indicating higher GPP shortcomings. The Office of the Registrar will continue guiding the Responsible Pharmacists across all Grade C pharmacies towards improving compliance so as to ensure that patients are guaranteed pharmaceutical care consistent with the requirements of the GPP.

As the President of Council alluded in his foreword to this annual report, there had been a tremendous decrease in the number of professional misconduct cases referred to the Committee of Formal Inquiry (CFI) by both the committees for Preliminary Investigation and Informal Inquiries, with the CFI only having heard two (2) matters in 2020 as compared to 25 in 2019.

Ensuring the attainment of Human Resource for Health 2030 targets

Despite the hard lockdown of 2020, the Office of Council continued to efficiently operate owing to a shift to remote work, which was carried out on the strong backbone that is our Information Communication Technology (ICT) infrastructure. This remote continuation of operations ensured that Council continues to support the profession and carry out its objectives unperturbed. The volume of successful registration applications processed by the Office of the Registrar increased by 15,9% year-on-year, from 12 123 in 2019 to 14 052 in 2020.

A large number of new applications were from Learners (Basic and Post-Basic Pharmacist's Assistants) at 5 140 (or 36,6%). These were followed by Qualified Basic and Post-Basic Pharmacist's Assistants (2 517 or 17,9%), Tutors (1 876 or 13,4%), Responsible Pharmacists (958 or 6,8%), Pharmacy Students (952 or 6,8%), Pharmacist Interns (895 or 6,4%), Community Service Pharmacists (771 or 5,5%), and Pharmacists after Community Service (761 or 5,4%). Applications from Pharmacy Technicians (PT), PT Trainees, Assessors and Moderators collectively amounted to 1,2% (172) of all new registrations in 2020.

Effective and efficient management of the Office of Council

The stewardship role of the Office of the Registrar towards the assets of Council has continued to be executed with steadfast adherence to good governance principles. Despite non-current assets declining 7,8% primarily due to a depreciation in the value of Council's investment property and intangible assets (computer software) between 2019 and 2020, the value of total assets increased 8,2%. This has been largely due to a positive growth in current assets of 17,2% over the same period.

The financial sustainability of Council's operations, and its ability to service financial commitments and creditors, continues to be ensured. Between 2019 and 2020, Council's liquidity ratio appreciated by 0,22% from 1.13 to 1.35.

Supporting the profession throughout the COVID-19 period

The selflessness and heroic commitment exhibited by pharmacy professionals at the height of COVID-19 in South Africa has not gone unnoticed. Council had engaged in various efforts to support these frontline health care workers. These efforts, amongst many others, included the temporary registration of previously removed registered persons without levying restoration fees, the recognition of pharmacy professionals as essential workers to enable travel and the provision of pharmaceutical care throughout the hard lockdown, and ensuring pharmacy professionals have access to the health care worker COVID-19 vaccination phases. Furthermore, deadlines for both Continuing Professional Development (CPD) compliance and annual fees were extended, and a moratorium was placed on 2021 annual fee increases by Council.

Appreciation

It is said that organisations are creatures of their environments. Enabling environments, favourable environmental factors and progressive co-participants have the ability to positively affect the attainment of both strategic goals and service delivery imperatives. It is for this reason that I wish to acknowledge and appreciate the pharmacy professionals who continue to work tirelessly to ensure the health of the nation and the defeat of COVID-19, the staff in the Office of the Registrar, the Ministry of Health, and education and training authorities and institutions. I also express gratitude to the Council collective, organised pharmacy (comprising all associations and unions of professionals, owners and students), and our collaborators within the health care regulatory environment, including, but not limited to, the Office of Health Standards Compliance, South African Nursing Council, South African Health Products Regulatory Authority, Council for Medical Schemes, and the Health Professions Council of South Africa.



MR VM TLALA
REGISTRAR/CEO

Council Role & Responsibilities



South African Pharmacy Council

principles form part of the councillors' responsibilities and are embedded in the Charter of Good Practice of the South African Pharmacy Council: Charter for Councillors. Councillors are required to familiarise themselves with both the objectives of Council as outlined in the Pharmacy Act and their responsibilities as outlined in the Charter for Councillors.

Council is representative of the profession and consists of 25 members, of which 16 are appointed by the Minister of Health, and 9 are elected by pharmacists.

Objectives and Functions of Council

In terms of the Pharmacy Act and the Council's Strategic Plan 2018 - 2023, Council's objectives are to:

- Assist in the promotion of the health of the population of the Republic of South Africa.
- Advise the Minister of Health or any other person on any matter relating to pharmacy.
- Promote the provision of pharmaceutical care which complies with universal norms and values, in both the public and private sectors, with the goal of achieving definite therapeutic outcomes for the health and quality of life of a patient.
- Uphold and safeguard the rights of the general public to universally acceptable standards of pharmacy practice in both the public and private sectors.
- Establish, develop, maintain and control universally acceptable standards for:
 - pharmaceutical education and training;
 - the registration of a person who provides one or more or all of the services which form part of the scope of practice of the category in which such person is registered;
 - the practice of the various categories of persons required to be registered in terms of the Pharmacy Act;
 - the professional conduct required of persons registered in terms of the Pharmacy Act; and
 - the control of persons registered in terms of the Pharmacy Act by investigating in accordance with the Pharmacy Act complaints or accusations relating to the conduct of registered persons.
- Promote transparency to the profession and the general public in achieving its objectives, performing its functions, and executing its powers.
- Maintain and enhance the dignity of the pharmacy profession and the integrity of persons practising the profession.

The South African Pharmacy Council (hereinafter referred to as "Council") is an independent statutory health council established in terms of the Pharmacy Act, 53 of 1974, to regulate the pharmacy profession. The SAPC is vested with statutory powers of peer review and embraces as its objectives those outlined in the Pharmacy Act.

The Council is responsible for its own funding and endorses the principles contained in the King IV Code on Corporate Governance (2016). These

Governance Structure

The Council is custodian of the management and control of the profession and its meetings are public. Management and various committees support Council in carrying out its mandate.

Council Members (2018 - 2023)

Mr Mogologolo David Phasha
Ms Boitumelo Molongoana
Mr Tshegofatso Daniel Moralo
Prof. Yahya Essop Choonara

Ms Jacqueline Ann Maimin

Mr Ayanda Soka

Dr Moliehi Matlala

Ms Mmapaseka Steve Emily Letsike

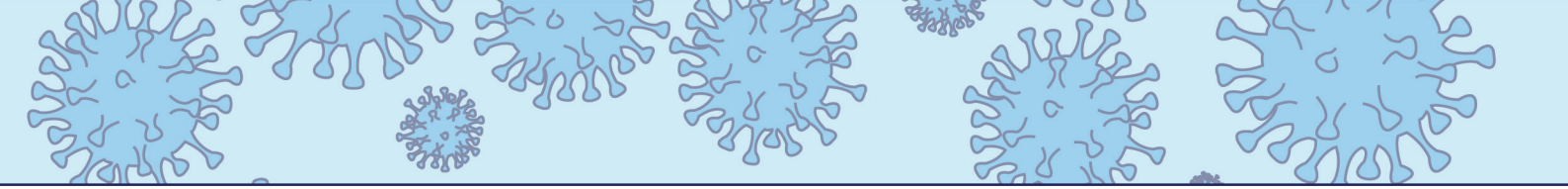
Mr Johannes Stephanus du Toit

Dr Margaritha Johanna Eksteen

Ms Khadija Jamaloodien

Ms Pakama Pateka Tandokazi Dlwati
Ms Helen Catherine Hayes
Ms Josephine Winley Herbert
Mr Pieter Johannes Kilian
Prof. Sarel Francois Malan
Ms Moitsoadi Sarah Mokgatlha
Prof. Natalie Schellack
Dr (Adv.) Nazreen Shaik-Peremanov
Ms Tlou Mavis Shivambu
Mr Mosiuoa Shadrack Shuping
Prof. Ilse Truter
Ms Christina Aletta Venter
Prof. Petrus de Wet Wolmarans

President
Vice-President
Treasurer
Chairperson:
Education Committee
Chairperson: Practice
Committee
Chairperson: CPD
Committee
Chairperson:
Pre-registration
Committee
Chairperson: Health
Committee
Chairperson:
Committee of
Preliminary
Investigation
Chairperson:
Committee of Informal
Inquiries
National Department of
Health Representative



PART B

PERFORMANCE INFORMATION

Corporate Services



Mr VM Tlala
Chief Operations Officer
(2020)

Strategic focus area

The activities of the Corporate Services Department focus on five of Council's strategic objectives, which are to:

- Assist in the promotion of the health of the population of the Republic of South Africa.
- Advise the Minister of Health or any other person on any matter relating to pharmacy.
- Provide managerial and administrative support to the Office of the Registrar.
- Coordinate the activities of Council by appointing committees.
- Promote transparency to the profession and the general public.

The end of the first quarter of 2020 saw South Africa react to the world-wide COVID-19 pandemic, with the Honourable President of South Africa declaring a national disaster on 15 March 2020, and the country going into an unprecedented lock-down from 26 March 2020. The Council, EXCO and the Office of the Registrar identified that as a regulatory body for frontline healthcare workers there would need to be support for pharmacies, pharmacists and pharmacy support personnel. In addition, cognisance was taken of the fact that such support required that the business of Council and the Office of the Registrar had to continue as normal.

This resulted in the Office of the Registrar coordinating and implementing that staff members be able to work from home and that Council and its committee meetings could continue using virtual platforms.

The Executive Committee of Council

The Executive Committee of Council (EXCO) is mandated to assume the following fundamental responsibilities as provided in Regulation 13 of the *Regulations relating to office-bearers*:

- (a) matters which, in the opinion of the President, require urgent attention;
- (b) matters relating to registers, staff and the administration of the Council office and finances;
- (c) matters which fall within the terms of reference of other committees that require urgent attention; and
- (d) matters which fall outside the terms of reference of other committees of Council.

EXCO, in close collaboration with the Office of the Registrar, assisted in ensuring that pharmacies and pharmacy professionals were correctly included in the national disaster regulations by both the Departments of Health and Trade and Industry, as well as the Minister of Police, as essential services - medical and health. This ensured that pharmacies would be exempt from any restrictions in terms of trading hours, and that pharmacy staff would be able to travel to and from their place of work potentially outside of the travel times mandated for essential services workers.

EXCO further considered various financial matters, including the extension of the deadline for the payment of annual fees, and the relaxing of payment of restoration fees for persons who have previously been removed from the register. This was in acknowledgement of the need for more pharmacists as front-line workers. In November 2020, EXCO resolved that there would be no increase in the fees payable to Council for the next financial year, understanding the financial burden the profession had and was still facing with the continued pandemic.

The other committees of Council were also reliant on EXCO in considering matters that required urgent attention as a result of the pandemic:

- (a) In terms of the Practice Committee, these included matters around pharmacies limiting their scope of services to focus on COVID-19 cases, the closure of pharmacies due to COVID-19 infections, the extension of schedule 2 to schedule 4 prescriptions from 6 months to 12 months and the necessary guidelines to the profession in ensuring that this was carried out in a professional and ethical manner, the delayed but necessary inspections of pharmacies and the establishment of field hospitals and the provision of pharmaceutical services to such healthcare facilities.
- (b) In terms of the Education Committee, these included matters pertaining to the disruption in learning for BPharm students and in particular 4th year students being able to finish their studies. In this regard, EXCO had to consider recovery plans by various providers. EXCO further considered the delay in monitoring visits.
- (c) In terms of the Pre-Registration Committee, these included matters pertaining to the pre-registration online examination, that despite being delayed, was eventually conducted online and remotely.

2020 Board Notices

The Office of the Registrar facilitated the publishing of the following Board Notices in the *Government Gazette* during 2020:

Continuing Professional Development

Board Notice 80/2020, published on 3 July 2020, Restoration requirements and process for pharmacists who have been removed from the register (for implementation); and

Board Notice 82/2020, published on 3 July 2020, Guidance document for continuing professional development (for implementation).

Education

Board Notice 78/2020, published on 3 July 2020, Good Pharmacy Education Standards - Occupational Qualification sub-framework (for implementation).

Finance

Board Notice 26/2020, published on 6 March 2020, proposed *Regulations relating to the fees payable to Council* (for comment); and

Board Notice 132/2020, published on 4 November 2020, Fees payable to Council for 2021, which board notice was an extension to Board Notice 188/2019.

Good Pharmacy Practice

Board Notice 81/2020, published on 3 July 2020, Minimum standard for trading titles (for implementation);

Board Notice 100/2020, published on 28 August 2020, Minimum standard for the disposal and destruction of medicine (for comment); and

Board Notice 139/2020, published on 27 November 2020, Minimum standard for another practice or business in a pharmacy or a pharmacy in another business (for comment).

Pre-Registration

Board Notice 79/2020, published on 3 July 2020, Guidelines for the registration of persons who hold a BPharm as Pharmacist's Assistant (Post-Basic) (for comment); and

Board Notice 138/2020, 27 November 2020, Guidelines for the registration of persons who hold a BPharm as Pharmacist's Assistant (Post-Basic) (for implementation).

2020 Attendance at meetings

In terms of the principles of Corporate Governance and legal principles of administrative law, Council and Committee members must exercise their discretion in making decisions or providing recommendations to Council. This should be done within the confines of the Pharmacy Act and associated regulations.

The Council committees, appointed in terms of Section 4(o) of the Pharmacy Act, consider and discuss matters relevant to their portfolios as provided in various regulations and terms of reference, and provide recommendations to Council for consideration. Council makes decisions in terms of its general functions as contained in Section 4 of the Pharmacy Act, in consideration of the recommendations provided by various committees. For Council to be transparent to both the profession and public in achieving its objectives, performing its functions and exercising its powers, Council resolutions are published as a standard feature in each edition of the *e-Pharmaciae*.

For purposes of Corporate Governance, the attendance registers for 2020 Council and Committee meetings are represented in the tables below:

Date of meeting	Total members	Present			Apologies		
		Day 1	Day 2	Day 3	Day 1	Day 2	Day 3
11-13 February 2020	25	23	23	21	2	2	4
9-11 June 2020	24	23	22	21	1	2	3
21/22 July 2020	24	20	20		4	4	
14/15 October 2020	24	20	21		4	3	

Table 1: Attendance at Council meetings

Date of meeting	Total members	Present		Apologies	
		Day 1	Day 2	Day 1	Day 2
27 February 2020 (Special)	11	9		2	
3 April 2020 (Special)	11	8		3	
17 April 2020 (Special)	11	10		1	
23 & 30 April 2020	11	9	7	2	4
10 & 17 September 2020	11	7	10	4	1
26 November 2020 (Special)	11	9		2	
15 December 2020 (Special)	11	9		2	

Table 2: Attendance at Executive Committee meetings

Date of meeting	Total members	Present	Apologies
12 March 2020	6	6	0
16 April 2020 (Special)	6	6	0
2 July 2020	6	6	0
20 August 2020	6	5	1
5 November 2020	6	2	4

Table 3: Attendance at Continuing Professional Development (CPD) Committee meetings

Date of meeting	Total members	Present	Apologies
11 February 2020 (Special)	10	9	1
10 March 2020	10	6	4
7 April 2020	10	10	0
28 May 2020 (Special)	10	8	2
30 June 2020	10	8	2
18 August 2020	10	10	0
2 September 2020 (Special)	10	9	1
3 November 2020	10	10	0
3 December 2020	10	9	1
14 December (Special)	10	8	2

Table 4: Attendance at Education Committee meetings

Date of meeting	Total members	Present		Apologies	
		Day 1	Day 2	Day 1	Day 2
15 January 2020 (Special)	10	7		3	
11 March 2020	11	10		1	
20 March 2020 (Special)	11	9		2	
2 April 2020 (Special)	11	9		2	
27 April 2020	11	9		2	
1 & 9 July 2020	11	10	10	1	1
30 July 2020 (Special)	11	6	9	5	2
19 August & 1 September 2020	11	10	9	1	2
30 September 2020 (Special)	11	7		4	
4 November 2020	11	9		2	

Table 5: Attendance at Practice Committee meetings

Date of meeting	Total members	Present	Apologies
9 March 2020	9	8	1
22 April 2020 (Special)	9	5	4
28 April 2020	9	6	3
21 May 2020 (Special)	9	7	2
29 June 2020	9	7	2
16 July 2020 (Special)	9	6	3
17 August 2020	9	8	1
2 November 2020	9	8	1
14 December 2020 (Special)	9	6	3

Table 6: Attendance at Pre-Registration Committee meetings

Date of meeting	Total members	Present		Apologies	
		Day 1	Day 2	Day 1	Day 2
19 March 2020	7	5		2	
24 June & 7 July 2020	7	6	6	1	1
26/27 August 2020	7	5	7	2	0
2 November 2020	7	5		2	

Table 7: Attendance at Health Committee meetings

Date of meeting	Total members	Present		Apologies	
		Day 1	Day 2	Day 1	Day 2
19/20 February 2020	5	5	5	0	0
8 July 2020	5	5		0	
27/28 October 2020	5	4	4	1	1

Table 8: Attendance at Committee of Informal Inquiries (CII) meetings

Date of meeting	Total members	Present						Apologies					
		Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6
3/4 March 2020	6	5	6					1	0				
15, 22 June & 6, 13, 20, 27 July 2020	6	6	6	5	6	6	6	0	0	1	0	0	0
9, 16-18, 23 November & 7 December 2020	6	5	6	5	5	4	5	1	0	0	1	2	1

Table 9: Attendance at Committee of Preliminary Investigation (CPI) meetings

Date of meeting	Total members	Present				Apologies			
		Day 1	Day 2	Day 3	Day 4	Day 1	Day 2	Day 3	Day 4
26 February 2020	3	3				0			
30 November & 1-3 December 2020	3	3	3	3	3	0	0	0	0

Table 10: Attendance at Committee of Formal Inquiries (CFI) meetings

Date of meeting	Total members	Present	Apologies
26 May 2020	6	6	0
11 August 2020	6	6	0
10 November 2020	6	6	0

Table 11: Attendance at Audit Committee meetings

Date of meeting	Total members	Present	Apologies
28 April 2020	8	7	1
8 September 2020	8	8	0
27 October 2020	8	7	1
24 November 2020	8	7	1

Table 12: Attendance at Trustees meetings

Date of meeting	Total members	Present	Apologies
21 August 2020	3	3	0
25 November 2020	3	3	0
7 December 2020	3	2	1
18 December 2020	3	2	1

Table 13: Attendance at Bargaining Committee meetings

Date of meeting	Total members	Present	Apologies
8 September 2020	6	6	1
8 October 2020	6	6	0
24 November 2020	6	5	1

Table 14: Attendance at REMCO meetings

Communication and Stakeholder Relations

Strategic focus area



Ms E Venter
Senior Manager:
Communication and
Stakeholder Relations

The activities of the Communication and Stakeholder Relations (CSR) Department focus on four of Council's strategic objectives, which are to:

- Assist in the promotion of the health of the population of the Republic of South Africa.
- Advise the Minister of Health or any other person on any matter relating to pharmacy.
- Promote transparency to the profession and the general public.
- Provide managerial and administrative support in respect of communications and stakeholder engagement to the Office of the Registrar.

