2021/22

ANNUAL REPORT

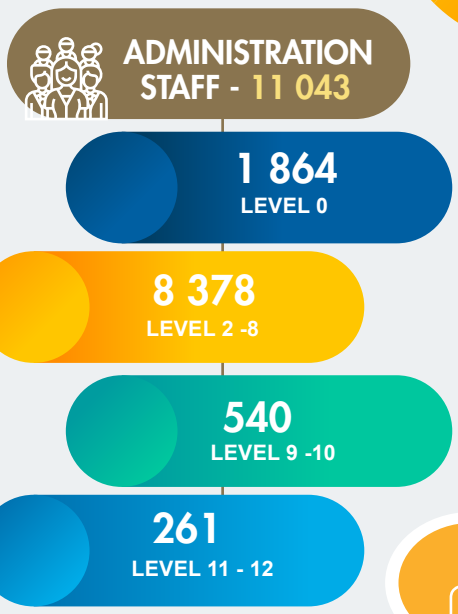
PATIENT-CENTRED.
CLINICIAN-LED.
STAKEHOLDER-DRIVEN.

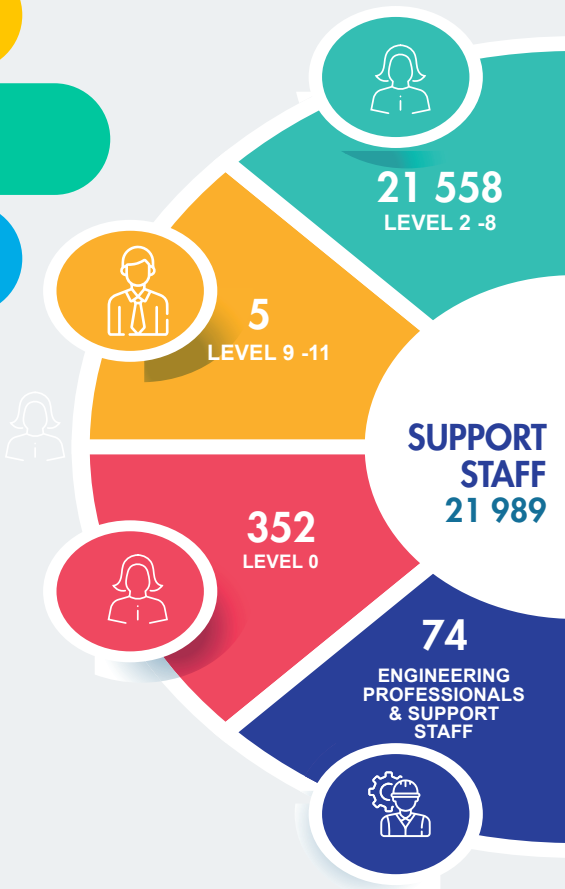
GAUTENG PROVINCE
HEALTH
REPUBLIC OF SOUTH AFRICA

GGT2030
GROWING GAUTENG TOGETHER

Human Resources for Health

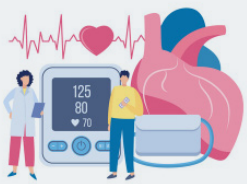
Total Health Workers - 80 657





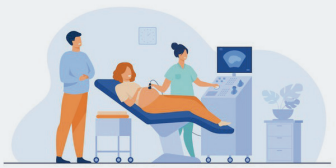
A Snapshot of Health Services

91 733



hypertension visits by clients on treatment

250 160



pregnant women received **antenatal care services**

11 939

New PHC **clients treated** for **mental health disorders**

183 062

women **screened** for **cervical cancer**

1 085 232

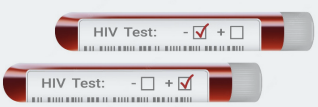
Patients enrolled on Chronic medical dispensation **(CCMDD)**

18 328

Patients **treated for TB**

5 014 704

HIV **tests done**



1 180 097

HIV clients remain **on treatment**

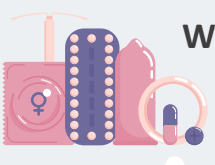
75 408

Assistive devices provided to patients

232 031

Children under 1 year **immunized**

1 766 617

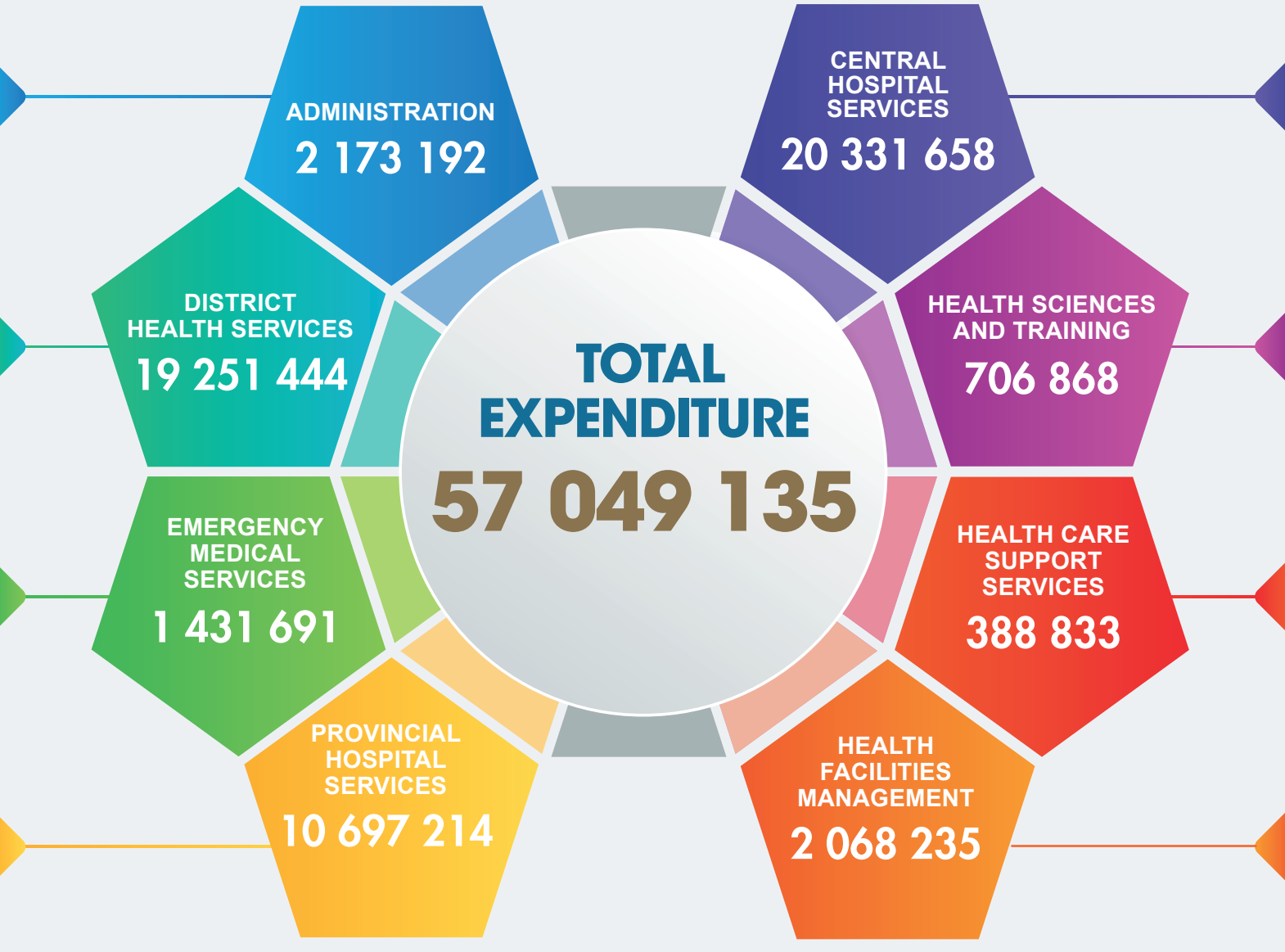


Women of reproductive age **provided contraceptives**

76 913

Diabetic treatment visits

Financial Inputs
Actual Expenditure
per programme



Gauteng Department of Health
Annual Report
Financial Year
2021/2022

PR254/2022
ISBN: 978-0-621-50602-0

GAUTENG PROVINCE
HEALTH
REPUBLIC OF SOUTH AFRICA

Contents

PART A:

GENERAL INFORMATION

1. General Information

PHYSICAL ADDRESS:
Gauteng Provincial Department of Health
45 Commissioner Street
Marshalltown
Johannesburg
2001

POSTAL ADDRESS:
Private Bag X085
Marshalltown
2107
South Africa
Telephone number: 011 355 3477
Email address: mediaenquiries@gauteng.gov.za
Website address: http://www.gauteng.gov.za

SOCIAL MEDIA:

Gauteng Health Department

@gautenghealth

Gauteng Department of Health

2. Abbreviations and Acronyms

AGSA	Auditor General of South Africa
ANC	Antenatal Care
ART	Antiretroviral Treatment
BANC	Basic Antenatal Care
B-BBEE	Broad-Based Black Economic Empowerment
CCMDD	Centralised Chronic Medicine Dispensing and Distribution
CHBAH	Chris Hani Baragwanath Academic Hospital
CHC	Community Health Centre
CMJAH	Charlotte Maxeke Johannesburg Academic Hospital
CoE	City of Ekurhuleni
CoJ	City of Johannesburg
CoT	City of Tshwane
COVID-19	Corona Virus Disease - 19
DBAC	Departmental Bid Allocation Committee
DCST	District Clinical Specialist Team
DGMAH	Dr George Mukhari Academic Hospital
DORA	Division of Revenue Act
DS-TB	Drug Sensitive Tuberculosis
ECD	Early Childhood Development
EML	Essential Medicines List
EMS	Emergency Medical Service
FY	Financial Year
GAS	Gauteng Audit Services
GCON	Gauteng College of Nursing
GDoH	Gauteng Department of Health
GEYODI	Gender, Youth and People with Disabilities
GP	Gauteng Province
GPG	Gauteng Provincial Government
GPMHS	Gauteng Province Mental Health Strategy
GPT	Gauteng Provincial Treasury
HAST	HIV/AIDS, STIs and TB
HBB	Helping Babies Breathe
HIS	Health Information System
HIV	Human Immunodeficiency Virus
HPCSA	Health Professions Council of South Africa
HPV	Human Papilloma Virus
HRD	Human Resource Development
HRH	Human Resources for Health
HTS	HIV Testing Services
HWSETA	Health and Welfare Sector Education and Training Authority
IHRMF	Ideal Hospital Realisation and Maintenance Framework
IMS	Integrity Management Services
ISHP	Integrated School Health Programme
ITC	Information and Communications Technology
JHB	Johannesburg
KPA	Key Performance Area
LAN	Local Area Network
LARC	Long-Acting Reversible Contraceptives
LRTI	Lower Respiratory Tract Infection
MCWH&N	Maternal, Child and Women's Health and Nutrition
MEDSAS	Medical Stock Administration System
MMR	Maternal Mortality Rate
MOU	Memorandum of Understanding
MSD	Medical Supplies Depot
MSSN	Management of Small and Sick Newborns
MTEF	Medium Term Expenditure Framework
MTSF	Mid-Term Strategic Framework

MUAC	Mid-Upper Arm Circumference
NCD	Non-Communicable Disease
NDoH	National Department of Health
NGO	Non-governmental Organisation
NHI	National Health Insurance
NICU	Neonatal Intensive Care Unit
NiMART	Nurse-initiated Management of ART
O&G	Obstetrics & Gynaecology
OHS	Occupational Health and Safety
OHSC	Office of Health Standards Compliance
OPD	Outpatient Department
PACS	Picture Archiving and Communication System
PAG	Provincial Accountant General
PCR	Polymerase Chain Reaction
PEC	Patient Experience of Care
PFMA	Public Finance Management Act
PHC	Primary Health Care
PILIR	Policy and Procedure on Incapacity Leave and Ill-Health
PMTCT	Prevention of Mother to Child Transmission
POE	Portfolio of Evidence
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
PSC	Public Service Commission
PSI	Patient Safety Incident
PwD	Person living with a Disability
Q	Quarter
QIP	Quality Improvement Plan
RAF	Road Accident Fund
RDM	Remote Demander Module
RHS	Rehabilitative Health Services
RMC	Risk Management Committee
RWOPS	Remunerative Work Outside the Public Service
SABS	South African Bureau of Standards
SAC	Severity Assessment Code
SAICA	South African Institute of Chartered Accountants
SAM	Severe Acute Malnutrition
SANC	South African Nursing Council
SBAH	Steve Biko Academic Hospital
SBCC	Social and Behaviour Change Communication
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SIU	Special Investigating Unit
SLA	Service Level Agreement
SMDP	Supervisory Management Development Programme
SMME	Small, Medium or Micro Enterprise
SMS	Senior Management Service
SOP	Standard Operating Procedure
STI	Sexually Transmitted Infection
SWOT	Strength Weaknesses Opportunities Threats
TB	Tuberculosis
Td	Tetanus and Diphtheria
TOP	Termination of Pregnancy
TR	Treasury Regulation
TROA	Total Remaining on ART
UNAIDS	United Nations Programme on HIV/AIDS
UPFS	Uniform Patient Fees Schedule
VL	Viral Load
WBOT	Ward Based Outreach Team
XDR-TB	Extensively Drug-Resistant TB

3. Foreword by the MEC for Health

Dr Nomathemba Mokgethi,
Gauteng MEC for Health

"Gauteng's Department of Health encountered multiple storms during the year under review but through its resilient workforce it continued to fulfil its mandate of providing health care to its patients."

In the financial year under review, the Gauteng Department of Health once again proved its resilience as we worked to find the balance between providing a quality health care service and containing the spread and impact of COVID-19. As Gauteng is the country's most populous province and has the largest economy, the pandemic was a severe risk to its citizens from the point of view of health and of livelihoods. During the year, therefore, the department focused its efforts on integrating its COVID-19 response into its overall programme and on normalising its service provision.

The province faces high levels of in-migration, unemployment, poverty and inequality and these social ills put a great strain on our health system. We have overcome some of these challenges and there are pockets of success in various priority areas. Whilst we are not where we would like to have been in terms of attaining our outcomes, demonstrable progress has been made. This is something to build on as we focus on accelerating our services in the 2022/23 financial year.

The journey to ensure our facilities are NHI-ready entailed carrying out the Ideal Clinic and Ideal Hospital assessments, with over 90% of our assessed facilities achieving their targets.

We must work hard on improving the experiences of care for our health care users; commonly raised challenges are staff attitudes, patient safety and waiting times. As regards improving clinical services, we have improved our priority prevention and treatment interventions. Over 5 million clients were tested for HIV during the reporting year and we have retained over a million clients on ART treatment. XDR-TB. patients continue to receive excellent courses of treatment at our Sizwe Specialised Hospital. However, adherence to treatment by both HIV and TB infected clients remains a concern.

The increasing impact of socio-economic factors on health outcomes is becoming evident, with in-depth assessment of these factors contributing to health outcomes performance. Partnerships with health care users across the various age groups will help minimise loss-to-follow-up and traceability of clients. Health education and health promotion are critical as we tackle the persistent concern of patients waiting until they are very sick before seeking care.

We are optimistic about the prospects of immediate and long-term success as a result of the institutional stability, including moves towards exceptional leadership and governance, that we have put in place.

It is for this reason that during the year under review we focused strongly on filling critical executive management posts in the department.

The department is aware that a leadership vacuum creates governance and leadership challenges. Inefficiencies in the system affecting care and outcomes are being addressed head-on and we anticipate that the

modernisation and social and behavioural change communication (SBCC) related interventions will support the department's drive to improve governance and total quality management for the benefit of its health care users and providers.

Finally, there is a saying that a tree cannot know how strong it until is presented with a storm. Gauteng's Department of Health encountered multiple storms during the year under review but through its resilient workforce it continued to fulfil its mandate of providing health care to public patients and to private patients whose medical cover is exhausted before the end of year. Because of the many people who depend on it, the department cannot afford to fail. A responsive patient-centred healthcare system continues to be our goal and we trust that, working with our communities, we can continue to improve for the betterment of the people we serve.

Dr Nomathemba Mokgethi, MPL
Gauteng MEC for Health
31 July 2022

4. Report of the Accounting Officer

Dr Nomonde Nolutshungu
Head of Department

4.1 Overview of the operations of the department

At the beginning of the 6th Administration, we articulated our strategic goal of building a healthcare system that is 'patient-centred, clinician-led and stakeholder-driven'. The year under review, in the midst of a pandemic, has given us an opportunity to reimagine the kind of health service we wish to be and thus to affirm the relevance of pursuing our strategic goal.

In the first quarter of the financial year, the department was battling a notable increase in new COVID-19 cases. The emphasis continued to be on adherence to the safety protocols: the non-pharmaceutical measures of maintaining hand hygiene, social distancing and wearing masks. The departmental leadership focussed on essential services which had suffered in the previous financial year, integrating priority preventative services with COVID-19 programmes to maximise the provision of care while minimising the use of resources. It was also urgent for public health institutions to fill vacancies to limit disruption to services and to commit to stabilising the department's leadership and to engendering a new and responsive organisational culture.

The number of patients using the province's Primary Health Care (PHC) facilities increased by 10% from 16 963 951 in the 2020/21 financial year (FY) to 18 644 502 in the 2021/22 FY, with 4 988719 people attending our hospitals' outpatient departments, an increase of 6% from the 2020/21 FY.

The second quarter of the year under review saw the country deal with a number of socio-political issues that have had an impact on the quality of services that government departments can deliver. This was over and above tackling the pandemic and other governance and health-systems related challenges. The service delivery disruptions following the CMJAH fire put severe pressure on the already overstretched service platforms. At the end of June 2021, it was decided to partially re-open sections of the hospital certified as structurally safe for occupation. The purpose was to alleviate pressure and in response to the impact of the Delta variant of COVID-19. The Solidarity Fund assisted, a donation agreement was signed with the organisation and remedial work began in October 2021.

While the number of vaccinations decreased slightly during the period of unrest, all other essential health care services continued unaffected. With the easing of COVID-19 regulations, the department intensified vaccination rollouts, with over 9 million vaccines administered in the province by the end of the financial year.

To improve access to health care services outside office hours, during the reporting year the department activated two additional

The department will continue to implement it's six priorities aimed at addressing governance and leadership challenges, improving its core services and ensuring that it implements optimal health literacy programmes."

Community Health Centres (CHCs): Refentse and Boekenhout CHCs. This brought the number of CHCs providing 24-hour services to 36.

Over 62 392 clients, some from hospital outpatient departments, were enrolled on the Dablap Meds Programme (previously known as the Centralised Chronic Medical Dispensation and Distribution - CCMDD) during the 2021/22 financial year. This brought the total number of enrolled clients to 1 085 232.

Efforts to improve the quality of care provided through our facilities saw 363 clinics assessed for Ideal Clinic status, with 92.4% (341/369) succeeding. Of the 34 total hospitals in the province assessed for Ideal Hospital status, 29 obtained this status. Ideal Clinics and Ideal Hospitals realisation is critical for demonstrating an organisation that embraces universal health care coverage principles.

There was a 15% increase in the number of HIV tests during the reporting year, with a total of 5 014 704 million and the department retained over a million (1 180 182) clients on ART treatment. Whilst the adult viral load suppression rate is at 91%, the child viral load suppression has not improved and remains at 65%. Inconsistent check-ups and poor attendance by care givers resulting in missed doses and treatment interruptions have been blamed for this continued low suppression rate amongst children.

With regards to TB services, 82.1% of the 22 327 clients diagnosed with DS-TB and initiated on TB treatment were successfully treated during the reporting year. Increased lost-to-follow-up and high death rates negatively impact TB treatment success and the COVID-19 pandemic overturned gains made in reducing the TB disease burden.

As regards mother and child health care services, in-facility maternal mortality and neonatal mortality rates were higher than the target. The social determinants of health are still key contributors to maternal and child deaths although health system elements are also to blame for some of the mortality, particularly amongst neonates.

To see real improvements in core services, the department will have to fast-track implementation of various health systems components and improve implementation of an efficient supply chain management (SCM) system and automation of business processes.

Health care services are resource-intensive and depend on sufficiency, distribution and the technical skills of the health workforce. Delays in finalising the department's organisational structure have to be addressed head-on and finalisation and implementation of a structure aligned to the strategy prioritised in the new financial year.

4.2. Overview of the financial results of the department

The following is a breakdown of revenue collected per source during the reporting year.

Departmental Receipts

Departmental receipts	2021/2022			2020/2021		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	482 278	443 705	38 573	463 729	464 512	(773)
Transfers received	0	15	(15)	0	177	(177)
Fines, penalties and forfeits	72	26	46	69	18	51
Interest, dividends and rent on land	1 645	305	1 340	1 582	397	(1 185)
Sale of capital assets	0	9 212	(9 212)	0	11 147	(11 147)
Financial transactions in assets and liabilities	36 005	49 291	(13 286)	34 620	37 542	(2 922)
Total	**520 000**	**502 554**	**17 446**	**500 000**	**513 783**	**(13 783)**

COVID-19 impacted collection of revenue during the year under review. The total of R502.6 million was made up of patient fees (R343.7million: 68.4% of the total) and other revenue (R158.9 million: 31.6% of the total). This was R11.2 million (-2%) lower than the R513 million of the previous financial year. The major reason for the decrease was the country-wide lockdown resulting from the COVID-19 pandemic.

This negatively affected revenue collection in the following ways:

- Road Accident Fund offices were closed during COVID-19 lockdown; therefore supplier claims for patients involved in motor vehicle accidents could not be processed. The Fund was also implementing a new directive on submission of claims.
- Later than anticipated implementation of UPFS tariffs for the 2021/22 financial period.
- Decreased numbers of patients seen in the hospitals impacting on revenue collected from other state departments, medical aids and self-paying patients.

The department under-collected revenue during the 2021/22 financial year. To ensure that more revenue is collected in the new financial year, the department will implement the revenue enhancement strategy with specific focus on the following areas:

- Provinces: Entered into MOUs with provinces.
- Road Accident Fund: Engagement with the fund.
- Compensation Fund: Continuous engagements with the Fund in conjunction with the National Department of Health to accelerate payments made to the department.
- Reduction of rejections.
- Utilising revenue collecting agencies for the submission of claims to external funders.

Tariff Policy

Patient Fee tariff

The department charges the Uniform Patient Fees Schedule (UPFS) tariffs for patients using public hospitals. These tariffs are determined by a UPFS Steering Committee consisting of representatives of the national Department of Health and the nine provinces and are endorsed by the National Health Council. The tariffs are reviewed and revised annually in accordance with Section 7.3.1 of the Treasury Regulations issued in terms of the Public Finance Management Act No.1 of 1999 and Section 41(1) and (2) of the National Health Act, 61 of 2003.

Meals and crèche fee tariffs

The tariffs for meals and crèches are reviewed and revised annually in accordance with Section 7.3.1 of the Treasury Regulations issued in terms of the Public Finance Management Act No.1 of 1999. Tariff adjustments are negotiated and agreed with employee organisations.

Other tariffs

Other tariffs such as parking and accommodation are determined externally with the involvement of relevant departments.

Patients accessing public institutions are classified into three main groups for the purposes of service fee determination.

I. Full paying patients

This category of patients is liable to pay full UPFS fees for all services provided.

II. Subsidised and exempted patients

These patients are categorised into six categories based on statutory requirements: PG, HG, H0, H1, H2 and H3. The H1, H2 and H3 categories pay discounted fees which are expressed as a percentage of the fees payable by full paying patients. The PG and HG categories are exempted from paying fees due to specific statutorily-based circumstances such as pregnancy and children below the age of six. Patients in the H0 category, such as social pensioners, receive services free of charge when proof of status is provided.

III. Free services

Free services are provided in line with national and provincial policies. The department provides the following free services:

- Free health services for pregnant women and children under the age of six years (Notice 657 of 1994, 1 July 1994)
- Free primary health care services (Notice1514 of 1996, 17 October 1996)
- Termination of pregnancy (Act 92 of 1996)
- Free health services for social pensioners (Act 81 of 1967 as amended by Act 100 of 1998)
- Medico-legal services for survivors of rape and assault and for post-mortem (Criminal Procedure Act 51 of 1977)
- Donors (Human Tissue Act 63 of 1965)
- Children committed to the care of a children's home, industrial school or foster parents (Child Care Act 74 of 1983, Section15)

Patient fees debt

Debt written off for the 2021/22 financial year amounted to R381 788 000. Debts are written off in accordance with the department's policy and after the department has taken all reasonable steps to collect the debt owed. The following are some of the debt categories written off:

- Uneconomical debts: where the cost of recovery of the debt is more than the debt.
- Undue hardship: where recovery of the debt will result in undue hardship.
- Prescribed debts: debts that are prescribed as a result of the department not being able to make contact with debtors.

Overview of expenditure per budget programme

The department spent 95.7% of the overall appropriated budget of R59.6 billion during the 2021/22 financial year. The reported percentage spent resulted in underspending of R2.5 billion for the year.

	2021 / 22					2020 / 21	
	Adjusted Appropriation	Final Appropriation	Actual Expenditure	Variance	Expenditure	Final Appropriation	Actual Expenditure
Programme	R'000	R'000	R'000	R'000	%	R'000	R'000
Administration	1 292 275	2 341 848	2 173 192	168 656	92.8%	3 697 845	3 695 016
District Health Services	20 476 521	19 875 921	19 251 444	624 477	96.9%	18 366 611	17 959 247
Emergency Medical Services	1 619 305	1 577 705	1 431 691	146 014	90.7%	1 681 370	1 680 801
Provincial Hospital Services	11 081 898	11 081 898	10 697 214	384 684	96.5%	9 942 279	9 905 850
Central Hospital Services	20 992 307	20 708 734	20 331 658	377 076	98.2%	19 612 633	19 254 052
Health Sciences And Training	1 285 400	1 182 600	706 868	475 732	59.8%	901 268	787 210
Health Care Support Services	414 874	393 874	388 833	5 041	98.7%	391 264	388 844
Health Facilities Management	2 462 930	2 462 930	2 068 235	394 695	84.0%	4 242 233	4 041 357
TOTAL EXPENDITURE	**59 625 510**	**59 625 510**	**57 049 135**	**2 576 375**	**95.7%**	**58 835 503**	**57 712 377**

Programme 1: Administration: The underspending occurred as a result of centralised procurement of bunker compartments to be built for containing and storing oncology medical equipment. However, the funds were applied as roll-over.

Programme 2: District Health Services: The underspending occurred because of delays in reconciliation of National Health Laboratory claims. The reconciliation determines if NHLS have billed GDoH for the correct type of patient tests. Late receipt of municipal primary health care claims also contributed to underspending. Roll-over of funds was applied for.

Programme 3: Emergency Medical Services: Commitments were made for fleet services and replacement of emergency vehicles; however, they could not be paid for during the last payment run of the financial year. Application for roll-over of funds was made.

Programme 4: Provincial Hospital Services: Commitments were made for medical and allied equipment; however, they could not be paid for during the last payment run of the financial year. Application for roll-over of funds was made.

Programme 5: Central Hospitals: The programme incurred under-expenditure of R329.5 million. Commitments were made for medical and allied equipment; however, this could not be paid for during the last payment run of the financial year. Application for roll-over of funds was made.

Programme 6: Health Sciences and Training: The programme had under-expenditure of R475.7 million due to slow spending within compensation of employees as well as delays in receipt of invoices for the SA Cuban doctor programme and payment of bursaries for non-employees and contractors.

Programme 7: Health Care Support Services: Payments for Inventory: Chemicals, Fuel, Oil and Gas could not be processed in the last payment run of the financial year. Funds will be reprioritised in the 2022/23 financial year for payment.

Programme 8: Health Facilities Management: This programme incurred R442.2 million in under-expenditure. Delays in planned activities under the Buildings and Other Fixed Structures item due to COVID-19 restrictions resulted in this under-expenditure.

COVID-19 expenditure per programme and standard item

COVID-19 EXPENDITURE PER PROGRAMME AND STANDARD ITEM					
Programme	Standard Item	Budget	Tot Expenditure	% Spent	Variance
1. Administration	Compensation of Employees	58 546 000	26 635 294	45.5%	31 910 706
	Goods and Services	215 892 000	629 575 478	291.6%	-413 683 478
	Households (HH)	0	13 860	*	-13 860
	Machinery and Equipment	41 779 000	148 801 535	356.2%	-107 022 535
1. ADMINISTRATION TOTAL		**316 217 000**	**805 026 167**	**254.6%**	**-488 809 167**
2. District Health Services	Compensation of Employees	852 892 000	813 795 763	95.4%	39 096 237
	Goods and Services	325 181 000	57 029 765	17.5%	268 151 235
	Households (HH)	0	29 967	*	-29 967
	Machinery and Equipment	2 700 000	13 930 871	516.0%	-11 230 871
2. DISTRICT HEALTH SERVICES TOTAL		**1 180 773 000**	**884 786 366**	**74.9%**	**295 986 634**
3. Emergency Medical Services	Compensation of Employees	0	29 240	*	-29 240
3. EMERGENCY MEDICAL SERVICES TOTAL		**0**	**29 240**	*	**-29 240**
4. Provincial Hospital Services	Compensation of Employees	355 080 000	388 893 237	109.5%	-33 813 237
	Goods And Services	0	8 138 555	*	-8 138 555
	Households (HH)	0	45 104	*	-45 104
	Machinery and Equipment	0	5 053 632	*	-5 053 632
4. PROVINCIAL HOSPITAL SERVICES TOTAL		**355 080 000**	**402 130 527**	**113.3%**	**-47 050 527**
5. Central Hospital Services	Compensation of Employees	1 019 631 000	757 976 739	74.3%	261 654 261
	Goods And Services	0	10 644 013	*	-10 644 013
	Households (HH)	0	411 403	*	-411 403
	Machinery And Equipment	0	49 924 278	*	-49 924 278
5. CENTRAL HOSPITAL SERVICES TOTAL		**1 019 631 000**	**818 956 433**	**80.3%**	**200 674 567**
8. Health Facilities Management	Goods And Services	0	45 560 243	*	-45 560 243
	Buildings & other Fix Struct	356 984 000	264 163 465	74.0%	92 820 535
	Machinery and Equipment	218 249 000	47 484 999	21.8%	170 764 001
8. HEALTH FACILITIES MANAGEMENT TOTAL		575 233 000	357 208 707	62.1%	218 024 293
GRAND TOTAL		**3 446 934 000**	**3 268 137 440**	**94.8%**	**178 796 560**

4.3 Virements/roll overs

The department applied for year-end virements and shifts of funds to alleviate excess expenditure within and across main divisions of a Vote (for example: Programmes). Virements of funds as initiated were from **Programme 2:** District Health Services, **Programme 3:** Emergency Medical Services, **Programme 5:** Central Hospital Services, Programme 6: Health Sciences and Training and **Programme 7:** Health Care Support Services to **Programme 1:** Administration. Shifts were made within **Programme 1:** Administration and **Programme 3:** Emergency Medical Services. The department also made roll-over applications in respect of conditional grant funds that were committed but could not be processed for payment before the close of the 2021/22 financial year. This roll-over application related to claims for contracted health professionals for National Health Insurance and medicine items for Comprehensive HIV/AIDS from **Programme 2:** District Health Services; and **Programme 4:** Provincial Hospital Services and **Programme 5:** Central Hospital Services to medical and allied equipment for National Tertiary Services and Statutory Human Resource and Training and Development grants. The department also made a roll-over application in relation to the equitable share. This related mainly to non-negotiable items: Medicine, Laboratory Services, Consultations and Advisory Services and Fleet Services.