In line with the above strategic focus areas, the department is responsible for public and media relations, general communication and publication-related activities for both internal and external stakeholders. In addition, the department manages Council's customer and logistics services.

Corporate Communication

The CSR Department spent most of the first half of 2020 focused on delivering COVID-19 related communication programmes. Stakeholder communication efforts in relation to COVID-19 were carried out by way of email and Short Message Service (SMS) campaigns. CSR carried out fifteen (15) COVID-19 related direct stakeholder communication campaigns, ranging from awareness creation to guidelines and advice campaigns.

In April 2020, CSR developed and released the *SAPC Infection Prevention Guidelines for Pharmacy* to the profession and the public, through an email campaign, the SAPC website and its social media platforms. Additionally, CSR developed the *SAPC COVID-19 Resource Page* on our website for the pharmacy profession. From this page, pharmacy-specific regulations, guidelines and information were provided to the profession to ensure professional compliance and continuity of the provision of pharmaceutical services.

To ensure foreign-qualified persons wishing to apply for registration had a comprehensive information source and to ensure the satisfaction of this stakeholder group, CSR developed the *Foreign-Qualified Persons Portal* on the SAPC website during the first half of 2020. In the second half of the year, CSR developed a plan for the SAPC COVID-19 Wall of Remembrance to honour fallen pharmacy professionals who succumbed to COVID-19.

To ensure improved compliance to Continuing Professional Development (CPD) requirements among pharmacists, pharmacy support personnel and pharmacies, CSR, together with the CPD & Registrations Department, developed a communication programme encompassing social media, direct email, SMS communication and a CPD Blog. The rollout of this programme is underway.

CSR reconfigured the WebQuery Contact Form to improve turnaround times on requests made by our stakeholders. This was achieved through building in functionality on the website to identify the stakeholder category and their request type, thus ensuring immediate routing to the relevant service point within the organisation.

CSR has also supported Council's compliance with COVID-19 Regulations by developing and digitising screening forms for events attended by external stakeholders and Council members, such as examinations and Council meetings.

SAPC IP PBX self-help functionality

To enhance the customer service experience, the self-help functionality on VOIP-PBX when telephoning Council was introduced in 2014. Customers are now able to interactively request Council's banking details, their login passwords on the secure site and their individual financial statements. Table 15 below indicates the types of activities the functionality recorded in 2020 in comparison with 2017, 2018 and 2019.

Type of transaction requests	Number of users			
	2017	2018	2019	2020
Council's banking details	1 242	265	1 100	1 322
Login passwords	191	288	1 165	6
Financial statements	1 449	397	2 341	1 080

Table 15: Usage of Council's IP PBX self-help functionality

SAPC website

CSR attended to 147 updates to the SAPC website in the period under review. There have been 403 641 (50,2%) more sessions recorded on the SAPC website in 2020 (1 208 072 sessions) than there were in 2019 (804 431 sessions). There was a 27,8% increase in the number of page views, from 4,4 million page views in 2019 to 5,7 million page views in 2020.

Logins to the secure site of the website continued to increase. Between 2019 and 2020, total logins to the secure site increased by 47,8%; from 400 139 in 2019 to 591 550 in 2020.

Recorded logins by category	2017	2018	2019	2020
Provider/Employer Administration	15 504	13 250	14 110	11 688
SAPC - Organisations	6 463	5 279	7 199	11 648
SAPC - Registered Persons	308 084	322 844	378 830	568 214

Table 16: Logins recorded per category

The following web development projects were also carried out in-house from start to finish: Foreign Qualified Persons Portal, South African COVID-19 Pharmacy Wall of Remembrance, COVID-19 Resource Centre/Page, and the Continuing Professional Development (CPD) Blog.

Public and Media Relations

In the 2020 reporting period, public and media relations efforts comprised of a media statement, opinion pieces, media replies, and social media and press campaigns on various COVID-19 themes. Pharmacy Month material was developed; however, the initiative was not executed due to the Director-General: Health's decision to suspend the annual awareness programme in favour of encouraging a concerted effort in the fight against COVID-19.

In the period under review, the Council and/or its activities were subject of 43 media coverage items. These included twenty (20) news item mentions, ten (10) online news articles, six (6) print media articles, and seven (7) broadcast interviews. In addition to these, the Office of the Registrar provided media comment and replies to media queries on six (6) occasions. The President of Council, Registrar, as well as the Chief Operating Officer (COO), attended to media interviews on matters such as stockpiling of medicines at the beginning of the national lockdown, as well as the 2020 World Pharmacist's Day.

Social & Digital Media

As of 2020, the Council is actively engaging stakeholders through the four most popular social network platforms (Facebook, Twitter, Instagram, LinkedIn) and the world's leading video network, YouTube. CSR has managed to increase the combined social media audience of the SAPC by 63,7%, from 6 146 followers in 2019 to 10 058 in 2020. The total post impressions across social media platforms (including YouTube views) were at 556 931 in 2020, and YouTube videos total watch time was 387 hours.

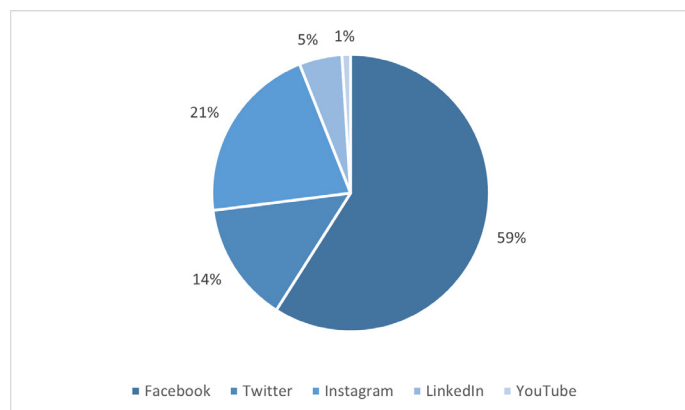


Figure 1: Social Media Audience Share

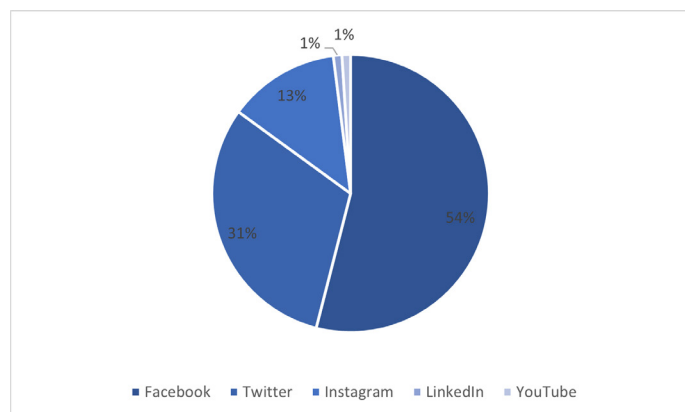


Figure 2: Impressions by social network

2020 Pharmacy Month

CSR participated in the 2020 Pharmacy Month Committee and enabled the production of campaign material, encompassing posters, pamphlets and digital media banners to create awareness on the theme "Think Pharmacy". The theme aimed to highlight the wealth of services members of the public may benefit from when visiting their local pharmacist.

The materials were translated from English to ten (10) of the other official languages of South Africa. The Pharmacy Month Committee resolved on utilising the 2020 Pharmacy Month material in 2021, following the decision of the Director-General: Health to suspend Pharmacy Month activities in 2020.

Publications

One issue of the *e-Pharmaciae* was published during the period under review (August 2020). The *e-Pharmaciae* serves as the official mouthpiece of Council and the August issue comprised updates on Council decisions, operational changes affecting the profession (such as the introduction of Digital Registration Cards), as well as procedures and guidelines for the pharmacy environment in light of the COVID-19 pandemic.

The 2019 Annual Report was published in 2020. To ensure that the SAPC complies with the country's reporting laws, especially the Legal Deposit Act, 54 of 1997, the Office of the Registrar acquired an International Standard Book Number (ISBN) for the 2019 Annual Report through the National ISN Agency. This will be the second SAPC Annual Report recorded with the ISN Agency and deposited in all places of Legal Deposit in the country.



Internal Communication

During 2020, CSR executed several poster campaigns and email e-notes in order to communicate key information to Council staff members in order to support operational objectives. Given the COVID-19 pandemic, most internal messaging and campaigns centred on infection prevention and ensuring a smooth Work-From-Home experience for staff for improved productivity.

In addition, a COVID-19 Situation Room was developed as part of the SAPC Intranet Portal ("The Beat"). This served to provide updates to staff members and provide answers to COVID-19 related questions. Moreover, a digitised Medical Surveillance Form and a COVID-19 Screening Form were developed and made available through this portal, which is accessible through the web, Android and iPhone mobile applications. This helped the employees disclose comorbidities and submit their screening in a private, confidential and non-intrusive manner, thus mitigating Occupational Health and Safety risks and enabling compliance with COVID-19 regulations.

Further to this, the Department worked on facilitating staff events, including farewell functions and the 2020 general staff annual teambuilding event.

Language Support

CSR provided language and document support on 158 documents during the reporting period. Services provided included the drafting of documents, language review, editing and/or proofreading. In relation to Legal Services and Professional Conduct documents, transcription services were also provided. CSR has engaged in both grammatical and substantive editing of documents ranging from stakeholder communication, presentations and promotional material to standard documents and board notices, amongst others.

Stakeholder Relations and Engagement

Online developments

SAPC Registration App

The SAPC launched the SAPC Registration App in 2020 to simplify access to SAPC services and enhance pharmacy professionals' service experience. The SAPC Registration App allows registered pharmacy professionals to easily access their secure profile from their mobile devices anywhere, anytime - minimising the hassle of having to carry a physical registration card, which may get lost.

An active profile represents the registered pharmacy professional with a digital registration card, which can be presented to an inspector or employer for verification.

Other functions on the SAPC Registration App allow registered pharmacy professionals to:

- Submit their CPD entries;
- Amend personal details;
- View and manage registration; and
- View and display registration card.

The App can be installed from Google Play (bit.ly/3xiXcBB) or on the Apple iStore (bit.ly/SAPCIoS).

Online payments

During 2020, online payment transactions totalled R8 042 155.25. A total of 5 508 pharmacy professionals used the online payment functionality.

Stakeholder Engagement

Two Stakeholder Forum meetings were facilitated in 2020. The purpose of these meetings is to communicate Council decisions, to engage with stakeholders on matters of professional interest and to discuss the impact of the lockdown regulations as a result of the COVID-19 pandemic. The meetings were attended by members of different professional associations, provincial representatives, heads of pharmacy schools, heads of pharmaceutical services and skills development providers.

Instant messaging and e-messages

- SMS campaigns: A total of 237 834 SMSs were sent out during the period under review
- Bulk email campaigns: A total of 53 bulk e-campaigns were conducted during 2020 to communicate with pharmacy stakeholders

Service Delivery Surveys

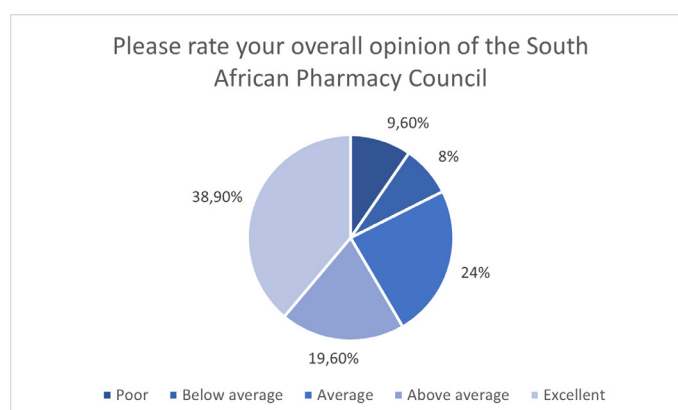


Figure 3: Overall satisfaction rating of Council's service delivery

	2016	2017	2018	2019	2020
Excellent/ Above average	33%	35%	36%	60%	58,5%
Average	24%	22%	21%	24%	24%
Poor/ Below average	43%	46%	43%	16%	17,6%

Table 17: Service Delivery Rating comparison 2016-2020

Contact Centre

Telephones

	2016	2017	2018	2019	2020
Number of incoming calls	70 660	66 625	57 126	67 401	22 508
% of Calls serviced	88.7%	91.1%	95.2%	85.4%	88.5%

Table 18: Contact Centre Service rating comparison 2016-2020

The Contact Centre received 22 508 incoming calls and serviced 88.5% of the calls during 2020. This reflected a decrease in calls handled by the Contact Centre of 44 893 due to lockdown and the call centre not being operational from 25 March 2020 to 1 September 2020. The decrease in telephone calls is also as a result of focused attention being given to multi-media platforms to communicate with stakeholders, as well as the availability of self-service platforms.

E-mails CRM

Email Type	2020	Service Level
Customer Care	37 142	82%
Finance	5 451	

Table 19: E-mails received by Contact Centre

- Customer Care: 37 142 emails received with 28 hours elapsed time average before being handled
- 82% Service Level achieved for Customer Care emails
- Escalated emails: 11 149
- Replied emails: 27 824
- Outbound emails: 780
- Average time spent on an email (to respond or forward/escalate): 9 minutes 31 seconds

Front desk and pre-audit of manual applications

Of the 19 896 cases received during the period under review, 3 811 were created manually, the balance of 16 085 were created online. The improved online web functionality and the profession's use thereof has resulted in a decrease in the number of incoming manual cases.

The unit validated 3 811 manual applications during 2020. Of the total number of applications, 3 232 complied with Council's requirements and were, after validation, escalated to the technical departments for immediate processing. A total of 579 applications required a follow up for outstanding documentation.

The Office of the Registrar attended to 2 713 walk-in customers during 2020.

Logistics Centre

Of the 19 896 cases received during the period under review, 20 608 steps were progressed and 10 389 cases were completed.

The unit scanned in 15 136 (dashboard and non-dashboard) documents. In addition, a total of 1 028 grading certificates were printed, scanned and couriered. A further 11 567 certificates and registration documents were printed.

A total of 12 664 items were couriered and 2 630 items posted by EDBN mail. 12 416 documents were uploaded on the dashboard and register. A total number of 468 certificates and 593 cards were returned undelivered, followed up on and actioned.

ID registration card

Council's registration cards are fitted with security and barcode features with ID/passport photos. From printing to couriering, the process is in-house, which simplifies the handling of communication queries. A total of 3 207 ID registration cards were printed and issued in 2020, for Pharmacist's Assistants (Basic) and (Post-Basic), and Pharmacists.

The printing of the cards has been discontinued due to the new registration application (the SAPC Registration APP) containing the relevant information and replacing the cards. The last physical registration card was issued on 6 August 2020.

Professional Affairs: Practice

Strategic focus area



Ms MM Mokoena
Senior Manager: Professional
Affairs (Practice)

The activities of the Professional Affairs: Practice Unit focused on four of Council's strategic goals, that is to:

- Promote the provision of pharmaceutical care which complies with universal norms and values in both the public and the private sectors, with the goal of achieving definite therapeutic outcomes for the health and quality of life of a patient.
- Uphold and safeguard the rights of the general public to universally acceptable standards of pharmacy practice in both the public and private sectors.
- Establish, develop, maintain and control universally acceptable standards of practice in the various categories of persons required to be registered in terms of the Pharmacy Act, as well as the promotion of the provision of pharmaceutical care.
- Establish, develop, maintain and control universally acceptable standards of practice in the professional conduct required of a person registered in terms of the Pharmacy Act.



Ms JA Maimin
Chairperson: Practice
Committee

Practice Committee

The Practice Committee held nine (9) meetings in 2020, of which five (5) were ordinary meetings and four (4) were special meetings. Ms Jackie Maimin sat as Chairperson of the Practice Committee.

During this period, the Committee developed new Good Pharmacy Practice (GPP) standards, reviewed some existing standards, and discussed compliance with these standards using reports from an inspection tool as a measure of compliance.

The Committee also finalised and implemented the revised inspection grading methodology, applications for Section 56(6) of the Nursing Act, 33 of 2005, reports on Good Pharmacy Practice (GPP) recommendations for the Director-General: Health to issue pharmacy licences, and Section 22A(15) permits issued in terms of the Medicines and Related Substances Act, 101 of 1965.

Standard setting

The Practice Committee drafted a number of standards and guidelines to support the promotion of the provision of pharmaceutical care, which complies with universal norms and values in both the public and the private sectors. The Committee also reviewed comments on standards that were previously published for comments and such standards were recommended to Council for implementation.

(a) Minimum standards for alternative models of delivery of medicines

Under this umbrella topic, the Committee looked at Regulation 12 of the *Regulations relating to the practice of pharmacy* (GNR. 1158, published on 20 November 2000) which states that a Pharmacist's Assistant (Post-Basic) may perform the acts or provide services as prescribed in sub-regulations 11(5), 11(6), 11(8) and 11(9), as well as the reading and preparation of a prescription, the selection, manipulation or compounding of medicines and the labelling and supply of medicines in an appropriate container under the indirect personal supervision of a pharmacist, provided that the services provided or acts performed are at a primary healthcare clinic or any other facility as approved by Council.

The focus of the discussion was on 'any other facility as approved by Council' as in the *Rules relating to Good Pharmacy Practice* (GPP), there is an existing standard on services which are provided or acts which are performed at a primary healthcare clinic. The discussions were tailored around whether the Practice Committee needs to develop a Criteria for other facilities referred to in Regulation 12 of the Practice Regulations; followed by multiple standards to address such other facilities as there might be more than one form of 'other facilities'. A draft *Criteria for other facilities referred to in Regulation 12 of the Regulations relating to the practice of pharmacy* was developed but is still under discussion.

Council approved that all owners who wish to offer services similar to those provided in a primary healthcare clinic must comply with Rule 1.6 of the GPP *Minimum standard for the supply of medicines in a primary healthcare clinic*.

During the meetings, deliberation went around developing standards for regulating pharmacy services rather than alternative models of delivery of medicines as well as internationally benchmarking the provision of pharmaceutical services using courier services.

The approach for developing a standard for regulating pharmacy services would be able to address some of the requests of the Practice Committee which include *inter alia*, the developing of a minimum standard for outreach pick-up points of medicines for patients who have been stabilised on long-term therapy and utilising a Centralised Medicine Dispensing and Distribution (CMDD) system.

(b) **Minimum standard for substances with a potential to be overused, misused or abused, previously known as 'minimum standard for codeine care'**

Council requested that the Practice Committee relook at the issue of **substances with a potential to be overused, misused or abused previously known as 'minimum standard for codeine care'** developed by the Office of the Registrar.

This followed a meeting between industry and SAHPRA on this matter, where SAHPRA highlighted that they are in the process of reviewing the scheduling status of codeine and codeine-containing medicines, however, they are inviting various industry and professional associations to submit proposals for the amendment and strengthening of the intervention and to make legally enforceable proposals regarding alternatives to re-scheduling codeine to prescription-only status.

The Practice Committee noted communication from SAHPRA indicating that they are in a process of collating, reviewing and analysing the codeine data requested from industry, to ensure that an informed decision on the scheduling of codeine is made. The development of the standard by the Committee has since been put on hold awaiting SAHPRA's final decision on the matter.

(c) **Minimum standard for family planning and sexual health**

The Practice Committee drafted a standard **for family planning and sexual health** to be applied by pharmacists who have undergone Pharmacist-Initiated Management of Antiretroviral Therapy (PIMART) supplementary training and have been issued with a Section 22A(15) permit to offer the PIMART extended scope of practice.

The family planning and sexual health standard encompasses the three previously approved standards:

- Minimum standards for emergency post-coital contraception (EPC);
- Minimum standards for reproductive health services; and
- Minimum standards for the performance of HIV tests;

as well as PIMART, which covers Antiretroviral Therapy (ART), Pre-exposure prophylaxis (PrEP) and Post-exposure prophylaxis (PEP).

The standard will be finalised and published for comment in 2021 once the scope of practice for pharmacists who wish to provide PIMART services is approved by Council.

(d) **Guideline for the removal of pharmacy registration/recording as a result of non-compliance with GPP**

Prior to the development of this guideline, the Practice Committee in 2011 enquired whether Council has the power or legal authority to suspend or the power for removal as per Regulation 72 or temporarily close a pharmacy as per Regulation 74 of the *Regulations relating to the registration of persons and the maintenance of registers*. An external legal opinion was obtained which supported the fact that Council has the power to remove a pharmacy from its register due to non-compliance to GPP.

During the development of this document, the Committee discussed the responsibility of Council to notify the public, in the interests of patient safety, by publishing the names of suspended and removed pharmacies once the guideline is implemented.

The *Guideline for the removal of pharmacy registration/recording as a result of non-compliance with GPP* was approved for implementation following the review of comments submitted by stakeholders. The approved guideline was presented to stakeholders and is available on the SAPC website.

A Notice of Removal has been sent to pharmacy owners for pharmacies that have been without responsible pharmacists for more than 90 days, pharmacies with licences issued by the Director-General: Health, but which licences have not been recorded with Council, and pharmacies that have obtained repeated Grade C inspection results.

The Registrar has established a review panel to ensure the proper implementation of the guideline.

(e) **Minimum standards regarding the destruction and disposal of medicines and scheduled substances**

On 25 August 2017, the Department of Health published the amendments to the General Regulations published under the Medicines and Related Substances Act, 101 of 1965. Regulation 27 of the Medicines Act was replaced by Regulation 44, and the wording in Regulation 44 was changed. This necessitated the amendment to GPP, e.g. Rule 2.32 - *Minimum standard regarding destruction and disposal of medicines and scheduled substances*, where the General Regulations were referenced.

The *Minimum standard regarding destruction and disposal of medicines and scheduled substances* was amended to ensure that the disposal and destruction of medicines and scheduled substances within pharmacies, medicine rooms or Primary Health Care (PHC) clinic dispensaries is undertaken safely and in accordance with the requirements of Regulation 44 of the General Regulations, relevant waste management legislation, and with due regard to minimising the risk of such an activity causing harm to the environment or harm to the health of the people.

(f) **Another business or practice in a pharmacy or a pharmacy in another business**

Rule 1.2.2: *Another business or practice in a pharmacy or a pharmacy in another business*, was reviewed following requests and questions from stakeholders regarding emerging virtual business models. In reviewing this standard, the Committee considered information received from other countries in relation to another business or practice in a pharmacy.

The major change in the standard is the inclusion of "Another business or practice in a pharmacy".

The standard was finalised at the Practice Committee and approved by Council to be published for comment.

(g) **Minimum standard for institutional (public) pharmacy operating a remote automated dispensing unit (RADU)**

The Practice Committee considered a presentation from Right-to-Care (RTC) on the delivery of pharmaceutical services from a Remote Automated Dispensing Unit, in line with a standard previously approved by Council, Rule 1.11: *Minimum standard for institutional (public) pharmacy operating a remote automated dispensing unit (RADU)*.

At the time of approval, the standard was restricted to institutional public pharmacies as a pilot project undertaken by RTC. Council, with advice from the Practice Committee, needs to relook at this standard and decide whether the

provision of pharmaceutical services from a RADU cannot be extended to other categories of pharmacies.

In 2021, a task team will relook at the submission made by RTC and advise the Practice Committee and Council on a way forward.

(h) **Applications submitted to Council in terms of Section 22A(15) of the Medicine and Related Substances Act, 101 of 1965, and Section 56(6) of the Nursing Act, 33 of 2005**

The Practice Committee established a working group consisting of a delegation from NDoH which included a member with a nursing background, members from SANC and SAHPRA, as supported by Council to advise the Practice Committee in dealing with applications in terms of Section 22A(15) of the Medicines Act and Section 56(6) of the Nursing Act. The role of the working group is to draft working documents to answer concerns raised by Council.

The Practice Committee raised the following concerns:

- The Office of the Registrar has to date evaluated applications for Section 22A(15) permits without levying a fee for the services rendered by Council.
- The Committee recommends the issuing of permits for other health professionals on paper and there is no inspection conducted prior to and post issuing of the permit.
- There are no records submitted to Council on permits issued for other health professionals following recommendations by the Committee.

The Practice Committee needed to:

- Establish the resources (human, systems, inspection tools and financial) required to inspect facilities for permit holders prior to and post-issuing of a permit;
- Develop a rollout plan for inspection of these facilities, should the Director-General: Health (DG) agree to the proposal; and
- Make recommendations on the list of medicines attached to different types of permits issued by the DG.

These concerns led to Council making a decision in 2018 that permits for health professionals other than PCDT permits for pharmacists not be approved and that no permits be recommended until Council receives a response from the DG regarding the request for a mandate to inspect Section 22A permit holder facilities in order to make informed decisions regarding GPP compliance, thus ensuring medicine and patient safety.

In the communication to the DG, Council extended their support to the issuing of these permits provided that an inspection is conducted in these facilities prior to and post the issuing of the permits. It was further communicated that although Council does not have the mandate to inspect facilities for other health professionals, they offered the assistance of the Council Inspection Officers to assist the DG with inspections, provided the costs are borne by the applicants.

The following short-term plans were considered by the Committee-

- to develop guidelines as there was never a document developed by the NDoH for these applications, and review the application form;
- to review the process for evaluating the applications; and

- to define the responsibilities of the NDoH and SAPC in reviewing these applications.

The long-term plan for the Committee is to implement an online system for the application and review of such applications, and once implemented, to establish ways of monitoring all permit holders, including dispensing licence holders, acknowledging that this process is entirely dependent on the DG.

In 2020, draft *Guidelines for the completion of the application for a permit in terms of Section 22A(15) of the Medicines and Related Substances Act, 101 of 1965* were presented to the Practice Committee for consideration.

Council awaits a position statement from the SANC on Section 56(6)(d) of the Nursing Act to advise the Practice Committee on how best to handle applications made to Council in terms of this section.

Pharmacy Premises Inspections

Council Inspection Officers

In 2020, the Office of the Registrar facilitated four meetings as well as an *Inspectors' Bosberaad*, which was held over 2 days. During these meetings, updates on the SAPC Inspection Application functionality, inspection questionnaires and Council expectations from inspectors were discussed.

A list of Council inspection officers was updated to include members appointed in 2020 and such list is available on the SAPC website for access by the profession.

Pharmacy Inspection Tool (Inspection questionnaires) and grading of pharmacies

The Office of the Registrar has developed an Inspection App, a self-inspection questionnaire to be completed annually by Responsible Pharmacists (RPs) and an improvement plan system, which was implemented in June 2020. Relevant documents to assist the RP in relation to the process undertaken to review the grading methodology were finalised and published on the website.

Prior to the implementation of the new grading methodology using the new inspection tool, a pilot was conducted to test the app functionality onsite at 100 pharmacy facilities. The other reason for conducting the pilot was to ensure that the system recognises and correctly applies the inspection scoring matrix and non-negotiable critical questions.

Inspection of pharmacies

Despite the ongoing COVID-19 pandemic and the national lockdown in the first half of the year, a total of 1 493 inspections were conducted by the end of December 2020. These included monitoring, training, disciplinary and new pharmacy inspections. COVID-19 and the lockdown had a delaying effect on the pilot project to test the validity and reliability of the new Inspection App and the inspection scoring matrix, resulting in the allocation of inspections only occurring in June 2020.

In June 2020, 1 819 monitoring inspections were allocated. These consisted of Grade A pharmacies (749) last inspected in 2017, Grade B pharmacies (328) last inspected in 2018, Grade C pharmacies (358) inspected in 2019 and Grade D pharmacies (383). Grade D pharmacies are those pharmacies that could not be located at the address of the pharmacy on the register or were not operational at the time of the

previous inspection. Grade D inspections that were allocated in 2020 included only those pharmacies that at the time of a follow-up investigation by the Office of the Registrar as to whether the pharmacies were indeed closed were found to be operational.

There were no inspections conducted for consultant pharmacies. Previously the community pharmacy questionnaires were used to inspect these facilities although the services are not similar. Council approved a new inspection questionnaire in line with the services to be provided by this category of pharmacy. The online system is being reviewed to accommodate this change. Effective from 2021, consultant pharmacies will be inspected using the newly developed questionnaire.

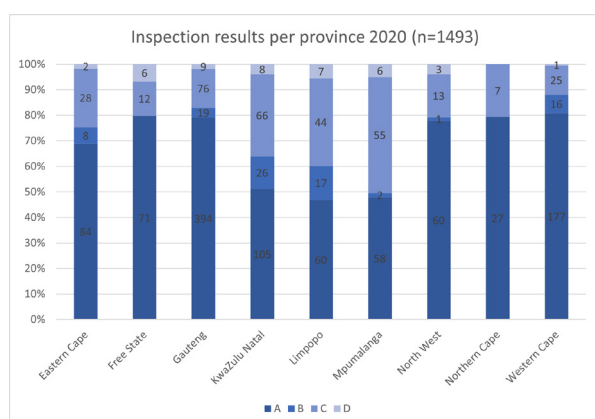


Figure 4: Inspection results per province 2020

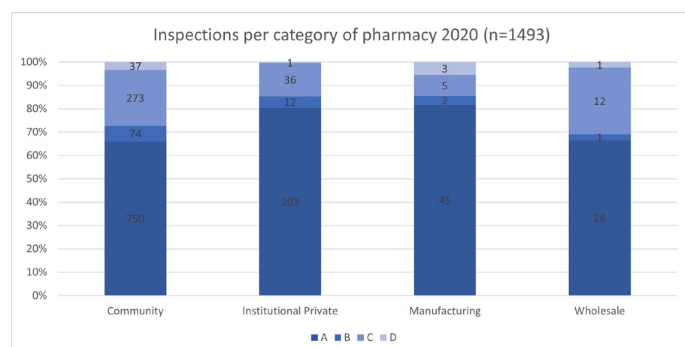


Figure 5: Inspections per category of pharmacy 2020

Licensing and recording of pharmacies

Council evaluated 519 GPP recommendation cases for pharmacy licence applications in 2020, for the DG: Health to issue the relevant pharmacy licences.

The DG: Health issues licences where the GPP requirements as reviewed by Council are satisfactorily met and the application complies with the *Regulations relating to the ownership and licensing of pharmacies*. The list of licences recommended by the Office and licences issued by the DG is presented at each Practice Committee meeting.

In comparing the list of licences issued to those recorded, it became apparent that some owners have been issued with licences which they have never recorded. The Practice Department is continuously engaging pharmacy owners for registered pharmacies where licences were issued but not yet recorded.

Pharmacies that fail to record licences are picked up during inspections and such pharmacies are automatically graded

C as this is considered non-negotiable, and these pharmacies are then dealt with in terms of the *Guidelines for removal as a result of non-compliance to GPP* and other relevant legislation.

A total of 623 licences issued by the DG were recorded by Council in 2020.

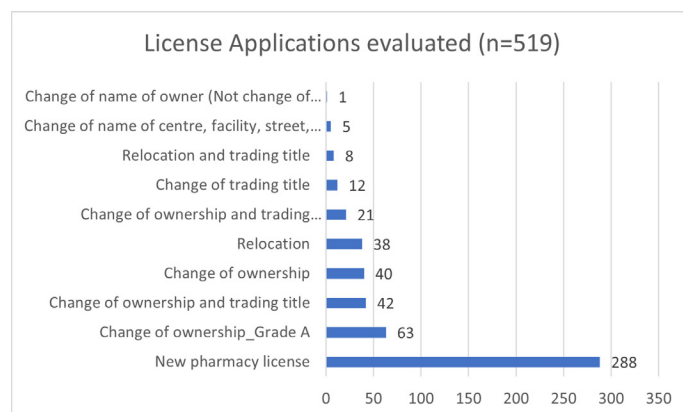


Figure 6: Licence applications evaluated 2020

Recording type	Number
Change of address w/o relocation	3
Change of owner name	1
Change of ownership	208
Recordings new	299
Relocation	32
Change of trading title	16
Grand Total	559

Table 20: Licence applications evaluated 2020

GPP recommendations for the issuing of Section 22A(15) permits

Section 22A(15) of the Medicines Act states that -

"the Director-General may, after consultation with the Pharmacy Council of South Africa as referred to in section 2 of the Pharmacy Act, 53 of 1974, issue a permit to any person or organisation performing a health service, authorising such person or organisation to acquire, possess, use or supply any specified Schedule 1, Schedule 2, Schedule 3, Schedule 4 or Schedule 5 substance, and such permit shall be subject to such conditions as the Director-General may determine."

Council evaluates and makes recommendations on these applications to the Director-General in order to issue these permits. A total of thirty six (36) Section 22A(15) permits for PCDT pharmacists were recommended. No permits for other health professionals were supported by the Practice Committee, although they were evaluated on paper by the Office of the Registrar.

Premises approval for the training of pharmacist interns and pharmacy support personnel

Eight hundred and sixty eight (868) premises were approved for the training of pharmacist interns and pharmacy support personnel by 31 December 2020. This includes applications submitted late in 2019 but approved in early 2020.

Professional Affairs: CPD & Registrations

Strategic focus area



Ms Z Mfuku
Senior Manager: Professional
Affairs (CPD & Registrations)

The activities of the Professional Affairs: CPD & Registrations Unit focused on three of Council's strategic goals, that is to:

- Uphold and safeguard the rights of the general public to universally acceptable standards of pharmacy practice in both the public and private sectors.
- Establish, develop, maintain and control universally acceptable standards for the registration of a person who provides one or more or all of the services which form part of the scope of practice of the category in which such person is registered.
- Coordinate the activities of Council and its committees.



Mr A Soka
Chairperson: CPD Committee

Continuing Professional Development (CPD) Committee

The CPD Committee held five (5) meetings in 2020, of which four (4) were ordinary meetings and one (1) was a special meeting. Mr Ayanda Soka sat as chairperson of the CPD Committee.

During 2020, the CPD Committee finalised the CPD Guidance document for implementation, reviewed the criteria for the appointment of assessors and moderators, reviewed the progress of submissions of CPD

activities by pharmacists, developed the SAPC Registration mobile app and developed the draft competency standards for pharmacy support personnel. The Committee also finalised the restoration process for pharmacists for implementation and the competencies to be covered by the restoration examination. Standards developed and approved by the Committee included the PIMART competency standards and the PCDT competency standards.



Ms MS Letsike
Chairperson: Health
Committee

Health Committee

In 2020 the Health Committee, chaired by Ms Steve Letsike, met 4 times. During the year, the Committee managed 22 cases, with 18 remaining active and 4 being closed by the Committee. The Health Committee further engaged in the development of the following documents which were approved by Council for implementation -

- Guidance document for the Health Committee processes; and
- the Appointment of a psychologist on to the Health Committee.

Registrations

The following categories of persons were registered during 2020. Most of these applications were submitted online, thus resulting in improved turnaround times and data integrity.

Category of persons	Count
Pharmacy students	952
Pharmacist interns	895
Community service pharmacists	771
Pharmacist's Assistants (Basic and Post-Basic)	2 517
Pharmacist's Assistants Learners (Basic and Post-Basic)	5 140
Pharmacist's Assistants (Pharmacy Technician)	66
Pharmacist's Assistants (Pharmacy Technician Trainees)	109
Pharmacists after community service	761
Tutors	1 876
Responsible Pharmacists	958
Assessors and Moderators	7

Table 21: Number of persons registered in 2020

CPD for Pharmacist Interns

The *Guidelines for assessors and moderators of intern competency portfolios* were reviewed in line with the Council schedule for 2020.

Assessors and moderators of intern competency portfolios were appointed for 2020. Training and feedback sessions were conducted for assessors and moderators in January, February, August and September 2020. Assessors and moderators assisted Council in facilitating Intern/Tutor Workshops in all provinces in March 2020 to prepare interns and tutors for submission of CPD entries.

Of the 1 097 pharmacist interns on Council's register, 1 033 were managed for CPD, 138 (13,4%) were registered in 2019 and submitted their CPD entries using the old platform and 895 (86,6%) were registered in 2020 and submitted their CPD entries using the new platform. Of the 138 interns on the old platform, ninety (90) were found to be not yet competent in their CPD portfolios. Of the 895 interns on the new platform, 771 were found competent in their CPD portfolios.