Other equitable share roll-overs related to late receipt of invoices for Tshwane Metro Primary Health Care and Sedibeng HIV/AIDS tranches as well as non-profit institutions.

The table below shows the rollover applications per source of funding and economic class:

STANDARD ITEM	NHI	NTSG	HRC& TRAINING	HIV/AIDS	EQUITABLE SHARE	TOTAL
Compensation of Employees	3 411 838.18					3 411 838.18
Goods and Services	**0.00**	**0.00**	**0.00**	**257 029 962.00**	**697 090 770.28**	**954 120 732.28**
Medicine				257 029 962.00	304 000 000.00	561 029 962.00
Laboratory Services					306 620 921.28	306 620 921.28
Cons & Advisory Services					71 706 105.39	71 706 105.39
Fleet Services					14 763 743.61	14 763 743.61
Provincial And Local Governments	**0.00**	**0.00**	**0.00**	**0.00**	**26 649 324.12**	**26 649 324.12**
Tshwane - Ist & 2nd Tranche					24 392 000.00	24 392 000.00
Sedibeng Offsetting					2 257 324.12	2 257 324.12
Non-Profit Institutions					8 217 646.66	8 217 646.66
Machinery And Equipment		455 060 024.00	33 408 688.00	374 854.00	78 983 063.77	567 826 629.77
TOTAL ROLL-OVER	**3 411 838.18**	**455 060 024.00**	**33 408 688.00**	**257 404 816.00**	**810 940 804.83**	**1 560 226 171.01**

4.4 Reasons for unauthorised, fruitless and wasteful expenditure, the amounts involved and the steps taken to address and prevent a recurrence

During the year under review, the lengthy process of awarding contracts due to slow probity audit outcomes resulted in tender irregularities amounting to R2.5 billion. These were incurred mainly on extension of contracts related to security services and procurement of surgically-related consignment stock amongst others. The department anticipates having completed the tender processes by the end of the 2022/2023 financial year. Through the provincial Supply Chain Management unit, it is also in the process of obtaining approval from National Treasury for condonation of irregular expenditure.

Of the R22 billion irregular expenditure reported, R2.5 billion related to current year cases. R202 million related to COVID-19 PPE procurement which is being investigated by the Special Investigating Unit (SIU) whilst the remaining R2.3 billion resulted from the month-to-month extension of security contracts and consignment stock contracts that did not go through the tender process.

The department incurred R16.4 million in fruitless and wasteful expenditure for the year under review. This consisted of interest paid on late settlements of medico-legal claims and price overcharge on PPE items; this matter is still under investigation by the SIU.

4.5 Strategic focus over the short to medium term period

Addressing the growing demands posed by an increasing population reliant on the public health sector, an aging population, sustaining care for clients with non-communicable diseases, trauma patterns and rising costs of medical equipment and supplies price increases above inflation, social determinants of health, medico-legal litigation and the COVID-19 pandemic requires efficient and effective use of limited fiscal and human resources. The increasing demands necessitate a reimagining of the health sector system to ensure efficiency, effectiveness and sustainability and economy in use of resources to maximise health care outputs and outcomes. Thus the department has a continuous focus on strengthening the appropriate distribution of HR resources. Investment in the SABS health standardisation projects to improve compliance with occupational health and safety (OHS) standards and modernisation of the health care business to reduce the impact of fiscal constraints remain critical. It is for this reason that the department will continue to implement its six priorities aimed at addressing governance and leadership challenges, improving its core services and ensuring that it implements optimal health literacy programmes.

4.6 Public-private partnerships (PPPs)

The department did not report on any PPPs in the 2021/22 financial year and did not enter into any new PPPs.

4.7 Discontinued key activities/activities to be discontinued

There were no discontinued activities during the year under review.

4.8 Supply Chain Management

There were no unsolicited bids during the year under review. A court case ruling on Broad-Based Black Economic Empowerment in February 2022 enforced a review of policies and interpretation-related challenges of the regulations within SCM. The inconsistencies in the application of procurement policies are being addressed through guidelines from National Treasury and the provincial treasury. Due to limited review of policies and interpretation-related challenges of the regulations within SCM, there were inconsistencies in the application of procurement policies.

4.9 Gifts and donations received in kind from non-related parties

During the year under review, the department received donations of R25 million worth of assets from various donors. The donors included but were not limited to Isibani Development Partners, the SAME Foundation, Church Of Jesus Christ, Medhold, the Solidarity Fund, John Snow Inc., STAT-TIAKEN Medical, Radiometer SA, Sanlam Sky, Mustek Ltd., Tecmed (Pty) Ltd. and Lorgan Medical and Surgical.

4.10. Exemptions and deviations received from National Treasury

No exemptions and deviations were received from National Treasury during the reporting period.

4.11. Events after the reporting date

There were plans to appoint a permanent head of the department by the end of the financial year. A new head, Dr Nolutshungu, was subsequently appointed in April 2022 following the end of contract of Dr Zungu.

4.12. Acknowledgements and appreciation

The department acknowledges the role that the Executive Authority plays in providing leadership and oversight for the work of the department.

The Gauteng Department of Health cannot function without its personnel and in particular its front-line employees who sometimes work in difficult circumstances. The department is also indebted to its management and appreciates the role of civil society organisations in supporting the sector as it continues to provide health care services.

4.13. Approval and sign off

Dr Nomonde Nolutshungu
Accounting Officer
Gauteng Department of Health
31 July 2022

5. Statement of Responsibility and confirmation of the accuracy of the Annual Report

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the Annual Report are consistent. The Annual Report is complete, accurate and free from any omissions and has been prepared in accordance with the guidelines on Annual Reports as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by National Treasury.

The Accounting Officer is responsible for the preparation of the Annual Financial Statements and the judgements made on this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

External auditors were engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, performance information, human resources information and financial affairs of the Department for the financial year ended 31 March 2022.

Yours faithfully

Dr Nomonde Nolutshungu
Accounting Officer
Gauteng Department of Health
31 July 2022

6. Strategic Overview

Vision

A **responsive, value based and people centred health care system** in Gauteng.

Mission

Transforming the health care system, **improving the quality, safety and coverage of health services provided**, focusing on primary health care, **strengthening public health education** and **health promotion**, and ensuring a **responsive, innovative and digitally enabled health system.**

Values

H	**Humane**	Value system of Ubuntu/Batho Pele as whole, health restores human dignity
E	**Effeciency**	Value for money, efficiency in delivery, etc. in line with Batho Pele
A	**Accountability**	Good governance, being responsible for our actions, respecting public resources
L	**Legality**	Respect for the Rule of Law, policies and regulations
T	**Transparency**	Openness to scrutiny, keeping communities engaged in their own health accessibility informative & empowering the public with especially about how we govern
H	**Honest**	Basic principles and commitment to honesty
I	**Integrity**	Ethics, quality, reliability etc.

7. Legislative and other Mandates

The department derives its mandate from the South African Constitution, the National Health Act and other legislation promulgated by Parliament.

The department's core mandate is to:

- Improve the health status of the population.
- Improve health services.
- Secure better value for money.
- Ensure effective organisation.
- Provide integrated services and programmes that promote and protect health.
- Assist with ensuring good quality and sustainable livelihoods for the poor, vulnerable and marginalised groups in society.
- In fulfilling its mandate, the department is guided by the legislation.

8. Entities Reporting to the MEC

Except for the Medical Supplies Depot (MSD), a trading entity, no public entities fall under the control of the MEC. The performance of the MSD in respect of pharmaceutical services is described in Part F of this report. The table below gives information about the MSD.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Medical Supplies Depot (MSD)	Registered as 'The Central Medical Trading Account' since 1 April 1992 under the Exchequer Act, Act 1 of 1976.	The depot charges a levy of 5% on stock supplied to the provincial health care facilities.	The MSD is responsible for the supply of essential medicines and disposable sundry items to the Gauteng provincial health care facilities.

9. Organisational Structure

MEC FOR HEALTH
DR N. MOKGETHI

HEAD OF DEPARTMENT
DR N. NOLUTSHUNGU

DDG CLINICAL SERVICES
DR F. KGONGWANA **(ACTING)**

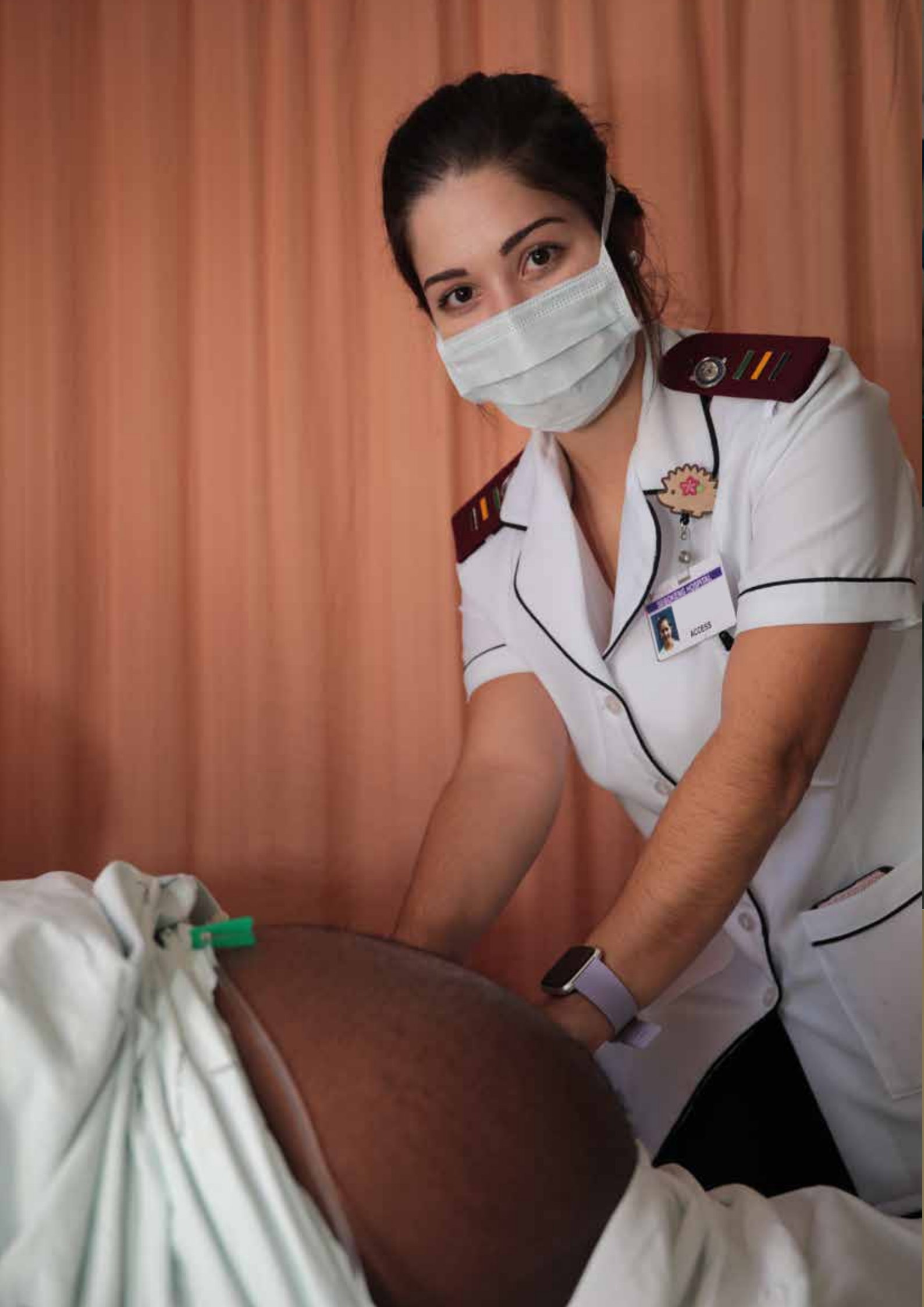
CHIEF OF OPERATIONS
MR L.A. MALOTANA

CHIEF FINANCIAL OFFICER
MS L.MADYO

DDG HUMAN RESOURCES & ORGANISATIONAL DESIGN
MS. B. BALOYI

CHIEF DIRECTOR: STRATEGIC PLANNING
MS T. ADELEKAN

CHIEF DIRECTOR: ICT
MR S. CAVE


ACCESS

PART B:

PERFORMANCE INFORMATION

Part B: Performance Information

1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor General of South Africa (AGSA) currently performs certain audit procedures on the department's performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading Report of the Auditor-General to Gauteng Provincial Legislature on Vote no. 4: Gauteng Department of Health.

Refer to page 214 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service delivery environment

The province participated in the nationwide COVID-19 vaccination campaign which began in early February 2021. Health promoters and Community Health Workers engaged communities, emphasising the importance of adhering to non-pharmaceutical interventions which included wearing face masks and, especially in public spaces, regular hand sanitising, social distancing and avoidance of closed and crowded places as principal means of curbing the spread of the disease.

Improving patients' experience of care, improving clinical services, strengthening governance and leadership, health promotion and awareness and the National Health Insurance remain the priorities that drive service delivery in the department. These pillars remain in sight as the department works to ensure that the targets in the Strategic Plan are achieved.

The number of people using primary health care (PHC) services increased substantially as the COVID-19 regulations were eased towards the end of Quarter 4 of the 2021/22 financial year. Between April 2021 and March 2022, 18 643 728 patients attended the province's health facilities and 9 365 100 attended outpatient departments across our hospitals.

The performance of the HIV/AIDS programme improved, making significant strides towards attaining the goals of the UNAIDS 90-90-90 strategy which calls for 90% of HIV-infected individuals to be diagnosed, 90% of them on anti-retroviral therapy (ART) and 90% of these virally supressed. Over 5 million HIV tests were carried out in the 2021/22 financial year, with 152 317 people testing positive for HIV. The number of ART clients remaining in care stood at 1 1800 097, an increase of 43 520 from 1 136 662 in the 2020/21 FY. The adult viral load suppression rate was 91%, above the target of 90%, whilst the child viral load suppression rate was 65%. This was below the 90% target.

The Maternal Mortality Rate Ratio was 129.3/100 000; this was below the target for the year of <90/100 000. During 2021/22, maternal deaths increased by 5.1% compared with the 2020/21 FY. The largest number of maternal deaths occurred in Regional Hospitals, with 115 deaths or 38% of the overall reported total. At 74.7%, mother postnatal visits within six days of delivery did not achieve the target of 85%.

To contain the spread of COVID-19 infections, communication strategies used all means available in the province including electronic and print media. A third wave of the pandemic beginning at the start of June 2021 reached its peak by 1 July 2021, when 16 234 new COVID-19 cases were reported. On November 24, 2021, South Africa identified Omicron (B.1.1.529), a SARS-CoV-2 variant of concern and which was responsible for a fourth wave of the pandemic. The fourth wave was declared officially over in Gauteng on 14 January 2022. During this wave, the province reached its peak on 9 December 2021, with 12 202 new cases reported on the day.

Table 2.1.1: Integrated School Health Services

Type of Services	2021/22	2020/21
School learners given deworming dose	25 876	36 549
School learners immunised	4 317	291
School learners overweight	2 939	867
School learners referred for eye care	4 430	982
School learners referred for hearing problems	519	137
School learners referred for oral health	11 304	2 748
School learners referred for speech problems	108	23
School learners referred for suspected TB	2	2
School learners underweight	574	209
Td dose at 12 years	11 439	3 681
Td dose at 6 years	13 300	3 876
Total	**74 808**	**49 365**

Provision of integrated school health services increased from 49 365 in 2020/21 to 74 808 during the 2021/22 financial year. This increase is attributed to the easing of COVID-19 restrictions which saw the province's schools re-opening. The health services provided include deworming, immunisations, eye care, detection of hearing and speech problems, oral health and Td dose. The number of learners screened for various health conditions increased from 22 866 of 2020/21 to 126 509 in the reporting year. Of the 126 509 learners screened, 4 430 learners were referred for eye care, 108 for speech problems, 11 304 for oral health and 519 for hearing problems. Only two learners were referred for suspected TB, the same number as in the previous financial year. The department continued with its school health interventions to ensure that children are fully immunised and their weight observed. This included immunising 4 317 children, an increase from the 291 of the previous financial year. Weight assessments found 2 929 learners to be overweight and 574 learners underweight.

The table below shows devices issued and requested and the issue rate for the reporting period.

Table 2.1.2: Assistive devices requested and issued in 2020/21 and 2021/22

	Number issued		Requested		Issue rate	
Devices	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22
Hearing aids	2 744	5 924	3 440	7 461	79.8%	78%
Orthosis	18 569	23 369	19 192	24 510	96.8%	95.3%
Podiatry	1 550	5 863	1 560	5 865	99.4%	100%
Prostheses	888	1 183	1 576	1 835	56.3%	64.5%
Walking aids	29 783	34 363	n/a	33 561	n/a	n/a
Wheelchairs	3 109	4 706	3 499	5 456	88.9%	80%
Total	**56 643**	**75 408**	**29 267**	**78 688**	**84.2%**	**84%**

With the easing of lockdown regulations and re-opening of schools, there were improvements in the rehabilitative service provision of various assistive devices aimed at enhancing clients' quality of life. Of the 7 461 hearing aids requested, 5 924 hearing aids were issued; however, the issue rate dropped from 79.8% in the 2020/21 financial year to 78% during the current reporting period. A similar pattern was observed with wheelchairs, with 5 465 wheelchairs requested and 4 706 issued. This was an issue rate of 80%, a decline of 8.9 percentage points from 88.9% in 2021/22. The issue rate of prostheses increased from 56.3% in 2020/21 to 64.5% in the financial year. The overall rate of provision of rehabilitative services stood at 84%.

Overall COVID-19 performance during the 2021/22 financial year

From April 2021 to March 2022, 794 611 confirmed COVID-19 cases were reported. Of these, 782 120 were recoveries, making an overall recovery rate of 98.4% for the province. The province only reported 10 327 COVID-19 deaths during the reporting period, a COVID-19 case fatality rate of 1.3%.

The table below shows the vaccination rollout in Gauteng as of 31 March 2022.

Table 2.1.3: COVID-19 vaccination rollout in the province

District	Individuals vaccinated	Individuals fully vaccinated
Ekurhuleni District	1 259 797	1 071451
Johannesburg District	2 321 573	1 963 846
Sedibeng District	292 746	246 917
Tshwane District	1 303 491	1 150 145
West Rand District	391 624	330 699
Gauteng	5 569 231	4 763 058

The individuals vaccinated consisted of people who received at least one dose of the Johnson & Johnson or at least one dose of the Pfizer vaccine. Individuals fully vaccinated are people who received at least one dose of the Johnson & Johnson vaccine or at least two doses of the Pfizer vaccine. As at 31 March 2022, 5 569 231 people had been vaccinated in the province of whom 4 763 058 were fully vaccinated. With over 1.9 million people fully vaccinated, the City of Johannesburg (CoJ) had the largest number of vaccinations administered followed by City of Tshwane (CoT) at over 1.1 million people fully vaccinated. The vaccination rollout by gender showed that 54% of the vaccinations administered were given to females and 46% to males.

2.2 Service Delivery Improvement Plan

The department has completed a service delivery improvement plan (SDIP). The tables below show its elements and the achievements to date.

Table 2.2.1: Main services and standards: Batho Pele arrangements with beneficiaries

KEY SERVICE	SERVICE BENEFICIARY	SDIP PERFORMANCE AREAS (IF APPLICABLE)	BASELINE	DESIRED TARGET	ACHIEVED TARGET
Key Service 1: Addressed in the 2018/21 SDIP	**Service beneficiaries for Key Service 1**	**Key Performance Area**	**Overall Quantity**	**Overall Quantity**	**Overall Quantity**
Antenatal Care (ANC) Services	Maternal health clients in the province	Antenatal first visit before 20 weeks rate	63.3%	74%	66.8% achieved. Target was not achieved because of interruption of services due to COVID-19 infections and late bookings.
Professional standards		Services provided by professionals registered with a professional body	All antenatal care services to be provided in accordance with the maternity guidelines	Provision of services by professionals registered with relevant bodies such as SANC and HPCSA.	All maternity, new-born and child health services are provided by registered professionals with license to practice from relevant professional bodies.
Legal standards		All ANC services to be provided in accordance with the maternity guidelines	All ANC services to be provided in accordance with the Ideal Clinic and National Cores Standards, Maternity Guidelines	All ANC services to be provided in accordance with the Ideal Clinic and National Cores Standards, Maternity Guidelines and SANC regulations.	92.4% of facilities have received Ideal Clinic status, one of the criteria for measuring the availability of maternity and care guidelines.

KEY SERVICE	SERVICE BENEFICIARY	SDIP PERFORMANCE AREAS (IF APPLICABLE)	BASELINE	DESIRED TARGET	ACHIEVED TARGET
Key Service 1: Addressed in the 2018/21 SDIP	**Service beneficiaries for Key Service 1**	**Key Performance Area**	**Overall Quantity**	**Overall Quantity**	**Overall Quantity**
Consultation		Number of community dialogues/consultations conducted	Community dialogues/ consultations to be conducted at least once per year per district	Targeted community dialogues in sub districts with a booking rate of below 60% for early ANC.	Regular meetings are held with District Clinical Specialist Teams, hospital boards and clinic committees. The extent of these meetings is being tracked using a newly developed survey tool for hospital boards and clinic committees.
Courtesy		Percentage of ANC related complaints	Analysis of all complaints database to determine the trends linked to antenatal services and develop mitigation strategies	Implementation of the mitigation strategies. Provision of ANC services in a respectful manner and reduction of complaints related to antenatal services by 95%	Provision of ANC services in a respectful manner and reduction of complaints related to antenatal services by 95%.
Access		Number of percentage of households where pregnant women were referred to facilities	100% households visited by WBOT teams where pregnant women were referred to facilities	58 437 households where pregnant women were visited by WBOT teams and referred to facilities.	4 840 pregnant women were referred for ANC following household visits.
Information		Provide information pertaining to pregnancy and childbirth through dialogues, MomConnect and SBCC materials, media, WBOTs	Number of households visited by WBOT teams where pregnancy information was provided Number of people reached with media on pregnancy and childbirth	100% households visited by WBOT teams where pregnancy care was given Provide information to communities pertaining to pregnancy and childbirth through dialogues, MomConnect and BCC materials	90% of pregnant women were registered for 'stage message' – information focusing on the stage of the pregnancy until post-natal care.

KEY SERVICE	SERVICE BENEFICIARY	SDIP PERFORMANCE AREAS (IF APPLICABLE)	BASELINE	DESIRED TARGET	ACHIEVED TARGET
Key Service 1: Addressed in the 2018/21 SDIP	**Service beneficiaries for Key Service 1**	**Key Performance Area**	**Overall Quantity**	**Overall Quantity**	**Overall Quantity**
Open & Transparent		Distribute Citizens' Reports to all communities with a particular focus on women who are part of the antenatal programme	Number of annual Citizens' Reports distributed	Sharing of annual Citizens' Report with communities based on planned targets.	A generic infographics Citizens' Report is printed and discussed during the Annual Report community presentation.
Redress		Number of ANC related complaints responded to within 25 working days	ANC related complaints responded to within 5 working days	ANC related complaints responded to within 3 working days	ANC related complaints responded to within 24 hours
Value for money		By providing the service, the department will contribute to reducing maternal deaths from 145 to <80 per 100 000 live births.	Provision of ANC services to reduce maternal deaths by 50 per 100 000 live births.	Provision of ANC services to reduce maternal deaths by 30 per 100 000 live births.	Provision of ANC services to reduce maternal deaths by 20 per 100 000 live births.
Human resources		Audit conducted on registered midwives.	Number of registered midwives receiving post-basic training.	Enrolled nurses trained to be registered midwives.	South African Nursing Council is introducing a new nursing and midwifery training programme.
Costs		NA	NA	NA	NA
Time		Quarterly	Quarterly	Quarterly	Quarterly

Comments on the extent of non-achievement in terms of % and reasons thereof:

- Misalignment of SDIP cycles with the term of government
- Capacity to monitor has been a challenge

Mitigating factors that led to the non-achieved set targets:

- Lack of capacity in facilities
- COVID-19 resulted in shortage of staff
- Lockdown restrictions restricted WBOTs' household visits and other related community dialogues.

Recommendations and proposed interventions:

- The department will focus more attention on maternal health interventions that did not perform well. This will be done through onsite monitoring and evaluation of these interventions. Involvement of partner NGOs to improve ANC services will also be prioritised.

Conclusion

- Intervention efforts to improve maternal health continue within the Gauteng Department of Health. Even though the targets have not been achieved in some programme elements, there have been considerable improvements. Improving performance requires strong interventions with improved financial and human resource investments which will ensure that performance towards targets is achieved. There is a need to use monitoring and evaluation measures in the SDIP to ensure that implementation is ongoing.

Table 2.2.2: Summary of key service achievements, 2021/22: Mental Health Services

KEY SERVICE	SERVICE BENEFICIARY	SDIP PERFORMANCE AREAS (IF APPLICABLE)	BASELINE	DESIRED TARGET	ACHIEVED TARGET
Key Service 1: Addressed in the 2018/21 SDIP	Service beneficiaries for Key Service 1	Key Performance Area	Overall Quantity	Overall Quantity	Overall Quantity
Mental Health Services	Mental health care users, families of mental health care users, mental health care practitioners	Seamless integration of mental health services into PHC	Number of districts with seamless integration of mental health services into PHC	Seamless integration of secondary level mental health care services into PHC Delivery of mental health care at PHC level by trained non-specialist workers who deliver psychosocial interventions. Establishment of district mental health teams	Sedibeng and West Rand District have fully integrated secondary level into PHC 221 nurses trained in 2020/21
	Mental health care users, families of mental health care users, mental health care practitioners	Early detection of mental illness and initiation of treatment at PHC level	100% of PHC visits to be screened for mental illness	100% of PHC visits to be screened for mental illness	100% of PHC visits to screened for mental illness
	Mental health care users, families of mental health care users, mental health care practitioners	Increased number of acute beds for admission of mental health users in general hospitals	Provision of 72-hour assessments in general hospitals	Provision of care, treatment and rehabilitation for acutely ill mental health users. Refurbishment of psychiatric wards in general hospitals.	Renovations completed at Helen Joseph, CMJAH and Sebokeng hospitals

KEY SERVICE	SERVICE BENEFICIARY	SDIP PERFORMANCE AREAS (IF APPLICABLE)	BASELINE	DESIRED TARGET	ACHIEVED TARGET
Key Service 1: Addressed in the 2018/21 SDIP	**Service beneficiaries for Key Service 1**	**Key Performance Area**	**Overall Quantity**	**Overall Quantity**	**Overall Quantity**
Professional standards		Services provided by professionals registered with a professional body in accordance with their scope of practice	Provision of services by registered professionals with relevant bodies such as SANC and HPCSA as per the Norms for People with Severe Psychiatric Conditions of 1998 Provision of services by registered professionals with relevant bodies such as SANC and HPCSA as per the Standard for Mental Healthcare in South Africa of 1998 and Norms of Community-based Mental Healthcare of 1998 Provision of services by registered professionals with relevant bodies such as SANC and HPCSA as per the Norms for Child and Adolescent Mental Health Services of 2004	Provision of services by registered professionals with relevant bodies such as SANC and HPCSA	Services at hospitals and at PHC facilities are all provided by professionals registered with a professional body and in accordance with their scope of practice.