CPD for registered persons

The following are some of the major projects that were undertaken by the CPD Committee in the 2020 roll-out of the CPD for registered persons:

- (a) Launch of the new CPD system;
- (b) Launch of the SAPC Registration mobile application;
- (c) Development of a CPD communication plan;
- (d) Planning and facilitation of the CPD workshops and webinars;
- (e) Management of the CPD implementation plan; and
- (f) Management of the CPD reporting matrix.

Competency standards for pharmacy support personnel in South Africa

The consultant for the development of competency standards for pharmacy support personnel, who was appointed in 2019, developed a draft discussion document for the competency standards. The final draft will be circulated to stakeholders for narrow consultation in 2021 and will then be discussed by the CPD Committee.

Competency standards for PIMART

Council appointed a task team to develop competency standards for PIMART. The task team held three (3) meetings, and the final draft document was approved by the CPD Committee in November 2020 and will be submitted to Council in February 2021.

Professional Affairs: Pre-Registrations

Strategic focus area



Ms KP Malaku
Senior Manager: Professional
Affairs (Pre-Registrations)

The activities of the Professional Affairs: Pre-Registrations Unit focused on three of Council's strategic goals, that is to:

- Establish, develop, maintain and control universally acceptable standards in pharmaceutical education and training.
- Establish, develop, maintain and control universally acceptable standards for the registration of a person who provides one or more or all of the services which form part of the scope of practice of the category in which such person is registered.
- Coordinate the activities of Council and its committees.

Pre-Registrations Committee



Dr M Matlala
Chairperson: Pre-
Registrations Committee

The Pre-Registrations Committee held nine (9) meetings in 2020, of which five (5) were ordinary meetings and four (4) were special meetings. Dr Moliehi Matlala sat as chairperson of the Pre-Registrations Committee.

The Pre-Registrations Committee considered and reported on the fundamental responsibilities as provided for in the Registration Regulations and developed guidelines for registration of persons who hold a Bachelor of Pharmacy degree, as Pharmacist's Assistants (Post-Basic), and a

guidance document for registration of specialist pharmacists in South Africa.

In terms of Section 4 of the Pharmacy Act, the Committee are required to evaluate applications for registration of persons who qualified outside of South Africa. In 2020, the Committee evaluated 12 such applications.

The Committee further revised the checklist for evaluation for candidates with qualifications obtained outside South Africa and developed a standard operating procedure for verification of translated documents which are submitted with such applications. Another standard operating procedure was developed for managing applications received from foreign qualified persons who request to write the professional examination prior to the approval of their application for recognition of their foreign qualification by the Committee.

Benchmarking to inform the review of the internship requirements and number of attempts allowable at the professional examination for candidates who qualified outside of South Africa was also undertaken.

The Committee revised the criteria for the appointment of

examiners and moderators of the pharmacy support personnel (PSP) external integrated summative assessments.

The online pre-registration examination format was revised to allow for the remote conducting of the examination and benchmarking to inform the recommendations on the number of attempts a pharmacist intern may make at the pre-registration examination and supplementary examination was conducted.

Pharmacy Internship

The *Intern and Tutor Manual (2020)*, which outlines all the pre-registration requirements for pharmacist interns, was updated with the 2020 pre-registration evaluation schedules and latest Council resolutions. The manual was published on the SAPC website together with the 2020 intern/tutor and pre-registration examination workshop presentations. Email and SMS notifications were sent to all interns, tutors, responsible pharmacists and heads of pharmaceutical services informing them of the availability of the manual and other internship information on the website.

Pre-registration examination for interns

The *Guidelines for examiners and moderators of the intern pre-registration examinations* were reviewed to incorporate the examination schedule for 2020.

The task team appointed by Council to review and approve the pre-registration examination questions met in February, June, July, September and November 2020 to approve examination papers for the three examinations that were conducted in 2020 and to review other matters related to the pre-registration exams.

The pre-registration exams for 2020 were scheduled for March, July and October and the March exam was conducted as scheduled. Due to the COVID-19 pandemic, Council resolved that the subsequent exams be postponed to October and November and that they be conducted online and remotely. Council conducted pre-registration exam workshops virtually in August 2020 to prepare interns for the exams. Council further conducted compulsory practice exams in September and October to provide interns with an opportunity to experience the online remote exam conditions.

Supplementary pre-registration exams for qualifying interns were conducted in June and August 2020. Council conducted a compulsory virtual remediation workshop in June 2020 to assist interns with preparations for the supplementary exams. Interns were also required to complete a tutorial prior to attending the workshop.

Candidates with qualifications obtained outside South Africa

Applications for recognition of foreign qualifications

In 2020, Council approved 12 applications for recognition of foreign qualifications that were evaluated by the Pre-Registrations Committee.

Professional Examination

Upon approval by the Committee, candidates with qualifications in pharmacy obtained outside South Africa are required to write and pass the professional examination before they can be registered as pharmacist interns to undergo internship and comply with the applicable pre-registration requirements. Candidates who apply for registration as Pharmacist's Assistants (Post-Basic) are required to register as Learners, undergo in-service training under an approved tutor in an approved premises and complete a module in pharmacy law and ethics through an approved provider.

Council appointed examiners and moderators from the universities approved by Council to provide the Bachelor of Pharmacy programme for their expertise in pharmacology, pharmaceuticals, pharmaceutical chemistry and pharmacy practice, law and ethics to set professional exam papers in their respective subjects for 2020. Council, in 2019, approved the professional exam blueprint in line with the exit level outcomes for the Bachelor of Pharmacy programme and the appropriate level of cognition as per the recommendation of the task team appointed by Council. The new exam format, which consists of three papers, i.e. Applied Pharmacology and Toxicology, Applied Pharmacy Practice in a Legal Framework, and Applied Pharmaceuticals and Pharmaceutical Chemistry, was implemented from the September 2020 examination. A mock exam paper was made available to candidates and uploaded on the website for the candidates to practise the new format questions.

Professional exams for 2020 were scheduled for May and October. Due to COVID-19, Council resolved that the exams be postponed to September and November 2020. The exams were thus conducted online for the first time in September.

Pharmacy Support Personnel (PSP)

In December 2019, the South African Qualifications Authority (SAQA) registered the Occupational Certificate: Pharmacist's Assistant Basic (part qualification) and the Pharmacist's Assistant Post-Basic qualifications on the National Qualifications Framework under the Occupational Qualifications Sub-framework. In terms of the requirements of the Occupational Qualifications Sub-framework, learners who successfully complete the requirements of the learning programmes offered by an accredited skills development provider (SDP) must successfully complete an external integrated summative assessment (EISA) before they are awarded the qualification for registration with Council in the relevant category of pharmacy support personnel. Council, as the Quality Council for Trades and Occupations (QCTO) Assessment Quality Partner, is required to conduct the EISA.

External Integrated Summative Assessments for PSPs

Examiners and moderators were appointed as part of a task team to develop the blueprint and set the external integrated summative assessments (EISA). The *Guidelines for examiners and moderators of PSP EISAs* were developed.

The task team met in February 2020 to be trained on multiple-choice (MCQ) standard setting and development of the

blueprint. The task team subsequently drafted the PSP blueprint in line with the QCTO requirements.

The task team met in April, July, August and December 2020 to approve the mock examination papers and examination papers for PSPs for implementation in 2021.

Specialist pharmacists

Currently there are two categories of specialist pharmacists registered with Council, namely Pharmacokinetics and Radio-Pharmacy. Council, in 2019, developed and submitted the new regulations for specialist pharmacists in Clinical Pharmacy (which will include Pharmacokineticist), Pharmaceutical Services in Public Health and Industrial Pharmacy, with the applicable qualifications and the scopes of practice to the NDoH for publication. In October 2020, Council approved the guidance document for registration of specialist pharmacists in South Africa for consideration by the NDoH.

Bachelor of Pharmacy graduates

In an effort to assist the Bachelor of Pharmacy graduates struggling to find internship positions, Council developed guidelines to enable graduates to register as Pharmacist's Assistants (Post-Basic) while seeking employment as a pharmacist intern.

The guidelines were also extended to Bachelor of Pharmacy graduates who choose to delay progression and registration as a pharmacist intern, and to those applicants who have obtained their Bachelor of Pharmacy degree or equivalent qualification outside of South Africa and who have applied for registration as a pharmacist.

The guidelines for registration of persons who have obtained their Bachelor of Pharmacy degree, either in or outside of South Africa, as Pharmacist's Assistant (Post-Basic) were approved by Council in October 2020 for implementation.

Professional Affairs: Education

Strategic focus area



Ms H Masiza
Senior Manager: Professional
Affairs (Education)

The activities of the Professional Affairs: Education Unit focused on five of Council's strategic goals, that is to:

- Assist in the promotion of the health of the population of the Republic of South Africa.
- Advise the Minister of Health or any other person on any matter relating to pharmacy.
- Promote the provision of pharmaceutical care that complies with universal norms and values, in both the public and private sectors, with the goal of achieving definite therapeutic outcomes for the health and quality of life of the patient.
- Establish, develop, maintain and control universally acceptable standards in pharmaceutical education and training.
- Coordinate the activities of Council and its committees.



Prof YE Choonara
Chairperson: Education
Committee

Education Committee

The Education Committee held ten (10) meetings in 2020, five (5) of which were ordinary meetings and five (5) were special meetings. The Committee was chaired by Professor Yahya Essop Choonara.

The Committee made the following recommendations to Council:

- (a) The Education Committee shall consider and report on the fundamental responsibilities as provided in Regulation 14 of the *Regulations relating to office-bearers*, being all matters relating to pharmaceutical education and other related matters that Council may delegate from time to time.
- The Office of the Registrar wrote a letter to the Ministers of Health, Higher Education and Training, and Trades and Industry, which addressed the following:
 - (i) the announcement of allowing final year students to return to campus;
 - (ii) the role of pharmacists as front-line health-care workers; and
 - (iii) the role pharmacists play in other areas of pharmacy practice, such as the manufacturing and supply of essential medicines in the fight against COVID-19.

- The Office of the Registrar wrote a letter to Vice-Chancellors of Universities, to motivate why certain pharmacy students should be prioritised in the selection of students returning to campus.
- (b) In terms of the *Regulations relating to pharmacy education and training* the Education Committee shall consider and report on:
 - (i) standards of education and training of pharmacists, including qualifications for registration, and minimum curriculum;
 - Bachelor of Pharmacy students who have successfully completed their first year of study with an accredited provider but are unable to complete the programme due to various reasons (e.g. financial constraints), but are interested in becoming a Pharmacist's Assistant (Basic) are required to:
 - (aa) complete and submit the application for registration as a Pharmacist's Assistant (Basic) within two years of leaving the approved/accredited provider;
 - (bb) be competent in the External Integrated Summative Assessment (EISA) for Pharmacist's Assistants (Basic);
 - (cc) complete 400hrs under the direct personal supervision of a tutor at an approved pharmacy; and
 - (dd) submit at least one (1) progress report.
 - Bachelor of Pharmacy students who have successfully completed their second year of study with an accredited provider but are unable to complete the programme due to various reasons, and are interested in becoming a Pharmacist's Assistant (Post-Basic) are required to:
 - (aa) complete and submit the application for registration as a Pharmacist's Assistant (Post-Basic) within two years of leaving the approved/accredited provider;
 - (bb) be competent in the EISA for Pharmacist's Assistant (Post-Basic);
 - (cc) complete 400hrs under the direct personal supervision of a tutor at an approved pharmacy; and
 - (dd) submit at least one (1) progress report.
 - When legislation allows, Bachelor of Pharmacy students who have successfully completed their third year of study with an accredited provider but are unable to complete the programme due to various reasons, and are interested in becoming a Pharmacy Technician will be required to:

- (aa) complete and submit the application for registration as a Pharmacy Technician within two years of leaving the approved/ accredited provider;
 - (bb) be competent in the EISA for Pharmacy Technicians;
 - (cc) complete 400hrs under the direct personal supervision of a tutor at an approved pharmacy; and
 - (dd) submit at least one (1) progress report.
- The Education Committee established that the time spent by a teacher/facilitator delivering a curriculum (i.e. instructing students) will be regarded as the teaching contact time. This includes lectures, seminars, tutorials, laboratory practicals, workshops and work-based learning.
- (ii) standards of education and training of pharmacy support personnel, including qualifications for registration, minimum curriculum, in-service training and traineeship;
- To enable an easy transition between the previously registered qualification and the Occupational Qualifications, the Education Committee decided to allow providers accredited for the Occupational Certificates to enrol new learners on the previously registered qualification only up to a period of six (6) months after the accreditation for the Occupational Qualifications.
 - The External Integrated Summative Assessment (EISA) will be written by learners that:
 - (aa) have a valid statement of results from the provider indicating that the modules were successfully completed; and
 - (bb) have completed at least six (6) months of training with the SAPC after registration as a Pharmacist's Assistant (Learner Basic), twelve (12) months as a Pharmacist's Assistant (Learner Post-Basic), and eighteen (18) months as a Pharmacy Technician Learner.
 - A provider accredited for the Occupational Certificates and who is teaching the previously registered qualification should be visited using different accreditation/ monitoring processes and schedules approved by Council.
 - The previously registered qualifications process flow for teaching was approved.
 - The process flow for the implementation of the Occupational Certificates was approved.
- Students are required to apply for Recognition of Prior Learning (RPL) within two years of leaving the approved/ accredited provider if they did not complete the Bachelor of Pharmacy (applicable from 1 July 2022).
 - On or before 30 June 2022, any person who did not complete their Bachelor of Pharmacy degree and applies for RPL in terms of Council's resolution shall not be restricted to the requirement that the application must be made within two years of leaving the programme.
- (iii) the approval of tutors and premises for purposes of education and training; and
- (c) The Education Committee shall approve/accredit providers of pharmacy education and training and approve/accredit learning programmes and courses, including the inspection of such providers, as delegated by Council and shall report such resolutions to Council.

Good Education Standards

1. The Good Education Standards for Occupational Qualifications Sub-Framework were published for implementation and were aligned to the accreditation/monitoring instrument for Skills Development Providers.
2. The *Policy on Recognition of Prior Learning* was amended to state that Council accepts applications of candidates who have prior learning that occurred before 2003 because Council should recognise RPL assessments for candidates who had informal education/training prior to the publication of the Practice Regulations, as this is the only period unregistered people would have been able to handle medicine. However, 2003 is the year of the last exam conducted by Council for the training of Pharmacist's Assistants, hence, after 2003, all learners would be registered as such with Council and be enrolled for the new qualifications. This means that they would receive formal learning.

Qualifications

- (a) The Bachelor of Pharmacy task team was established to prepare a reviewed competency standard for the Bachelor of Pharmacy to ensure that the competency standards for pharmacists are addressed.
- (b) The Bachelor of Pharmacy was mapped with the competency standards.
- (c) The Master of Pharmacy in Industrial Pharmacy task team was appointed to discuss the comments received after the qualification was published for comment in the *Government Gazette*.
- (d) The Master of Pharmacy in Industrial Pharmacy degree was approved by Council for implementation once the relevant legislation has been published.

Criteria and Guidelines

The following criteria and guidelines were addressed by Council:

- (a) The mapping template of the BPharm Curriculum presented by applicants for recognition of their qualifications was approved.
- (b) The Guidance document for South Africans to study a qualification in pharmacy outside South Africa was approved by the Education Committee and will be finalised by Council in 2021.
- (c) A checklist to be used by skills development providers was developed to assess their level of compliance with the published guidelines on COVID-19 prevention and control.
- (d) The amended policy and procedures for Recognition of Prior Learning was accepted and approved.
- (e) The minimum number of contact hours for knowledge modules for part qualification Pharmacist's Assistant (Basic), part qualification for Pharmacist's Assistant (Post-Basic), and part qualification for Pharmacy Technician were reviewed and approved by Council.
- (f) A process for students with interrupted studies was developed.
- (g) A process for students who did not complete the Bachelor of Pharmacy degree but who want to be registered as pharmacy support personnel was developed.

Cooperation with other quality councils

The SAPC is an associate of the Sector Education and Training Authority (SETA) and the Quality Assurance Partner (QAP) for the current qualifications for pharmacy support personnel, and has duly submitted the quarterly reports required by the QCTO.

SAPC made two (2) successful National Learner Reference Database (NLRD) submissions for learner achievements and two (2) successful NLRD submissions for designations to SAQA.

The SAPC is currently reviewing the Bachelor of Pharmacy standard with the Council on Higher Education.

Accreditation/monitoring visits to Higher Education Institutions (HEIs)

Council decided not to conduct any accreditation/monitoring visits to HEIs in 2020 due to the COVID-19 pandemic. It was concluded that staff members will manage the current situation until the visits can resume.

A meeting with representatives from the HEIs and Council's IT developer was held to discuss the online accreditation/monitoring visit instrument to action the recommendations. The response to the report on the accreditation/monitoring visits to the University of the Western Cape was accepted and approved.

Accreditation/monitoring visits to Skills Development Providers (SDPs)

No accreditation and monitoring visits were conducted in 2020 and the amended accreditation/monitoring visit instrument for Occupational Qualifications Sub-framework (OQSF) was approved.

Accreditation of courses (Skills Development Providers)

Trained assessors from higher education institutions evaluated the pharmacy support personnel learning programmes. The assessors were trained twice by evaluating the learning programmes they submitted. A new application form for accreditation as an SDP was developed, as well as a new application for the accreditation of qualifications for pharmacy support personnel.

- (a) The Southern African HIV Clinician Society (SAHCS) was approved to be a provider of a short course to provide Pharmacist-Initiated Management of Antiretroviral Therapy (PIMART).
- (b) A Compounding and Dispensing course for Allied Health Professionals from the Public Health Institute of South Africa was approved.
- (c) The accreditation of the Health Advance Institute was extended until 31 October 2020 to allow for the re-accreditation process to be finalised.

Impact of COVID-19 pandemic (Higher Education Institutions)

As COVID-19 disrupted the 2020 academic year, Council requested all Higher Education Institutions offering the Bachelor of Pharmacy programme to provide their recovery plans for the academic year. The recovery plan was required to address the following details:

- (a) completion of any remaining workplace-based learning hours;
- (b) adapted mode/s of teaching;
- (c) format of assessments; and
- (d) completion of laboratory practicals.

In relation to the recovery plans submitted by the universities, matters discussed and approved by the Education Committee included:

- (a) Universities will be allowed to replace Work-Based Learning (WBL) (which is a requirement of the Bachelor of Pharmacy qualification) with Work-Integrated Learning (WIL) during the lockdown period, and will be given an opportunity to decide how it will be implemented.
- (b) Universities will be allowed to delay practical sessions and simulations to the second half of the academic year.
- (c) Universities will be allowed to implement online Formative Assessments as part of the Continuous Assessment. Universities should ensure that the quality of the assessments is maintained.
- (d) Council requires assessments to be conducted in line with the Bloom's Levels of Cognition, should the online formative assessments form part of the summative assessments.

Impact of COVID-19 pandemic (Skills Development Providers)

Council had a meeting with SDPs in May 2020. The SDPs were requested to submit information on their recovery plans to reduce the impact of the extended recess caused by COVID-19 and to mitigate their challenges (i.e. conducting assessments and contact sessions with learners).

The SDPs submitted their plans, which were approved by Council.

Student/learner matters

Council did not conduct any onsite visits at the universities to help with the registration of students because of the lockdown regulations. However, registration of first year students did take place for all universities.

The Office of the Registrar progressed registered students on the register to the relevant year of study according to the class lists received from universities. There were 952 registered first-year students, 1 096 second-year students, 1 097 third-year students, and 1 087 fourth-year students registered in 2020.

There were 3 016 Pharmacist's Assistants (Learner Basic) and 2 124 Pharmacist's Assistants (Learner Post-Basic) registered as at 31 December 2020.

Legal Services & Professional Conduct



Ms DG Hoffmann
Senior Manager: Legal
Services & Professional
Conduct

Strategic focus area

The activities of the Legal Services and Professional Conduct (LS&PC) Department focus on five of Council's strategic goals, that is to:

- Advise the Minister of Health or any other person on any matter relating to pharmacy.
- Establish, develop, maintain and control universally acceptable standards of:
 - the practice of the various categories of persons required to be registered in terms of the Pharmacy Act;
 - professional conduct required of persons required to be registered in terms of the Pharmacy Act; and
 - control over persons registered in terms of the Pharmacy Act, by investigating (in accordance with the Act) complaints or accusations relating to the conduct of registered persons.
- Promote transparency to the profession and the general public (corporate governance).
- Maintain and enhance the dignity of the profession.
- Coordinate the activities of the disciplinary committees of Council.

Introduction

The first quarter of 2020 appeared to be business as usual, with the Legal Services & Professional Conduct Department (LS&PC) providing legal services to the Council and its committees, including the Professional Conduct committees in February and March 2020. On 15 March 2020, the President of South Africa declared a National State of Disaster - COVID-19. The state of disaster meant that LS&PC would have to make adjustments to the manner of approaching legal services offered to the Council, committees and the profession, as well as the professional conduct processes and procedures, while still being efficient and effective in its mandate and its operational plans. Meetings were changed to virtual meetings and work took place from home, in line with the national disaster regulations. LS&PC was part of various initiatives and projects focusing on supporting pharmacists, pharmacy support personnel and pharmacies as part of the essential services entrusted with dealing with the pandemic.

In the second and third quarters of 2020, LS&PC concentrated on reviewing, understanding and providing legal advice on the various volumes of legislation published under the state of national disaster, relevant to the Council as an employer in terms of Occupational Health and Safety under COVID-19; the profession in respect of how the legislation affected pharmacy, from PPEs to pharmaceutical services as essential services, disruption of services as pharmacies were forced to close in order to decontaminate and the extension of certain prescriptions from a period of six months to twelve months. This included correspondence with national government departments.

In September 2020, LS&PC was split into two departments into Company Secretary and Legal Services (CS&LS) and Professional Conduct (PC). The purpose of the change was in line with the proposed organogram of the Office of the Registrar and to ensure directed focus by having two separate units within the organisation.

Professional Conduct

LS&PC conducted its first quarter meetings prior to the declaration of the national disaster. From April 2020, an informed decision was taken to suspend all hearings, this included persons who had already elected to appear before a Committee of Informal Inquiry as well as all Committees of Formal Inquiries. Where it was possible, meetings that were able to continue on a virtual/remote platform continued in order to ensure that the processing of complaints continued as uninterrupted as possible. LS&PC also undertook a case clean up during 2020, in line with various previous internal audit findings and to ensure that such findings are not reoccurring.

Complaints received in terms of Section 39 of the Pharmacy Act, 53 of 1974 were reviewed and addressed by the disciplinary committees of Council. Council received a total number of 399 complaints in 2020.

Registrar's Complaints Review Panel

In terms of Regulation 3 of the *Regulations relating to the conduct of inquiries in terms of Chapter V of the Pharmacy Act* (GNR. 496 published on 8 June 2001), and in particular Regulation 3(3), should the Registrar, having investigated a complaint, be of the opinion that there is no *prima facie* evidence of misconduct or unprofessional conduct, may decide not to continue with any further action on the complaint.

In 2020, the Registrar did not convene any Registrar's Complaints Review Panel (RCRP) meetings, and cases that may have been referred to the RCRP were addressed by the Committee of Preliminary Investigation (CPI).



Mr JS du Toit
Chairperson: CPI

Committee of Preliminary Investigation

The 2020 Committee of Preliminary Investigation (CPI) was chaired by Mr Jan du Toit. The CPI, in three meetings, reviewed 498 cases and recommended that a total of 100 cases be referred to the Committee of Informal Inquiry, and 57 cases, based on the severity of the conduct, be referred to the Committee of Formal Inquiry.

The total recommendations of the CPI meetings can be summarised as follows:

Meeting	Total number of cases	No further action	Held over for further investigation	CII	CFI	Health Committee
November 2019	171	95	23	37	16	0
March 2020	105	42	19	23	20	1
June/July 2020	222	123	37	40	21	1
Total	498	260	79	100	57	2

Table 22: Recommendations of the CPI

A year-on-year analysis of the total of CPI case numbers is provided hereunder:

2013	2014	2015	2016	2017	2018	2019	2020
239	224	299	407	269	373	390	498

Table 23: Year-on-year analysis of the total number of CPI cases



Dr M Eksteen
Chairperson: CII

Committee of Informal Inquiries

The Committee of Informal Inquiries (CII) was chaired by Mr Tshegofatso Moralo for March 2020, and thereafter Dr Mariet Eksteen took over the position of chairperson, reviewing a total of 80 matters. The CII had confirmed fines to the value of R514 000, and cost orders that amounted to R239 723, bringing in a total of R753 723.

The findings of the CII meetings can be summarised as follows:

Meeting	Total number of cases	Appearances	Consent orders	CFI referrals	Amounts
February 2020	27	5	21	1	R212 000 R76 170 (co)
July 2020	10	0	10	0	R111 000 R35 557 (co)
October 2020	43	13	30	0	R191 000 R128 006 (co)
Total	80	18	61	1	R514 000 R239 723 (co)

Table 24: Findings of CII

A year-on-year analysis of the total of CII case numbers is provided hereunder:

2014	2015	2016	2017	2018	2019	2020
83	87	95	63	71	55	80

Table 25: Year-on-year analysis of the total number of CII cases

The nature of the contraventions reviewed by CII can be summarised as follows:

Contraventions	Frequency of occurrence
Dispensing error	29
Failure to supervise PSP	13
Ethical Rule 10	8
Failure to furnish advice	3
Dispensing without a valid prescription	3
Failure to act in the best interest of the patient	3
Dispensing expired medicine	2
Promotion of the sale of medicine with abusive potential	2
Breach of confidentiality	2
GPP shortcomings	2
Responsible Pharmacist failing to put systems in place	2
Allowing unregistered persons to perform the acts pertaining to the scope of practice of a pharmacist	2
Incorrect labelling	1
S2 recording	1
S6 register	1
Failure to record pharmacy license	1
Use of unapproved trading title	1
Relocation without notifying Council	1
PSP practising outside scope of practice	1
Substitution without permission	1
Failure to exercise proper/reasonable care in respect/control of the acquiring, storage, manufacture, dispensing, sale, supply or disposal of medicine or chemical or hazardous substances	1

Table 26: Summary of contraventions in CII matters

Committee of Formal Inquiries

The Council completed only two formal inquiries heard by the Committee of Formal Inquiries (CFI) up until December 2020, of which the Committee found two (2) respondents guilty. In terms of the sanctions handed down by the CFI, both respondents were fined, and one (1) person was suspended for a period of two years. The total value of the fines ordered by CFI amounted to R115 000 with corresponding cost orders of R25 570.

2013	2014	2015	2016	2017	2018	2019	2020
1	10	11	6	11	10	25	2

Table 27: Year-on-year analysis of the total number of CFI cases

The nature of the contraventions reviewed by CFI can be summarised as follows:

Contraventions	Frequency of occurrence
Unregistered persons practising the scope of practice of a pharmacist	2
No pharmacist on the premises	1
GPP shortcomings	1
Dispensing error	1

Table 28: Summary of contraventions in CFI matters

Provision of legal services and legal administration

Legal Enquiries and Legal Opinions

In terms of providing legal support to the profession, LS&PC provided legal services to the public, the profession and stakeholders by addressing legal enquiries emanating from email communication, Council's website, and telephonic enquiries (among other forms of communication), as well as attending the Heads of Pharmaceutical Services and Heads of Schools meetings.

Due to the declaration of the national disaster (COVID-19), there were several enquiries pertaining to or relating to the practice environment under the various levels of lockdown, as regulated by the various regulations enacted in terms of Section 27(2) of the Disaster Management Act, 2002.

These included issues pertaining to:

- essential services permits,
- the closure of pharmacies should a staff member test positive for COVID-19,
- alternative places of work for responsible pharmacists and other staff members (e.g. working from home),
- a lack of stock holding facilities,
- reduction of pharmaceutical services,
- changes in operational hours, and
- the issuing of Schedule 6 medicines during the national lockdown.

As per previous years, the topics covered in such enquiries varied. Enquiries addressed related to scopes of practice, responsible pharmacist's duties and authorities, electronic signatures, and the operation of internet sites. LS&PC formally addressed over 100 legal-related enquiries during 2020.

LS&PC provided legal support to the Office of the Registrar and Council by way of seven (7) formal legal opinions, drafted as a result of the request of Council and/or the Office of

the Registrar. These included issues relating to:

- restoration requirements and the issuing of Certificates of Good Standing;
- disclosure of patient information related to the purchasing of medication for the treatment of influenza and cold symptoms;
- exemption from certain criteria for tutors of academic pharmacist interns;
- closure of pharmacies or the limitation of services provided by pharmacies during the lock-down period;
- occupational health and safety and related issues relevant to working from home or remote working;
- factual investigation, Council meeting July 2020 with regards to conflict of interest; and
- powers of the Council to appoint a registrar.

LS&PC facilitated obtaining an external legal opinion relating to the powers of Council in relation to the removal of the registration or recording of a pharmacy.

Certificates of Good Standing

LS&PC provided 78 Certificates of Good Standing to applicants during 2020, of which, 14 of such certificates were for persons who are not South African citizens or have South African residency.

Section 26 Certificates

LS&PC provided 31 Certificates of Registration/Non-registration issued in terms of Section 26 of the Pharmacy Act, of which nine (9) certificates were requested by various law enforcement agencies, such as the SAPS and SAHPRA.

Section 37 Applications

In terms of Section 37 of the Pharmacy Act, a pharmacy may continue to be operated by an executor of a deceased estate, or a trustee or liquidator of a liquidated/sequestered estate for a period of twelve (12) months, or until the change of ownership can be affected in terms of Section 22 of the Pharmacy Act. It is however imperative that such a pharmacy always has a registered responsible pharmacist. In 2020, the LS&PC facilitated four (4) applications from executors in terms of Section 37.

Contracts and Service Level Agreements

In ensuring that the Council is bound to, and sufficiently legally covered in terms of its contractual relationship with service providers, LS&PC attended to the drafting/editing and/or updating of eight (8) new and/or existing contracts. These were constituted by contracts for CPD assessors and moderators, pre-registration examination examiners and moderators, professional examination examiners and moderators, inspectors and evaluators of learning programmes. In addition, Schedule 2 of the Collaboration Agreement with North-West University in respect of the Research Project pertaining to the ownership of pharmacies (requested by Council) was concluded and a service level agreement with QCTO was initiated.

The LS&PC drafted and facilitated three (3) Memoranda of Agreement in 2020, which are with the Board of Healthcare Funders (BHF), North-West University in respect of the annual use of the register of pharmacies, and SAHPRA.

Task Teams of Council

In 2020, the LS&PC oversaw three (3) Council task teams:

- Research Projects Task Team: appointed to oversee the management of the four research projects that Council has contracted to North-West University to complete on Council's behalf. The task team met twice during 2020. In the meeting held on 16 January 2020, the focus was the finalisation of the terms of reference of the task team, as well as the recommendation to Council to sign Schedule 2 of the Collaboration Agreement, pertaining to the ownership of pharmacies. On 28 September 2020, the meeting of the task team focused on the 6-monthly progress reports on all the research projects.
- Fees Payable to Council Task Team: an ad hoc task team was appointed to oversee the comments received from stakeholders in respect of the proposed *Regulations relating to fees payable to Council*, and to provide a recommendation to Council in respect of the draft regulations. The proposed *Regulations relating to fees payable to Council* was submitted to the Minister of Health for publication in July 2020.
- Legislation Review (Elections 2023) Task Team: this task team was appointed by Council in July 2020 to review the viability of conducting Council elections electronically in 2023. The terms of reference of the task team were approved in October 2020, and the scope of the task team was broadened to include the review of the Notice pertaining to fines payable to Council in terms of Chapter V of the Pharmacy Act.

Corporate governance

The focus of LS&PC in 2020 was conducting Council and the committee's self-assessments for the year 2019. The results of the Self-Assessments are summarised as follows:

	Number of Returns	Average Score	Overall Average
Council	18/25	29.76/35	4.25/5
CPD Committee	5/6	18.9/20	4.73/5
CII	5/5	17.32/20	4.33/5
CPI	4/6	17.62/20	4.41/5
Education Committee	9/9	17.85/20	4.46/5
Health Committee	5/6	17.12/20	4.28/5
Practice Committee	8/11	18.06/20	4.52/5
Pre-Registrations Committee	7/8	17.68/20	4.42/5

Table 29: Council and committees self-assessments for 2019

In terms of the Promotion of Access to Information Act (PAIA), 2000, the Registrar is the Information Officer of Council. In addition, the Registrar has delegated the responsibility of deputy information officer to the Senior Manager: LS&PC. In terms of Section 18(1) of PAIA read together with Regulation 6 of the PAIA Regulations, LS&PC received six (6) PAIA

applications, of which four (4) applications resulted in the applicant receiving the information as requested. The remaining two applications were denied, since the records requested were not available and there was a civil litigation pending in the matter. In terms of Section 14 of PAIA, Council has submitted its annual report in April 2020. In October 2020, Council approved for publication Council's PAIA Manual as required in terms of Section 14 of PAIA.

In 2020, LS&PC reviewed the terms of reference in respect to all the committees of Council and established a repository of the terms of reference of the task teams of Council and task teams established under the various committees of Council. The purpose of this function is to ensure the accurate monitoring of how the functions of Council are delegated in terms of Section 4(o) of the Pharmacy Act.

Legislation

South African Pharmacy Council Legislation

On 12 June 2020, the Minister of Health published for comment the following regulation amendments:

- Regulations relating to the registration of persons and the maintenance of registers: Amendment Regulations 2019*, GNR 656, of 12 June 2020;
- Regulations relating to the practice of pharmacy: Amendment Regulations 2019*, GNR 657, of 12 June 2020; and
- Regulations relating to pharmacy education and training: Amendment Regulations 2019*, GNR 658, of 12 June 2020.

The Amendment Regulations were published for a three (3) month comment period, and comments were directed to the National Department of Health.

LS&PC prepared the *Regulations relating to the fees payable to Council* and submitted these to the Minister of Health for publication.

LS&PC assisted in preparing for publication, the collection and collation of comments of 12 Board Notices including:

Continuing Professional Development

Board Notice 80/2020, published on 3 July 2020: Restoration requirements and process for pharmacists who have been removed from the register (for implementation)

Board Notice 82/2020, published on 3 July 2020: Guidance document for continuing professional development (for implementation)

Education

Board Notice 78/2020, published on 3 July 2020: Good Pharmacy Education Standards - Occupational Qualification sub-framework (for implementation)

Finance

Board Notice 26/2020, published on 6 March 2020: proposed *Regulations relating to the fees payable to Council* (for comment)

Board Notice 132/2020, published on 4 November 2020: Fees payable to Council for 2021, amendment to Board Notice 188/2019

Good Pharmacy Practice

Board Notice 81/2020, published on 3 July 2020: Minimum standard for trading titles (for implementation)

Board Notice 100/2020, published on 28 August 2020: Minimum standard for the disposal and destruction of medicine (for comment)

Board Notice 139/2020, published on 27 November 2020: Minimum standard for another practice or business in a pharmacy or a pharmacy in another business (for comment)

Practice

Board Notice 27/2020, published on 6 March 2020: Rules relating to services for which a pharmacist may levy a fee

Board Notice 63/2020, published on 29 May 2020: Guidelines for the removal of pharmacy registration/recording as a result of non-compliance with GPP and other pharmacy legislation (for implementation)

Pre-Registration

Board Notice 79/2020, published on 3 July 2020: Guidelines for the registration of persons who hold a BPharm as Pharmacist's Assistant (Post-Basic) (for comment)

Board Notice 138/2020, published on 27 November 2020: Guidelines for the registration of persons who hold a BPharm as Pharmacist's Assistant (Post-Basic) (for implementation)

Comments and contributions to proposed legislation

LS&PC facilitated:

- (a) Council's Guidelines to pharmacists in respect of the notice published by the Minister of Health (April 2020): "Exclusion of Schedule 2, Schedule 3 and Schedule 4 substances from operation of certain provisions of the Medicine and Related Substances Act, 101 of 1965"; and
- (b) Council's contribution to a joint DoH, SAHPRA and SAPC working group, pertaining to the possible amendment to the Notice published by the Minister of Health: "Exclusion of Schedule 2, Schedule 3 and Schedule 4 substances from operation of certain provisions of the Medicine and Related Substances Act, 101 of 1965".