KEY SERVICE	SERVICE BENEFICIARY	SDIP PERFORMANCE AREAS (IF APPLICABLE)	BASELINE	DESIRED TARGET	ACHIEVED TARGET
Key Service 1: Addressed in the 2018/21 SDIP	Service beneficiaries for Key Service 1	Key Performance Area	Overall Quantity	Overall Quantity	Overall Quantity
Legal standards		The Constitution of the Republic of South Africa, 1996 National Health Act 63 of 2003 Mental Health Care Act 17 of 2002 Correctional Services Act 111 of 1998 Occupational Health and Safety Act 85 of 1993 Nursing Act 50 of 1978 Pharmacy Act 53 of 1974 amended	Mental health services are governed mainly by the Mental Health Care Act, No. 17 of 2002 (amended in 2007), the National Mental Health Policy Framework and the Strategic Plan 2013-2020	Mental Health Services are governed mainly by the Mental Health Care Act, No. 17 of 2002 (amended in 2007). The National Mental Health Policy Framework and Strategic Plan 2013-2020 (NMHPF & SP 2013-2020) is the model used in South Africa to deliver mental health care services. A costed and ratified Gauteng Province Mental Health Strategy and Action Plan 2019-2023 (GPMHS & AP 2019-2023) is in line with the National Mental Health Policy Framework and Strategic Plan 2013-2020 as well as the Provincial Mental Health Directorate as stipulated in the Policy Framework and Strategic Plan Guidelines and SANC regulations.	Guidelines developed at provincial level are aligned with legal standards.

KEY SERVICE	SERVICE BENEFICIARY	SDIP PERFORMANCE AREAS (IF APPLICABLE)	BASELINE	DESIRED TARGET	ACHIEVED TARGET
Key Service 1: Addressed in the 2018/21 SDIP	**Service beneficiaries for Key Service 1**	**Key Performance Area**	**Overall Quantity**	**Overall Quantity**	**Overall Quantity**
Consultation		Regular meetings are held with NGOs providing mental health services, civil society, advocacy groups, contracted care and other stakeholders. Intersectoral collaboration through quarterly meetings with other relevant departments	Consultation with family representatives on mental health, representatives of government departments, NGOs, academic institutions, research organisations, traditional health practitioners, clinicians and advocacy groups, Mental Health Review Board members	Consultation with family representatives on mental health, representatives of government departments, NGOs, academic institutions, research organisations, traditional health practitioners, clinicians and advocacy groups, Mental Health Review Board members	Annually and quarterly, meetings were held with mental health services staff, representatives of government departments, NGOs, academic institutions, research organisations, traditional health practitioners, clinicians and advocacy groups, Mental Health Review Board Members
Courtesy		Elimination of stigma and discrimination based on mental illness and promoting the realisation of the rights of persons with mental illness	Mental health services staff, representatives of government departments, NGOs, academic institutions, research organisations, traditional health practitioners, clinicians and advocacy groups, Mental Health Review Board members	SAPS provided assistance with uncontrollable and violent mental health care users in need of admission. EMS provides assistance with users in need of sedation and transportation to hospitals.	Provision of services by SAPS and EMS as and when required
Access		Ensure that all users of mental health services participate in the planning mental healthcare.	Mental health services are available at clinics, CHCs and district, regional, tertiary and central hospitals in accordance with the Mental Health Care Act No. 17 of 2002.	Mental health services are available at clinics, CHCs and district, regional, tertiary and central hospitals in accordance with the Mental Health Care Act No. 17 of 2002.	Mental health care users are able to access care, treatment and rehabilitation at all levels of care as prescribed by the Act.

KEY SERVICE	SERVICE BENEFICIARY	SDIP PERFORMANCE AREAS (IF APPLICABLE)	BASELINE	DESIRED TARGET	ACHIEVED TARGET
Key Service 1: Addressed in the 2018/21 SDIP	**Service beneficiaries for Key Service 1**	**Key Performance Area**	**Overall Quantity**	**Overall Quantity**	**Overall Quantity**
Information		Promote mental health as an important development objective	Information is provided to patients in a number of official languages.	Information is provided to patients in a number of official languages.	Promotional material such as posters and pamphlets are available in English, Afrikaans, Zulu and Tswana.
Service Standards		Provide physical infrastructure that is relevant to the needs and human rights of mental healthcare users; develop and support research and innovation in mental health	Mental health services are available at clinics, CHCs and district, regional, tertiary and central hospitals in accordance with the Mental Health Care Act No. 17 of 2002.	Services are delivered in accordance with the legal frameworks that govern mental health including the Gauteng Mental Health Strategy and Action Plan	Provision of services within existing legal frameworks
Value for money		Increased human resources to address mental health needs throughout the province, additional training across sectors and integration into general healthcare	Mental health services to be provided as a free service to all mental health patients	Mental health services are provided as a free service to all mental health patients	Services are offered free to patients
Complaints Mechanisms		Eliminate stigma and discrimination based on mental illness and promote the realisation of the rights of persons with mental illness Promote mental health as an important development objective	Provincial Complaints sub-directorate in the Quality Assurance Directorate deals with mental health related complaints	Provincial Complaints sub-directorate in the Quality Assurance Directorate deals with mental health related complaints	Mental health practitioners provide support and assistance during investigation of reported cases
NDoH refers some complaints to the province		None	None	All complaints referred by NDoH are successfully addressed	All complaints referred by NDoH are successfully addressed
Office of Health Standards Compliance (OHSC) also refers complaints to the province		None	None	All complaints referred by OHSC are successfully addressed	All complaints referred by OHSC are successfully addressed

KEY SERVICE	SERVICE BENEFICIARY	SDIP PERFORMANCE AREAS (IF APPLICABLE)	BASELINE	DESIRED TARGET	ACHIEVED TARGET
Key Service 1: Addressed in the 2018/21 SDIP	**Service beneficiaries for Key Service 1**	**Key Performance Area**	**Overall Quantity**	**Overall Quantity**	**Overall Quantity**
Human Resources		Capacitate mental health clinicians on mental health services	Training of healthcare workers and DCSTs on mental health	Clinicians are trained on mental health and mental health is integrated into general healthcare	Increasing human resources to address mental health needs throughout the province; additional training on mental health
Costs					
Time		Quarterly	Quarterly	Quarterly	Quarterly
Recommendations and proposed interventions: • The province has begun to implement the strategy; mental health teams have been appointed in the districts. Some of the hospitals (acute mental health units) have been refurbished. Hospital posts have been created and hospitals are in the process of appointing staff. Registered counsellors have been appointed in Johannesburg District to strengthen mental health services. A Medical Specialist post has been created to strengthen the Mental Health Directorate. HR: Organisational Development is working on obtaining approval from the Department of Public Service and Administration (DPSA) for a Chief Director post for mental health services.					
Conclusion • The department continues to strengthen capacity and increase support to ensure that mental health services are prioritised across the province's districts. • In terms of integration of mental health into mainstream services from PHC level to hospital level, the department allocated 5.6% (165/2 901) of district hospital beds to provide services for acutely ill mental health care users.					

Table 2.2.3: Service Delivery Information Tool

Current/actual information tools	Desired information tools	Actual achievements
Mental Health Care Services	Information is provided to patients in a number of official languages.	Promotional material such as posters and pamphlets are available in English, Afrikaans, IsiZulu and Setswana. Mental health practitioners provide support and assistance during investigations of reported cases.

Table 2.2.4: Complaints mechanism: Mental Heath

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Provincial Complaints Directorate in the Quality Assurance Directorate deals with mental health related complaints	Provincial Complaints Directorate in the Quality Assurance Directorate deals with mental health related complaints	Mental Health Practitioners provide support and assistance during investigations of reported cases
NDoH refers some complaints to the province	None	All complaints referred by NDoH are addressed
The Office of Health Standards Compliance (OHSC) refers complaints to the province	None	All complaints referred by OHSC are addressed

Table: 2.2.5: Complaints mechanism: institutional level of lodging of complaints

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Daily monitoring of complaints received from patients or users of the facilities	Percentage reduction in patient complaints	Total complaints received increased by 7% from 3 164 complaints in 2020/21 to 3 394 complaints in 2021/22

Table 2.2.6: Complaints mechanism: Communications

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Daily monitoring of social media networks	Resolve complaints timeously	Complaints are re-routed to Directorates, hospitals and District Offices for resolution
Complaints through media enquiries	Reduce the number of complaints through media	Timeous response to media enquiries in a manner that addresses issues

2.3 Organisational environment

The Gauteng public health system has struggled to sustain quality provision of care and to meet demands. This is reflected in the difficulties in meeting service delivery-oriented targets and is compounded by external threats such as COVID-19, governance related challenges, a growing population and an increasing burden of disease. For the organisation to thrive, a rethinking of its strategy is required. Reimagining GDOH in the face of disasters, growing disparities and governance challenges is imperative; while recognising the fiscal limitations, synergy between oversight measures and clinical operations is needed to attain the objective of a responsive health system.

Medium Term Strategic Framework (MTSF) 2019-2024

The 2019-2024 MTSF was developed in 2019, approved by Cabinet at the end of October in that year and officially launched for implementation during the 2020 State of the Province Address (SONA). A decision was subsequently taken to revise the MTSF based on critical new developments including the COVID-19 pandemic. Among the impacts of the pandemic was significant budget reprioritisation which affected departmental baselines and the MTSF targets.

Revision of Annual Performance Plans and Strategic Plans

The Presidency released a Circular in August 2021 advising departments across the country to revise and re-table their 2020-2025 Strategic Plans and 2021/22 Annual Performance Plans where applicable within the 2021/22 financial year. The revision of the departmental Strategic Plan must be approved by the Provincial Legislature through re-tabling of the whole Strategic Plan or tabling of an Annexure to the Annual Performance Plan.

Strategic Planning session, December 2021

The two-day strategic review session began with inputs from political and executive leadership carving the path for strategic interventions as per the status of performance of the programmes since the beginning of 2019/20. The importance of prioritising implementation of the recovery roadmap was emphasised.

The strategic review carried out its discussions through four commissions dealing with a range of critical topics: Service Delivery Platforms and National Health Insurance, Improved Patient Experience of Care, Improved Clinical Services (Communicable Conditions) and Improved Clinical Services (Non-Communicable Conditions). The commissions began with a SWOT analysis of work areas and performance across all programmes of the department.

The discussions identified key impediments to service delivery including instability within the Senior Management, with most positions acting rather than permanent; poor infrastructure maintenance at facilities; a disjuncture between policies and programme implementation; and units' lack of readiness to implement the NHI.

Opportunities and challenges for the organisation

- An enabling legal framework created for implementation of the NHI Bill
- Roll out a quality health improvement programme in public health facilities to ensure that they meet the quality standards required for certification and accreditation for NHI
- Develop a comprehensive policy and legislative framework to mitigate the risks related to medical litigation
- Improve the quality of primary healthcare services through expansion of the Ideal Clinic Programme
- Develop and implement an HRH strategy 2030 and HRH plan 2020/21-2024/25 to address human resources requirements including filling critical vacant posts for full implementation of universal healthcare
- Drive national health wellness and healthy lifestyle campaigns to reduce the burden of disease and ill health
- Provide good quality antenatal care
- Improve the integrated management of childhood diseases
- Roll-out the National COVID-19 Vaccination Programme to reduce morbidity and mortality.

2.4 Key policy developments and legislative changes

There were no key policy developments or legislative changes during the reporting period.

3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The department's Strategic Plan was not revised but amendments made on indicators were annexed in the Annual Performance Plan. The outcomes on interventions of strategic planning sessions were incorporated into the Annual Operation Plans of Budget Programmes

GDoH 2025 Impact	Outcome	Outcome indicator	5-year target as per the approved Strategic Plan	Gauteng Baseline Performance, 2018/19	Gauteng Annual Performance, 2021/22
Universal Health coverage for all South Africans achieved, and all citizens protected from the catastrophic financial impact of seeking health care by 2030	Quality of health services in public health facilities improved	Patient experience of care satisfaction rate	85%	85%	92.4%
		Patient Safety Incidence (PSI) closure rate	New	80%	87.2%
		Employee Satisfaction rate	54%	75%	62%
		Rand value of medico-legal claims	R22 billion	R 8 billion (80%)	R24 billion
		EMS P1 rural response under 60 minutes rate	100%	100%	94.6%
		EMS P1 urban response under 30 minutes rate	100%	100%	83%
	Leadership and governance in the health sector enhanced to improve quality of care	Percentage of PHC facilities with functional clinic committees	80%	100%	23.6%
		Percentage of hospitals with functional Hospital Boards	94.6%	100%	74.1%
Life expectancy of South Africans improved to 70 years by 2030	Maternal, Neonatal, Infant and Child Mortality reduced	Maternal mortality in facility ratio	129 per 100 000 live births	<60 per 100 000 live births	129.3 per 100 000 live births
		Neonatal (<28 days) death in facility rate	12 per 1000 live births	<10 per 1000 live births	14.3 per 1000 live births
		Death under 5 years against live birth rate	32 per 1000 live births	25 per 1000 live births	1.9%
	Morbidity and premature mortality due to non-communicable diseases reduced by 10%	Malaria case fatality rate	1.40%	<1%	1.4%
		Clients 45 and older screened for Hypertension	#	#	1 791 027
		Clients 45 and older screened for diabetes	#	#	1 983 685
	Morbidity and premature mortality due to communicable diseases reduced	ART adult remain on ART end of period	1 011 503	1 713 940	1 160 906
		ART child under 15 years remain on ART end of period	25 709	39 000	19 191
		All TB client death rate	6.90%	<4%	9.2%
Universal Health coverage for all South Africans achieved and all citizens protected from the catastrophic financial impact of seeking health care by 2030	Infrastructure maintained and backlog reduced	Percentage of Health facilities with major refurbishment or rebuild	#	100%	0%

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 BUDGET PROGRAMME 1: ADMINISTRATION

PROGRAMME PURPOSE

The purpose of this programme is to conduct strategic management and overall administration of the Department of Health through the sub-programmes:

i. Office of the MEC: rendering of advisory, secretarial and office support services (including administrative, public relations/communication and parliamentary support)
ii. Management: policy formulation, overall management and administration support of the Department and the respective regions and institutions within the Department.

PROGRAMME OUTCOMES

- Leadership and governance in the health sector enhanced to improve quality of care
- Improved financial management
- Quality of health services in public health facilities improved
- Robust and effective health information systems to automate business and improve evidence-based decision making

HUMAN RESOURCES (GEYODI)

Significant achievements

Gender: Recruitment of women at decision-making levels of the organization

In the third quarter of the reporting year, the department lost the services of three women who were in the Senior Management Service; two were at level 13 and one at level 14. This may be attributed to natural attrition.

A number of training programmes were offered during the 2021/22 financial year, with managers trained on various leadership and Management development programmes including a Supervisory Management Development Programme (SMDP), SMS Online Ethics Management, SMS COVID Webinar, SMS Master Class, the challenge of governance in complex world, Foundation for Research and Evaluation Training Programme (FRETP), PSC Ethical Leadership webinar for SMS, SMS Strategic Planning and Management, SMS Financial Budget Planning and Management, SMS Leading Change, Introduction to Policy Formulation and Implementation, Operations Management Framework, Leadership Education Programme for SA Government Officials, Leadership for Labour Peace, Finance for Non-Finance Managers, Business Continuity Management, Transformative Mission of Meritocratic Bureaucracies, Fostering a Culture of Accountability and 21st Public Service Trainers Forum (PSTF). 2829 employees were trained on specialised programmes for improving Human Resources for Health (HRH) including Introduction to Strategic Human Resource Management, Code of Conduct & Ethics Training, ETDP: Curriculum Design/Learning Materials (NQF 5), Moderator, Labour Relations Management, Grievances and Disciplinary Procedures, Human Rights and Sensitization Training, Code of Conduct & Ethics Training, Human Resource Policies, Recruitment & Selection Processes, Employment Equity Policy & Process, Policy on Reasonable Accommodation and Assistive Devises (PRAAD), Ethics for Auditors and Work Readiness. 629 functional staff members were trained on specialised programmes for improved financial management and supply chain management such as Finance for Non-Finance Managers, Financial Accounting & Budget Management, Supply Chain Management, SMS Supply Chain Management Processes, Demand Management, Introduction to Financial Management and Budgeting and Generally Recognised Accounting Practice (GRAP). 1 843 staff members were provided with specialised training programmes related to health information systems and computer literacy including HIS Train the Trainer Superusers & End-user Training and computer skills in basic, intermediate and advanced Excel. 1 888 newly appointed employees were trained on specialised programmes related to GDOH onboarding, the Orientation and Induction Framework and the Compulsory Induction Programme for staff members on salary levels 13 and 14.

1 960 employees were trained on the Code of Conduct and Ethics for improved Ethical Behaviour and 1 665 on generic soft skills to improve the customer care experience, NDOH Human Rights, Policies, Customer Care, Conflict Management, Interview Skills, Office Management, Policy and Procedure on Incapacity Leave and Ill-health Retirement (PILIR), Teamwork, the Performance Management and Development System, Batho Pele Principles, Stress Management, Basic Communication Skills, Interview Skills, Leave Management, Minute Taking and Report Writing, Time Management, Record Keeping and Emotional Intelligence. 162 employees participated in Adult Education and Training (AET) programmes to improve literacy.

A total of 11 933 of women and men employed by the department attended capacity building programmes during the period under review:

Training Programme	Number of men trained	Number of women trained
Management & Leadership Development Programmes	325	632
Functional Programmes	197	432
Human Resource for Health programmes	987	1 842
Code of Conduct (Good Ethical Conduct programmes)	618	1 342
Adult Education and Training (AET)	58	104
Pro-service package aimed at improving staff attitude and service delivery	530	1 135
Health Information System and Computer Literacy Programmes	679	1 164
GDOH Onboarding, Orientation and Induction Framework Programme	673	1 215
TOTAL TRAINED	**4 067**	**7 866**

Economic Empowerment for Women

Quarter	Female Procurement Spend	% Female achieved
Q1 2021/2022 **- Total**	**R 388 002 905**	**10.76%**
Q2 2021/2022 **- Total**	**R 307 759 641**	**10.77%**
Q3 2021/2022 **- Total**	**R 116 212 973**	**14.38%**
Q4 2021/2022 **- Total**	**R 4 815 138**	**23.59%**
Grand Total	**R 816 790 657**	**11.20%**

Youth

The department participated in the Tshepo 1 Million job creation programme, the provincial strategy for job creation and empowerment of unemployed youth. It contributes to the programme by ensuring that unemployed youth have access to bursaries as a production pipeline to create job opportunities in the health sciences; internship programmes; and community service and learnership programmes. These programmes aim to empower youth to become employable and, in some instances, provide direct employment through medical and clinical internships and community service. The department also assists student interns in support service areas to complete their work integrated learning programmes which TVET colleges require students to complete in order to graduate. During 2021/22, 4 768 youths were given employment opportunities in various work disciplines.

The programme placed community service professionals in categories ranging from clinical to allied health professionals. 811 were from the nursing category, 440 were medical doctors, 43 clinical psychologists, 25 dentists, 54 dieticians, 101 radiotherapists, 35 environmental health practitioners, 84 occupational therapists, 85 pharmacists, 94 physiotherapists and 67 speech therapists and audiologists. This amounted to a total of 1788 community service professionals employed on one-year fixed term contracts.

Internship programmes in the administrative support services category were given to 656 internship participants, 514 learnership participants and 30 bursary participants making a total of 1200. Of these, 857 were female and 343 were male.

Youth procurement spend

Quarter	Youth Spend	% Youth
Q1 2021/2022 **- Total**	**R 238 309 592**	**6.61%**
Q2 2021/2022 **- Total**	**R 273 092 245**	**9.55%**
Q3 2021/2022 **- Total**	**R 53 504 001**	**6.62%**
Q4 2021/2022 **- Total**	**R 3 013 242**	**14.76%**
Grand Total	**R 567 919 080**	**7.79%**

People living with disabilities (internships and learnerships)

Of the 1 200 youth participants, 92 were persons living with disabilities (PwDs) and making up to 7.6% of the total youth opportunities given. Recruitment of PwDs dropped by 1.5% from 1 361 as at the end of Feb 2022 to 1 358 at the end of March 2022. This was due to natural attrition and COVID-19 where recruitment was focused on appointing clinical staff. Of the 1 358, 1 028 were female and 330 male. Employees with disabilities who had not declared their disability status came forward to declare their disability status. However, this was negatively affected by the growth in the staff establishment as the department recruited more clinicians thus decreasing the proportion of PwDs.

People with disabilities procurement spend

Quarter	PwD Spend	% PwD
Q1 2021/2022 **- Total**	R 14 840 107	0.41%
Q2 2021/2022 **- Total**	R 10 775 706	0.38%
Q3 2021/2022 **- Total**	R 2 151 945	0.27%
Q4 2021/2022 **- Total**	R 0	0.00%
Grand Total	**R 27 767 759**	**0.38%**

Rehabilitative services providing assistive devices to improve the quality of life of people with disabilities were enhanced, with over 78 720 assistive devices provided to clients during the reporting period. The table below shows the devices requested and issued and the issue rate during the reporting period.

Assistive devices requested and issued during the 2021/22 financial year

Devices 2021/22	Requested 2021/22	Issued 2021/22	Issue Rate	Budget
Hearing Aid	6752	5184	76.8%	R26.5m
Orthosis	22135	21122	95.4%	R7.633m
Prosthesis	1658	1039	62.7%	
Podiatry	5187	5075	97.8%	No dedicated budget
Walking Aid	n/a	31392	n/a	R28m
Wheelchair	4931	4233	85.8%	R25m

Challenges experienced when prioritising the designated groups

The department experienced natural attrition among the Senior Management Service, with the number of women in SMS continually declining. The target was therefore not achieved. Some employees with disabilities are not willing to disclose their disability status and many do not have the qualifications needed to be considered for jobs in the clinical field where most of the vacant funded posts are.

Corrective measures/steps put in place to address the challenges experienced

The department will continue with disability declaration campaigns to encourage employees to declare their disability status. More Career Expos targeting people with disabilities will be conducted to encourage people with disabilities to consider Health Science qualifications as a career of choice. The department will also continue to target women through source and select processes to increase the number of women at decision-making level.

OCCUPATIONAL HEALTH AND SAFETY (OHS)

Significant achievements

Of the 37 total hospitals, 19 hospitals were complaint with the OHS regulations. The department therefore achieved its target of 19% of hospitals compliant. The department is moving towards 100% compliance by end of the current government term in 2025.

LEAN MANAGEMENT

Challenges

Implementation of the Lean programme was negatively affected by budgetary constraints, with contracts for three Lean Management staff terminated due to unavailability of funds. Two officials are currently managing the programme.

INFORMATION AND COMMUNICATIONS TECHNOLOGY

Challenges

Supply chain management delays affected implementation of a number of planned projects ranging from rollout of the integration of health information system in hospitals and CHCs to implementation of the picture archiving and communication system (PACS).

LEGAL SERVICES

Challenges

The Legal Services Unit is neither structured nor capacitated to provide expert and strategic support services including auditing, accounting and forensic, special and other investigations related to the management of medico-legal matters.

Table 4.1.1: PROGRAMME 1: ADMINISTRATION

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Leadership and governance in the health sector enhanced to improve quality of care	Township economy in local communities promoted	Percentage of budget spent on Township enterprises against identified commodities	29.5% (R86.4/ R292.8)	23%	13.2%	30%	8.5% (R 5 221 589,96 /R 61 420 800,00)	(21.5%)	Target not achieved due to the pricing structure in which the bid price is too high or too low and incomplete tender documentation submitted resulting in administrative non-compliance and therefore disqualification.
Improved financial management	Increased economy of local communities including township businesses and SMMEs	Percentage of service providers' invoices without dispute paid within 30 days	100%	66%	#	70%	27.2% (32 936/121 113)	(42.8%)	Target not achieved due to late resolving of payment exceptions. These had a variety of causes including invalid Purchase Order numbers, Goods Receipts outstanding, price/quantity differences in invoices and issues between Provincial Treasury and vendors which delayed payments.
Leadership and governance in the health sector enhanced to improve quality of care	Woman employed in senior management positions increased	Percentage of women in senior management posts	46.2% (48/104)	44% (50/113)	#	46% (54/117)	44.1% (49/111)	(1.9%)	Target not achieved due to attrition and continued declining numbers of female SMS members over time.
Improved financial management	Unqualified audit opinion	Audit opinion of Provincial DOH	Unqualified	Unqualified	N/A	Unqualified	Unqualified	N/A	Target achieved

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Health facilities are compliant with Occupational Health and Safety	Percentage of hospitals compliant with Occupational Health and Safety	#	#	85%	19% (7/37)	51.4% (19/37)	32.4%	Target achieved. 19 hospitals (Bertha Gxowa, Chris Hani Bara, Cullinan, Far East Rand, Dunswart, Heidelberg, Helen Joseph, Kalafong, Kopanong, Leratong, Medunsa Oral, Pretoria Oral, Sebokeng, Sizwe, South Rand, Sterkfontein, Tambo Memorial, Tara and Tshwane District Hospital) were compliant with the following statutory requirements: (1) General Administrative Regulation where OHS Committee meetings are being established and organised labour is part of them. (2) Section 16 of Act 85 of 1993: Chief Directors, CEOs, Facility Managers and College Principals are appointed as 16.2 appointees by the HoD. (3) Section 17 of Act 85 of 1993: nomination and appointment of Health and Safety Representatives in writing. (4) Section 19 of the ACT 85 of 1993: nomination and appointment of Health and Safety Committee in writing. (5) Section 7 of Act 85 of 1993: approved OHS Policy. (6) Regulation for HBA - Hazardous Identification Risk Assessment. The department is not complying fully with 17 Regulations in the Act. In addition, the remaining hospitals are not complying due to, among other factors, not submitting Portfolios of Evidence (POEs) of minutes.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
	Lean Management System implemented in public priority health facilities	Number of priority hospitals and clinics implementing Lean Management System	12/37	10/37	5	13	9	(4)	Target not achieved as Lean Management was implemented in six priority hospitals namely Sebokeng, DGMAH, Bheki Mlangeni, Jubilee and Tambo Memorial Hospitals coupled with three feeder clinics namely Levai Mbatha CHC, Soshanguve CHC and Itireleng CHC. The programme had been operating with five facilitators but was operating with only two facilitators by the end of the financial year because the contracts with three of them ended due to budgetary constraints.
Quality of health services in public health facilities improved	Contingent liability of medico-legal cases reduced by 80%	Rand value of medico-legal claims	#	#	R16.7 billion	R17.6 billion	R 24 billion	(R 6.4 billion)	Target not achieved as National Department of Health did not have budget during 2021 to pay for the service providers (CAJV (Pty) Ltd, IFAS and Abacus) that they appointed to assist GDoH. It is imperative to note that the Legal Services Unit is structured and capacitated to render legal and related support services and does not offer auditing, accounting or forensic investigations related to medico-legal claims.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Robust and effective health information systems to automate business and improve evidence-based decision making	Quality of patient information in health facilities improved	Percentage of CHCs implementing PACS	#	#	0% (0/33)	91% (30/33)	0% (0/33)	(91%)	Target not achieved. There were delays in SCM processes which resulted in the awarding and signing of the SLA that happened at the beginning of quarter 4.
		Percentage of CHCs with Integrated Health Information systems	#	#	12% (4/33)	100% (33/33)	18.2% (6/33)	(81.8%)	Target not achieved. There were delays in acquiring the infrastructure needed for implementation and the list of required infrastructure was only approved during the end of quarter 4. There were also protracted engagements with clinicians to finalise the solution configuration.
		Percentage of hospitals with Integrated Health Information systems	62% (23/37)	0%	10% (4/37)	41% (15/37)	5.4% (2/37)	(35.6%)	Target not achieved. Protracted engagement with clinicians and key stakeholders in the project (administration, PAG, e-Government) delayed the two-pilot site go-live.
Robust and effective health information systems to automate business and improve evidence-based decision making	Quality of patient information in health facilities improved	Percentage of indicators tracked through the functional Population Health Observatory	#	#	0%	50%	0%	(50%)	Target not achieved because there were delays in SCM processes resulting in the awarding and signing of the SLA at the end of quarter 4 of 2021/22.
	Quality of patient information in health facilities improved	Percentage of facilities implementing Forensic Pathology Management Information Systems	#	#	0%	100% (11/11)	0% (0/11)	(100%)	Target not achieved. The department had aimed to participate in a panel for the implementation following internal approval. However, the department was advised through National Treasury to seek alternatives such as RFB1183 and SITA transversal contract.

Strategies to overcome areas of underperformance

HUMAN RESOURCES

The plan is to recruit females in vacancies vacated by females and in other vacant funded posts in line with the targets set to be achieved by the end of March 2023.

INFORMATION COMMUNICATION TECHNOLOGY

PACS implementation

The contract and SLA are in place. Using the agile implementation approach, PACS will be rolled out to 18 CHCs: 6 in quarter 1 of 2022/23, 12 in quarter 2 and 18 in quarter 3.

HIS Integration

The infrastructure required has been acquired and the clinical business blueprint has been signed. The implementation plan is as follows: integration of systems will be rolled out in 13 CHCs in quarter 1 followed by 17 in quarter 2, 25 in quarter 3 and 33 in quarter 4. The clinical business blueprint has been signed together with the patient administration, revenue and billing system. The User Acceptance Test has been signed and the solution configured. The implementation plan for integration of systems in the 37 hospitals is a stepwise rollout which will cover the first 8 hospitals in quarter 1, 15 in quarter 2, 25 in quarter 3 and all 37 by quarter 4 of 2022/23.

Health Observatory and Forensic Pathology Management System

The SCM processes have been concluded and agile methodology adopted to fast-track implementation of the health observatory. The forensic pathology management information system was presented to DBAC to provide approval to use SITA transversal contract for implementation of the health observatory. The implementation plan will cover all the 11 forensic pathology sites by the end of the 2022/23 financial year.

LEAN MANAGEMENT

Allocation of personnel to increase capacity in the Lean Management Team, Train the Trainer trainings in facilities to coordinate the programme, share knowledge and monitor the Lean Management processes with appointment of Lean champions within facilities.

SUPPLY CHAIN MANAGEMENT

Utilisation of service providers on a rotational basis in procuring goods and services to promote competition amongst historically disadvantaged individual enterprises; encouraging subcontracting for bids above R500 000.