Information Technology



Mr C Manenzhe
Senior Manager: IT

Strategic focus area

The activities of the Information Technology (IT) Department of the Council provides, implements, and manages the organisation's applications, network communication, and computing technologies. The department exists to provide robust, reliable and highly secured technological platforms to enable Council to discharge its statutory duties and to meet the service needs of its stakeholders.

The year in review

The digital world is constantly evolving, thus, the SAPC had to adapt to new and evolving technological advances that will help the organisation achieve its tasks. The year under review saw no less than five major system improvements, which included the launch of the SAPC Registration App.

The SAPC's Register System is regularly improved to ensure that registered persons' details are preserved and protected.

Due to COVID-19, employees had to work from home, therefore the IT department had to bolster network connectivity platforms by upgrading the core internet line, as well as increasing data bundle sizes that would allow more than 90 employees to have access to the internet while working from home. Employees were able to work from home during the COVID-19 national lockdown due to a stable and reliable Access Point Name (APN) (mobile-network-to-internal-configurations) shared between Vodacom, Telkom and Virtual Private Network (VPN) connectivity.

In addition, a zero-rated data utilisation agreement was entered into between Vodacom and the SAPC. This service agreement allowed interns free access to write the online pre-registration examinations and charged the SAPC for the data used instead of charging the interns.

The COVID-19 pandemic did not interfere with the department's strategies and goals, allowing the organisation to operate seamlessly during these unprecedented times.

Business Continuity Planning

The IT Department strives to provide systems that are effective and reliable. It also seeks to implement long-term disaster recovery solutions that will securely store the organisation's data. Thus, a secondary data centre was established at Council's Hatfield office to temporarily store data systems that will be replicated and securely stored with a guaranteed recovery objective time (ROT) of less than an hour.

The SAPC continues to carry out conventional backup processes by using Metro File to enhance the reliability and safety of the storage of information assets and security.

Digitalisation of most manual processes

The Council's "Going Green" initiative aims to move all manual application processes online. This shift will enable clients to use the SAPC's online functionalities (applications, submit queries, and make payments) while staff members process applications and provide services remotely. Some of the major enhancements include:

- The CPD 2020 App
- The Registered Persons addition to CPD 2020 App
- The Inspection App
- Online risk register
- Foreign Qualifications Applications
- Foreign Qualifications Examination bookings
- Online Pre-Registration/Professional Exam

Enhancement of Cyber Security

Additional FortiGate devices (firewalls) were implemented at Council's replica data centre at the Hatfield office. The multi-factor authentication process (Microsoft) was extended to all users in the organisation in order to mitigate the risk of unauthorised sign-ins and cyber-attacks.

Upgrade of IT Infrastructure, Software and Hardware in Line with Technology

An upgrade in hardware and software was necessary during 2020. Swift processing and reliability allowed staff members to work efficiently while working from home. Staff members had to adapt to using Microsoft Teams as a communication medium for meetings. Other online collaborations included SharePoint and OneDrive.

A new Information Technology helpdesk system (Track-It) was established and went live in October 2020 to help the IT Department log and track all IT queries.

IT Governance

The new IT Governance Framework and its Charter were approved by Council. The Information and Communications Technology (ICT) steering committee will be carried out from the governance framework and will function in line with the approved Charter.



PART C

HUMAN RESOURCES

Human Resource Management



Mr NJ Mashishi
Senior Manager: HR

Strategic focus area

The Human Resources (HR) Department focuses on managing the recruitment and selection of staff, labour relations, transformation in the workplace (Employment Equity), occupational health and safety matters, performance management and appraisal, training and development and salary administration.



Ms B Molongoana
Chairperson: REMCO & Bargaining Committee

Remuneration Committee

The Remuneration and Reimbursement Committee (REMCO) had three meetings in 2020 (September, October and November) to deal with policy matters and the 2021 cost-of-living adjustment for the management staff of Council. The Committee was chaired by Ms Boitumelo Molongoana.

The Committee welcomed Mr Cornel Uys, Chief Director: Remuneration Affairs at DPSA, as a member with expertise in remuneration matters.

Bargaining Committee

The Committee, chaired by Ms Boitumelo Molongoana, had its first meeting in August 2020. A subsequent meeting was held in November 2020 to deliberate on several matters of interest, including finalisation of the Collective Agreement and the Constitution of the Bargaining Committee. To ensure industrial harmony, management and labour had meetings to ensure the Bargaining Committee's mandate was adhered to. On 7 and 18 December 2020, two special Bargaining Committee meetings took place to finalise urgent matters that were noted from previous meetings.

Employment Equity

Due to COVID-19, the Employment Equity Committee could not meet, therefore the meetings were scheduled for 2021. A report will be prepared for the Department of Labour. Employment equity was achieved as recruitments were made throughout the year.

Breakdown of the Council workforce

The employment levels per population group and gender in the Office of the Registrar during 2020 were as follows:

African		Coloured		Indian/Asian		White	
Male	Female	Male	Female	Male	Female	Male	Female
33	58	1	2	0	2	0	8
91		3		2		8	

Table 30: Breakdown of SAPC workforce in 2020

Employment equity table showing Council's staff demographics as at December 2020 is displayed in Table 30 below:

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	2	0	0	0	0	0	0	0	1	0	3
Senior management	2	0	0	0	4	0	0	2	0	0	8
Professionally qualified and experienced specialists and mid-management	5	1	0	0	8	0	1	2	0	0	16
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	7	0	0	0	15	0	1	3	0	0	25
Semi-skilled and discretionary decision making	9	0	0	0	26	2	0	0	0	0	41
Unskilled and defined decision making	4	0	0	0	5	0	0	0	0	0	9
TOTAL PERMANENT	29	1	0	0	58	2	2	7	1	0	102
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	29	1	0	0	58	2	2	7	1	0	102

Table 31: Employment equity showing Council's staff demographics 2020

Employment development and training

The workplace skills training for the year under review was carried out and one (1) employee attended training, however, due to COVID-19 it was halted and postponed to 2021.

Course description	Number of employees
Adobe Design Master	1

Table 32: Skills training offered in 2020

Professional development of staff continued in 2020 and the programmes outlined in the table below were partly funded by Council.

Under/Postgraduate	Number of employees
MPharm (Masters in Pharmacy)	1
BTech (Public Relations)	1
MBA	1
PhD (Pharmaceutical)	4
Bachelor of Commerce	1
Marketing Management 1	1
Total	8

Table 33: Breakdown of study assistance offered in 2020

Employee recruitment and retention

Recruitment took place in respect of critical positions in the Professional Affairs Department and the Office of the Registrar. Professional Affairs Managers, Registrar/CEO, an Internal Audit and Risk Management Practitioner and a Supply Chain Management Officer were recruited due to attrition and to enhance service delivery.

Employee wellness

The Employee Assistance Programme (EAP) continued during COVID-19 with an acceptable utilisation level of 11%. The Employee Wellness Day was postponed to 2021 due to COVID-19.



PART D

FINANCIAL MANAGEMENT AND ANNUAL FINANCIAL STATEMENTS

Financial Management



Mr V Himbotwe
Chief Financial Officer

Strategic focus area

Financial Management focuses on three strategic objectives of Council:

- Coordination of standing committees of Council.
- Promotion of transparency to the profession and the public.
- Provision of managerial and administrative support for the sustainability of Council's operations.

Introduction

During the year under review, Council ensured efficient and effective management of its financial resources in line with best practice. Council had adequate financial resources to fund its operations and received an unqualified audit opinion.



Mr H Moolla
Chairperson: Audit Committee

Coordination of standing committees of Council

Audit Committee

The Audit Committee assists Council in fulfilling its oversight responsibility by serving as an independent and objective committee, to monitor and strengthen the objectivity and credibility of financial reporting processes and internal control systems.

The Committee appraised the internal and external assurance functions and provided a channel of communication between the auditors and executive management.

The Committee consisted of six members appointed in terms of the Audit Committee Charter - four independent members drawn from outside the Council and two councillors.

During the year, the Committee held three meetings which were chaired by Mr H Moolla. The report of the Committee is on page 51.

Pension Fund Board

The Council established the South African Pharmacy Council Pension (the Fund) as a post-employment defined contribution plan, established on 1 July 1977, operated as a separate legal entity in terms of the Pension Funds Act, 24 of 1956. The Pension Fund Board has oversight of operations of the Fund. At the time of the 2020 report, the trustees were in the process of discontinuing the Fund and members had been transferred to the Sanlam Umbrella Fund in order to save on administration expenses.

The benefits payable to employees/members, due on retirement or withdrawal from the pension, are contributions made by members to the pension fund and investment

returns net of operational expenses. Council's contribution, as the employer, to the fund is charged to the income statement when incurred.

The actuarial risk that benefits will be less than expected, and the investment risk that assets invested will be insufficient to meet expected benefits, is borne by employees.

The Fund governance (trustees) information during the reporting period was as follows:

Employer representatives

Mr MD Phasha (Chairperson)
Ms NP Thipa (retired 1 May 2020)
Mr TD Moralo (from 6 June 2020)
Mr TA Masango
Ms MS Letsike (Alternate)

Employee representatives

Mr NJ Mashishi
Ms MM Mokoena
Mr D Nkuna
Ms XF Ngoveni (Alternate)

Principal Officer

Mr V Himbotwe

Administrator

ACA Employee Benefits (Pty) Ltd

Valuator

Ms L Langner

Auditors

Geyser & du Plessis

Investment manager

Sanlam Holdings

Adjudicating and Tender Committees

The *Tender and Procurement Policy* provides the framework that governs the procurement processes of the Council, to ensure transparency, fairness, equity, value for money, and sustainability of the supply chain management function.

In line with the policy, the Adjudicating Committee and Tender Committee consider matters where purchases are above the values of R50 000 and R500 000 respectively. During the year under review, the whole financial management division, including procurement processes, was reviewed by independent auditors and controls were found to be adequate.

Promotion of transparency to the profession and the general public

Council Leadership

The Council has the Charter of Good Practice for the South African Pharmacy Council for Councillors, which, in addition to the Pharmacy Act, 53 of 1974, stipulates the Council's terms of reference to ensure that the Council leads ethically and effectively. Council holds itself to high standards of good governance in terms of the Charter. Council members meet four times annually and are responsible for overall compliance of administering the Pharmacy Act, setting overall policy, preparing financial statements, monitoring executive management, and exercising control over the organisation's activities. The roles of the President and the Registrar/Chief Executive Officer are separate, in accordance with good practice. The President holds a non-executive office.

Ethics and Compliance

The Council is committed to an exemplary standard of business ethics and transparency in all its dealings with stakeholders. The Council is committed to govern compliance within applicable laws, including *inter alia* the King IV Code, and has adopted non-binding rules, codes, and standards in a way that support the organisation to be ethical, and a good corporate citizen. Both Councillors and employees are bound by codes of conduct. Any conflict of interest during meetings and in exercising the activities of the organisation, is declared and managed. Gifts received, if accepted, are declared in line with good corporate governance. The Audit Committee provides oversight of the Council's governance of ethics. A monitoring report on Ethical and Legal Compliance was considered at every Audit Committee meeting.

Responsible Corporate Citizenship

The Council ensures that the organisation is and is seen to be a responsible corporate citizen. Council has embarked on initiatives to protect the environment, promote sustainability, and ensure the health and safety of employees and the public. To protect the environment, agenda documents for meetings are largely in softcopy format to reduce the use of paper. The Council has engaged in various developments that promote online applications and email communications that are aimed at protecting the environment and reducing the volume of paper usage. Council has also adopted a rural school, and sources corporate sponsorships for various needs of the school. Staff members take time to undertake community development work at the school too.

Strategy, Performance and Reporting

The Council appreciates that the organisation's core purpose, its risks and opportunities, strategy, business model, performance, and sustainable development are all inseparable elements of the value creation process. The Council strives to maintain a harmonious cohesion between all these elements. The Council has a five-year strategic plan and is monitoring the performance thereof. The budget for the year under review and the risk register were approved by Council. Budget performance and risk management reports were presented to Council and the sub-committees, in line with good governance.

The Audit Committee had oversight of financial and risk management reporting. The Audit Committee carried out its oversight responsibilities by ensuring risk-based internal audits were planned and carried out. The full details of the work of the Audit Committee is included in the Audit Committee report.

Governing Structures and Delegation

The Council serves as the focal point and custodian of corporate governance in the organisation. All committees to which Council has delegated responsibilities in terms of the Pharmacy Act and empowering Regulations have detailed Terms of Reference, and report quarterly to the Council. Delegation to management is through the Registrar and is governed by performance-based contracts of employment.

Composition of Council

The Council is comprised of 25 members who are elected or appointed from where possible, various sectors of pharmacy, with an appropriate balance of knowledge, skills, experience, diversity, and independence to be able to discharge its governance roles and responsibilities objectively and effectively. Of the members, 9 are voted in by the registered pharmacists and 16 members are appointed by the Minister of Health. The Council is supported by additional expertise in the form of the Audit Committee and the Remuneration and Reimbursement Committee, which are composed of independent experts.

Committees of Council

The Council ensures that its arrangements for delegation within its own structures allow effective discharge of its duties, promote independent judgement, assist with the balance of power, and provide expert input. All committees to which Council has delegated responsibilities have terms of reference and report quarterly to the Council. Council's committees' reports are included separately within the Annual Report.

Performance Evaluations of the Council

The Council ensures that the evaluation of its own performance and that of its committees, its chairpersons and its individual members, supports continued improvement in its performance and effectiveness. A self-evaluation of the performance of the Council and its committees is performed every second year. The results of such evaluations are considered, and actions taken where required.

Appointments and delegation to management

The Council ensures that the appointment of, and delegation to management contribute to role clarity and the effective exercise of authority and responsibilities. In addition to the legislative delegation to the Registrar in terms of the Pharmacy Act, the Council has delegated to the Registrar the authority to run the day-to-day operations within the approved policy framework.

Risk Governance

The Council governs risk in a way that supports the organisation in setting and achieving its strategic objectives. In line with the Council Policy on Risk Management, risks are managed through the systematic analysis of actual and potential risks, and the development and implementation of measures to counter those risks. Risk management is essentially made up of three stages - risk identification, risk analysis and risk control.

The annual management risk identification workshop was held on 29 January 2020. The draft Risk Register resulting from the workshop was presented to Council members at the strategic session/workshop on 11 February 2020 for input and approval. The Audit Committee assists the Council in carrying out its risk governance responsibilities. Top risks at the date of report are highlighted in this Annual Report.

Information Technology Governance

The Council governs Information Technology (IT) in a way that supports the organisation setting and achieving its strategic objectives. The Audit Committee assists the Council in carrying out its oversight responsibilities regarding IT. The IT report is included on page 36.

Remuneration Governance

The Council ensures that the organisation remunerates fairly, responsibly, and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. The Council, through the Remuneration and Reimbursement Committee oversees that the implementation and execution of the *Remuneration Policy* achieves the set objectives.

Assurance

The Council has adopted a combined assurance model that identifies the risk areas affecting the organisation, and maps the level of assurance being provided by management, internal auditors, and external auditors. Assurance services are overseen by the Audit Committee. The details of such assurance for the year is included in the Audit Committee report.

Provision of managerial and administrative support for the sustainability of Council as a going concern

Financial Performance Indicators

Description	2016	2017	2018	2019	2020
Current assets (R)	54 125 905	40 022 342	45 104 401	55 931 930	65 569 389
Current liabilities (R)	43 320 980	40 834 459	44 894 886	49 557 509	48 413 580
Liquidity ratio	1.25	0.98	1.00	1.13	1.35
Income (R)	80 275 776	82 531 919	82 528 777	98 404 568	107 159 411
Expenditure (R)	71 277 271	74 168 392	78 558 277	93 466 007	98 821 865
Total comprehensive income for the year [Surplus/ (deficit)] (R)	8 998 505	8 363 527	3 970 500	4 938 561	8 337 546

Table 34: Financial Performance Indicators

Statement of Financial Position

The assets of the organisation grew by over 8.18% as a result of an increase in current assets. Current assets were made of accounts receivable, cash on hand, and short-term deposits whose growth was attributed to fees for the year 2021 received in advance.

Total equity and liabilities grew in line with assets due to the surplus for the year. The liquidity ratio increased by 20%, from 1.13 in the prior year to 1.35 on 31 December 2020 due to a slowdown in some operations during the COVID-19 pandemic.

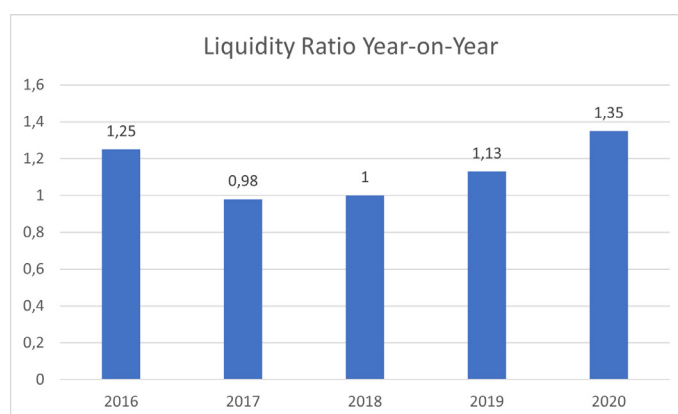


Figure 7: Liquidity ratio year-on-year

Statement of Comprehensive Income

Council is a not-for-profit organisation, and its funding is made up predominantly of membership fees from the pharmacy profession, such as annual fees, registration fees, and restoration fees. Other sources of income are sponsorships/donations for specific once-off projects. Income grew by 8.90% on the back of an inflationary increase in fees, as well as the introduction of a new fee for pharmacy owners. The fee was introduced for equity so that all categories of registered persons contribute to the funding of operations.

During the year under review, expenditure grew in line with inflation by 5.73%. Total comprehensive income increased by 68.83% from R4 938 561 to R8 337 546 mainly due to a slowdown in some operations during the COVID-19 lockdown, as well as the introduction of a new fee for pharmacy owners.

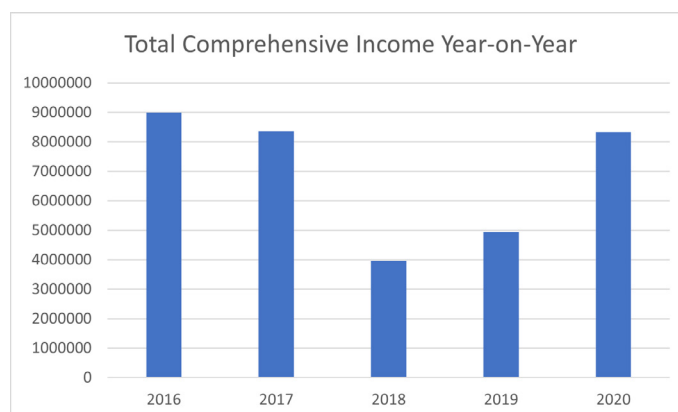


Figure 8: Total Comprehensive Income Year-on-Year

Planning and Budgetary Control

Council's budget is guided by the five-year strategic plan. The budget for the year under review was approved at the 30/31 October 2019 Council meeting. Budget performance reports were presented to management, the Executive Committee, the Audit Committee and Council. At various Council committee meetings, respective budget performance reports related to the committees formed part of the agenda.

Supply Chain Management

Council has adopted a proactive approach towards Black Economic Empowerment. The procurement policies of Council support government policy for the general good in addressing past imbalances. The list of prospective suppliers was updated in line with the *Tender and Procurement*

Policy. The Adjudicating Committee and Tender Committee considered purchases above the values of R50 000 and R500 000 respectively. During the year under review, the whole financial management division (including procurement processes) was reviewed by independent auditors and controls were found to be adequate.

Top Risks

An updated risk register was maintained during the year. Identified risks indicate the things that could go wrong which would have an impact on the achievement of the organisation's objectives and strategic planning. The following were the top risk and additional control improvements to mitigate risks:

- (a) Litigation due to the nature of functions of the organisation in the ordinary course of business-
 - develop and implement the filing index for the organisation; and
 - training of staff, Council members and independent contractors on the role and functions of Council.
- (b) Disruption of services as a result of inadequate Business Continuity Plans-
 - investigate viable cheaper Disaster Recovery Plan (DRP) solution/s; and
 - to implement the Work from Home Policy.
- (c) Over-reliance on third party Information Technology service providers-
 - review terms of Service Level Agreements on renewal.
- (d) Damage and theft of company assets and harm to personnel-
 - improve the CCTV system storage/retention functionality;
 - procure secure storage for firearms and electronic equipment;
 - investigate the procurement of walk-through metal detectors;
 - procure an electronic laptop scanner; and
 - obtain advice on securing the back-up power generators against unauthorised access.

Internal Audit

During the year under review, the internal audit function was outsourced to an independent audit firm, Sondlo Chartered Accountants (Sondlo). Sondlo attended all Audit Committee meetings and reported on the adequacy of internal controls.

A risk-based internal audit plan for three years ending 31 December 2022 was approved and audits were carried out. Internal controls were considered adequate, with minor improvements recommended in some areas. During the year under review, seven (7) audit reviews were completed:

- Human Resources
- Governance and Compliance
- Information Technology
- Communication and Stakeholder Relations
- Financial Management
- Internal audit findings follow-up review
- External audit findings follow-up review

Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 December 2020.

Purpose of the Annual Report

This annual report captures in summary form the activities of the Audit Committee (the Committee) for the financial year 2020, presenting how the Committee has performed and met its terms of reference and key priorities.

Audit Committee Members and Attendance

The Committee meets at least three times per annum in accordance with the Audit Committee Charter.

During 2020, the Committee held three meetings. The Committee reported to Council after each meeting. The names of the members and attendance at meetings is recorded in the table below:

Name of member	Number of meetings attended during 2020
Mr Haroon Moolla (Chairperson)	3
Ms Anna Mirriam Mmanoko Badimo	3
Ms Masesi Enid Sikhosana	3
Mr Samuel Mashilo Kubushi	3
Mr Shadrack Shuping	3
Ms Christina Aletta Venter	3

Table 35: Audit Committee meeting attendance

Audit Committee responsibilities

The responsibilities of the Audit Committee are set out in the Audit Committee Charter. The Committee assists Council in fulfilling its oversight responsibility by serving as an independent and objective party to oversee the establishment and maintenance of an effective system of internal control within Council. The Committee monitors and strengthens the objectivity and credibility of Council's financial reporting process and internal control systems. It supports and appraises the audit activities of the external auditors and the internal audit function, and provides an avenue of communication between the external auditors and the internal audit function. The Committee ensures there are effective internal audit arrangements in place, reviews the work and findings of internal and external audits, and reviews Council's corporate governance and risk management measures.

The Audit Committee reports that it has complied with its responsibility arising from the International Financial Reporting Standards appropriate to Council. Compliance with a number of the key responsibilities is evidenced by the following actions:

- Regular review and monitoring of the corporate risk register, with appropriate challenge to the proposed controls and risk scoring.
- Receipt of reports on progress against internal and external audit plans.
- Approval of the internal audit annual work plan and fee.
- Review of the legal and ethical compliance.
- Review of the financial and governance policies in line with best practice.

- Assessment of the Committee's annual performance in line with the Audit Committee Charter.
- Review of the financial reporting.

Internal and External Auditors

The internal audit function during the year under review was undertaken by Sondlo Chartered Accountants, with Rakoma & Associates Chartered Accountants Inc. (Rakoma) serving as the external auditors.

The internal auditors attended all Committee meetings and the external auditors attended by invitation or when items needed to be presented. The auditors assured the Committee of their independence and ethical conduct in the discharge of their functions.

Effectiveness of Internal Control

The internal control system is effective, as the reports from the internal auditors and the Audit Report on the 2020 annual financial statements from the external auditors record no material non-compliance with prescribed policies and procedures. The unqualified/clean audit achieved for the year is evidence of the efficiency and effectiveness of internal controls.

Evaluation of Financial Statements

The Committee has:

- reviewed and discussed with Rakoma and the accounting authority the audited annual financial statements;
- reviewed Rakoma's management letter and management responses; and
- reviewed significant adjustments resulting from the audit.

Going Concern Basis of Accounting

The Committee is satisfied that Council is in a sound financial position to continue operations in the near future and, accordingly, the financial statements are prepared on a going concern basis.

Risk Management

Management has implemented internal control processes for identifying, evaluating, and managing significant risks to the achievement of Council's objectives. The Committee is satisfied that the measures are effective in mitigating the identified risks.

Irregularities and Supply Chain Management

There were no reports of suspicious actions relating to irregularities or non-adherence to Supply Chain Management policies.

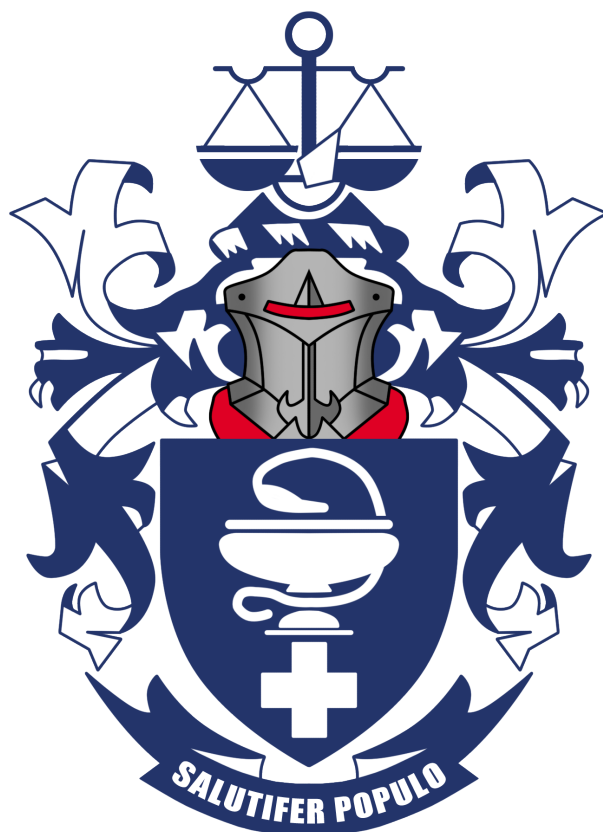
The Committee concurs, accepts Rakoma's conclusions on the annual financial statements, and is of the opinion that the audited financial statements be accepted and read together with the report from Rakoma.

We thank management for their dedication and support, and for making the environment conducive for the Committee to effectively discharge its responsibilities.



Mr Haroon Moolla
Chairperson of the Audit Committee

Financial Statements for the year ended 31 December 2020



South African Pharmacy Council

These financial statements were prepared by:
Voster Himbotwe
Chief Financial Officer

These financial statements have been audited in compliance with the applicable requirements of the
Pharmacy Act, 53 of 1974.

Issued 11 May 2021

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

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The reports and statements set out below comprise the annual financial statements presented to the South African Pharmacy Council:

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The supplementary information presented does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	65

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

General Information

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	Pharmacy industry regulator
Registered Office	591 Belvedere Street Arcadia Pretoria 0083
Business Address	591 Belvedere Street Arcadia Pretoria 0083
Postal Address	Private Bag X40040 Arcadia Pretoria 0007
Bankers	Standard Bank of South Africa Investec Bank Limited
Independent Auditors	Rakoma and Associates Incorporated Chartered Accountants (SA) Registered Auditor
Level of Assurance	These financial statements have been audited in compliance with the applicable requirements of the Pharmacy Act, 53 of 1974 and IFRS for SMEs.
Preparer	The financial statements were internally compiled by: Voster Himbotwe Chief Financial Officer

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Councillors' Responsibilities and Approval

The Registrar shall keep true and accurate records of all income and expenditure as required by the Pharmacy Act, 53 of 1974 and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the councillors' responsibility to ensure that the financial statements fairly present the state of affairs of the Council as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The councillors acknowledge that they are ultimately responsible for the system of internal financial control established by the Council and place considerable importance on maintaining a strong control environment. To enable councillors to meet these responsibilities, the councillors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Council and all employees are required to maintain the highest ethical standards in ensuring the Council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The councillors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements.

However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.


The councillors have reviewed the Council's cash flow forecast for the year to end 31 December 2021 and, in the light of this review and the current financial position, they are satisfied that the Council has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Council's financial statements. The financial statements have been examined by the Council's external auditor whose report is presented on pages 55 to 57.

The financial statements set out on pages 58 to 75, which have been prepared on the going concern basis, were approved by the councillors on 11 May 2021 and were signed on their behalf by:



Mr MD Phasha (President)



Mr TD Moralo (Treasurer)



Mr VM Tlala (Registrar/CEO)

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF THE SOUTH AFRICAN PHARMACY COUNCIL

We have audited the financial statements of the South African Pharmacy Council set out on pages 58 to 75, which comprise the statement of financial position, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended 31 December 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the South African Pharmacy Council as at 31 December 2020, and its financial performance and cash flows for the year then ended in accordance with the International Reporting Standards for Small to Medium sized Entities and the requirements of the Pharmacy Act 53 of 1974.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The councillors are responsible for the other information. The other information comprises the information included in the document titled "South African Pharmacy Council Financial Statements for the year ended 31 December 2020", which includes the Councillors' Report as required by the Pharmacy Act 53 of 1974. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the councilors for the financial statements

Chairman of the Board: EM Rakoma CA (SA)		*Registered name : Rakoma and Associates Incorporated			*A complete list of Directors and Partners is available upon request.
Head Office - Gauteng: (Primary domicilium citandi & executandi) Monte Circle Office Park, Ground Floor Building B, 178 Monte Casino Boulevard, Magaliesig, Sandton, 2191, Johannesburg, South Africa	Eastern Cape: 95 Western Avenue, Vincent, East London, 5247 P.O. Box 15273, Beacon Bay, East London, 5205	Limpopo: Rhodesdrift Office Park, Building One, 23 Rhodesdrift Street, Bendor, Polokwane, 0699	North West: 29 Von Weilligh Street, Rustenburg 0300	Northern Cape: Shop B, 1-9A Jacobus Smit Street, Royaltyard Park, Royal Glen, Kimberley, 8301 P.O. Box 3392, Diamond Pavilion Mall, Kimberley, 8305	Company Registration: 2002/024847/21 Web: www.rakoma.co.za www.linkedin.com/company/rakoma-and-associates-inc www.facebook.com/Rakomahc Email (General information): info@rakoma.co.za
P.O. Box 1117, Randpark Ridge, Randburg, 2156 Tel : +27 (0) 11 463 5781 Fax: +27 (0) 11 463 0186	Tel : +27 (0) 43 721 0863 Fax: +27 (0) 43 721 0843	Tel : +27 (0) 15 296 0122/3 Fax: +27 (0) 15 296 0039	Tel : +27 (0) 14 594 2737 Fax: +27 (0) 86 647 1027	Tel : +27 (0) 53 831 2253 Fax: +27 (0) 86 647 1027	05-04-17-ver1



The councillors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities and the requirements of the Pharmacy Act 53 of 1974, and for such internal control as the councillors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the councillors either intend to liquidate the council or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of financial statements is included in the Appendix to this audit report. The description, which is located in annexure 1, forms part of our audit report.

Rakoma and Associates Inc.

Rakoma & Associates Incorporated

Per: Collins Malunga
Chartered Accountant (SA)
Registered Auditor
Director
Fourways

Annexure 1

Auditors Responsibilities for the Audit of Financial Statements

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the councilors.
- Conclude on the appropriateness of the council's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Councillors' Report

The Council members have pleasure in submitting their report on the financial statements of the South African Pharmacy Council for the year ended 31 December 2020.

1. Nature of business

The South African Pharmacy Council is a non-profit making statutory body governed by the Pharmacy Act, 53 of 1974. The objectives of the Council (as contained in the Act) may be summarised as follows:

- to assist in the promotion of the health of the population of the Republic;
- to advise the minister, or any other person, on any matters relating to pharmacy;
- to promote the provision of pharmaceutical care;
- to uphold and safeguard the rights of the general public to universally acceptable standards of pharmacy practice; and
- to establish, develop, maintain and control universally acceptable standards relating to pharmaceutical education and training, registration, practice and professional conduct.

There have been no material changes to the nature of the Council's business from the prior year.

2. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Pharmacy Act, 53 of 1974. The accounting policies have been applied consistently compared to the prior year.

3. Councillors

The councillors in office during the reporting period and at the date of this report were as follows:

Councillors	Office	Designation	Nationality
Mr Mogologolo David Phasha	President	Non-executive	South African
Ms Boitumelo Nelly Molongoana	Vice-President	Non-executive	South African
Ms Nocawe Portia Thipa	Treasurer (retired from 1 May 2020)	Non-executive	South African
Mr Tshegofatso Daniel Moralo	Treasurer (from 9 June 2020)	Non-executive	South African
Ms Kahdija Jamaloodien	Representative from DoH	Non-executive	South African
Prof Yahya Essop Choonara	Education Committee Chairperson	Non-executive	South African
Ms Mmapaseka Steve Letsike	Health Committee Chairperson	Non-executive	South African
Mr Johannes Stephanus du Toit	CPI Chairperson	Non-executive	South African
Mr Tshegofatso Daniel Moralo	CII Chairperson (up to 9 June 2020)	Non-executive	South African
Dr Margaritha Johanna Eksteen	CII Chairperson (from 9 June 2020)	Non-executive	South African
Ms Jacqueline Ann Maimin	Practice Committee Chairperson	Non-executive	South African
Mr Ayanda Soka	CPD Committee Chairperson	Non-executive	South African
Dr Moliehi Matlala	Pre-Registrations Committee Chairperson	Non-executive	South African
Ms Helen Catherine Hayes		Non-executive	South African
Dr (Adv) Nazreen Shaik-Peremanov		Non-executive	South African
Ms Josephine Herbert		Non-executive	South African
Ms Pakama Dlwati		Non-executive	South African
Mr Pieter Johannes Kilian		Non-executive	South African
Prof Sarel Francois Malan		Non-executive	South African
Ms Moitsoadi Sarah Mokgatlha		Non-executive	South African
Prof Natalie Shellack		Non-executive	South African
Ms Tlou Mavis Shivambu		Non-executive	South African
Mr Mosiuoa Shadrack Shuping		Non-executive	South African
Prof Ilse Truter		Non-executive	South African
Ms Christina Aletta Venter		Non-executive	South African
Dr Petrus de Wet Wolmarans		Non-executive	South African

4. Events after reporting date

The councillors are not aware of any material event which occurred after the reporting date and up to the date of this report.

5. Going concern

The councillors believe that the Council has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The councillors have satisfied themselves that the Council is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The councillors are not aware of any new material changes that may adversely impact the Council. The councillors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Council.

6. Independent Auditors

Rakoma and Associates Incorporated were the independent auditors for the year under review.

7. Audit Committee

The Audit Committee is constituted in terms of the requirements of sound corporate governance practices and operates within that framework. The Committee consists of non-executive members of which two are councillors and four are independent professionals with accounting, auditing, information technology and legal background. The Committee meets at least three times a year.

The primary responsibility of the Committee is to assist the councillors in carrying out their duties relating to accounting policies, internal control systems, financial reporting and practices. The external auditors formally report to the Committee on critical findings arising from audit activities.

The Audit Committee has oversight over internal audits. The Committee ensures that there are effective internal audit arrangements in place, reviews the work and findings of internal audits, maintains oversight on counter fraud arrangements including the establishment of whistle-blowing systems, reviews Council's corporate governance, and risk management.