PROGRAMME 1 EXPENDITURE TABLES

Table 4.1.2: Departmental budget and expenditure

PROGRAMME	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
ADMINISTRATION	2 341 848	2 173 192	168 656	3 697 845	3 695 016	2 829
DISTRICT HEALTH SERVICES	19 875 921	19 251 444	624 477	18 366 611	17 959 247	407 364
EMERGENCY MEDICAL SERVICES	1 577 705	1 431 691	146 014	1 681 370	1 680 801	569
PROVINCIAL HOSPITAL SERVICES	11 081 898	10 697 214	384 684	9 942 279	9 905 850	36 429
CENTRAL HOSPITAL SERVICES	20 708 734	20 331 658	377 076	19 612 633	19 254 052	358 581
HEALTH SCIENCES AND TRAINING	1 182 600	706 868	475 732	901 268	787 210	114 058
HEALTH CARE SUPPORT SERVICES	393 874	388 833	5 041	391 264	388 844	2 420
HEALTH FACILITIES MANAGEMENT	2 462 930	2 068 235	394 695	4 242 233	4 041 357	200 876
Total	**59 625 510**	**57 049 135**	**2 576 375**	**58 835 503**	**57 712 377**	**1 123 126**

Table 4.1.3: Budget Programme 1: Administration: Sub-Programmes

ADMINISTRATION	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
OFFICE OF THE MEC	**25 528**	**16 392**	**9 136**	**24 043**	**16 068**	**7 975**
MANAGEMENT	2 316 320	2 156 800	159 520	3 673 802	3 678 948	(5 146)
Total	**2 341 848**	**2 173 192**	**168 656**	**3 697 845**	**3 695 016**	**2 829**

4.2 BUDGET PROGRAMME 2: DISTRICT HEALTH SERVICES

PROGRAMME PURPOSE

The purpose of the programme is to render Primary Health Care Services and District Hospital Services.

i. District Management

Planning and administration of services, managing personnel and financial administration and the coordinating and management of the Day Hospital Organisation and Community Health Services rendered by Local Authorities and Non-Governmental Organisations within the Metro; and determining working methods and procedures and exercising district control.

ii. Community health clinics

Rendering a nurse driven primary health care service at clinic level including visiting points, mobile and local authority clinics.

iii. Community health centres

Rendering a primary health service with full-time medical officers in respect of mother and child, health promotion, geriatrics, occupational therapy, physiotherapy, psychiatry, speech therapy, communicable diseases, mental health, etc.

iv. Community based services

Rendering a community-based health service at non-health facilities in respect of home-based care, abuse victims, mental and chronic care, school health, etc.

v. Other community services

Rendering environmental, port health and part-time district surgeon services, etc.

vi. HIV and AIDS

Rendering a Primary Health Care Service in respect of HIV and AIDS campaigns and Special Projects

vii. Nutrition

Rendering a nutrition service aimed at specific target groups and combines direct and indirect nutrition interventions to address malnutrition.

viii. Coroner Services

Rendering forensic and medico legal services in order to establish the circumstances and causes surrounding unnatural deaths.

ix. District Hospitals

Rendering of a hospital service at district level.

SUB-PROGRAMMES

- District health management and PHC services
- District hospitals
- Maternal, child and women's health and nutrition
- HIV and AIDS, STIs and TB care
- Disease prevention and control

PROGRAMME OUTCOMES

- Package of services available to the population with priority given to equity and most cost-effective services
- Leadership and governance in the health sector enhanced to improve quality of care
- Morbidity and premature mortality due to communicable diseases reduced
- Morbidity and premature mortality due to non-communicable diseases reduced by 10%
- Maternal, neonatal, infant and child mortality reduced
- Quality of health services in public health facilities improved

PROGRAMME PERFORMANCE OVERVIEW

DISTRICT HEALTH SERVICES

Significant achievements

Two additional PHC facilities started operating 24-hours during the period under review bringing the total to 36. Through the Expanded Public Works Programme (EPWP), 4 735 job opportunities were created of which 3 459 (73% of the total) were opportunities provided to women. Construction of one new clinic (Greenspark Clinic in the West Rand District) was completed; it began operating from May 2021 thus improving access to health care. District Mental Health teams have been established in all five health districts thus strengthening community health services in the districts. The Ideal Clinic Programme performed well, with more that 90% of clinics obtaining Ideal Clinic status during the reporting period, 83 clinics are therefore certified as compliant by the OHSC for the next five years.

DISTRICT HOSPITALS

Significant achievements

In terms of integration of mental health into mainstream services, the department increased dedicated mental health beds in district hospitals from 5.6% to 7.4% (225/3 048). A neurological development clinic for pediatric patients was established in Dr Yusuf Dadoo Hospital which is classified as a Centre of Excellence.

HIV/AIDS, STIs and TB

Significant achievements

All planned targets for the HIV testing service indicators were achieved through successful implementation of pre-exposure prophylaxis in health facilities. In addition, due to implementation of eLab, about 90% of the clients were virally suppressed. The department therefore achieved the first 90 and the last 90 in the 90-90-90 strategy.

Challenges

There was a shortage of condoms which negatively affected availability and distribution in health facilities. Low HIV case findings contributed to the low ART initiation rate. Highly mobile communities coupled with untraceable ART clients impacted negatively on the number of people remaining on ART care resulting in a continued decline in ART clients. Child viral suppression remains considerably below the planned target, at 65%, for a number of reasons including poor health care, patients' dependence on care givers and psychological issues. Viral suppression among adults has been reported above 90%. A great deal of work remains to be done as regards to TB Programme Management. Late presentation by TB clients at health facilities due to seeking non-medical interventions as the first level of contact contributed to the high TB death rate.

MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION (MCWH&N)

Progress on GEYODI prioritisation in the service delivery environment

Gender: By design, the MCWH&N programme is providing services to improve women's health including through prevention and reduction of maternal deaths.

Youth: To provide an adolescent and youth-friendly service, youth zones have been established in health facilities. The programme also assists with supervising and close monitoring of deliveries by young women aged 10 to 19 years. Deliveries in this age group are classified as high-risk deliveries.

Challenges

The lack of dedicated budget for the programme remains a major challenge affecting implementation of programme plans.

QUALITY ASSURANCE

Significant achievements

A total of 83 PHC facilities were certified by the OHSC as being NHI-ready. 92.1% of responses received from the department's health care users indicated that they were satisfied with the services provided. 90% of the PHC users reported that they were satisfied with the services offered by the department. The satisfaction rate reported by users of PHC services at clinic level was close to 90%. Over 95% of the resolved complaints in PHC clinics were resolved within 25 working days. All health districts complied well with reporting of Severity Assessment Code 1 PSIs with Sedibeng District recording significant improvements.

Challenges

Despite the positive responses given by patients regarding satisfaction with health services, the staff attitudes and patient care domains are challenging and the overall score remains below 85%. The department has embarked on training campaigns including Batho Pele Principles, Daily Patient Opinion Surveys (DPOSs) and revisiting the complaints management systems. The other two domains that showed poor performance were Patient Safety (mainly relating to the matter of food) and triage which scored below 90%.

DISEASE PREVENTION AND CONTROL

Significant achievements

The department participates in the South Africa Malaria Elimination Committee (SAMEC) and therefore contributed to the development of malaria-related policies and guidelines, case management, surveillance, and vector control and monitoring towards malaria elimination by 2023. World Malaria Day awareness activities were conducted in Tembisa and the surrounding areas, regarded as malaria hot spots. Over five days, the Health Promotion team conducted malaria training across all five districts. Concurrently, interviews and question and answer sessions were conducted on community radio stations in local languages.

More than 16 food borne disease outbreaks were contained though intense outbreak investigations. The responses reduced associated fatalities to a minimum acceptable threshold. The department also continued to respond to COVID-19 to keep the number of cases as low as possible. Over 87 million COVID-19 screening tests were conducted, with about 1.8 million of these testing positive. The COVID-19 recovery rate was an impressive 97%, with the case fatality rate at 1.6%.

Five Travel Clinics were established across the province in five districts: in Tshwane District, at the offices of the Department of International Relations and Cooperation (DIRCO) and at Laudium Clinic; in the West Rand at Yusuf Dadoo Hospital; in Ekurhuleni District at Betha Gxowa Hospital; and in Johannesburg District at the department's Head Office.

Collaboration with law enforcement agencies assisted with the enforcement of businesses and ECDs' environmental compliance. To continue strengthening health literacy and health promotion as part of the department's six priorities, millions of people across the province were reached on various aspects of a healthy lifestyle.

Challenges

The majority of malaria deaths reported in the province were due to late presentation by patients at health facilities; as a result, the planned target of below 1% malaria case fatality rate was not met. Communication fatigue is becoming an issue, with community members becoming impatient with the similar messages being circulated. Responding to and addressing the COVID-19 pandemic affected and overstretched the department's limited resources.

Table 4.2.1: SUB-PROGRAMME 2.1: DISTRICT HEALTH SERVICES

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/ Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Positive experience of care of health care users improved	Patients experience of care satisfaction rate	82%	84%	92.5%	95.2%	92.4%	(2.8%)	Target not achieved. A total of 11 PHC facilities performed below the 80% PEC benchmark. Areas contributing to underperformance included staff attitude, patient safety, waiting times and cleanliness.
Quality of health services in public health facilities improved	Management of patient safety incidents improved to reduce new medico-legal cases	Severity assessment code (SAC) 1 incident reported within 24 hours rate	#	#	94.7% (161/170)	75% (1 528/2 024)	86.9% (233/268)	11.9%	Target exceeded as a result of improvements in timely reporting of SAC1 by Sedibeng District.
		Patient Safety Incident (PSI) case closure rate	#	#	91.8% (235/256)	70.4% (2 744/3 900)	95.7% (331/346)	25.3%	Target achieved due to four of the five districts (CoT, Sedibeng, CoE and CoJ) attaining over 90% PSI closure rate.
Quality of health services in public health facilities improved	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	96.1%	98%	95% (707/744)	95.2% (2 060/2 165)	97.5% (998/1024)	2.3%	Target achieved. Over 90% of received complaints were resolved within 25 working days in four health districts: CoJ, Sedibeng, CoT and West Rand.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/ Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Package of services available to the population with priority given to equity and most cost-effective services	PHC facilities provide integrated quality healthcare service	Ideal Clinic status obtained rate	89.2% (330/370)	93.0% (334/359)	89%	90.2% (333/369)	92.4% (341/369)	2.2%	Target achieved. Significant improvements were observable from Sedibeng and COJ where 24% and 6%, respectively, of clinics attained Ideal Clinic status. The very considerable improvement in Sedibeng's performance can be attributed to the appointment of Quality Assurance Coordinators who facilitated participation and supported implementation of the Ideal Clinic programme.
Leadership and governance in the health sector enhanced to improve quality of care	Functional governance structures in PHC facilities	Percentage of PHC facilities with functional Clinic committees	80%	80%	80% (298/372)	100% (369/369)	23.6% (87/369)	(76.4%)	Target not achieved. Only 87 clinics have functional Clinic committees due to low turnout of nominees and most of applicants not meeting the requirement of having at least a matric qualification.
Package of services available to the population with priority given to equity and most cost-effective services	All CHCs provide 24-hour full service	Number of CHCs providing 24-hour services	30	32/32	34	36	36	0	Target achieved because Boekenhout and Refentse Clinics started operating 24 hours during the year under review, increasing the number of CHCs providing 24-hour service to 36.

Strategies to overcome areas of underperformance

PEC Survey: Batho Pele Principles and PEC survey trainings will be conducted during the 2022/23 financial year . The Serve with a Smile campaign is being explored for roll-out in the new financial year and the Employee Value Proposition initiatives aimed at strengthening employee morale will continue.

Clinic committees: A Deviation Memo was drafted and sent to the MEC. The purpose was to request the HOD and MEC to endorse a deviation from the Clinic Committee Framework to ensure compliance with the National Health Act.

TABLE 4.2.2: SUB-PROGRAMME 2.2: DISTRICT HOSPITALS

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	Maternal Mortality in facility Ratio	#	#	69.8 (32/45 814)	54.3 (24/44 199)	63 (29/46 034)	(8.7)	Target not achieved. 29 maternal deaths occurred in 10 district hospitals with South Rand and Bheki Mlangeni Hospitals respectively contributing 24% and 21% of the total. No deaths were recorded at Kopanong and Tshwane District Hospitals. The maternal deaths were mainly due to COVID-19 pneumonia, pulmonary embolism, haemorrhagic shock, severe lower respiratory tract infection (LRTI), acute myocardial infarction, pulmonary oedema, organophosphate poisoning, acute gastro-enteritis poisoning and post-partum haemorrhage.
Maternal, neonatal, infant and child mortality reduced	Less children under 5 years dying from diarrheal	Child under 5 years diarrhoea case fatality rate	#	#	2% (10/503)	≤1% (4/400)	1.1% (16/1 471)	(0.1%)	Target not achieved. 16 diarrhoeal deaths were reported in 6 District hospitals. The largest numbers were in Jubilee Hospital followed by Bertha Gxowa and Carletonville Hospitals with five deaths and four deaths respectively. Pretoria West, Odi and Tshwane District hospitals had one death each. Late presentation of children with diarrhoea admitted with severe dehydration and retroviral disease with septicaemia were the common causes of deaths.
	Less children under 5 years dying from pneumonia	Child under 5 years pneumonia case fatality rate	#	#	1.8% (9/511)	<1.5% (19/1 267)	0.91% (11/1 210)	0.59%	Target achieved. There are regular reviews and discussion of cases during Paediatric Morbidity and Mortality committee meetings where interventions are discussed.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Stunting among children reduced Less	Severe acute malnutrition death under 5 years rate	#	#	22% (13/59)	≤6.9% (13/188)	26.6% (25/94)	(19.7%)	Target not achieved due to increasing SAM deaths. Deaths are largely due to poor prognostic features of SAM cases on admission and death due to late presentation at facilities mainly as a result of lack of proper home care or child neglect.
Maternal, neonatal, infant and child mortality reduced	Number of children who die in health facilities reduced	Death under 5 years against live birth rate	#	#	0.74% (330/44 522)	≤1% (310/45 300)	0.88% (391/44 577)	0.12%	Target achieved. Cluster outreaches were conducted by District Clinical Specialist teams to District Hospitals. In addition, Paediatrics M&M committee meetings were held regularly for child deaths and improvement action plans were discussed and documented.
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	#	80%	90.2% (65 341/73151)	89.30% (65 341/73 151)	89.6% (37 917/42 334)	0.3%	Target achieved. All 12 district hospitals performed above 80% on the satisfaction rate and met the required target on staff attitude, cleanliness, IPC, medication waiting times and patient safety (food and triage) PEC domains.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Hospitals ready to deliver quality health care	Ideal hospital status obtained rate	#	#	16.7% (2/12)	17% (2/12)	83.3% (10/12)	66.3%	Target achieved with ten of the district hospitals obtaining Ideal Hospital status. The good performance is as a result of attainment of all targets pertaining to vital, essential and important elements. Only Carletonville and Kopanong Hospitals did not obtain the status due to gaps on the non-negotiable element. In addition, five district hospitals (South Rand, Odi, Pretoria West, Bronkhorspruit and Dr Yusuf Dadoo) were assessed for the first time during the reporting year and all obtained Silver Ideal Hospital status. Jubilee Hospital which had failed during 2020 also obtained Silver Ideal Hospital status during the reporting year. Bertha Gxowa maintained Gold status whilst Tshwane District Hospital, Bheki Mlangeni and Heidelberg all maintained Silver status.
Quality of health services in public health facilities improved	Management of patient safety incidents improved to reduce new medico-legal cases	Severity assessment code (SAC) 1 incident reported within 24 hours rate	#	#	72.7% (290/399)	68.1% (248/364)	93.3% (499/535)	25.2%	Target achieved. There was a 20.6 percentage point improvement in SAC1 timely reporting compared to 2020/21. Provincial support visits contributed to improved performance, with emphasis on reporting and capturing incidents when they occur and appointing PSI committee members.
		Patient Safety Incident (PSI) case closure rate	#	#	74.4% (468/629)	70% (392/560)	92.9% (722/777)	22.9%	Target achieved. The PSI closure rate increased by 18.5 percentage points compared to 2020/21 as a result of provincial support visits and appointment of PSI committee members.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	99.1% (529/534)	97.8% (500/511)	92.2% (320/347)	95.1% (508/534)	97.7% (301/308)	2.6%	Target achieved. 8 of the 12 district hospitals (Bronkhorstspruit, Carletonville, Dr Y Dadoo, Heidelberg, Jubilee, South Rand, Tshwane District and Pretoria West} consistently maintained 100% complaints resolution within 25 working days throughout the year.
Leadership and governance in the health sector enhanced to improve quality of care	Functional governance structures in hospitals	Percentage of Hospitals with functional hospital boards	#	#	66.7% (8/12)	100% (12/12)	58.3% (7/12)	(41.7%)	Target not achieved. Out of the 12 district hospitals, only 7 (Bertha Gxowa, Bheki Mlangeni, Carletonville, Jubilee, Odi, South Rand and Tshwane District Hospital) had functional boards. Unavailability of board members for meetings, lack of ICT resources for members to hold virtual meetings owing to COVID-19 restrictions and deceased members negatively impacted on the functionality of the hospital boards in 5 district hospitals (Bronkhorspruit, Dr Yusuf Dadoo, Heidelberg, Kopanong and Pretoria West District Hospital).
Quality of health services in public health facilities improved	Integration of mental health into mental health services	Percentage of beds in district hospitals offering acute ill mental health care users (72hrs)	#	#	5.6% (165/2 901)	7% (203/2 901)	7.4% (225/3 048)	0.4%	Target achieved with 7.4% of the beds in district hospitals dedicated to mental health care users.

Strategies to overcome areas of underperformance

MCWH: Outreach activities by the District Clinical Specialist Teams and Emergency Drills to be increased. Essential Steps in Managing Obstetric Emergencies (ESMOE) training to be conducted on a quarterly basis. Monthly Mortality and Morbidity meetings to be conducted to identify shortcomings in patient treatment. Early identification of severe acute malnutrition signs and early referral of children. Follow up of at-risk children in the community by CHWs.

Hospital boards: Proposal for payment of stipends of boards to be pursued including induction and training of board members within the first quarter of their appointment.

Table 4.2.3: SUB-PROGRAMME 2.3: HIV AND AIDS, STI & TB CONTROL

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Morbidity and premature mortality due to communicable diseases reduced	People living with HIV are tested, initiated on treatment, and retained on care	HIV positive 15-24 years (excl ANC) rate	#	#	2.9% (22 715/795 984)	4.7% (104 205/2 225 650)	1.7% (20 735/1 217 412)	3%	Target achieved due to implementation of preventative programmes such as pre-exposure prophylaxis (PrEP) and strengthening of self-screening and index testing modalities amongst the target population of adolescent girls, young women and youth
		HIV tests done- sum	3 253 783	5 174 748	4 355 221	4 208 536	5 014 704	806 168	Target achieved due to scaling up of HIV self-screening and index testing modalities, district supporting partners, intensified build-up campaigns and community HIV testing done by 113 funded NPOs.
		ART adult remain on ART end of period	1 011 503	1 111 128	1 115 574	1 416 480	1 160 906	(255 574)	Target not achieved because the programme lost contact with clients who were on ART treatment. Tracing efforts implemented were unsuccessful; the reasons included incorrect addresses, unreachable on mobile phones, relocations, failure to pitch after promising to come and deaths.
		ART child under 15 years remain on ART end of period	25 709	23 591	21 088	35 644	19 191	(16 453)	Target not achieved due to high loss to follow-up. There were children who could not be traced due to various reasons including that their guardians were unreachable on mobile phones and during physical tracing visits, high mobility of clients and clients promising to come and not pitching at facilities.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Morbidity and premature mortality due to communicable diseases reduced	People living with HIV are tested, initiated on treatment, and retained on care	ART Adult viral load suppressed rate (12 months)	88.7%	#	88.1% (156 945/ 178 222)	90% (150 798/167 553)	90.8% (57 696/63 511)	0.8%	Target achieved. The proportion of virally suppressed adult clients increased by 2.7 percentage points during 2021/22 compared with 2020/21. The improvements noted in performance were as a result of implementation of e-Lab; improved data monitoring; improved switching of clients from TEE (Tenofovir + Emtricitabine + Efavirenz) to TLD (Tenofovir + Lamivudine + Dolutegravir); implementation of revised ART guidelines using the ART drug (TLD) which causes rapid viral load suppression; and implementation of ART guideline updates for clinical patient management.
		ART Child viral load suppressed rate (12 months)	67.4%	#	66.7% (1955/2934)	90% (5 400/6 000)	64.6% (698/1 080)	25.4%	Target not achieved. Reasons included inconsistent follow up visits for children by caregivers and patient-related psychosocial challenges resulting in treatment interruption. Health system challenges relating to inefficiencies in supply chain impacted procurement of ART Kaletra pellets which are not on contract and have to be procured through buy-out processes.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Morbidity and premature mortality due to communicable diseases reduced	TB cases are detected and successfully treated	All DS-TB client Loss to follow up (LTF) rate	6.3% (2 149/ 34 190)	9.4% (3 216/ 34 101)	8.7% (2 736/ 31 366)	5.5% (1 737/31 320)	8.3% (1853/22 327)	(2.8%)	Target not achieved because the programme lost contact with clients who were on TB treatment. Tracing efforts implemented were unsuccessful due to reasons ranging from wrong addresses, unreachable on mobile phones (voicemail calls), relocations, failure to pitch after promising to come and deaths.
		All DS-TB Client successfully completed treatment rate	84% (28 705/ 34 190)	81.6% (27 955/ 34 101)	83.5% (26 184/ 31 366)	90% (28 188/31 320)	82.1% (18 328/22 327)	(7.9%)	Target not achieved. The TB success rate of 82.1% was negatively affected by clients lost to follow-up and those who died during treatment. During the reporting period, the percentages of those that died and were lost to follow-up during treatment were 9.2% and 8.3% respectively.
Morbidity and premature mortality due to communicable diseases reduced	DS TB and DR TB cases are detected and successfully treated	TB Rifampicin Resistant/ MDR/ pre-XDR successfully complete treatment rate	58% (199/343)	55.1% (702/ 1 275)	60.7% (734/ 1 210)	65% (522/799)	64.3% (742/1 154)	(0.7%)	Target not achieved due to client deaths during the course of treatment and loss to follow-up which negatively affected the treatment success rate.
		TB XDR start on treatment rate	97.7%	95%	100% (19/19)	100% (45/45)	100% (6/6)	0%	Target achieved as all clients diagnosed were tracked and traced to be admitted to Sizwe Hospital for treatment initiation.

Strategies to overcome areas of underperformance

By June 2022, HIV Testing Services (HTS) testing strategies will be implemented to increase case finding. The department will continue to track and trace clients tested positive for XDR and initiate them on treatment. Paediatric and adolescent HIV matrix interventions that encourage case finding at every entry point of care at high volume sites will be intensified. The department will continue with quality assurance of eLabs and data monitoring and strengthening of switching of clients from TEE to TLD. The programme will monitor the paediatric and adolescent HIV matrix intervention at high-volume facilities. There will be active involvement through meetings and engagement of all key stakeholders (Tracer nurses, DSP, WBOT cadres) to improve tracing of LTFU. Management and actioning of TIER.Net line lists for all lost to follow-up clients by facility staff and managers will be strengthened. The programme will conduct TB mortality audits to strengthen lost to follow-up strategies. District DR-TB clinical committees will be established in all districts. Training on DR-TB clinical management will be conducted as will Delamanid roll-out training at decentralised sites. Lost to follow-up contact tracing by professional, enrolled nurses and CHWs will be done.

Paediatric Total Remaining on ART (TROA) and Viral Load Suppression (VLS)

Implementation of the paediatric matrix of intervention in all high-volume facilities to assist with retention and viral suppression. Switching of paediatric clients not tolerating Kaletra pellets and monitoring of adherence to treatment will be done. Tracing and tracking early missed appointments, family care days and support to defaulting families through Ward Based Organizations will be conducted. Treatment dosage adjustment per age and weight according to dosage chart will be monitored, with implementation of disclosure guidelines.

Adult TROA

Decanting of eligible patients to decanting modalities, and early tracing and tracking of missed appointments, will be strengthened

Table 4.2.4: SUB-PROGRAMME 2.4: MATERNAL, CHILD AND WOMEN'S HEALTH AND NUTRITION

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child Mortality Reduced	Coverage of Family planning services increased	Couple year protection rate	55%	44% (175 352/ 397 208)	45.3% (1 825 479/ 4 028 597)	40% (168 157/420 393)	37.8% (1 766 617/4 669 276)	(2.2%)	Target not achieved due to low uptake of long-active reversible contraception as a result of lack of training of staff and rationing of supply of injectables to facilities due to low stock levels.
	Teenage pregnancy managed at appropriate level of care	Delivery in 10 to 19 years in facility rate	6.7% (14 920/222 115)	7.5% (15 882/ 210 544)	8.9% (20 250/226 633)	10% (23 490/234 826)	9.1% (20 877/230 102)	0.9%	Target achieved. Youth deliveries under the supervision of the skilled attendance increased by 3.1% during 2021/22 compared with 2020/21.
	Antenatal care visits before 20 weeks increased	Antenatal 1st visits before 20 weeks rate	64.7% (173 316/ 268 008)	66.5% (180 229/ 271 224)	63.3% (164 576/ 259 926)	74% (220 257/297 644)	66.8% (167 110/250 160)	(7.2%)	Target was not achieved because of interruption of services due to COVID-19 infections and late bookings.
	Institutional Maternal Mortality Ratio reduced	Maternal Mortality in facility Ratio	122.8/ 100 000 live births	102.9/ 100 000 live births	118.7 (294/247 755)	<90 (207/230 417)	129.3 (309/238 933)	(39.3)	Target not achieved. There were 309 maternal deaths during the reporting year; maternal deaths increased by 5.1% compared to the 2020/21 FY. The largest number of maternal deaths occurred in regional hospitals, with 115 deaths (37.2% of the total). The leading causes of deaths were eclampsia, COVID-19 pneumonia, cardiac arrest, sepsis meningitis, multiple organ failure, liver failure, post-partum haemorrhage, pulmonary embolism and cerebral haemorrhage.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child Mortality Reduced	Improved management of neonates	Live birth under 2500g in facility rate	#	#	13% (31 005/238 749)	13% (29 954/230 417)	14% (32 010/229 179)	(1%)	Target not achieved. The number of live births with low birthweight increased by 3% due to inadequate management of infections during pregnancy, hypertensive disorders of pregnancy and inconsistencies in monitoring mid-upper arm circumference (MUAC) to assess nutritional status.
	Postnatal care coverage increased	Mother postnatal visit within 6 days rate	75.1% (166 728/ 222 115)	85.5% (180 000/ 210 544)	75% (169 959/ 226 633)	85% (195 854/230 417)	74.7% (171 907/230 102)	(10.3%)	Target not achieved because of mothers not presenting themselves at health facilities within 6 days post-delivery, including mothers who were still admitted during the 6 day period.
	Neonatal death reduced	Neonatal (<28 days) death in facility Rate	13	12.4 1 000 live births	13.2 (3 161/ 238 749)	12 (2 840/230 417)	14.3 (3 283/229 179)	(2.3)	Target not achieved due to a large proportion of neonates dying within 0-6 days of birth. Inadequate infrastructure, shortage of NICU beds and resources for neonatal care coupled with other medical conditions such as septic shock and birth asphyxia contributed to these deaths.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Morbidity and premature mortality due to communicable diseases reduced	Mother to Child Transmission of HIV AIDS eliminated	Infant 1st PCR test positive at birth rate	#	#	#	0.3% (169/56 500)	0.53% (289/54 078)	(0.23%)	Target not achieved due to defaulting pregnant women on ART, pregnant women presenting post 20 weeks of their gestational period and un-booked deliveries resulting in their starting ART post-delivery.
		Infant PCR test positive around 10 weeks rate	0.73% (294/40 251)	0.71% (292/41 294)	0.69% (299/43 430)	<1% (563/56 500)	0.6% (271/45 311)	0.4%	Target achieved because of implementation of social mobilisation and strengthening of catchup drives.
	Epidemics / occurrences of communicable diseases reduced	Immunisation under 1 year coverage	84.3% (221 437/ 262 623)	88.5% (227 222/ 256 733)	85% (217 717/ 255 530)	90% (235 179/261 310)	88% (232 031/ 263 761)	(2%)	Target not achieved due to parents or care givers not adhering to appointment dates and not found when traced due to various reasons such as relocations, wrong addresses provided and refusal to grant home access to tracers.
		Measles 2nd dose coverage	77.2% (202 725/ 262 623)	79.9% (205 414/ 256 733)	77.8% (198 630/ 254 832)	90% (235 179/261 310)	83.2% (219 008/263 306)	(6.8%)	Target not achieved due to parents or care givers not adhering to appointment dates and not found when traced due to various reasons such as relocations, wrong addresses provided and refusal to grant home access to tracers.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child Mortality Reduced	Child under 5 years mortality reduced	Child under 5 years diarrhoea case fatality rate	2.1% (88/4 205)	1.7% (88/5 191)	2.7% (70/2 603)	<2% (87/4 360)	1.8% (102/5 521)	0.2%	Target achieved. Affected hospitals review cases including development of improvement plans during paediatric M&M committee meetings.
		Child under 5 years pneumonia case fatality rate	2.8% (132/4 678)	1.8% (116/6 532)	2.3% (98/4 269)	<2.3% (86/3 681)	1.5% (98/6 634)	0.8%	Target achieved. Affected hospitals review cases including development of improvement plans during paediatric M&M committee meetings.
	Severely malnourished children managed per prescribed treatment protocols on care	Severe acute malnutrition death under 5 years rate	6.8% (105/1 544)	6.4% (94/1 472)	9.2% (75/818)	<7% (89/1 276)	12% (121/1 010)	(5%)	Target not achieved. SAM cases come with poor prognostic features on admission and die due to late presentation at facilities mainly because of lack of proper home care or child neglect.
Maternal, neonatal, infant and child Mortality Reduced	Under 5 deaths reduced	Death under 5 years against live birth rate	#	#	1.7% (3 979/ 238 749)	1.6% (3 680/230 417)	1.9% (4 293/229 179)	(0.3%)	Target not achieved. The reasons for deaths amongst children under 5 years of age included late presentation at health facilities, SAM, pneumonia, gastro-enteritis with dehydration and high neonatal deaths.
	Nutritional needs of children under 5 taken care of	Vitamin A dose 12–59-month coverage	55.1%	52.6% (1 067 632/ 2 026 062)	47.5% (961 292/ 1010832*2)	50% (1 010 126/2 020 520)	57.1% (1 195 043/2 091 512)	7.1%	Target achieved because outreach to ECD centres was conducted.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Morbidity and Premature mortality due to Non-Communicable diseases reduced by 10%	School Grade 1 and 8 learners screened	School Grade 1 learners screened (Quintile 1-5 public primary schools)	88 200	74 222	17 922	70 000	54 561	(15 439)	Target not achieved due to closure of schools as a result of teachers and learners testing positive for COVID-19. In addition, the Integrated School Health Programme teams had to focus on the HPV vaccination campaign.
		School Grade 8 learners screened (Quintile 1-5 public primary schools)	48 818	54 357	4 944	42 000	35 305	(6 695)	Target not achieved due to closure of schools as a result of teachers and learners testing positive for COVID-19. In addition, the Integrated School Health Programme teams had to focus on the HPV vaccination campaign.

Strategies to overcome areas of underperformance

Advocacy, social mobilisation and communication to promote family planning services, training and mentoring of clinicians on LARC will be conducted together with monthly monitoring of contraceptives levels and finalisation of the public-private partnership Service Level Agreement by the end of June 2022 to improve coverage of reproductive services. Pregnancy testing at households and advocacy, social mobilisation and communication to promote early booking will be strengthened. The BANC Plus Model for early identification of hypertensive disorders in pregnancy and other health problems will be implemented. M&M review meetings and ESMOE training will continue. Safe caesarean delivery standards will be implemented, as will supervisory monitoring of the BANC Plus model for early identification of hypertensive disorders in pregnancy and other health problems. There will be supportive monitoring of data management at all hospitals and provision of health education during ANC visits on the importance of postnatal visits. WBOTs will identify, refer and encourage postnatal visits at community level. The programme will continue with training of clinicians on Helping Babies Breath, ESMOE and Management of Sick and Small Newborns. Implementation of the neonatal fast breathing tool and plans will be put in place to address the shortage of beds and avoid overcrowding. The programme will continue with social mobilisation and strengthening catchup drives, strengthening implementation of the Integrated Management of Childhood Illness (IMCI) guidelines and community IMCI. Discussions will commence to employ additional staff to assist during the HPV campaign period and Health Districts will be encouraged to fill vacant posts.

Table 4.2.5: SUB-PROGRAMME 2.5: DISEASE PREVENTION AND CONTROL

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/ Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Morbidity and premature mortality due to non – communicable diseases reduced by 10%	Eliminate Malaria by 2023	Malaria inpatient case fatality rate	1.4% (18/1 280)	1.3% (22/1 757)	1.2% (5/425)	<1% (16/1 600)	1.4% (13/941)	(0.4%)	Target not achieved due to late presentation at health care facilities by patients.
Morbidity and Premature mortality due to Communicable diseases reduced	Reduced transmission and Covid related mortality	Percentage of contacts traced	#	#	97% (280 780/ 288 831)	90% (19 228/21 364)	73.4% (355185/484098)	(16.6%)	Target not achieved due to in-year changes in contact tracing practices following the introduction of the revised contact tracing circular which was implemented from 17 February 2022. The circular stipulated that only symptomatic contacts should be traced.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/ Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Morbidity and premature mortality due to non – communicable diseases reduced by 10%	Diabetes prevalence managed	Normal Haemoglobin A1c (HbA1c) test with result ≤ 8% rate	#	#	#	40% (720 000/ 1 800 000)	60% (175 345/292 623)	20%	Target achieved due to implementation of the Adult Primary Care guideline recommending the revised HbA1c test results threshold from < 7% to ≤8% which broadened the detection rate of diabetes risk factors.
	Diabetes prevalence managed	Clients 18-44 years screened for Diabetes	#	#	#	2 427 391	3 5 22 311	1 094 920	Target achieved because trainings were conducted for clinicians to improve screening, recording and reporting of clients in accordance with the Integrated Clinical Services Management Model which requires all clients in the 18-44 years age range to be screened for diabetes upon entry at health facilities.
		Clients 45 and older screened for Diabetes	#	#	#	4 250 866	1 983 685	(2 267 181)	Target not achieved. Diabetic patients should be screened during every visit. During the COVID-19 pandemic, patients were given 3-6 month repeat scripts to reduce the frequency of facility visits. This reduced screening for diabetes in the 45 years and older age category.
	Hypertension prevalence managed	Clients 18-44 years screened for Hypertension	#	#	#	1 449 581	4 175 071	2 725 490	Target achieved because trainings were conducted for clinicians to improve screening, recording and reporting of clients in accordance with the Integrated Clinical Services Management Model which requires all clients in the 18-44 years age range to be screened for hypertension.
		Clients 45 and older screened for Hypertension	#	#	#	2 538 577	1 791 027	(747 550)	Target not achieved. Hypertensive patients should be screened during every visit. During the COVID-19 pandemic, patients were given 3-6 month repeat scripts to reduce the frequency of facility visits. This reduced screening for hypertension in the 45 years and older age category.

Strategies to overcome areas of underperformance

The programme aims to continue with health promotion activities in communities on early health-seeking behaviour. Malaria case management workshops to capacitate clinicians on the management of malaria will be conducted. By June 2022, discussions will be held about the practice of contact tracing in the context of budgetary constraints and trainings and support visits will be conducted.

Table 4.2.6: Budget Programme 2: District health services expenditure

DISTRICT HEALTH SERVICES	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
DISTRICT MANAGEMENT	1 336 801	1 226 765	110 036	741 510	826 373	(84 863)
COMMUNITY HEALTH CLINICS	2 583 233	2 559 621	23 612	2 619 815	2 475 289	144 526
COMMUNITY HEALTH CENTRES	2 273 948	2 211 791	62 157	2 189 501	2 064 122	125 379
COMMUNITY BASED SERVICES	2 581 138	2 583 098	(1 960)	2 379 878	2 445 328	(65 450)
HIV, AIDS	6 230 575	5 995 932	234 643	6 167 521	5 986 583	180 938
NUTRITION	58 814	49 495	9 319	4 591	4 591	-
CORONER SERVICES	359 872	274 106	85 766	265 549	263 857	1 692
DISTRICT HOSPITALS	4 451 540	4 350 636	100 904	3 998 246	3 893 104	105 142
TOTAL	**19 875 921**	**19 251 444**	**624 477**	**18 366 611**	**17 959 247**	**407 364**

4.3 BUDGET PROGRAMME 3: EMERGENCY MEDICAL SERVICES

PROGRAMME PURPOSE

To render pre-hospital Emergency Medical Services, including Inter-Hospital Transfers and Planned Patient Transport services.

- **Emergency Service Transport (EST)**
  Rendering Emergency Medical Services including Special Operations, Communications and Air Ambulance services.
- **Planned Patient Transport (PPT)**
  Rendering Planned Patient Transport including Local Outpatient Transport (within the boundaries of a given town or local area) and Inter-City/Town Outpatient Transport (Into referral centres).

PROGRAMME OUTCOMES

Quality of health services in public health facilities improved.

Significant Achievements

Provincialisation

The Gauteng Department of Health Emergency Medical Services has successfully provincialised all district EMS to render seamless emergency medical services in line with economies of scale.

EMS footprint

The EMS footprint was increased to 57 EMS bases in all districts across the province.

Fleet

Fleet processes have been streamlined for vehicle procurement and vehicle disposal, optimising costs of maintenance and repairs with new vehicles. All vehicles have been fitted with vehicle tracking to ensure correct use. Available resources can be dispatched in emergencies.

Human resources

Approximately 80 Emergency Care Officers were distributed across the districts during the reporting year. To increase EMS capacity, plans are in place to advertise in 2022/23 for a further 300 Emergency Care officers The programme is currently engaging with tertiary institutions and Human Resource Development (HRD) to recruit bursary holders.

Emergency Communication Centre (ECC)

Post provincialisation, the ECC has been expanded in line with call demands with additional 20 call-taking seats and 25 call-dispatching seats. The Provincial Health Operations Centre (PHOC) has been re-arranged with a Complaint's desk, a Fleet desk, a COVID-19 desk, an Aeromedical and ICU desk and a Managing Medical Officer (MMO) desk.

Equipment

The programme has invested in diagnostic equipment to improve patient outcomes including arterial blood gas (ABG) monitoring.

Training and development

The one-year Emergency Care Assistant (ECA) Higher Certificate training programme has been completed. Training on the two-year Diploma in Emergency Medical Care programme and on all programmes is currently ongoing, with more student intakes planned for the 2022/23 financial year. In line with the Clinical Practice Guidelines (CPGs), the department has completed updates on all categories of operational (clinical staff) in the Gauteng EMS in line with HPCSA guidelines.

Challenges

Due to non-availability of SAPS escorts, attacks on and robberies from paramedics affected response times and caused loss of key clinical assets. Service delivery protest actions resulted in damage to ambulances and delayed response times due to blocked routes and inaccessible roads. Staff attrition of scarce skills to other provinces and abroad remains a challenge. As regards OHS compliance matters, the EMS stations are not meeting the requirements of EMS regulations as per OHS standards.

Table 4.3.1: Programme 3: Emergency Medical Services

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	EMS response time improved	EMS P1 urban response under 30 minutes rate	82.3%	82.8	95.8% (7 570/7 903)	82.3% (5 481/6 660)	83% (10 450/12 594)	0.7%	Target achieved. All vehicles were fitted with vehicle tracking to ensure correct use and despatch of available resources in emergencies. Approximately 80 Emergency Care officers were distributed in all districts during financial year 2021/22.
Quality of health services in public health facilities improved	EMS response time improved	EMS P1 rural response under 60 minutes rate	100%	100%	94.4 (118/125)	100% (188/188)	94.6% (106/112)	(5.4%)	Target not achieved due to service delivery protests in communities affecting access to callers of EMS members; long waiting times for SAPS escort for violent emergencies; attacks on and robberies from paramedics resulted in delay of responses; infrastructure gaps affecting the EMS footprint; location of EMS stations in relation to callers; staff shortages; a high attrition rate; large amounts of staff movement between provinces; severe weather conditions; and inaccessible roads.

Strategies to overcome areas of underperformance

A new service model, the scheduled patient transport system (SPTS), will be implemented to improve movement of non-emergencies between facilities. The workflow in the Emergency Communication Center and classification of medical and trauma emergencies customers in the Emergency Communication Centre (ECC) will be re-arranged. There will be increased human resource capacitation in areas of high call volumes and where EMS stations do not exist.

Table 4.3.2: Budget Programme 3: Emergency Medical Services Expenditure

EMERGENCY MEDICAL SERVICES	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
EMERGENCY TRANSPORT	1 330 803	1 151 058	179 745	1 517 413	1 531 680	(14 267)
PLANNED PATIENT TRANSPORT	246 902	280 633	(33 731)	163 957	149 121	14 836
Total	**1 577 705**	**1 431 691**	**146 014**	1 681 370	1 680 801	569

4.4 BUDGET PROGRAMME 4: PROVINCIAL HOSPITAL SERVICES

PROGRAMME PURPOSE

Delivery of hospital services which are accessible, appropriate, effective and provide general specialist services, including a specialized rehabilitation service, as well as a platform for training health professionals and research.

- **General (Regional) hospitals**
  Rendering of hospital services at a general specialist level and a platform for training of health workers and research.

- **Tuberculosis hospitals**
  Convert present Tuberculosis hospitals into strategically-placed decentralised sites in which a small percentage of patients may undergo hospitalisation under conditions, which allow for isolation during the intensive level of treatment, as well as the application of the standardized multi-drug resistant (MDR) protocols.

- **Psychiatric/Mental Hospitals**
  Rendering a specialist psychiatric hospital service for people with mental illness and intellectual disability and providing a platform for the training of health workers and research.

- **Sub-acute, Step down and Chronic Medical Hospitals**
  These hospitals provide medium to long term care to patients who require rehabilitation and/or a minimum degree of active medical care but cannot be sent home. These patients are often unable to access ambulatory care at our services or their socio-economic or family circumstances do not allow for them to be cared for at home.

- **Dental Training Hospitals**
  Rendering an affordable and comprehensive oral health service and training based on the primary health care approach.

PROGRAMME OUTCOMES:

- Maternal, neonatal, infant and child Mortality Reduced
- Quality of health services in public health facilities improved
- Leadership and governance in the health sector enhanced to improve quality of care

SUB-PROGRAMMES

- Regional Hospitals
- Specialized Hospitals

Regional Hospitals

Significant Achievements

As part of integrating mental health services into mainstream health services, the department has increased the percentage of dedicated mental health beds in regional hospitals from 3% to 4.59% (207/4 505). A CT scanner was installed at Mamelodi Hospital and is fully functional. All nine regional hospitals obtained Ideal Hospital status.

Table 4.4.1: SUB-PROGRAMME 4.1: REGIONAL HOSPITALS

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child Mortality Reduced	Number of women who die in health facilities is reduced	Maternal Mortality in facility Ratio	#	#	128.2 (105/81 895)	125.2 (96/76 700)	146.2 (117/80 016)	(21)	Target not achieved. Maternal deaths increased by 11.4% during 2021/22 compared with 2020/21. The maternal deaths were largely due to sepsis, COVID-19 pneumonia, post-partum haemorrhage, pulmonary oedema/ embolus, acute respiratory distress syndrome and cardio-respiratory arrest.
	Death of children under 5 years from diarrheal diseases is reduced	Child under 5 years diarrhoea case fatality rate	#	#	2.7% (23/851)	<2.0% (38/1 900)	1.6% (32/1 943)	0.4%	Target achieved because completion of the audit form was implemented for each under-5 death in which possible deficiencies in care were identified and corrected through improved monitoring and treatment according to policy. In addition, paediatrics M&M committee meetings were held and interventions discussed.
	Death of children under 5 years from pneumonia is reduced	Child under 5 years' pneumonia case fatality rate	#	#	2% (34/1 667)	<2.9% (64/2 200)	1.1% (29/2 734)	1.8%	Target achieved because completion of the audit form was implemented for each under-5 death in which possible deficiencies in care were identified and corrected through improved monitoring and treatment according to policy. In addition, paediatrics M&M committee meetings were held and interventions discussed.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
	Death of children under 5 years from malnutrition is reduced	Severe acute malnutrition death under 5 years' rate	#	#	8.5% (24/281)	<4.0% (26/650)	11.5% (45/393)	(7.5%)	Target not achieved. SAM deaths increased by 87.5% during 2021/22 compared with 2020/21. Under 5 years SAM cases come with poor prognostic features on admission and die due to late presentation to facilities mainly as a result of lack of proper home care or child neglect. Some deaths are due to sepsis.
	Death of Children under 5 years in health facilities is reduced	Death under 5 years against live birth rate	#	#	1.8% (1 451/79 677)	≤2,0% (1 450/81 500)	2.1% (1 614/77 656)	(0.1%)	Target not achieved. Deaths under 5 years increased by 11.2% during 2021/22 compared with 2020/21. There were increased neonatal deaths among the under 5 years deaths. The major causes of neonatal deaths were birth asphyxia, sepsis, and shortage of Neonatal Intensive Care Unit (NICU) beds.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	80%	76%	85.69% (53029/61880	83% (51229/61880)	84.2% (36160/42936)	1.2%	Target achieved. Eight regional hospitals obtained a positive PEC score above 80%. Leratong Hospital obtained 77.4% on the overall PEC score because it failed to meet the target of 95% on availability and use of medicines.
	Hospitals are ready to deliver quality health care and obtain ideal status	Ideal Hospitals status obtained	#	0	22.2% (2/9)	0% (0/9)	100% (9/9)	100%	All regional hospitals obtained Ideal Hospital status during 2021/22. Monitoring of Quality Improvement Plans is in progress to maintain the status obtained.
	Adverse events and incidents reported within 24 hours	Severity assessment code (SAC) 1 incident reported within 24 hours rate	#	#	74.1% (519/700)	60% (346/573)	88.6% (728/822)	28.6%	Target achieved. SAC1 reporting within 24 hours increased by 20% during 2021/22 compared with 2020/21. Two regional hospitals (Sebokeng and Mamelodi) reported 99% SAC1 within 24 hours and four hospitals (Edenvale, Far East Rand, Tambo Memorial and Pholosong) reported over 80% SAC1 within 24 hours. Support visits were conducted and PSI committees met regularly, with an emphasis on reporting and capturing incidents when they occur to improve compliance.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
	Patient safety incidents reported and managed timeously	Patient Safety Incident (PSI) case closure rate	#	50%	74% (917/1242)	65% (720/1100)	81% (1212/1497)	16%	Target achieved. Closure of PSIs improved by 32.2% during 2021/22 compared with 2020/21. Sebokeng Hospital closed 100% of PSIs during the financial year. Over 90% of PSIs were closed in four regional hospitals: Far East at 95%, Mamelodi at 99%, Pholosong at 94% and Rahima Moosa at 96%. Support visits were conducted and there were regular PSI committee meetings in which the emphasis was on reporting and capturing incidents when they occur to improve compliance.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	#	#	95% (628/659)	97.1% (633/652)	2.1%	Target achieved as two regional hospitals namely Edenvale and Tambo Memorial hospitals resolved 100% of complaints within 25 working days during the financial year. Five hospitals (Far East, Mamelodi, Pholosong, Sebokeng and Thelle Mogoerane) resolved more than 95% of complaints within 25 working days. Trainings on Batho Pele principles and Complaints, Compliments and Suggestions were conducted.
Quality of health services in public health facilities improved	Integration of mental health into mental health services	Percentage of beds in regional hospitals offering acute ill mental health care users (72hrs)	#	#	1.8% (82/4 547)	3% (136.41/4 547)	4.6% (207/4 505)	1.6%	Target achieved. Dedicated beds offering acute mental health care increased from 82 to 207 in regional hospitals.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Leadership and governance in the health sector enhanced to improve quality of care	Functional governance structures in hospitals	Percentage of Hospitals with functional hospital boards	#	#	0% (0/7)	100% (9/9)	75% (6/8)	(25%)	Target not achieved. Abscondments, resignations and despondent board members affected the functionality of boards negatively.

Strategies to overcome areas of underperformance

Outreach activities by the District Clinical Specialist Teams, and emergency drills, to be increased. Essential Steps in Managing Obstetric Emergencies training to be done quarterly. Monthly Mortality and Morbidity meetings to be conducted to identify shortcomings in treatment of patients. Early identification of severe acute malnutrition signs and early referral of children. Follow up of at-risk children in the community by Community Health Workers.

Table 4.4.2: SUB-PROGRAMME 4.2: SPECIALIZED HOSPITALS

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/ Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	85.4%	77%	94.6% (6 326/6 683)	94.3% (6250/6630)	92.6% (4 840/5 226)	(1.7%)	Target not achieved. Client satisfaction rate declined by two percentage points during 2021/22 compared with 2020/21. The two specialised hospitals (Weskoppies and Tshwane Rehab) met the benchmark PEC domains but the response from the health care users surveyed showed that they were not satisfied with patient safety and staff attitudes.
	Hospitals ready to deliver quality health care	Ideal hospital status obtained	#	#	22.2% (2/9)	22.2% (2/9)	55.6% (5/9)	33.4%	Target achieved. Seven hospitals were assessed and four hospitals (Tara, Tshwane Rehab, Weskoppies and Sterkfontein) obtained Silver Ideal Hospital status whilst Sizwe obtained Gold Ideal Hospital status during 2021/22. Two specialised hospitals (MEDUNSA Oral and Cullinan Rehab) did not obtain Ideal Hospital status due to gaps on vital elements.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/ Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
	Prompt response to adverse events	Severity assessment code (SAC) 1 incident reported within 24 hours' rate	#	#	66.7% (12/18)	75% (12/16)	87.8% (36/41)	12.8%	Target achieved. Timely reporting of SAC1 significantly improved compared to the previous financial year with Tara, Sizwe and Cullinan consistently maintaining a 100% SAC1 reporting within 24 hours. The province placed emphasis on reporting and capturing incidents when they occurred to improve compliance.
	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	#	#	92.5% (422/456)	91% (400/440)	98.4% (551/560)	7.4%	Target achieved. The PSI closure rate improved by 30.6% during 2021/22 compared to 2020/21 because Sterkfontein and Tshwane Rehab PSI committee meetings were held regularly to fast-track closure of PSIs. Six specialised hospitals (Cullinan, MEDUNSA Oral, Sizwe, Tara, Tshwane Rehab and UP Oral) closed 100% of PSIs.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	#	#	100% (32/32)	94.4% (84/89)	(5.6%)	Target not achieved. Four of the specialised hospitals (MEDUNSA Oral, Sizwe, Tara and UP Oral) were not able to resolve all their complaints within 25 working days because of clients' preference to engage with senior personnel and/or clients earmarked for redress could not be reached when required.

Strategies to overcome areas of underperformance

Batho Pele Principles training was conducted on 22 and 24 February 2022 and more will be conducted during 2022/23 coupled with PEC Survey trainings that will be conducted during May/June 2022 in preparation for the PEC surveys that will be conducted in July 2022/23.

Table 4.4.3: Budget Programme 4: Provincial hospital services expenditure

PROVINCIAL HOSPITAL SERVICES	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
GENERAL HOSPITALS	7 978 352	7 998 877	(20 525)	7 279 341	7 414 991	(135 650)
TUBERCULOSIS HOSPITALS	365 146	321 495	43 651	333 806	305 465	28 341
PSYCHIATRIC/MENTAL HOSPITAL	1 953 808	1 669 528	284 280	1 585 024	1 523 443	61 581
DENTAL TRAINING HOSPITALS	672 891	603 093	69 798	633 467	563 679	69 788
OTHER SPECIALISED HOSPITALS	111 701	104 221	7 480	110 641	98 272	12 369
Total	**11 081 898**	**10 697 214**	**384 684**	**9 942 279**	**9 905 850**	**36 429**

4.5 BUDGET PROGRAMME 5: CENTRAL HOSPITAL SERVICES

CENTRAL HOSPITALS

PROGRAMME PURPOSE

To provide tertiary health services and creates a platform for the training of health workers through sub-programmes Tertiary and Central hospitals.

- Provincial Tertiary hospital services sub-programme render general specialist and tertiary health services on a national basis and maintaining a platform for the training of health workers and research.
- Central hospitals sub-programme render a highly specialised medical health and quaternary services on a national basis and a platform for the training of health workers and research.

PROGRAMME OUTCOMES

- Maternal, neonatal, infant and child Mortality Reduced
- Quality of health services in public health facilities improved
- Leadership and governance in the health sector enhanced to improve quality of care

SUB-PROGRAMMES

Central Hospitals

- Chris Hani Baragwanath Academic Hospital
- Charlotte Maxeke Johannesburg Academic Hospital
- Steve Biko Academic Hospital
- Dr George Mukhari Academic Hospital

Tertiary Hospitals

- Tembisa Tertiary Hospital
- Helen Joseph Tertiary Hospital
- Kalafong Tertiary Hospital

CENTRAL HOSPITALS

During the 2021/22 financial year, three central hospitals obtained Ideal Hospital status. Charlotte Maxeke Johannesburg Academic Hospital (CMJAH) was not assessed due to the fire in April 2021.

CHARLOTTE MAXEKE JOHANNESBURG ACADEMIC HOSPITAL

Progress report on GEYODI prioritisation in the delivery environment

CMJAH does not have a defined programme for the GEYODI prioritisation strategy/campaign. Institutional management (EXCO, the CMJAH Mother and Child Business Unit with its composite Head of Clinical Departments for O&G and Paediatrics) need to be better versed in the aims of the GEYODI prioritisation strategy in order to establish healthcare service systems and processes to attain the desired impact in these vulnerable populations.

Currently, the Obstetrics & Gynaecology (O&G) department is undertaking an exercise to decant wards and offices so that remedial works can move from Casualty into the first block of the hospital. This block houses all O&G services. The next department to be decanted for remedial works will be Paediatrics. Due to space limitations in the coming financial year, there may be limits in dedicating services unique to these vulnerable population groups.

STEVE BIKO ACADEMIC HOSPITAL

Progress report on GEYODI prioritisation in the delivery environment

Gender

In accordance with the applicable legislation, Steve Biko Academic Hospital (SBAH) provides services to counter discrimination, protect human rights and patient rights, and counter gender inequalities. Health-seeking behaviour is more common in women than men. However, the hospital's services are designed to accommodate all needs of both genders in a confidential manner. These services range from infertility care for women to andrology care for men. There is also a committee for surgical replacement for transgender patients.

People living with disabilities

As a central hospital, SBAH serves as a facility for intervention and rehabilitation. It has the infrastructure to manage patients with physical challenges ranging from access to the facility to management of the physical disability. As a tertiary service provider, SBAH has the capacity to provide definitive care for patients with various physical ailments while giving them multidisciplinary rehabilitation.

Challenges experienced when prioritising the designated groups

The current competition for urgent surgical cases is impeding the ability to manage cases and particularly transgender cases.

Corrective measures/steps put in place to address the challenges experienced

A system was developed to ensure that all data is captured correctly, giving more accurate information.

Challenges

COVID-19 repurposing led to human resources being transferred to COVID-19 clinical services. The lack of theatre personnel is exacerbated by retirement of theatre nurses. This causes lengthening surgical backlogs, including the ability to accommodate transgender cases.

DR GEORGE MUKHARI ACADEMIC HOSPITAL

Progress report on GEYODI prioritisation in the delivery environment

Youth

Services on reproductive health offered to the youth are contraceptives, safe TOP services, ante-natal care, intrapartum care and post-natal care.

People living with disabilities

Services offered to people living with disabilities are ante-natal care, intrapartum care, post-natal care, counselling services and services be specialised multidisciplinary teams (cardiologist, Occupational Therapy (OT), physiotherapist).

Challenges experienced when prioritising the designated groups

There is a lack of proper facilities to enable privacy as the RHS clinic is small with no proper counselling facility or suitable reception area with proper consulting rooms. Signing of refusal of hospital treatment while the patient is classified as high risk irrespective of counselling services offered is a challenge. There are still issues of missing patients and abandoned babies and post-partum psychosis.

Corrective measures/steps put in place to address the challenges experienced

Renovation of ANC and the Labour and Neonatal wards was done during the 2021/22 financial year. The RHS clinic was renovated to comply with the required standards and there were improvements in referral processes to social workers for counselling services. Managers, Consultants and senior Clinical Executives are involved for intervention before refusal of hospital treatment is finalised.

Significant achievements

Maternal deaths reduced by 32% during 2021/22 compared with the 2020/21 financial year. Successful pregnancy awareness campaigns and workshops were conducted to improve maternal health care, with an emphasis on addressing rising teenage pregnancies. Successful breastfeeding awareness campaigns were conducted to promote breastfeeding. A successful prematurity awareness campaign was held; this resulted in reduced infections in the NICU and a significant reduction in neonatal mortality.