The Committee members during the year were:

Name	Office	Designation	Nationality
Mr Haroon Moolla	Chairperson	Independent	South African
Ms Anna Mirriam Mmanoko Badimo		Independent	South African
Mr Samuel Mashilo Kubushi		Independent	South African
Ms Masesi Enid Sikhosana		Independent	South African
Mr Mosiuoa Shadrack Shuping		Council member	South African
Ms Christina Aletta Venter		Council member	South African

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Statement of Financial Position as at 31 December 2020

	Note(s)	2020	2019
Assets			
Non-Current Assets			
Property, plant and equipment	2	23,851,013	25,502,048
Investment property	3	5,000,000	6,200,000
Intangible assets	4	904,782	484,634
		29,755,795	32,186,682
Current Assets			
Trade and other receivables	5	18,101,981	15,031,081
Cash and cash equivalents	6	47,467,408	40,900,849
		65,569,389	55,931,930
Total Assets		95,325,184	88,118,612
Equity and Liabilities			
Equity			
Retained earnings		46,898,417	38,560,871
Non-Current Liabilities			
Finance lease liabilities	7	13,817	232
Current Liabilities			
Trade and other payables	8	48,388,323	49,541,837
Finance lease liabilities	7	25,257	15,672
		48,413,580	49,557,509
Total liabilities		48,426,767	49,557,741
Total Equity and Liabilities		95,325,184	88,118,612

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Statement of Comprehensive Income

	Note(s)	2020	2019
Revenue	9	103,660,002	86,825,052
Other income	10	168,735	8,631,245
Operating expenses		(98,819,699)	(93,466,007)
Surplus for the year from continuing operations	11	5,009,038	1,990,290
Investment revenue	12	3,330,674	2,954,351
Finance costs	13	(2,166)	(6,080)
Surplus for the year		8,337,546	4,938,561
Other comprehensive income		-	-
Net surplus/ (deficit) for the year		8,337,546	4,938,561

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Statement of Changes in Equity

	Note(s)	Retained income	Total equity
Balance at 1 January 2019		33,622,310	33,622,310
Net surplus/ (deficit) for the year		4,938,561	4,938,561
Other comprehensive income		-	-
Net surplus/ (deficit) for the year		4,938,561	4,938,561
Balance at 1 January 2020		38,560,871	38,560,871
Surplus/ (deficit) for the year		8,337,546	8,337,546
Other comprehensive income		-	-
Net surplus/ (deficit) for the year		8,337,546	8,337,546
Balance at 31 December 2020	-	46,898,417	46,898,417

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Statement of Cash Flows

	Note(s)	2020	2019
Cash flows from operating activities			
Cash receipts from customers		103,660,002	86,825,052
Cash payments to suppliers and employees		(97,925,024)	(77,886,366)
Cash generated from operations	15	5,734,978	8,938,686
Investment income		3,330,674	2,954,351
Finance costs		(2,166)	(6,080)
Net cash flows from operating activities		9,063,486	11,886,957
Cash flows used in investing activities			
Property, plant and equipment acquired	2	(1,871,005)	(2,179,408)
Intangible assets acquired	4	(880,997)	(196,930)
Proceeds on disposals of property, plant and equipment		244,041	55,403
Net cash flows used in investing activities		(2,507,960)	(2,320,935)
Cash flows from / (used in) financing activities			
Finance lease payments		11,033	(32,875)
Net cash flows from / (used in) financing activities		11,033	(32,875)
Net increase in cash and cash equivalents		6,566,559	9,533,147
Cash and cash equivalents at beginning of the year		40,900,849	31,367,702
Cash and cash equivalents at end of the year	6	47,467,408	40,900,849

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Accounting Policies

1. Presentation of financial statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Pharmacy Act, 53 of 1974. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the financial statements.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that management have made in the process of applying the Council accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Lease classification

The Council is party to leasing arrangements as a lessee. The treatment of leasing transactions in the financial statements is mainly determined by whether the lease is considered to be an operating lease or a finance lease. In making this assessment, management considers the substance of the lease, as well as the legal form, and makes a judgement about whether substantially all of the risks and rewards of ownership are transferred.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment

The Council reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date.

Impairment testing

The Council reviews and tests the carrying value of property, plant and equipment and intangible assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Investment property valuation

The Council reviews the fair value of investment property at each reporting date with impairments or any changes in fair value being recognised in profit or loss. The review of fair value requires the use of estimates and assumptions.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

Other estimates made

The Council makes estimates for:

- the calculation of finance lease present values; and
- the determination of useful lives and residual values of items of property, plant and equipment.

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Accounting Policies***Presentation of financial statements continued...*****Trade receivables, Held to maturity investments and Loans and receivables**

The Council assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Council makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

1.2 Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes; and are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses. Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Item	Depreciation method	Average useful life
Land	Straight line	Indefinite
Buildings	Straight line	20 years
Motor vehicles	Straight line	4 years
Furniture and fittings	Straight line	10 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years
Cell phones & tablets (included in office equipment)	Straight line	2 years

Land is not depreciated as it is deemed to have an indefinite life.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recovered. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount. The residual values and useful lives of each asset are reviewed at each financial period.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.3 Investment property

Investment property is property (land or a building, or part of a building, or both) held by the Council to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes, or sale in the ordinary course of business.

Investment property is initially measured at its cost. After initial measurement, investment property whose fair value can be measured reliably without undue cost or effort is measured at fair value at each reporting date with changes in fair value recognised in profit or loss. Where Council is not able to apply fair value, it classifies the investment property as property, plant and equipment and measures and presents it as such.

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Accounting Policies***Presentation of financial statements continued...*****1.4 Intangible assets**

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are initially recognised at cost.

All research and development costs are recognised as an expense unless they form part of the cost of another asset that meets the recognition criteria.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date if there are indicators present that there is a change from the previous estimate. Amortisation is provided to write down the intangible assets, on a straight-line basis, as follows:

Item	Useful life
Computer software	2 to 5 years

1.5 Financial instruments**Initial measurement**

The Council classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the the remaining balance of the liability.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term except in cases where another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or where the payments are structured to increase in line with expected general inflation.

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Accounting Policies

Presentation of financial statements continued...**1.7 Impairment of assets**

The Council assesses at each reporting date whether there is any indication that an asset may be impaired. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.8 Employee benefits

Council operates a defined contribution plan, the assets of which are held in a separate trustee-administered umbrella fund, the Sanlam Umbrella Pension Fund (the fund).

Under defined contribution plan the Council's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund. Consequently, the actuarial risk that benefits will be less than expected and the investment risk that assets invested will be insufficient to meet expected benefits is borne by employees.

The benefits payable by the fund in the future, due to retirements and withdrawals from the fund, are contributions by members to the fund together with fund interest at a rate determined by the valuator with the consent of the trustees. The rate is so determined that the value of total benefits of the fund shall not exceed the value of the total assets of the fund. Council's contribution to the plan is charged to the income statement when incurred.

1.9 Provisions and contingencies

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses. Provisions are recognised when:

- the company has an obligation at the reporting date as result of a past event;
- it is probable that the company will be required to transfer economic benefits in settlement; and
- the amount of the obligation can be estimated reliably.

Contingent assets and contingent liabilities are not recognised.

10.10 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest

Interest is recognised, in profit or loss, using the effective interest rate method.

Rental Income

Rental income from operating leases (net of any commission or incentives given to the lessees) is recognised on a straight-line basis over the lease term.

10.11 Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Notes to the Annual Financial Statements**2. Property, plant and equipment**

	2020			2019		
	Cost	Accumulated Depreciation	Carrying Value	Cost	Accumulated Depreciation	Carrying Value
Land	8,600,000	-	8,600,000	8,600,000	-	8,600,000
Buildings	18,959,664	(8,928,601)	10,031,063	18,898,050	(8,195,397)	10,702,653
Motor vehicles	752,893	(718,418)	34,475	752,893	(612,646)	140,247
Furniture and fittings	4,111,487	(2,253,500)	1,857,987	4,019,416	(2,176,567)	1,842,849
Office equipment	2,985,363	(2,137,195)	848,168	2,933,751	(1,844,922)	1,088,829
IT equipment	8,074,028	(5,594,708)	2,479,320	7,172,848	(4,045,378)	3,127,470
Total	43,483,435	(19,632,422)	23,851,013	42,376,958	(16,874,910)	25,502,048

Reconciliation of property, plant and equipment - 2020

	Opening Balance	Additions	Disposals	Depreciation	Total
Land	8,600,000	-	-	-	8,600,000
Buildings	10,702,653	61,614	-	(733,204)	10,031,063
Motor vehicles	140,247	-	-	(105,772)	34,475
Furniture and fittings	1,842,849	92,072	-	(76,934)	1,857,987
Office equipment	1,088,829	254,323	(36,657)	(458,327)	848,168
IT equipment	3,127,470	1,462,996	(210,807)	(1,900,339)	2,479,320
Total	25,502,048	1,871,005	(247,464)	(3,274,576)	23,851,013

Reconciliation of property, plant and equipment - 2019

	Opening Balance	Additions	Disposals	Depreciation	Total
Land	8,600,000	-	-	-	8,600,000
Buildings	11,411,951	38,785	-	(748,084)	10,702,652
Motor vehicles	180,073	-	-	(39,826)	140,247
Furniture and fittings	2,082,361	51,475	-	(290,987)	1,842,849
Office equipment	1,450,693	49,298	(1,350)	(409,811)	1,088,830
IT equipment	2,496,686	2,039,850	(55,208)	(1,353,858)	3,127,470
Total	26,221,764	2,179,408	(56,558)	(2,842,566)	25,502,048

Net carrying amounts of leased assets

Office equipment	34,836	34,836
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Details of properties

Land and buildings, Erf 1470, situated at 591 Belvedere Street, Arcadia, Pretoria in the extent of 1708 (one thousand seven hundred and eight) square meters.

Land and buildings, Erf/HAT 30, situated at 1019 Francis Baard Street, Hatfield, Pretoria in the extent of 2 552 (two thousand five hundred and fifty two) square meters.

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Notes to the Annual Financial Statements

3. Investment property

	2020			2019		
	Cost	Decrease in Value	Fair Value	Cost	Decrease in Value	Fair Value
Investment properties	6,833,322	(1,833,322)	5,000,000	6,833,322	(633,322)	6,200,000

Reconciliation of investment property - 2020

	Opening Balance	Additions	Fair Value Adjustment	Total
Investment properties	6,200,000	-	(1,200,000)	5,000,000

Reconciliation of investment property - 2019

	Opening Balance	Additions	Fair Value Adjustment	Total
Investment properties	6,800,000	-	(600,000)	6,200,000

Details of investment property

Land and buildings, Portion 1 of Erf 35, situated at 1020 Arcadia Street, Hatfield, Pretoria in the extent of 1931 (one thousand nine hundred and thirty one) square meters. The property is used as communal for students and is earmarked for long term for office development.

The investment property fair value was evaluated by Van Zyl Professional Associated Property Valuers. The significant assumptions used by the valuer is the highest and best use of the property which was considered to be re-development for the purposes of flats or offices and comparable market value within the area.

4. Intangible assets

	2020			2019		
	Cost	Accumulated Depreciation	Carrying Value	Cost	Accumulated Depreciation	Carrying Value
Computer software	6,581,901	(5,677,119)	904,782	5,700,904	(5,216,270)	484,634

Reconciliation of intangible assets - 2020

	Opening Balance	Additions	Depreciation	Carrying Value
Computer software	484,634	880,997	(460,850)	904,781

Reconciliation of intangible assets - 2019

	Opening Balance	Additions	Depreciation	Carrying Value
Computer software	404,910	196,930	(117,206)	484,634

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Notes to the Annual Financial Statements

	2020	2019
5. Trade and other receivables		
Trade receivables	17,864,966	14,603,587
Deposits	117,989	18,529
Value Added Tax (VAT)	4,531	-
Other receivables	114,495	408,965
	18,101,981	15,031,081
Included in the trade receivables amount is a provision for doubtful debts amounting to R17 261 072 (2019: R11 634 051).		
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	122	2,030
Bank balances	13,288,562	14,122,678
Short-term deposits	34,178,724	26,776,141
	47,467,408	40,900,849
Details of bank facilities held by the Council are presented below and have an expiry date of 17 December 2021 -		
<ul style="list-style-type: none"> • Overdraft amounting to R1 500 000 for unforeseen emergencies; • Guarantees by Bank amounting to R50 000; • Corporate Credit Card and/or Garage Card facility by Bank amounting to R350 000; • Fleet management services amounting to R15 000; and • Electronic Funds Transfer Services of R6 000 000 and R1 150 000 for Salary Run and Debit Runs respectively. 		
7. Finance lease liabilities		
Minimum lease payment which fall due		
Within one year	25,257	15,672
In second to fifth year inclusive	13,187	232
	38,444	15,904
Present value of minimum lease payments	38,444	15,904
Non-current liabilities	13,187	232
Current liabilities	25,257	15,672
	38,444	15,904
8. Trade and other payables		
Trade payables	1,177,661	1,836,367
Value Added Tax	-	39,157
Income received in advance	43,070,041	45,232,815
Employee leave days	3,969,643	2,132,983
Other payables	170,978	300,515
	48,388,323	49,541,837

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Notes to the Annual Financial Statements

	2020	2019
9. Revenue		
Annual fees	71,997,632	57,060,479
Evaluation, re-inspection and fines	12,727,866	11,207,040
Examination fees	303,692	380,956
Registration fees	18,630,812	18,176,577
	103,660,002	86,825,052
10. Other Income		
Insurance claim received	97,074	79,947
Other income	71,661	232,095
Sponsorship	-	8,319,203
	168,735	8,631,245
The decrease in sponsorship relates to hosting of the third National Pharmacy Conference in the prior period.		
11. Surplus for the year from continuing operations		
Operating profit for the year is stated after accounting for the following:		
Profit/(loss) on sale of assets	(16,641)	(14,373)
Amortisation of intangible assets	460,850	117,206
Depreciation on property, plant and equipment	3,274,576	2,842,566
Employee costs	64,651,245	56,124,390
Research and development	121,592	34,548
12. Investment income		
Interest revenue		
Bank	3,330,674	2,954,351
13. Finance costs		
Bank	2,166	6,080
	2,166	6,080
14. Auditors' remuneration		
Fees	220,635	147,718

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Notes to the Annual Financial Statements

	2020	2019
15. Cash generated from operations		
Profit before taxation	8,337,546	4,938,561
Adjustments for:		
Depreciation and amortisation	3,735,426	2,959,772
(Profit)/loss on sale of assets	16,641	14,373
Interest received	(3,330,674)	(2,954,351)
Finance costs	2,166	6,080
Impairment of Investment property	1,200,000	600,000
Movement in security deposits	(1,713)	(1,713)
Changes in working capital:		
Increase in trade and other receivables	(3,070,900)	(1,294,382)
Decrease in trade and other payables	(1,153,514)	4,670,346
	5,734,978	8,938,686
16. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
Not yet contracted for and authorised by Council	3,705,500	3,835,500
	3,705,500	3,835,500
This committed expenditure relates to plant and equipment and will be financed by funds internally generated.		
Operating leases - as lessee (expenses)		
- within one year	15,672	15,672
- in second to fifth year inclusive	13,187	232
	28,859	15,904

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Notes to the Annual Financial Statements

	2020	2019
17. Related parties		
Relationships		
Key management personnel are those members having authority and responsibility for planning, directing and controlling the activities of Council. Key management personnel include the councillors, committee members and executive management. Executive management includes the Registrar, Chief Operations Officer and Chief Financial Officer.		
Related party balances and transactions with persons with control, joint control or significant influence over the Council.		
Council and sub-committee members, in relation to attendance of meetings-		
Allowances	90,465	74,756
Meeting expenses - accommodation	813,531	1,418,157
Meeting expenses - member fees	509,625	467,972
Meeting expenses - locum expenses	132	13,067
Meeting expenses - preparation fees	209,118	171,450
Transport	228,574	750,154
Compensation of executive management	5,593,707	5,187,942
18. Going Concern		
The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.		
19. Events after reporting period		
There were no adjusting events after the reporting period.		
20. Financial risk management		
The Council's activities expose it to a variety of financial risks including interest rate risk, credit risk and liquidity risk. The Council's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Council's financial performance.		
Risk management is carried out by senior management under financial policies approved by Council.		
Liquidity risk		
Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from an adequate amount of committed credit facilities. The Council manages liquidity risk through the compilation and monitoring of cash forecasts, as well as ensuring that adequate borrowing facilities are maintained. The maturity profile of the Council's financial instruments is less than 12 months.		
Interest rate risk		
The Council's interest rate risk arises from the interest payable on operating leases. Interest rate is based on prime.		
Credit risk		
Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Council only deposits cash with major banks with high quality credit standing and limits exposure to any one counter party.		
As at 31 December 2020, the carrying values of trade payables, cash and accrued expenses are assumed to approximate their fair values due to the short-term maturities of these financial statements.		

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Detailed Income Statement

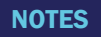
	Note(s)	2020	2019
Revenue			
Annual fees		71,997,632	57,060,479
Evaluation, re-inspection and fines		12,727,866	11,207,040
Examination fees		303,692	380,956
Registration fees		18,630,812	18,176,577
	9	103,660,002	86,825,052
Other Income			
Insurance claim received		97,074	79,947
Other income		71,661	232,095
Sponsorship		-	8,319,203
	10	168,735	8,631,245
Investment income			
Interest received		3,330,674	2,954,351
	12	3,330,674	2,954,351
Expenses (refer to page 66)		(98,819,699)	(93,466,007)
Surplus for the year	11	8,339,712	4,944,641
Finance costs	13	(2,166)	(6,080)
Net surplus / (deficit) for the year		8,337,546	4,938,561

South African Pharmacy Council

Annual Financial Statements for the year ended 31 December 2020

Detailed Income Statement

	Note(s)	2020	2019
Operating expenses			
Allowances		(90,465)	(74,756)
Auditors' remuneration		(220,635)	(147,718)
Bad debts and provision for doubtful debts		(6,394,147)	(668,563)
Bank charges		(774,586)	(934,252)
Cleaning, health and safety		(395,505)	(432,219)
Consumables		(96,986)	(173,064)
Depreciation		(3,735,426)	(2,959,772)
Employee costs		(64,651,245)	(56,124,390)
Impairment - Investment property		(1,200,000)	(600,000)
Information technology expenses		(4,534,560)	(4,113,465)
Insurance		(644,192)	(531,001)
Internal audit and consultancy		(283,950)	(347,755)
Lease rental on operating lease		(399,587)	(441,883)
Legal expenses		(66,000)	(41,159)
Loss on sale of fixed assets		(16,641)	(14,373)
Meeting expenses - accommodation		(813,531)	(1,418,157)
Meeting expenses - catering		(153,175)	(491,640)
Meeting expenses - locum expenses		(132)	(13,067)
Meeting expenses - member fees		(509,625)	(467,972)
Meeting expenses - preparation fees		(209,118)	(171,450)
Meeting expenses - transport and travelling		(228,574)	(750,154)
Office expenses		(512,721)	(643,116)
Office transport		(43,306)	(94,375)
Pharmacy Conference		(16,212)	(7,944,532)
Pharmacy education and training		(1,766,594)	(2,312,485)
Pharmacy inspections		(2,984,086)	(3,663,451)
Postage and courier		(1,196,915)	(1,287,342)
Printing and stationery		(665,287)	(1,550,760)
Public relations and promotions		(761,767)	(474,111)
Repairs and maintenance		(479,669)	(458,247)
Research and development costs		(121,592)	(34,548)
Security		(368,247)	(487,909)
Social responsibility		(23,227)	(24,426)
Telephone and fax		(3,434,124)	(2,297,660)
Travel - overseas		(31,986)	(265,985)
Utilities		(995,886)	(1,010,250)
		(98,819,699)	(93,466,007)

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**South African
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