Table 4.5.1: Programme 5: Central Hospitals

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	Maternal Mortality in facility Rate	#	#	266.6 (109/40 883)	202.2 (90/44 506)	303.9 (106/34 875)	(101.7)	Target not achieved. 48 maternal deaths occurred in CHBAH contributing 45.3% followed by DGMAH with 25 deaths contributing 23.6% to overall maternal deaths. CMJAH and SBAH had 15 and 18 maternal deaths respectively. The major causes of maternal deaths were late presentations and delayed referrals coupled with unavoidable conditions largely due to eclampsia, COVID-19 pneumonia, hypovolemic shock due to post-partum haemorrhage, cardio-respiratory arrest, pulmonary oedema and embolism, sepsis meningitis, multiple organ failure and HELLP (haemolysis, elevated liver enzymes, low platelet count) Syndrome.
	Less children under 5 years dying from diarrheal diseases	Child under 5 years diarrhoea case fatality rate	#	#	3.1% (26/838)	2.26% (34/1 506)	2.8% (42/1 483)	(0.54%)	Target not achieved. Deaths due to diarrhoea increased by 61.5% during 2021/22 compared to 2020/21. The majority of diarrhoea deaths were reported in CHBAH, with 35 deaths (83.3% of the total diarrhoea deaths); all the deaths were unavoidable. The causes of the deaths were due to late presentation at central hospitals and acute gastro-enteritis with severe dehydration.
	Less children under 5 years dying from pneumonia	Child under 5 years pneumonia case fatality rate	#	#	2.7% (40/1 480)	3.00% (52/1 732)	2.5% (48/1 926)	0.5%	Target achieved. There were regular Paediatrics M&M committee meetings and cluster approach interventions were discussed.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
	Less Children dying from malnutrition	Severe acute malnutrition death under 5 years rate	#	#	7.2% (27/375)	3.18% (36/1 132)	9.1% (39/428)	(5.92%)	Target not achieved. SAM deaths increased by 44.4% during 2021/22 compared to 2020/21, CHBAH had 22 SAM deaths (56.4% of the total SAM deaths for central hospitals) followed by SBAH with 8 deaths (21% of the total). All the SAM deaths were unavoidable and were due to late presentation, incorrect feeding, severe SAM and primary SAM.
Maternal, neonatal, infant and child mortality reduced	Number of children who die in health facilities reduced	Death under 5 years against live birth rate	#	#	4.1% (1 646/40 348)	4.90% (1 780/36 314)	4.3% (1 495/34 430)	0.6%	Target achieved. Under 5-years deaths declined by 9.2% during 2021/22 compared to 2020/21.
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	77%	75%	84% (81 424/96 892)	85% (82 700/96 892)	86.5% (24694/28538)	1.5%	Target achieved because PEC trainings were provided to the hospitals with five out of the six PEC domains scoring above 88%.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Hospitals ready to deliver quality health care	Ideal Hospitals status obtained	#	#	25% (1/4)	25% (1/4)	75% (3/4)	50%	Target achieved. Three central hospitals achieved Ideal Hospital status: CHBAH achieved Silver status at 78.1%, DGMAH achieved Gold at 87.2% and SBAH achieved Silver at 94.5%. CMJAH was not assessed due to closure because of the fire during the year. Ideal Hospital Realisation and Maintenance Framework (IHRMF) and Quality Improvement Plans (QIPs) training for managers and assessors was conducted at the facility before and during self-assessment.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	#	#	96.6% (580/600)	96.1% (618/643)	(0.5%)	Target not achieved as the two central hospitals (CMJAH and SBAH) had resolution rates below the set target. The challenges in CMJAH were due to complaints that came when the facility was closed following the fire, resulting in only 92.5% resolution within 25 working days. SBAH resolved 94.8% due to human resource constraints.
Quality of health services in public health facilities improved	Prompt response to adverse events	Severity assessment code (SAC) 1 incident reported within 24 hours rate	#	#	95% (819/862)	90.4% (600/664)	93.4% (397/425)	3%	Target exceeded as emphasis was placed on reporting and capturing of incidents when they occurred to improve compliance; this resulted in over-achievement in relation to the target. Additional manpower was sourced to capture PSIs on time.
	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	#	#	67.2% (1 190/1770)	68.6% (1000/1468)	78.8% (1 470/1 865)	10.2%	Target exceeded. CMJAH, CHBAH and SBAH that were struggling to close PSIs implemented improvement measures to facilitate timely closure of PSIs. The measures involved admin clerks verifying residential addresses of all patients, Nursing managers addressed tracking of PSIs and ensuring closure where due.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Leadership and governance in public health facilities enhanced to improve quality of care	Functional governance structure	Percentage of Hospitals with functional hospital boards	#	#	75% (3/4)	100% (4/4)	100% (4/4)	0%	Target achieved. Board members formed quorums and held meetings during the financial year.

Table 4.5.2: Chris Hani Baragwanath Academic Hospital

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	Maternal Mortality in facility Ratio	#	#	178.4 (34/19 054)	149 (32/21 500)	272.9 (48/17 586)	(123.9)	Target not achieved. All 48 maternal deaths were unavoidable, commonly caused by HELLP, COVID-19 complications, pre-existing cardiac morbidities, eclampsia, cardiac arrest, sepsis meningitis, multiple organ failure, liver failure, cerebral haemorrhage and complicated cases presenting late at health facilities.
Maternal, neonatal, infant and child mortality reduced	Less children under 5 years dying from diarrheal diseases	Child under 5 years diarrhoea case fatality rate	#	#	8.4% (16/191)	2.35% (20/850)	6.3% (35/560)	(3.95%)	Target not achieved. Diarrhoea deaths were unavoidable, caused by patients admitted with complications and referred late to a higher level of care.
	Less children under 5 years dying from pneumonia	Child under 5 years' pneumonia case fatality rate	#	#	4.4% (11/252)	1.5% (4/260)	5.5% (28/507)	(4%)	Target not achieved. Deaths that occurred were unavoidable, with cases presenting late at the facility. Deaths were commonly caused by complications of respiratory distress syndrome (RDS) and lower respiratory tract infections (LRTIs).

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Less Children dying from malnutrition	Severe acute malnutrition death under 5 years' rate	#	#	10.9% (12/110)	5.5% (12/220)	16.9% (22/130)	(11.4%)	Target not achieved. All the SAM cases were severe SAM; deaths were unavoidable, caused by patients admitted with complications and referred late to a higher level of care. There were also issues of incorrect feeding of children
	Number of children who die in health facilities reduced	Death under 5 years against live birth rate	#	#	3.6% (676/18784)	4.14% (600/14 500)	4% (693/17 345)	0.14%	Target achieved. There was a 0.5% decline in neonatal deaths during 2021/22 compared to 2020/21.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	68.6%	67%	83.7%	85.1% (31500/37000)	82.5% (8070/9778)	(2.6%)	Target not achieved because patients were not fully satisfied with the following PEC domains: medication, cleanliness, and patient safety in the hospital. The survey showed 65% positive responses for patient safety, 78% for cleanliness in the OPD section and 92% for the medication domain (this was lower than the target of 95%).
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	#	#	95% (220/232)	95.9% (302/315)	0.9%	Target achieved. The hospital was assisted with in-service training on Complaints, Compliments and Suggestions; and a Quality Improvement Plan was developed to assist in fast-tracking resolution of complaints.
Quality of health services in public health facilities improved	Prompt response to adverse events	Severity assessment code (SAC) 1 incident reported within 24 hours' rate	#	#	100% (48/48)	100% (50/50)	82.1% (23/28)	(17.9%)	Target not achieved. Network challenges affected reporting of SAC1 PSIs and follow-up was not effective. -

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	#	#	99% (410/414)	95.8% 368/384)	87.6% (750/856)	(8.2%)	Target not achieved. 101 PSI clients were not traceable following abscondments. Incorrect addresses provided by patients led to lengthy tracing process delaying the closure of PSIs.
Leadership and governance in public health facilities enhanced to improve quality of care	Functional governance structure	Percentage of Hospitals with functional hospital boards	#	#	100% (1/1)	100% (1/1)	100% (1/1)	0%	Target achieved. Hospital board meetings quorate and functionality attained.

Table 4.5.3: Charlotte Maxeke Johannesburg Academic Hospital

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	Maternal Mortality in facility Ratio	#	#	314.4 (27/8588)	228 (20/8790)	382.5 (15/3 922)	(154.5)	Target not achieved due to puerperal sepsis, COVID-19 pneumonia complications, respiratory and cardiac arrest, multi-organ failure, hypovolaemic shock, postpartum haemorrhage and HELLP Syndrome.
	Less children under 5 years dying from diarrheal diseases	Child under 5 years diarrhoea case fatality rate	#	#	4.1% (6/146)	4.00% (4/100)	3.4% (4/118)	0.6%	Target achieved. Fewer inpatient cases of diarrhoea were dealt with following the fire and subsequent closure of the hospital.
Maternal, neonatal, infant and child mortality reduced	Less children under 5 years dying from pneumonia	Child under 5 years pneumonia case fatality rate	#	#	1.2% (3/256)	5.00% (20/400)	2.1% (2/96)	2.9%	Target achieved. Fewer inpatient cases of pneumonia were dealt with following the fire and subsequent closure of the hospital.
	Less Children dying from malnutrition	Severe acute malnutrition death under 5 years rate	#	#	2% (2/98)	1.5% (4/260)	2.5% (2/79)	(1%)	Target not achieved. Patients were seen at CMJAH only by quarter four following the fire. Cases of SAM treated during that period came as severe SAM with sepsis.
	Number of children who die in health facilities reduced	Death under 5 years against live birth rate	#	#	3.8% (323/8 495)	4.53% (680/15000)	7.1% (278/3 911)	(2.57%)	Target not achieved. Most of the babies who died infacility were less than 28 days old, due to high-risk deliveries requiring neonatal ICU services. The neonates commonly require Continuous Positive Airway Pressure (CPAP) and incubators. However, supply chain and timely payment of suppliers impacted maintenance and delivery of equipment.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	65.5%	69%	77.6% (16513/2073)	80.9% (17 000/21 000)	N/A	N/A	A PEC survey was not conducted because the hospital was closed due to the fire.
Quality of health services in public health facilities improved	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	#	#	95% (95/100)	92.6% (75/81)	(2.4%)	Target not achieved. Five complaints were resolved outside of 25 working days. These complaints were registered when the hospital was still closed due to the fire, causing delays in timely resolution of the complaints.
	Prompt response to adverse events	Severity assessment code (SAC) 1 incident reported within 24 hours' rate	#	60%	53% (64/122)	70% (70/100)	88.5% (46/52)	18.5%	Target achieved. Reporting of SAC1 within 24 hours improved by 35.5 percentage points during 2021/22. Emphasis was placed on reporting and capturing incidents when they occurred to improve compliance.
	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	#	#	18.4% (75/408)	50% (100/200)	77.2% (166/215)	27.2%	Target achieved as reporting of SAC1 within 24 hours improved significantly from 18.4% during 2020/21 to 77.2% during 2021/22 due to redress support visit that was provided to the facility.
Leadership and governance in public health facilities enhanced to improve quality of care	Functional governance structure	Hospital with functional hospital boards	#	#	0% (0/1)	100% (1/1)	100% (1/1)	0%	Target achieved. Board members met during the financial year.

Table 4.5.4: Steve Biko Academic Hospital

***Note**: the Ideal Hospital indicator was mistakenly omitted from the APP and is thus not reflected in the performance table below. However, Ideal Hospital assessments were carried out and the facility obtained the status.*

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	Maternal Mortality in facility Ratio	#	#	319.6 (11/3 442)	279 (10/3 584)	489.4 (18/3 678)	(210.4)	Target not achieved because maternal deaths were caused by patient delays in seeking help. The leading causes of deaths were COVID-19 pneumonia, cardiac arrest, hypovolemic shock following postpartum haemorrhage, pulmonary embolism and oedema, multi-organ failure, eclampsia and adult respiratory distress syndrome.
	Less children under 5 years dying from diarrheal diseases	Child under 5 years diarrhoea case fatality rate	#	#	0 (0/208)	2.6% (4/156)	0.32% (1/312)	2.28%	Target achieved. Only one diarrhoea death occurred in the hospital; this was as a result of late presentation. Patients are classified appropriately and all deaths are discussed in detail with possible risk identified and interventions documented
	Less children under 5 years dying from pneumonia	Child under 5 years pneumonia case fatality rate	#	#	2.3% (14/604)	2.70% (16/592)	1.8% (12/659)	0.9%	Target achieved. Patients are classified appropriately and all the deaths are discussed in detail with possible risk identified and interventions documented
	Less Children dying from malnutrition	Severe acute malnutrition death under 5 years rate	#	#	7.7% (9/117)	4.11% (12/292)	6.2% (8/130)	(2.09%)	Target not achieved due to late presentation. SAM cases come severely sick with multi-organ failure, some with marasmus and kwashiorkor nutritional related conditions.
	Number of children who die in health facilities reduced	Death under 5 years against live birth rate	#	#	6.9% (236/3 399)	5.70% (200/3 518)	6.5% (233/3 607)	(0.8%)	Target not achieved. The common causes of under 5-years deaths were infectious diseases, nosocomial infections, cardiac disease, COVID-19 related pneumonia and community acquired sepsis.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	90%	84%	91.1% (27126/29 756)	93.3% (28 000/30 000)	92.6% (8 475/9 156)	(0.7%)	Target not achieved. Clients were not satisfied with patient safety and staff attitude in the hospital; the score on patient safety was 79% and staff attitude 87%.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	#	#	100% (50/50)	95.1% (97/102)	(4.9)	Target not achieved as complaints were not captured on time causing a backlog in their resolution. In addition, there was no Quality Assurance Manager for the greater part of the financial year until quarter four.
	Prompt response to adverse events	Severity assessment code (SAC) 1 incident reported within 24 hours rate	#	60%	85.7% (12/14)	100% (8/8)	76.5% (52/68)	(23.5%)	Target not achieved. The hospital was not adhering to the National Guideline for Patient Safety Incident reporting and learning in the health sector of South Africa; and a Quality Assurance Manager was only appointed during quarter four.
	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	#	50%	17.8% (42/236)	50% (100/200)	31.1% (106/341)	(18.9%)	Target not achieved. The hospital was not adhering to the National Guideline for Patient Safety Incident reporting and learning in the health sector of South Africa; and a Quality Assurance Manager was only appointed during quarter four.
Leadership and governance in public health facilities enhanced to improve quality of care	Functional governance structure	Percentage of Hospitals with functional hospital boards	#	#	100% (1/1)	100% (1/1)	100% (1/1)	0%	Target achieved as board members were forming quorums and held meetings as planned.

Table 4.5.5: Dr George Mukhari Academic Hospital

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	Maternal Mortality in facility Ratio	#	#	377.6 (37/9 799)	263 (28/10 632)	258 (25/9 689)	5	Target achieved as the number of maternal deaths declined by 32% during 2021/22 because Morbidity and Mortality meetings discussed cases and interventions to minimise occurrences of avoidable deaths. The major causes of the 25 maternal deaths recorded during 2021/22 were hypovolemic shock due to postpartum haemorrhage, intracranial bleeding, septic shock, COVID-19 pneumonia and eclampsia.
Maternal, neonatal, infant and child mortality reduced	Less children under 5 years dying from diarrheal	Child under 5 years diarrhoea case fatality rate	#	#	1.4% (4/293)	1.50% (6/400)	0.41% (2/493)	1.09%	Target achieved. There were fewer diarrhoea deaths amongst high diarrhoea separations during the year under review compared to the previous financial year.
Maternal, neonatal, infant and child mortality reduced	Less children under 5 years dying from pneumonia	Child under 5 years pneumonia case fatality rate	#	#	3.3% (12/368)	2.50% (12/480)	0.9% (6/664)	1.6%	Target achieved as pneumonia deaths declined by 50% during 2021/22. All the deaths were reviewed and interventions discussed. Pneumonia separations increased by 80% in 2021/22 with only six pneumonia deaths reported.
Maternal, neonatal, infant and child mortality reduced	Less Children dying from malnutrition	Severe acute malnutrition death under 5 years rate	#	#	8% (4/50)	2.22% (8/360)	7.9% (7/89)	(5.68%)	Target not achieved as SAM cases die due to septic shock, poor diet and late presentation at tertiary level of care.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Number of children who die in health facilities reduced	Death in facility under 5 years against live birth rate	#	#	4.3% (411/670)	9.10% (300/3 296)	3% (291/9 567)	6.1%	Target achieved as deaths under 5-years declined by 29% during 2021/22 due to discussion of cases and interventions.
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	82.1%	80%	75.5% (8575/11354)	81.8% (9000/11000)	87.7% (8420/9601)	5.9%	Target achieved. Patient satisfaction improved by 16% during 2021/22 compared to 2020/21. PEC trainings were conducted with the hospital.
	Hospitals ready to deliver quality health care	Ideal Hospital status obtained	#	#	0%	0% (0/1)	100% (1/1)	100%	Target achieved. The hospital obtained Gold status at 87.15%
	Prompt response to adverse events	Severity assessment code (SAC) 1 incident reported within 24 hours rate	#	60%	97.5% (664/681)	98% (556/568)	99.6% (276/277)	1.6%	Target achieved as reporting of SAC1 within 24 hours improved by 2% following a support visit in which emphasis was placed on reporting and capturing incidents when they occur to improve compliance.
	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	#	40%	96.9% (690/712)	97.2% (564/580)	98.9% (448/453)	1.7%	Target achieved as closure of PSIs improved by 2% following a support visit in which emphasis was placed on reporting and capturing incidents when they occur to improve compliance.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	#	#	90.5% (152/168)	99.3% (144/145)	8.8%	Target achieved. The facility consistently maintained overall performance of more than 99% throughout the year; complaints were resolved timeously within the facility.
Leadership and governance in public health facilities enhanced to improve quality of care	Community involved and taking responsibility for the delivery of health services	Percentage of Hospitals with functional hospital boards	#	#	100% (1/1)	100% (1/1)	100% (1/1)	0%	Target achieved as board members formed quorums and held meetings as planned.

Strategies to overcome areas of underperformance

Chris Hani Baragwanath Academic Hospital

Maternal and Child health

Health worker education for upscaling and management of complications will be conducted. There is ongoing health education for women about danger signs and the importance of early reporting of these signs and complications. Outreach programmes will be strengthened and opportunities for early identification and interventions will be taken at health facilities.

Quality Assurance

Batho Pele trainings and support visits will be conducted to improve PEC performance. Quality coordinators are following up on all notifications and presentations have been done to raise awareness amongst operational personnel. Management is to organise 3G cards to improve network access for PSI reporting. Admin clerks will continue to verify residential addresses on admission of patients.

Charlotte Maxeke Johannesburg Academic Hospital

Obstetrics & Gynecology services

The O&G departments will continue to conduct low-risk elective caesarean cases at Yusuf Dadoo and low risk maternity deliveries at Discoverers CHC. This strategy was implemented following the fire with the aim of cascading non-high risk maternity cases out of the hospital; this will continue throughout the next months while remedial works are underway in the O&G departments. Staff and medical equipment have been reallocated to these facilities to support cluster performance, optimise standard practice and reduce poor patient safety and clinical outcomes for patients referred to CMJAH for specialised care. Outreach programmes on early health seeking behaviours will be conducted coupled with Cluster and District ESMOE trainings.

Paediatric Services

Ongoing follow up on Purchase Orders for CPAP and incubators continues as most neonatal services which were diverted to the Nelson Mandela Children's Hospital following the fire have been brought back into CMJAH.

Steve Biko Academic Hospital

The current MMR under-performance is due to the increase in ICU COVID-19 cases which have a poor prognosis at baseline as the patients arrive with severe complications. Cluster support will continue to educate our counterparts at the lower level of care to aid with improved outcomes, particularly for very sick patients, to improve overall clinical outcomes.

Dr George Mukhari Academic Hospital

ICU/high care capacity will be improved by increasing the number of ICU beds. Skilling midwives with PEP (Perinatal Education Programme) for all staff in Maternity units will be conducted. Fastrack training on post-basic courses in Advanced Midwifery and Neonatology and ICU is to be done. Skilling surgeons with C-Section skills to prevent PSIs is planned. Work will be done to improve adequate staffing of nurse patient ratios and doctors in mother and child clusters and to improve the ratio of Area Managers to number of wards supervised. Mother and child units will be prioritised for compliance with OHS Infrastructure challenges.

TERTIARY HOSPITALS

Table 4.5.6: Tertiary Hospitals

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	Maternal Mortality in facility Ratio	#	#	169.4 (42/24 791)	125.4 (30/23 920)	214.6 (53/24 694)	(89.2)	Target not achieved due to high number of unavoidable deaths, late/delayed presentation at tertiary hospitals coupled with un-booked pregnancies and mothers dying of sepsis, HIV, postpartum haemorrhage, COVID-19 complications, severe pre-eclampsia and complicated tertiary cases.
	Less children under 5 years dying from diarrheal diseases	Child under 5 years diarrhoea case fatality rate	#	#	2.7% (11/411)	3.00% (18/600)	1.9% (12/624)	1.1%	Target achieved as the diarrhoea case fatality rate for tertiary hospitals declined by 0.8 percentage points during 2021/22. Paediatrics M&M committee meetings were held and child death cases were reviewed by specialists and recommended interventions for prevention developed.
	Less children under 5 years dying from pneumonia	Child under 5 years' pneumonia case fatality rate	#	#	2.5% (15/611)	1.71 (12/700)	1.3% (10/764)	0.41%	Target achieved as pneumonia deaths declined by 1.2 percentage points during 2021/22. Paediatrics M&M committee meetings were held and child death cases were reviewed by specialists and recommended interventions for prevention developed.
	Less Children dying from malnutrition	Severe acute malnutrition death under 5 years' rate	#	#	10.7% (11/103)	5.5% (12/220)	12.6% (12/95)	(7.1%)	Target not achieved due to presentation of children with sepsis, severe dehydration, severe SAM with poor prognostic features and delayed seeking of care.
	Number of children who die in health facilities reduced	Death in facility under 5 years against live birth rate	#	#	2% (481/ 24 151)	6.15% (400/6 500)	2.2% (524/23 907)	3.95%	Target achieved. Paediatrics M&M committee meetings were held and child death cases were reviewed by specialists and recommended interventions for prevention developed.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	73%	74%	83.9% (23 824/2 8389)[1]	85.5% (24 264/28 382)	90.6% (15496/17098)	5.1%	Target achieved with 8% improvement in the satisfaction rate during 2021/22 across all tertiary hospitals. PEC trainings were conducted during 2021/22.
	Hospitals ready to deliver quality health care	Ideal Hospitals status obtained	#	#	33.3% (1/3)	33.3% (1/3)	66.6% (2/3)	33.3%	Target achieved. The two tertiary hospitals (Kalafong and Helen Joseph) both obtained Silver Ideal status. Tembisa Hospital did not achieve Ideal status because it failed to meet the requirements in relation to daily replenishing of the emergency trolley(s) and unavailability of essential equipment in specified units. Minimum GPP standards for Pharmacy premises and equipment were not met. Resuscitation rooms were not fully equipped with functional basic equipment.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	#	#	95% (380/400)	84% (442/526)	(11%)	Target not achieved. Tembisa Hospital took longer than 25 working days to resolve complaints and only resolved 61% of them. The hospital did not adhere to guidelines for resolving and reporting of complaints due to lack of training on reporting of complaints and report writing.
	Prompt response to adverse events	Severity assessment code (SAC) 1 incident reported within 24 hours rate	#	#	64.1% (270/421)	50% (200/400)	67.6% (477/706)	17.6%	Target achieved. Reporting of SAC1 within 24 hours improved by 76.7% during 2021/22. A support visit was conducted and emphasis was placed on reporting and capturing of incidents when they occur to improve compliance.

[1] Missing digit inserted on the previous annual report denominator for PEC

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	#	#	66.9% (852/1 274)	64.7% (846/1 307)	76.5% (1712/2237)	11.8%	Target achieved. Closure of PSIs improved by 100.9% during 2021/22. A support visit was conducted and emphasis was placed on reporting and capturing of incidents when they occur to improve compliance.
Leadership and governance in public health facilities enhanced to improve quality of care	Functional governance structures in hospitals	Percentage of Hospitals with functional hospital boards	#	#	66.6% (2/3)	100% (3/3)	100% (3/3)	0%	Target achieved as hospital board members formed quorums and held meetings.

Strategies to overcome areas of underperformance

Monthly reconciliation and verification of data with reminders of unresolved complaints to be sent frequently. CCS training was conducted and continuous trainings are planned together with facility visits. There will be strengthening of the down-referrals system, the antenatal clinic booking system and the maternity outreach programme. A Mother and Child unit, which includes a dedicated Obstetrics theatre in Tembisa Provincial Tertiary Hospital, is to be built. Building of a district hospital is under discussion, with consideration given to Kempton Park hospital as a tertiary hospital and Tembisa to be downgraded to a regional or district hospital. The referral route and cluster system to improve access to healthcare services will be reviewed. The maternity antenatal ward, Kangaroo Mother Care (KMC) and Paediatric ICU wards are to be extended and a lodger mother facility created. The vegetable garden to provide fresh vegetables to caregivers of children with SAM and other community members is to be strengthened. There is to be collaboration with district health services for health education and health promotion in the community and continuation of two obstetrics theatres operating 24 hours.

Table 4.5.7: Budget Programme 5: Central Hospital Services Expenditure

CENTRAL HOSPITAL SERVICES	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
CENTRAL HOSPITALS	15 880 642	14 919 462	961 180	14 982 621	14 208 556	774 065
PROVINCIAL TERTIARY HOSPITAL SERVICES	4 828 092	5 412 196	(584 104)	4 630 012	5 045 496	(415 484)
Total	**20 708 734**	**20 331 658**	**377 076**	**19 612 633**	19 254 052	358 581

4.6 BUDGET PROGRAMME 6: HEALTH SCIENCES AND TRAINING (HST)

PROGRAMME PURPOSE

Rendering of training and development opportunities for actual and potential employees of the Department of Health through sub-programmes:

- Gauteng College of Nursing (GCON): Training of nurses at undergraduate and post graduate level. Target group includes actual and potential employees.
- Emergency medical services: (EMS) training college: Training of rescue and ambulance personnel. Target group includes actual and potential employees.
- Bursaries: Provision of bursaries for health science training programmes at undergraduate and postgraduate levels. Target group includes actual and potential employees.
- Primary Health Care (PHC) training: Provision of PHC related training for personnel, provided by Regional Training Centre; and Nurse training college (Gauteng College of Nursing - GCON)
- Training (other): Provision of skills development interventions for all occupational categories in the Department. Target group includes actual and potential employees.
- Gauteng Nursing College (GCON) has been accredited by Council on Higher Education (CHE) and South African Nursing Council (SANC) to offer new qualifications aligned to Higher Education Qualifications Sub Framework (HEQSF) in accordance with National Qualifications Framework Act, 2008 (Act 67 of 2008), Higher Education Act, 1997 (Act 101 of 1997 as amended) and Nursing Act, 2005 (Act 33 of 2005).
- Implement Districts Regional Training Centres and maintain the accreditation status of Tshwane Centre.

PROGRAMME OUTCOMES:

- Quality of health services in public health facilities improved
- Leadership and governance in the health sector enhanced to improve quality of care

Significant achievements

An average employee satisfaction rate of 62% was achieved during the reporting year. This was higher than the planned target of 60%. Twenty job occupational categories employed in the department were satisfied with the work they were doing.

Challenges

Ten per cent of GDoH personnel were targeted for the staff survey. However, the target was not achieved because only a few institutions participated in the survey. Getting cooperation from CEOs was difficult even though the link to the survey was sent to all employees through the Communications Office. The institutions that participated did not reach 10% of their personnel due to poor participation. Concerns were raised about lack of resources in the institutions, such as computers, to access the survey link. Timelines were also not adhered to which delayed generation of the report.

Table 4.6.1: Programme 6: Health Sciences and Training

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Positive Employee experience	Employee satisfaction rate	80%	54%	59%	60%	61.7% (74/120)	1.7%	Target achieved. Staff reported being satisfied with their jobs; up to 20 job occupational categories employed in the department were satisfied with the work they were doing. Consultants, registrars, specialists and paramedics were the only occupational categories that were not satisfied.
Leadership and governance in the health sector enhanced to improve quality of care	Enrolment of students in the new qualifications programme	Undergraduate programme enrolment rate	#	#	#	50% (400/800)	50% (400/800)	0%	On target; however, the Advanced Midwifery Programme (R.1497) was not accredited at the anticipated time.

Strategies to overcome areas of underperformance

Intervention by the National Department of Health in fast tracking the accreditation process by the Council for Higher Education will be requested.

Table 4.6.2: Budget Programme 6: Health Sciences and Training Expenditure

HEALTH SCIENCES AND TRAINING	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
NURSE TRAINING COLLEGES	626 247	515 496	110 751	604 619	556 647	47 972
EMS TRAINING COLLEGES	42 435	37 357	5 078	42 149	36 495	5 654
BURSARIES	349 390	78 178	271 212	173 948	129 244	44 704
OTHER TRAINING	164 528	75 837	88 691	80 552	64 824	15 728
Total	**1 182 600**	**706 868**	**475 732**	**901 268**	**787 210**	**114 058**

4.7 BUDGET PROGRAMME 7: HEALTH CARE SUPPORT SERVICES (HCSS)

PROGRAMME PURPOSE

The purpose of this programme is to render support services required by the Department to realise its aims through sub-programmes:

Laundry services: Rendering a laundry service to hospitals, care and rehabilitation centres and certain local authorities; and

Medical trading account (Medical Supplies Depot): Managing the supply of pharmaceuticals to hospitals, community health centres and local authorities.

PROGRAMME OUTCOMES:

Quality of health services in public health facilities improved

Significant achievements

The set target of 96% of Vital and Essential medicines availability is being achieved on a month-to-month basis. 79% of all medicines are delivered directly to institutions (DDV) instead of via the Medical Depot. The CCMDD Programme (Dablapmeds) has registered to date over 1 000 000 patients onto the programme. 76% of all active patients receive their chronic medicines through one of the more than 845 external pick-up-points; 28 hospitals in the province already participate in the programme.

Challenges

Many Essential Medicine List medicines are not awarded on (tender) contract. This resulted in procurement of these medicines through a lengthy and laborious buy-out process. The key leadership position of Chief Director: Pharmaceutical and Clinical Support services remains to be filled. There are Infrastructural constraints (space) at district pharmacies. These are the nucleus for the supply of medicines to PHC facilities.

Table 4.7.1: Programme 7: Health Care Support Services

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Quality of health services in public health facilities improved	Vital medical products, and equipment available at health facilities	Percentage vital medicine availability at health facilities	96.3%	95.56%	97% (428/441)	96% (424/441)	96% (424/441)	0%	Target achieved.
	Essential medical products, and equipment available at health facilities	Percentage essential medicine availability at health facilities	96.2%	95.73%	95% (528/556)	96% (534/556)	96% (424/441)	0%	Target achieved
Quality of health services in public health facilities improved	Waiting times in health facilities reduced as Patients voluntarily collect chronic medication at identified pick-up points.	Number of patients enrolled on centralized chronic medicine dispensing and distribution programme (Cumulative)	490 518	721 350	1 022 840	850 000	1 085 232	235 232	Target achieved due to increased enrollment of patients, especially from hospitals during COVID-19, and CCMDD formulary reviewed to include more conditions and medication for enrolling patients.

Strategies to overcome areas of underperformance

Weekly monitoring of medicines availability per institution will continue. All institutions performing below the provincial target will be identified and mitigation strategies to improve their performance developed**.** The buyout process for items not on contract will continue. Penalties will continue to be imposed on suppliers not performing on contract. Additional spaces to improve storage spaces at district pharmacies will be identified.

Table 4.7.2: Budget Programme 7: Health Care Support Services Expenditure

HEALTH CARE SUPPORT SERVICES	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
LAUNDRIES	306 948	315 450	(8 502)	287 630	294 625	(6 995)
FOOD SUPPLY SERVICES	86 925	73 383	13 542	103 633	94 219	9 414
MEDICINE TRADING ACCOUNT	1	-	1	1	-	1
Total	**393 874**	**388 833**	**5 041**	**391 264**	**388 844**	**2 420**

4.8 BUDGET PROGRAMME 8: HEALTH FACILITIES MANAGEMENT (HFM)

PROGRAMME PURPOSE

Provision of new health facilities and the refurbishment, upgrading and maintenance of existing facilities.

Community Health Facilities: Construction of new and refurbishment, upgrading and maintenance of existing Community Health Centres, Primary Health Care clinics and facilities.

Emergency Medical Rescue Services: Construction of new and refurbishment, upgrading and maintenance of existing EMS facilities.

District Hospital Services: Construction of new and refurbishment, upgrading and maintenance of existing District Hospitals.

Provincial Hospital Services: Construction of new and refurbishment, upgrading and maintenance of existing Provincial/Regional Hospitals and Specialised Hospitals.

Central Hospital Services: Construction of new and refurbishment, upgrading and maintenance of existing Tertiary and Central Hospitals.

Other Facilities: Construction of new and refurbishment, upgrading and maintenance of other health facilities including forensic pathology facilities and nursing colleges and schools.

PROGRAMME OUTCOMES:

Infrastructure maintained and backlog reduced

Significant achievements

The construction of one clinic (Greenspark Clinic) was completed during the reporting period. Kekana Stad, Mandisa Shiceka, Philip Moyo and Sebokeng Zone 17 were at various practical completion stages and are expected to be complete by the end of the 2022/23 financial year.

Challenges

Zone 17 Clinic & Fine Town Clinic have been practically completed, with the projects' construction reaching 98% plus. However, they are unable to be operationalised due to an outstanding Eskom power upgrade. Boikhutsong CDC is at 95% completion but cannot be completed due to lack of parking space; on 22 February 2021, a deed of sale was signed by the HoD and delivered to CoT for signature. Kekanastad Clinic is at 96% completion; however, the land on which is built is tribal land and not proclaimed. Therefore, GDID is not able to submit building plans to CoT. Boitumelo Clinic is at 2%. The contract has been suspended pending investigation of award; issues with various purchase orders to be resolved. Mayibuye Clinic is at 9%; a termination letter has been sent to the contractor and final account is in progress. Khutsong South Ext2 Clinic is at 90% planning stage. GDID submitted Project Execution Plan (PEP) v4a for approval to GDOH; however, the cost is too high.

Table 4.8.1: Programme 8: Health Facilities Management

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
Infrastructure maintained and backlog reduced	Refurbished and maintained health facilities	Percentage of Health facilities with major refurbishment or Rebuild	#	#	N/A	6.25% (2/32)	0% (0/32)	(6.25%)	Target not achieved because none of the facilities were completed for major refurbishment or rebuild. However, of the 15 OHS projects 7 have reached 'construction' stage (Dr Yusuf Dadoo, Dr George Mukhari, Jubilee, Weskoppies, Leratong, Bheki Mlangeni and Kopanong).
	Refurbished and maintained health facilities	Number of New Hospitals Completed	#	#	#	0	0	0	No new hospitals were targeted for completion in the year under review; the targets are only in the outer years of this term of government.
	Functional PHC facilities	Number of new Primary Health Care Centres completed	#	#	#	8	1	(7)	Target not achieved. Only Greenspark Clinic was completed during the financial year. Zone 17 Clinic and Fine Town Clinic have been practically completed, with the projects' construction at 98% plus. However, they are unable to be operationalised due to outstanding Eskom power upgrade. Boikhutsong CDC is at 95% but cannot be completed due to lack of parking space. On February 22, 2021, a deed of sale was signed by the HoD and delivered to CoT for signature. Kekanastad Clinic is at 96% completion. However, the land on which it is built is tribal land and not proclaimed; therefore DID is not able to submit building plans to CoT. Boitumelo Clinic is at 2%; the contract has been suspended pending investigation of award and issues with various purchase orders to be resolved. Mayibuye Clinic is at 9%; a termination letter has been sent to the contractor and the final account is in progress. Khutsong South Ext2 Clinic is at 90% planning stage; GDID submitted a Project Execution Plan (PEP) v4a for approval to GDOH but the cost is too high.

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output Indicators	Audited/Actual performance			Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
			2018/19	2019/20	2020/21				
	Dedicated Covid 19 beds in facilities	Number of hospitals with repurposed Covid 19 beds	#	#	10	32	0	(32)	Target not achieved. There was no repurposing project for the 2021/22 FY. All repurposing was completed during the 2020/21 FY.
	Dedicated cluster's Covid 19 beds	Number of clusters with additional Covid 19 beds	#	#	3	4	3	(1)	Target not achieved. The three clusters (CHBAH, SBAH (Jubilee) and DGMAH) were completed. The AngloGold Ashanti cluster was the only one not completed; contractor performance not acceptable. Completion of Kopanong ABT has not commenced.

Strategies to overcome areas of underperformance

The GDID/GDOH is to complete the prioritisation of OHS items and confirm budget. Planning stages are to be completed and approvals of development plans and building plans acquired. Confirmation of funding from the fiscus is to be acquired. GDID is in the process of addressing the Eskom power upgrade and under-performance of the contractor. GDID is reconsidering the commencement of works completion by a new contractor. Follow-up with CoT about Boikhutsong CDC is required. Follow-up with COJ about the Finetown Clinic new build is required. No intervention about the Kekanstad Clinic is required at this stage; the contractor is implementing works according to the approved CEs. Intervention is required to assist with fast-tracking the Sebokeng Zone 17 Clinic. Intervention is required to assist in fast-tracking the Eskom bulk connection. A meeting was held with Emfuleni; feedback from the MEC's office is required. GDID to expedite investigation of Boitumelo Clinic (follow up on legal opinion on termination of contract). Legal opinion on termination of contract for Mayibuye Clinic is required from DID-Legal. Termination letter was issued to the contractor on 30/08/2021. GDOH is finalising approval of PEPv4a for Khutsong South Ext2 Clinic.

Table 4.8.2: Budget Programme 8: Health Facilities Management Expenditure

HEALTH FACILITIES MANAGEMENT	2021/22			2020/21		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
COMMUNITY HEALTH FACILITIES	393 184	311 696	81 488	610 273	526 523	83 750
EMERGENCY MEDICAL RESCUE SERVICES	7 940	8 561	(621)	23 702	19 933	3 769
DISTRICT HOSPITAL SERVICES	321 591	131 976	189 615	690 144	631 525	58 619
PROVINCIAL HOSPITAL SERVICES	257 988	247 403	10 585	388 450	353 929	34 521
CENTRAL HOSPITAL SERVICES	853 939	837 714	16 225	1 503 984	1 520 597	(16 613)
OTHER FACILITIES	628 288	530 885	97 403	1 025 680	988 850	36 830
Total	**2 462 930**	**2 068 235**	**394 695**	**4 242 233**	**4 041 357**	**200 876**

4.9 TRANSFER PAYMENTS

Transfer payments to public entities

The table below shows the transfer payments budgeted for in the period 1 April 2021 to 31 March 2022.

Table 4.9.1: Transfer payments to other public entities, 2021/22

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the department comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Local Government	Municipalities	Primary Health Care	Yes	377 148	377 148	
Local Government	Municipalities	HIV/AIDS	Yes	93 420	64 446	Due to a delay in contract signing by Tshwane Municipality and late submission of expenditure reports by Sedibeng Municipality, last outstanding payments could not be processed.
Health Welfare and Sector Training Authority	Departmental Agencies and Accounts	Learnership	Yes	24 636	24 636	
Universities	Higher Education Institutions	Training of Health Professionals	Yes	16 309	7 867	An increased numbers of dropout students.
Mental Health	Non-Profit Institutions	Psychiatric Community Based Services	Yes	226 997	193 643	Due to COVID-19, not all users returned to institutions.
Nutrition	Non-Profit Institutions	Nutrition supplements to crèches	Yes	68 814	49 495	Due to COVID-19, ECDs were not fully functional.
HIV/AIDS	Non-Profit Institutions	Primary Health Care	Yes	110 429	85 942	The process of appointing new NPOs was put on hold due to COVID-19.
Witkoppen clinic	Primary Health Care	Primary Health Care	Yes	15 641	19 574	The accrual amount that was incurred in the previous FY
Rehabilitation Services	Non-Profit Institutions	Rehabilitation	Yes	1 987	0	The contracting and funding process was completed in the last month of the financial year.
Nelson Mandela Children's Hospital	Non-Profit Institution	Paediatric services	Yes	282 000	282 000	
Households	Leave gratuities, claims against the state, injury on duty and bursaries to non-employees	Service benefits and households	Yes	583 158	582 228	

Table 4.9.2: Transfer payments budgeted for in the period 1 April 2021 to 31 March 2022 but not made

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Rehabilitation Services	Rehabilitation	1,987	0	The Unit was reviewing the function of the contracting process which involves the appointment of NPOs to be aligned with the Non-profit Organization Act 71 of 1997 (NPOs Act). The process was completed in the last month of the financial year.

4.10 CONDITIONAL GRANTS

Conditional grants and earmarked funds paid

The table below shows the conditional grants and earmarked funds paid by the department.

4.10.1 Conditional Grant: National Tertiary Services Grant (NTSG)

Department/ Municipality to whom the grant has been transferred	Gauteng Department of Health
Purpose of the grant	Ensure the provision of tertiary health services in South Africa Compensate tertiary facilities for the additional costs associated with the provision of these services
Expected outputs of the grant	**NTSG - Service Outputs 2021/22** / **Target output as per SLA 2021/22** Day patient separations - Total: 237 668 Inpatient days - Total: 2 267 645 Inpatient separations - Total: 369 109 Outpatient first attendances - Total: 757 619 Outpatient follow up attendances - Total: 1 114 100
Actual outputs achieved	**NTSG - Service Outputs 2021/22** / **Measured outputs** Day patient separations - Total: 334 237 Inpatient days - Total: 2 168 551 Inpatient separations - Total: 286 586 Outpatient first attendances - Total: 702 034 Outpatient follow up attendances - Total: 1 352 474
Amount per amended DORA	R 5 234 423
Amount transferred (R'000)	R 5 234 423
Reasons if amount as per DORA not transferred	
Amount spent by the department/ municipality (R'000)	R 4 673 691
Reasons for the funds unspent by the entity	The grant underspent on machinery and equipment. This was due to delays in finalising the SCM processes. The department applied for a rollover of R455 million.
Monitoring mechanism by the transferring department	Monthly meetings Monthly Variance Reports, Quarterly Financial and Non-Financial Reports and Annual Performance Evaluation Report as per DoRA, PFMA and Treasury Regulations.

4.10.2 Conditional Grant: Health Facility Revitalisation Grant

Department/ Municipality to whom the grant has been transferred	Gauteng Department of Health
Purpose of the grant	To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organisational development systems and quality assurance. To enhance capacity to deliver health infrastructure.
Expected outputs of the grant	• 4 facilities maintained. • 2 facilities identified. • 6 design facilities • 1 tender facility
Actual outputs achieved	• 4 facilities maintained (Dr George Mukhari Hospital, Charlotte Maxeke Hospital, Chris Hani Bara Hospital, Steve Biko Hospital) • 1 design facility • 12 facilities on construction
Amount per amended DORA	R 965 871 000
Amount transferred (R'000)	R 965 871 000
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	R954 346 917
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly and quarterly reports. IRM report Project Management Implementation System (PMIS)

Conditional grants and earmarked funds received

4.10.3 Conditional Grant: Statutory Human Resources, Training and Development Grant

Department/ Municipality to whom the grant has been transferred	Gauteng Department of Health
Purpose of the grant	To appoint statutory positions in the health sector for systematic realisation of human resources for health strategy and phased-in of National Health Insurance; and Support provinces to fund service costs associated with clinical training and supervision of health science trainees on the public service platform.

Expected outputs of the grant	• Number and percentage of statutory posts funded from this grant (per category and discipline) and other funding sources
	• Number and percentage of registrars posts funded from this grant (per discipline) and other funding sources
	• Number and percentage of specialists posts funded from this grant (per discipline) and other funding sources
	• Number and percentage of other health professionals (clinical and allied) appointed (total by district, category and by discipline)
	• Number of posts needed per funded categories
	• To report on the number of clinical supervisors associated with clinical training and supervision of students, funded on the public health service delivery platform:
	• Number of Specialists
	  • number of registrars
	  • number of medical officers
	  • number of clinical associates
	  • number of postgraduates
	  • number of clinical supervisors/trainers per category in nursing, emergency medical services (EMS) and allied health and pharmacy
	  • number of grant administration staff

Actual outputs achieved	
Amount per amended DORA	R1 501 062
Amount transferred (R'000)	R1 501 062
Reasons if amount as per DORA not transferred	
Amount spent by the department/ municipality (R'000)	R1 441 196
Reasons for the funds unspent by the entity	Delays in finalising the SCM processes in relation to procurement of medical & training equipment resulted in underspending of the grant. However, the department is in the process of applying for a rollover request of approximately R33 million for commitments made in the 2021/22 financial year.
Monitoring mechanism by the transferring department	Monthly Variance Reports, Quarterly Financial and Non-Financial Reports and Annual Performance Evaluation Report as per DoRA, PFMA and Treasury Regulations.

4.10.4 Conditional Grant: HIV, TB, MALARIA & COMM OUTREACH GRANT

Department/ Municipality to whom the grant has been transferred	Gauteng Department of Health
Purpose of the grant	The purpose of the Conditional Grant is to support the implementation of the National Strategic Planning on HIV, STIs and TB 2017-2022; and strengthen health systems and oversight of the HIV and TB Conditional Grant to achieve improved cost effectiveness and clinical health outcomes.
Expected outputs of the grant	Scale up combination prevention interventions to reduce new infections, including HTS, male medical circumcision, condom distribution. Use of mass media platform and HAST communication messaging strategy; expand PMTCT coverage to pregnant women by ensuring all HIV positive antenatal clients are placed on ARVs and reducing the positivity rate; life expectancy improved through increasing the number of people on ART; TB and HIV combatted through reducing the co-infection burden; and decrease TB morbidity and mortality.
Actual outputs achieved	Decreased new HIV infections, more clients initiated on ART, reduced HIV related deaths, reduced mother to child HIV transmission and improved life expectancy.
Amount per amended DORA	R5 967 355 000
Amount transferred (R'000)	R5 967 355 000
Reasons if amount as per DORA not transferred	
Amount spent by the department/ municipality (R'000)	R4 904 438 000
Reasons for the funds unspent by the entity	The spending as at end of the 2021/22 financial year was at 82.2%. The underspending was mainly on goods and services, medical supplies, consumable supplies and medicine items; the department has applied for a rollover of funds amounting to R257million
Monitoring mechanism by the transferring department	Monthly variance and quarterly reports are submitted to the National Department of Health and Provincial Treasury.

4.10.5 Conditional Grant: 2021/22 Social Sector EPWP Incentives Grant for the Province – Department of Health Social Sector EPWP Incentives Grant

Department/ Municipality to whom the grant has been transferred	Gauteng Department of Health
Purpose of the grant	To improve service delivery by strengthening and expanding Social Sector programmes that have employment potential for poverty alleviation.
Expected outputs of the grant	• Employment created and stipend paid to participants • Service delivery improved • Improved work opportunities for sustainable jobs through work experience and training.
Actual outputs achieved	• 670 work opportunities created and stipend paid to participants • 670 EPWP participants gained work experience and on-job training including accredited training • 191 health facilities serviced by EPWP participants
Amount per amended DORA	R 24 783 266
Amount transferred (R'000)	R 24 746 000
Reasons if amount as per DORA not transferred	Not applicable
Amount spent by the department/ municipality (R'000)	R 24 783 266
Reasons for the funds unspent by the entity	Training was procured and took place; however, there was a delay with the service provider in uploading the invoice. Rollover request was made and approved by the A/HOD.
Monitoring mechanism by the transferring department	Monthly In Year Monitoring Reports and Quarterly Non-Financial Reports.

4.10.6 Conditional Grant: National Health Insurance Grant

Department/ Municipality to whom the grant has been transferred	Tshwane District Health Services
Purpose of the grant	To expand the healthcare servicer benefits through the strategic purchasing of services from healthcare providers.
Expected outputs of the grant	• To bring down waiting time at the PHC facilities • To reduce unnecessary referrals to higher levels of care
Actual outputs achieved	Adequate coverage of PHC services
Amount per amended DORA	R 49 859 000
Amount transferred (R'000)	R 49 859 000
Reasons if amount as per DORA not transferred	0
Amount spent by the department/ municipality (R'000)	R 46 235 314
Reasons for the funds unspent by the entity	The department spent 92.7% due to the non-submission of travel allowance claims by some doctors. The claims for January, February and March for travel and subsistence are still outstanding since some doctors submitted their claims late to HR.
Measures taken to improve performance	HR must speed up the process of appointing NHI contracted doctors. Doctors should be advised to claim travel and subsistence allowances on time.
Monitoring mechanism by the transferring department	• Monitor number of patients seen as per category. • Sign daily registers in facilities. • Orientate health professionals about government policies.

4.11. DONOR FUNDS RECEIVED

The department received donations of R25 million worth of assets during the year under review from various donors. The donors making contributions towards better health services for patients include but are not limited to Isibani Development Partners, SAME Foundation, Church Of Jesus Christ, Medhold, Solidarity Fund, John Snow Inc, STAT- TIAKEN Medical, Radiomenter SA, Sanlam Sky, Mustek limited, Tecmed (Pty) Ltd and Lorgan Medical and Surgical.

Donor Fund 1

Name of donor	SAME Foundation donated assets to Tembisa Provincial Tertiary Hospital
Full amount of the funding	SAME Foundation donated assets (2 vaccine refrigerators) to the value of R80 000
Period of the commitment	None
Purpose of the funding	To fight the COVID-19 pandemic and improve patient care
Expected outputs	Refrigerated vaccines
Actual outputs achieved	Refrigerated vaccines
Amount received (R'000)	R80 000 worth of assets donated by SAME Foundation
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 2

Name of donor	Church of Jesus Christ donated assets to Tembisa Provincial Tertiary Hospital
Full amount of the funding	Church of Jesus Christ donated assets (5 Precision Flow Meters) to the value of R742 568.80
Period of the commitment	None
Purpose of the funding	To assist paediatric patients
Expected outputs	Precision Flow used for paediatric patients in the hospital
Actual outputs achieved	Precision Flow used for paediatric patients in the hospital
Amount received (R'000)	R742 568.80 worth of assets donated by Church of Jesus Christ
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 3

Name of donor	MEDHOLD donated assets to Leratong Hospital
Full amount of the funding	Medhold donated assets (2 Blood Gas Machines) to the value of R764 788.73
Period of the commitment	None
Purpose of the funding	To improve service delivery at the hospital
Expected outputs	Improved service delivery at the hospital
Actual outputs achieved	Improved service delivery at the hospital
Amount received (R'000)	R764 788.73 worth of assets donated by MEDHOLD
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 4

Name of donor	Solidarity Fund donated assets to Chris Hani Baragwanath Academic Hospital
Full amount of the funding	Solidarity Fund donated assets (medical equipment) to the value of R21 053 800.17
Period of the commitment	None
Purpose of the funding	To improve service delivery at the hospital
Expected outputs	Improved service delivery at the hospital

Actual outputs achieved	Improved service delivery at the hospital
Amount received (R'000)	R21 053 800.17 worth of medical equipment donated
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 6

Name of donor	John Snow Inc. (JSI) donated assets to Johannesburg Health District
Full amount of the funding	John Snow Inc. (JSI) donated assets (21 Dell laptops) to the value of R102 669.00
Period of the commitment	None
Purpose of the funding	To improve service delivery at the hospital
Expected outputs	Improved service delivery at the hospital
Actual outputs achieved	Improved service delivery at the hospital
Amount received (R'000)	R102 669.00 worth of assets donated by John Snow Inc. (JSI)
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 5

Name of donor	STAT-TIAKENI MEDICAL/Solidarity Fund donated assets to Jubilee Hospital
Full amount of the funding	STAT-TIAKENI MEDICAL/Solidarity Fund donated assets (2 video laryngoscopes and 12 adult scales) to the value of R290 427.90
Period of the commitment	None
Purpose of the funding	To improve service delivery at the hospital
Expected outputs	Improved service delivery at the hospital
Actual outputs achieved	Improved service delivery at the hospital
Amount received (R'000)	R290 427.90 worth of assets donated by STAT-TIAKENI MEDICAL/Solidarity Fund
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 7

Name of donor	Radiometer SA donated assets to Steve Biko Academic Hospital
Full amount of the funding	Radiometer SA donated assets (4 Blood Gas Machines) to the value of R260 000
Period of the commitment	None
Purpose of the funding	To improve the working environment of all health workers at the hospital
Expected outputs	Patient care is improved.
Actual outputs achieved	Patient care is improved.
Amount received (R'000)	R260 000 worth of assets donated by Radiometer SA.
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 8

Name of donor	Sanlam Sky Individual Life donated assets to Tshwane District Health Services
Full amount of the funding	Sanlam Sky Individual Life donated assets (6 obstetric hydraulic beds: adjustable) to the value of R85 787.17
Period of the commitment	None
Purpose of the funding	To improve quality health care at Community Healthcare Centres (CHCs)
Expected outputs	Patient care is improved.
Actual outputs achieved	Patient care is improved.
Amount received (R'000)	R85 787.17 worth of assets donated by Sanlam Sky Individual Life
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 9

Name of donor	National Health/Mustek Limited donated assets to Tambo Memorial Hospital
Full amount of the funding	National Health/Mustek Limited donated assets (9 CPU/monitors and 5 printers) to the value of R148 792.30
Period of the commitment	None
Purpose of the funding	To improve service delivery at the hospital
Expected outputs	Improved service delivery
Actual outputs achieved	Improved service delivery.
Amount received (R'000)	R148 792.30 worth of assets donated by National Health/Mustek Limited
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 10

Name of donor	TECMED (PTY) LTD donated assets to Tambo Memorial Hospital
Full amount of the funding	TECMED (PTY) LTD donated assets (1 Examination Couch) to the value of R1 500.00
Period of the commitment	None
Purpose of the funding	To improve service delivery at the hospital
Expected outputs	Improved service delivery
Actual outputs achieved	Improved service delivery
Amount received (R'000)	R1 500,00 worth of assets donated by TECMED (PTY) LTD
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 11

Name of donor	Church Of Jesus Christ donated assets to Tambo Memorial Hospital
Full amount of the funding	Church Of Jesus Christ donated assets (15 Vapotherm) to the value of R1 480 912.50
Period of the commitment	None
Purpose of the funding	To improve the working environment of all health workers at the hospital
Expected outputs	Patient care is improved.
Actual outputs achieved	Patient care is improved.
Amount received (R'000)	R1 480 912.50 worth of assets donated by the Church Of Jesus Christ
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

Donor Fund 12

Name of donor	Logan Medical and Surgical donated assets to Tambo Memorial Hospital
Full amount of the funding	Logan Medical and Surgical donated assets (1 microwave) to the value of R899
Period of the commitment	None
Purpose of the funding	To improve service delivery at the hospital
Expected outputs	Improved service delivery
Actual outputs achieved	Improved service delivery
Amount received (R'000)	R899 worth of assets donated by Logan Medical and Surgical
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None
Monitoring mechanism by the donor	None

4.12 CAPITAL INVESTMENT

Progress made in implementing capital investment, maintenance, and asset management plan

Table 4.12.1: Infrastructure projects completed during the financial year and progress compared with what was planned at the beginning of the year

Name of Project	Brief description of project	Start Date	End Date	Current Status	Challenges	Requests for Intervention
Mandisa Shiceka Clinic: Convert to CDC (NHI) P3	Convert clinic To CDC	22-Sep-17	31 Sept 2021	98%	GDOH paid municipality; COT to purchase the adjacent land to accommodate parking requirements.	DID has sent a request for the municipality to allow GDOH to occupy and use the facility whilst the parking is being addressed.
Phillip Moyo CHC	Refurb and additions	07-Jul-17	30-Nov-2020	99 % achieved practical completion	Obtaining Occupation Certificate from Municipality: EMM. EMM to sign MOU.	The project was completed in 2020 but EMM has not issued a Certificate of Occupation. A follow-up with EMM is required.
Boikhutsong CDC	New clinic	29-May-17	30-Sept-20	95%	On February 22, 2021 a deed of sale was signed by the HOD and delivered to CoT for signature. A follow-up email was sent on 4 April 2022.	Follow-up with CoT is required
Finetown Clinic: new build	New clinic	30-Apr-19	30 Aug 2021	95 %	The contractor made payment to Eskom for power connection in December 2021. DID received a communication on 17 March 2022 with Eskom indicating that they ran out of material for power connection.	Follow-up with COJ required.
Greenspark Clinic	New clinic	11-Oct-16	31-May-21	100%	Completed and handed over to end-users.	N/A
Kekanastad	New clinic	27-Feb-18	30-Sep-21	96%	The land where the clinic is built is tribal land and not proclaimed. Therefore, DID is not able to submit building plans to CoT. Site stoppage due to contract reverting to initial wage.	No intervention at this stage. The contractor is implementing works according to the approved CEs.

Name of Project	Brief description of project	Start Date	End Date	Current Status	Challenges	Requests for Intervention
Sebokeng Zone 17 Clinic	New clinic	20-Oct-17	05-Aug-21	95%	No bulk power supply to the clinic; Eskom to be paid bulk services contribution.	Intervention is required to assist in fast-tracking the Eskom bulk connection. Meeting held with Emfuleni; need feedback from MECs. office.
Boitumelo Clinic	New clinic	09-Mar-20	TBC	2%	The contract has been suspended pending investigation of award. Issues with various Purchase Orders to be resolved. CFO's Office to advise on regularisation of contract.	GDID to expedite investigation (follow up on legal opinion on termination of contract).
Helen Joseph Hospital Nurses' Residence	Construction of Nurses' home	01-Aug-18	28-Feb-22	60%	Project has exceeded 20% of contract sum, PFMA threshold; letter sent to GDOH.	Busy with approval of scope omissions of the building that was not inspected.
Johannesburg Forensic Pathology Laboratories	Construction of Forensic Pathology Lab	01-Nov-16	31-May-2022	71%	Lifts have been delivered on site and installation is in progress. Contractor currently busy with internal finishes.	Implementation of adjudication award for CE 5 (HVAC referred to DID Risk Unit for investigations)
Mayibuye Clinic	New clinic	04-Aug-17	23-Apr-22	26% to 50%	Termination letter has been sent to the contractor and Final Account in progress.	Legal opinion on termination of contract required from DID-Legal. Termination letter issued to contractor on 30/08/2021.
Randfontein (Mohlakeng) CHC	New CHC	31-Oct-18	12-Jun-22	69%	Currently the contractor is experiencing cashflow challenges. The contractor was requested to provide a plan on how he is going to address these challenges.	Delay in obtaining the certified council resolution and Draft Deed of Donation from Rand West City local Municipality.
Chris Hani Baragwanath Academic Hospital	Refurbishment and upgrading of the neonatal and labour ward section, doctors' and nurses' residence and services.	08- Nov- 18	30-Nov-23	76% to 99%	Completion and handover of new ward 66 and New Kangaroo Mother Care wards expected end of May 2022.	Contractor has taken DID to adjudication due to compensation events pending approval and payment.
Khutsong South Ext2 Clinic: new clinic	Construction of new clinic	12-April-16	TBC	76% to 99%	GDID submitted PEP v4a for approval to GDOH but the cost is too high.	GDOH busy finalising approval of PEPv4a.

Plans to close or downgrade any current facilities

There were no plans to close or down-grade any facilities in the 2021/22 financial year.

Progress was made on maintenance of the following infrastructure:

Maintenance category	Final appropriation (R'000)	Expenditure (R'000)	% spent against budget
Maintenance & Repairs	924 723	1 085 955	105%
Electro-mechanical	88 326	56 571	64%
EPWP	2 218	2 059	93%
Total	**1 015 267**	**1 144 585**	**113%**

Maintenance projects, 2021/22

In 2021/22, the main maintenance allocation was R 796 million. This was adjusted upwards to R 926 million of which R 915 million was spent. The allocation over the 2022/23 MTEF is R 2.9 billion. In 2021/22, 99 facilities were maintained; in 2022/23, 101 facilities are to be maintained. The number of maintenance projects is determined by the number of facilities, with each facility considered as one project. Thus, although many small maintenance projects may be being implemented at a specific facility it is still considered as one project.

Table 4.12.2: Maintenance projects, 2021/22

DoH Project Number (IRM)	Project Name	2021/22 Main budget	2021/22 Adjusted budget	Actual expenditure to date for this financial year
31011196	11 Diagonal Street - planned, statutory and preventative maintenance	R2 000 000	R1 000 000	R156 080
31011731	Alexandra CHC - maintenance	R0	R444 000	R0
81	Ann Latsky Nursing College maintenance - planned, statutory and preventative maintenance	R2 000 000	R2 344 000	R906 414
175	Auckland Park Medical Supply Depot - planned, statutory and preventative maintenance	R7 000 000	R3 500 000	R2 476 013
85	Bertha Gxowa Hospital – statutory, planned & preventative maintenance	R7 000 000	R7 000 000	R4 521 094
6793065	Bheki Mlangeni Hospital - planned, statutory and preventative maintenance	R7 000 000	R7 518 000	R2 836 349
87	Bona Lesedi Nursing College maintenance -planned, statutory and preventative maintenance	R3 000 000	R900 000	R1 855 194
31007928	Bronkhorstspruit EMS Station - planned, statutory and preventative maintenance	R50 000	R113 000	R279 865
30309699	Bronkhorstspruit Forensic Mortuary - planned, statutory and preventative maintenance	R500 000	R350 000	R59 598
30309930	Bronkhorstspruit Hospital - planned, statutory and preventative maintenance	R7 000 000	R7 000 000	R3 782 516
88	Carletonville FPS Mortuary - planned, statutory and preventative maintenance	R1 500 000	R310 000	R633 759
89	Carletonville Hospital - planned, statutory and preventative maintenance	R7 000 000	R7 600 000	R4 718 846
31011730	CCTV maintenance	R0	R20 000 000	R0
30309693	Charlotte Maxeke EMS - planned, statutory and preventative maintenance	R500 000	R450 000	R6 344 103
93	Charlotte Maxeke Hospital - planned, statutory and preventative maintenance	R50 000 000	R60 000 000	R150 810 472
31011729	CMJAH - remedial work for fire and occupation compliance	R0	R41 100 000	R0
95	Chris Hani Baragwanath Hospital maintenance - planned, statutory and preventative maintenance	R50 000 000	R60 000 000	R61 966 553

DoH Project Number (IRM)	Project Name	2021/22 Main budget	2021/22 Adjusted budget	Actual expenditure to date for this financial year
97	Chris Hani Baragwanath Hospital laundry maintenance – planned, statutory and preventative maintenance	R2 500 000	R2 500 000	R841 595
30309441	Chris Hani Nursing College – planned, statutory and preventative maintenance	R3 000 000	R1 500 000	R994 462
6792275	Cullinan Care Rehab maintenance	R12 000 000	R5 200 000	R3 792 588
30309695	Cullinan EMS – planned, statutory and preventative maintenance	R200 000	R90 000	R0
30309697	Diepkloof Forensic Mortuary – planned, statutory and preventative maintenance	R2 500 000	R7 470 000	R4 799 929
107	Dr George Mukhari Hospital – planned, statutory and preventative maintenance	R40 000 000	R45 000 000	R69 482 285
108	Dr Yusuf Dadoo Hospital – planned, statutory and preventative maintenance	R7 000 000	R4 300 000	R6 462 031
110	Dunswart Provincial Laundry – planned, statutory and preventative maintenance	R2 500 000	R5 500 000	R6 369 234
255	Edenvale Hospital – planned, statutory and preventative maintenance	R10 000 000	R12 036 000	R12 481 730
31010596	Edenvale Laundry maintenance	R2 500 000	R2 450 000	R540 954
114	Ekurhuleni District CHCs – planned, statutory and preventative maintenance	R10 000 000	R10 000 000	R9 411 545
117	Ekurhuleni District Clinics – planned, statutory and preventative maintenance	R15 000 000	R15 000 000	R11 025 342
121	Ekurhuleni District Office (inc pharmacies & EMS) – planned, statutory and preventative maintenance	R1 000 000	R3 000 000	R3 419 064
30309931	Emergency Repairs maintenance	R40 000 000	R40 000 000	R23 279 857
31011461	Employee Wellness Centres	R2 000 000	R0	R0
256	Far East Rand Hospital – planned, statutory and preventative maintenance	R10 000 000	R9 000 000	R14 833 278
30309694	Fochville EMS maintenance	R1 000 000	R1 500 000	R238 821
134	Ga-Rankuwa Forensic Mortuary – planned, statutory and preventative maintenance	R5 000 000	R500 000	R857 340
135	Ga-Rankuwa Nursing College – planned, statutory and preventative maintenance	R1 000 000	R1 200 000	R634 740
30309698	Germiston Forensic Mortuary – planned, statutory and preventative maintenance	R1 500 000	R2 500 000	R2 370 038
30309700	Heidelberg Forensic Mortuary – planned, statutory and preventative maintenance	R1 500 000	R750 000	R276 585
147	Heidelberg Hospital maintenance – planned, statutory and preventative maintenance	R7 000 000	R12 000 000	R11 927 082
257	Helen Joseph Hospital maintenance – planned, statutory and preventative maintenance	R15 000 000	R20 000 000	R16 549 515
149	Johannesburg District CHCs maintenance – planned, statutory and preventative maintenance	R30 000 000	R30 000 000	R23 841 780
151	Johannesburg District Clinics maintenance – planned, statutory and preventative maintenance	R30 000 000	R35 000 000	R24 214 442
154	Johannesburg District Office maintenance – planned, statutory and preventative maintenance	R500 000	R500 000	R3 527 448

DoH Project Number (IRM)	Project Name	2021/22 Main budget	2021/22 Adjusted budget	Actual expenditure to date for this financial year
30309701	Johannesburg Forensic Mortuary – planned, statutory and preventative maintenance	R2 000 000	R200 000	R567 952
4664	Johannesburg Provincial Laundry maintenance – planned, statutory and preventative maintenance	R3 000 000	R3 000 000	R887 030
159	Jubilee Hospital Maintenance - planned, statutory and preventative maintenance	R7 000 000	R6 400 000	R6 433 721
258	Kalafong Hospital maintenance – planned, statutory and preventative maintenance	R25 000 000	R16 000 000	R11 790 696
163	Kopanong Hospital maintenance – planned, statutory and preventative maintenance	R9 000 000	R20 000 000	R14 802 627
166	Lebone College of Emergency Care maintenance – planned, statutory and preventative maintenance	R5 000 000	R1 500 000	R154 986
294	Lebone EMS College maintenance	R500 000	R787 000	R756 729
31011450	Lenasia Hospital – planned, statutory and preventative maintenance	R3 000 000	R250 000	R319 037
259	Leratong Hospital maintenance – planned, statutory and preventative maintenance	R10 500 000	R15 000 000	R16 290 777
31009236	Life Centre Building (45 Commissioner Street) - maintenance and repairs	R4 000 000	R500 000	R193 192
171	Masakhane Cookfreeze - planned statutory and preventative maintenance	R4 000 000	R2 200 000	R1 279 941
173	Masakhane Laundry - planned, statutory and preventative maintenance	R12 000 000	R7 100 000	R2 569 944
31011462	Medical Interns' accommodation	R2 000 000	R0	R0
260	MEDUNSA Oral Health Centre Hospital - planned, statutory and preventative maintenance	R3 000 000	R3 000 000	R1 163 614
184	New Mamelodi Hospital - planned, statutory and preventative maintenance	R5 000 000	R12 500 000	R19 966 223
186	Nicol House - planned, statutory and preventative maintenance	R5 000 000	R2 500 000	R923 770
188	Odi Hospital - planned, statutory and preventative maintenance	R7 000 000	R4 400 000	R3 915 179
190	Old Germiston Hospital Maintenance - planned, statutory and preventative maintenance	R1 000 000	R1 000 000	R291 476
192	Old Mamelodi Hospital maintenance - planned, statutory and preventative maintenance	R2 000 000	R3 000 000	R5 038 250
266	Pholosong Hospital maintenance - planned, statutory and preventative maintenance	R20 000 000	R22 000 000	R20 386 601
30309702	Pretoria Forensic Mortuary - planned, statutory and preventative maintenance	R1 500 000	R790 000	R188 710
31008657	Pretoria Oral & Dental Hospitals - planned, statutory and preventative maintenance	R50 000	R100 000	R405 630
199	Pretoria West Hospital maintenance - planned, statutory and preventative maintenance	R14 000 000	R6 100 000	R3 482 980
268	Rahima Moosa Mother and Child Hospital - planned, statutory and preventative maintenance	R19 000 000	R14 700 000	R6 808 624

DoH Project Number (IRM)	Project Name	2021/22 Main budget	2021/22 Adjusted budget	Actual expenditure to date for this financial year
101	Rahima Moosa Nursing College - planned, statutory and preventative maintenance	R3 000 000	R2 200 000	R2 899 443
30309703	Roodepoort Forensic Mortuary - planned, statutory and preventative maintenance	R1 500 000	R850 000	R653 396
300	S G Lourens Nursing College maintenance - planned, statutory and preventative maintenance	R3 000 000	R3 000 000	R1 723 532
30309696	Sebokeng EMS - planned, statutory and preventative maintenance	R1 500 000	R2 000 000	R394 840
737	Sebokeng Forensic Mortuary - planned, statutory and preventative maintenance	R500 000	R3 000 000	R1 097 598
270	Sebokeng Hospital - planned, statutory and preventative maintenance	R9 000 000	R25 000 000	R16 622 190
213	Sedibeng District CHCs - planned, statutory and preventative maintenance	R5 000 000	R7 000 000	R5 050 482
215	Sedibeng District Clinics - planned, statutory and preventative maintenance	R7 000 000	R14 000 000	R9 481 813
220	Sedibeng District Office (inc. EMS and pharmacies) - planned, statutory and preventative maintenance	R500 000	R500 000	R0
271	Sizwe Tropical Diseases Hospital - planned, statutory and preventative maintenance	R10 000 000	R9 200 000	R10 556 915
4651	South Rand Hospital - planned, statutory and preventative maintenance	R12 000 000	R8 000 000	R18 564 114
30309690	Springs Forensic Mortuary - planned, statutory and preventative maintenance	R1 500 000	R750 000	R173 362
275	Sterkfontein Hospital - planned, statutory and preventative maintenance	R3 000 000	R10 000 000	R4 704 167
229	Steve Biko Academic Hospital - planned, statutory and preventative maintenance	R40 000 000	R50 000 000	R47 680 390
277	Tambo Memorial Hospital - planned, statutory and preventative maintenance	R5 000 000	R7 500 000	R15 629 299
279	Tara H Moross Hospital - planned, statutory and preventative maintenance	R9 000 000	R7 430 000	R4 111 739
281	Tembisa Hospital - planned, statutory and preventative maintenance	R20 000 000	R30 000 000	R43 736 320
4640	Thelle Mogwerane - planned, statutory and preventative maintenance	R30 000 000	R30 000 000	R44 646 532
234	TMI boilerhouse - planned, statutory and preventative maintenance	R200 000	R200 000	R13 876
236	Tshwane District CHCs - planned, statutory and preventative maintenance	R5 000 000	R12 000 000	R5 544 092
238	Tshwane District Clinics - planned, statutory and preventative maintenance	R20 000 000	R12 500 000	R20 938 703
4658	Tshwane District Hospital - planned, statutory and preventative maintenance	R7 000 000	R4 200 000	R1 191 988
243	Tshwane District Office (pharmacies & EMS) -maintenance	R500 000	R537 000	R654 250
6792272	Tshwane Rehabilitation Centre - planned, statutory and preventative maintenance	R9 000 000	R3 404 000	R2 151 067
301	Utilisation of EPWP grant	R2 218 000	R2 218 000	R1 789 524
288	Weskoppies Hospital - planned, statutory and preventative maintenance	R10 000 000	R12 600 000	R11 799 776

DoH Project Number (IRM)	Project Name	2021/22 Main budget	2021/22 Adjusted budget	Actual expenditure to date for this financial year
246	West Rand District CHCs - planned, statutory and preventative maintenance	R5 000 000	R8 000 000	R6 019 966
248	West Rand District Clinics - planned, statutory and preventative maintenance	R12 000 000	R30 000 000	R25 336 011
6793146	West Rand District Office (pharmacies & EMS) - maintenance	R2 000 000	R1 200 000	R635 101

Table 4.12.3: Progress made in addressing maintenance backlogs during the period under review

Infrastructure projects	2020/2021			2021/2022		
	Final Appropriation	Actual	(Over)/Under expenditure	Final Appropriation	Actual	(Over)/Under expenditure
	R'000	Expenditure	R'000	R'000	Expenditure	R'000
New and replacement assets	1 492 765	1 301 398	191 364	842 193	419 675	422 518
Existing infrastructure assets	2 623 808	2 556 633	67 175	1 505 430	1 448 136	57 294
Upgrades and additions	288 977	273 630	15 347	79 750	13 980	65 770
Rehabilitation, renovations and refurbishments	915 083	953 562	(38 479)	498 739	346 141	152 598
Maintenance and repairs	1 428 443	1 421 360	7 083	926 941	1 088 014	(161 074)
Infrastructure transfer						
Current	1 428 443	1 421 360	7 083	926 941	1 088 014	(161 074)
Capital	2 696 825	2 528 590	168 235	1 420 682	779 796	640 886
Total	**4 125 268**	**3 949 950**	**175 318**	**2 347 623**	**1 867 811**	**479 812**

PART C:

GOVERNANCE

1. Governance

1. INTRODUCTION

Commitment by the department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the department has good governance structures in place to effectively, efficiently and economically utilise public resources funded by the taxpayer.

2. RISK MANAGEMENT

The department has in place an approved risk management framework, policy and strategy which guides the risk management process. The organisation's Risk Management Committee (RMC) provides oversight of the organisation's risks and its control environment. The organisation's approach to risk management is based on established governance processes and relies on individual responsibility and on collective oversight, supported by comprehensive reporting. Acknowledging the complex and changing risk environment, continuous risk assessments are conducted to identify any emerging risks that could prevent the organisation from achieving its objectives and outcomes. The organisation regularly re-evaluates its risk processes to ensure continuous improvement.

The HoD is responsible for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF). The Chief Director: Risk Management is the Chief Risk Officer (CRO) for the department.

In improving its risk management capability, the organisation has in place an independent person as Chairperson of the RMC thereby holding management accountable for management of risks. The RMC meets quarterly and monitors progress on implementation of risk management in the organisation as well as on mitigation of strategic and operational risks. The RMC provides the HoD with a report on a quarterly basis with recommendations for improvement in identified areas.

During the reporting year, through the RMC and the Audit Committee assurance was provided that the organisation's strategic risks were being appropriately mitigated. Despite the challenging environment the organisation finds itself in, it was able to reduce the residual risk rating for many of the strategic risks. However, much work still needs to be done to further strengthen the control environment especially with regard to irregular expenditure, accruals and governance in general.

3. FRAUD AND CORRUPTION

The department has in place an approved Fraud Prevention Plan which is monitored on a quarterly basis. Progress is reported to the RMC on a quarterly basis. Managers are held accountable on areas of concern. A fraud risk assessment is conducted on an annual basis. Both the RMC and the Audit Committee perform oversight of implementation of the department's Fraud Prevention Plan.

Whistle blowing: the need for officials to make confidential disclosure about suspect fraud and corruption

- The department does not have its own hotline reporting facility and relies on the National Anti-Corruption Hotline (0800 701 701), the Gauteng Provincial Audit Services hotline (0800 111 633) and other relevant platforms including internal channels and/or walk-ins.
- The Investigation Unit keeps a register where all reported cases are confidentially recorded and monitored.

How these cases are reported and what action is taken:

- Cases are reported through the HoD, the Chief Risk Officer (CRO), the Public Service Commission (PSC), Provincial Forensic Audit and walk-ins.
- Investigations are commissioned by Provincial Forensic Audit if they are received through reports from whistle blowers or third parties.
- Internal investigations and walk-ins are instituted by the HoD.
- Due to the capacity of the unit, complex investigations are referred to and conducted by National Treasury while less complex cases are conducted by the Investigations Unit in the department.

- When an investigation is concluded, reports are presented to the HoD who submits it to National Treasury to review the outcome.
- Recommendations from internal and external stakeholders are reviewed by the HoD for approval for implementation.

4. MINIMISING CONFLICT OF INTEREST

4.1 Business with organs of state

The department is in the process of developing a policy on Conducting Business with Organs of State; the policy is currently in draft form. The department does not have systems in place for identifying employees who are conducting business with organs of state; it is thus reactive and dependent on the AGSA and on Gauteng Audit Services (GAS) to identify conflicts of interest.

On receipt of audit reports, IMS gathers information from the CSD and Persal to confirm the finding; this is a centralised approach. Intention to Discipline letters are issued, providing the employee with an opportunity to respond. Should the finding be confirmed, relevant supporting documents with recommendations for consequence management are referred to Labour Relations at Head Office for further management. During the 2021/22 financial year, across the province 34 cases were referred; however, no sanctions were passed.

During the 2021/22 financial year, the auditors identified 64 instances of departmental employees conducting business with organs of state; the unit has been engaged in profiling each employee and gathering evidence. To expedite the process, IMS is currently in the process of instructing the Executive Authorities at all health institutions to takes responsibility and relevant action against officials found guilty at their respective institutions. However, much work needs to be done to strengthen the control environment.

4.2 Remunerative Work Outside Public Service (RWOPS)

The AGSA and GAS conduct a data analysis audit annually. During the 2021/22 audit, it was found that employees of the department are registered as directors of private companies without applying for RWOPS approval; this is regarded as deemed approvals.

The department has invested in an online RWOPS system which can be accessed on the laptop and cell phone and tracked from the start of the process to the approval/decline phase. The system is linked to the Central Supplier Database (CSD) and can detect companies registered by health employees with the intention of conducting business with organs of state. There are currently seventeen health institutions active on the online RWOPS system. Turnaround time has improved and conflicts of interest are quickly identified and addressed. In addition, the auditors provide the department with spreadsheets of listed employees who have companies registered with the Companies and Intellectual Properties Corporation (CIPC) as well as a list of employees registered on the CSD. These are useful documents as the department does not have access to these systems. The unit consults these spreadsheets to verify the authenticity of each RWOPS application and advises the Accounting Officers accordingly. Conflicts of interest are identified and addressed timeously.

The table below outlines the Fraud Prevention Action Plan to deal with identified potential conflict of interest matters that have been agreed upon with GPT.

Conflict of Interest Risk	Action Plan to minimise Conflict of interest
SCM procurement processes abuse	Review and implementation of GDoH SCM policy
	Initiate the vetting process of CEOs of institutions and SCM officials (Phase 1)
	Appoint ethics champions at all health facilities
Recruitment irregularities including nepotism	Monitor and enforce HRM policies
	Advertisement of posts
	Pre-employment screening
	Vetting of all potential new staff
Unauthorised RWOPs	Review and implement RWOPs policy in line with DPSA guidelines
Financial impropriety and doing business with organs of state	Lifestyle audit
	Conduct education and awareness on financial disclosures
	Capacitate health institutions with dedicated ethics champions

Conflict of Interest Risk	Action Plan to minimise Conflict of interest
Irregular awarding of bursaries	Develop and implement the SOP on bursary awarding informed by national qualifying criteria
	Appoint a Bursary Adjudication and Selection Committee
Unauthorised access to systems	Conduct user awareness and training on information security policies
	Clean up of all inactive users
Unauthorised disclosure of privileged and confidential information to third parties	Officials to sign a confidentiality clause during appointment and annually
	Develop and implement GDoH Communications policy
Submission of inflated claims by service providers	Budget holders to pay all invoices through the electronic invoicing system (e-Invoice)
	Develop and implement checklist (Signed payment certificate)
Duplication of litigation claims	Develop and implement the SOP on litigation claims
	Establish a Litigation Committee for assessment and approval of litigation cases

5. CODE OF CONDUCT

a. Compliance with the Code of Conduct: A frequent breach of the Code of Conduct in the Department is around non-compliance with Chapter 9 and 10 public institutions as defined by the Constitution. For such breaches, serious sanctions are meted out in line with the disciplinary procedure. For violation of the AGSA directives, the amended Public Audit Act issues debt certificates against the HoD for implementation 'by the MEC. The department has an AGSA Implementation Plan that tracks the AGSA recommendations and action plan by responsible managers.
b. Relationship with the public: Non-compliance with the complaints resolution and other stakeholder forums are dealt using the department's Disciplinary Code where there is clear non-compliance
c. Ethical conduct: Appoint ethics champions at all health facilities and capacitate health institutions with dedicated ethics champions.
d. Performance of official duties: Performance contracts and pledges to abide by the Code of Conduct are signed at the beginning of each financial year with all departmental employees to ensure compliance, failing which the disciplinary process is invoked to correct the deviation.
e. Candidature for election: There has never been a breach; where officials have stood for candidature of political office they have resigned accordingly as has happened with a candidate elected as a municipal councillor in Sedibeng in the recent municipal local elections.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

Occupational Hygiene Risk Management

The Occupational Health Office is involved with the following activities:

- Supporting the department in complying with the Occupational Health and Safety Act and regulations, international standards and best practices.
- Supporting the department in facilitating the efficient and effective management of Occupational Hygiene Risk Management in all GHD facilities aligned with national and provincial legislation, policies, norms and standards and the relevant KPAs of the MEC and HoD based on their respective annual performance agreements.
- Conducting occupational hygiene monitoring in the facilities and making recommendations to facilitate the control of environmental stressors to staff in the workplace.

AREAS OF FOCUS

- OHS compliance
- Occupational Hygiene surveys
- Hazard Identification Risk Assessment
- Emergency Preparedness
- Trainings
- Support and Advisory

The Occupational Health Office assists the department to improve conditions in all facilities within the framework of Quality Assurance and the National Core Standards and all related matters in this regard.

Significant achievements

- Occupational Hygiene Surveys on Indoor Air Quality, Illumination, Airflow and Ergonomics conducted
- Asbestos Inventory done
- OHS trainings conducted
- Hazard Identification Risk Assessments done
- OHS audits conducted

Challenges experienced

- Shortage of OHS professionals at facility level to implement the OHS Act (Act No. 85 of 1993)
- Development and drafting of Emergency Preparedness Plans
- No implementation of intervention plans from the OHS audits reports
- No dedicated budget in the facilities to implement the OHS programme
- Appointees or employees not taking accountability in regard to OHS

Effects that health, safety and environmental issues had on the department

- Financial implications of absenteeism
- Shortage of OHS professionals at facility level hinders the department in complying with the legislation
- Lack of development of approved Emergency Preparedness Plans by municipalities leads to fire incidents.

7. PORTFOLIO COMMITTEES

The table below shows matters raised by the Health Portfolio Committee and responses by the department, April 2021 - March 2022

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	**Paragraph 7 Pg 263 Restatement Of Corresponding Figures Read With Note 22 The corresponding figures for 31 March 2019 have been restated as a result of an error in the financial statements.**	How did the errors originate that resulted in the need for the restatement of corresponding figures?	Management has the responsibility of ensuring that financial statements fairly present a true reflection of the financial affairs of the entity at the reporting date. During the preparation of the financial statements for the year 2019/2020, the errors in note 22 were detected and corrected by management before presenting the financial statements to the auditor for auditing purposes. **Commitments** Commitments for goods and services were erroneously omitted in the 2018/2019 reporting period hence the restatement during the reporting period 2019/2020. **Other receivables** In previous years, management correctly disclosed leave pay provisions inclusive of negative leave pay. To improve the quality of financial statements, management decided to separate leave provision from negative leave (days taken in advance). **Services in kind** The salary of the former Chief Executive Officer was treated as part of the key management personnel of the depot instead of a service in kind. Although it was disclosed in the note of the financial statements, it was not disclosed in the Income Statement. **Plant, Property and Equipment** These are assets with a zero balance that were carried over from the 2018/2019 financial year. The plan was to dispose of all the assets that were not in use with a zero balance and re-evaluate assets that are at zero balance but still in use. **Capital commitments** An error was made in the previous reporting period where a budgeted amount was disclosed as a commitment amount.	Yes
2		Corrective measures were put in place in the prior year to mitigate this matter however it is still recurring, which other alternative corrective steps will the entity put in place?	A checklist has been developed to ensure that all the relevant information is verified before submission.	Yes
3		Since this matter is recurring what remedial action will be taken against the Accounting Officer for the restatement of corresponding figures?	Remedial action will be based on the outcome of the investigation that will be conducted.	Yes

<table>
<tr><th>Resolution No.</th><th>Subject</th><th>Details</th><th>Response by the department</th><th>Resolved (Yes/No)</th></tr>
<tr><td>4</td><td>PARAGRAPH 9
PG 264 MATERIAL IMPAIRMENTS READ WITH NOTE 3

Material losses amounting to R9 743 946 were incurred as a result of a write-off of irrecoverable trade debtors.</td><td>Explain, in addition to Note 3, the material losses to the amount of R9 743 946.</td><td>The R9 743 946 relates to the following three items:
Overpayment of creditors
During the year 2009/2010 financial year, approval was granted to implement a new Drug Supply Management System to replace the old MEDSAS system. Unfortunately, the implementation failed resulting in many system errors including double payments.
In the process, several duplicate payments were made to suppliers which could not be reconciled and traced at the time.

Stock losses
The medicine storage fridge which is maintained by the Gauteng Department of Infrastructure Development (GDID) was faulty and as a result the cold room where medicine is stored experienced a reduction of temperature below the required temperature. As a result, medicine stock was damaged. Attempts to get GDID to pay for the damaged medicine stock were not successful.

System generated receivables
These are system generated receivables caused by the migration of BAS from the old version to the new version. A journal entry was passed to correct the misallocation</td><td>Yes</td></tr>
<tr><td>5</td><td></td><td>What action was taken to recover the debts?</td><td>During the year 2013, the Medical Supplies Depot sought the services of a service provider to assist in the recovery of these duplicate payments from affected suppliers. Not all suppliers were able to pay back the money despite numerous attempts being made to recover the duplicate payments. Unfortunately, the information related to reasons for non-recovery could not be retrieved from our archives due to the age of occurrence, which is more than 10 years ago</td><td>No</td></tr>
<tr><td>6</td><td></td><td>Provide the age analysis of the written off debt.</td><td>Stock losses<table><tr><td>30 days</td><td>60 days</td><td>90 days</td><td>120 days</td><td>150+ days</td></tr><tr><td>R0</td><td>R0</td><td>R0</td><td>R0</td><td>R4 970 974.02</td></tr></table>Duplicate payment<table><tr><td>30 days</td><td>60 days</td><td>90 days</td><td>120 days</td><td>150+ days</td></tr><tr><td>R0</td><td>R0</td><td>R0</td><td>R0</td><td>R3 860 795.15</td></tr></table>System error generated receivables<table><tr><td>30 days</td><td>60 days</td><td>90 days</td><td>120 days</td><td>150+ days</td></tr><tr><td>R0</td><td>R0</td><td>R0</td><td>R0</td><td>R912 006</td></tr></table></td><td>Yes</td></tr>
</table>

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
7		**What were the financial costs relating to attempts to recover the R9 743 946 and how much was recovered, if any?**	A supplier was contracted for R1 924 529.94 to recover the duplicate payments . The information at our disposal shows that the duplicate payments were around R531 479 543.42 . Out of this amount the balance of the irrecoverable debts is R4 970 974.42. The total of the recovered debt was R526 508 596 which translates to 99% of the recovered debts. There were no collection costs incurred in relation to the attempts to claim damaged medicine from the Gauteng Department of Infrastructure and Development.	No
8		Provide reasons for writing off and how much was recovered, if any.	The debts were written off after all the attempts made to recover them were not successful. Unfortunately, information related to the recovered amount is not available from our archives due to the age of the occurrence being more than 10 years. For the damaged stock, engagements took place between the management of the Medical Supplies Depot, Gauteng Department of Health and Gauteng Department of Infrastructure Development (GDID). Though GDID regretted the incident, they were unable to pay for the costs incurred citing financial constraints.	Yes
9		How much was collected during the 2019/20 financial year?	No debt was recovered during the year 2019/20 financial year as the debt was deemed irrecoverable.	Yes
10		Provide the Committee with detailed list of all the debt written off.	Duplicate payment R4 970 974.02 Stock losses R3 860 795.15 System generated receivable R912 006	Yes
11	**Adjustment Of Material Misstatements Paragraph 21 Pg 265 Material misstatements were identified in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of medical supplies depot health care support services.**	Why did management not ensure that the annual performance report was adequately reviewed before submission for audit?	The annual performance report was adequately reviewed. The problem was the manner in which the annual report was presented as it was different from the annual operational plan which was corrected before the final audit. The Operational Plan had a target of <2% without decimals while on the actual achievements we reported 0.99% instead of 1%. The Auditor General found that as inconsistent as we should have rounded off 0.99% to 1%.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
12		Provide the committee with portfolio of evidence of the disciplinary action taken against the officials responsible for the non-compliance with reviewing the annual performance report before submission for audit.	There are investigations that are still ongoing to determine if anyone needs to be disciplined for the annual report findings. Investigations are at early stages as more information is still requested for thorough assessment. This was a misinterpretation which was subsequently corrected by management and accepted by the Auditor General.	No
13		In the past year, measures were put in place to address this matter however it is still recurring, what other alternative measures will be put in place to mitigate this matter?	The recommendations from the Auditor General were that the depot needs to employ more people in the monitoring and evaluation team so that there can be thorough processes for reviewing of all information that is being submitted. A thorough reviewing of processes and results will be done going forward. Management has identified a vacant post which will be advertised for a dedicated person to do monitoring and evaluation.	Yes
14		Since this matter is recurring what disciplinary steps will be taken against the Accounting Officer for the material misstatements?	The accounting officer accountable for the year under review is no longer employed under the DoH in Gauteng. However, the MEC has now put processes in place to appoint a permanent accounting officer and other senior managers as a matter of priority in order to stabilize the organization and create the environment of accountability.	Yes
15	**REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION PARAGRAPHS 24-26 PGS 265-266 EXPENDITURE MANAGEMENT IRREGULAR EXPENDITURE PARAGRAPH 24, PG 265 READ WITH NOTE 18 Accounting officer did not always take effective steps to prevent irregular expenditure amounting to R6 164 542.**	Why were no effective and appropriate steps taken to prevent irregular expenditure as required by Section 38(1)(c)(ii) of the Public Finance Management Act and Treasury Regulation 9.1.1?	Strategies to prevent irregular expenditure are in place. Prior approval for extending these contracts was obtained from the relevant authorities within the department. It was, however, the Auditor General's opinion that these contracts should not have been extended.	No

<table>
<tr><th>Resolution No.</th><th>Subject</th><th>Details</th><th>Response by the department</th><th>Resolved (Yes/No)</th></tr>
<tr><td>16</td><td></td><td>Provide the detailed transactions of each instance of irregular expenditure including the name of the service provider and the service provided.</td><td>The transactions of each instance of irregular expenditure inclusive of service providers are outlined in Table 1 below.
Table 1:Transactions of irregular expenditure:
<table><tr><th>Supplier</th><th>Description of service</th><th>Amount (R)</th></tr><tr><td>XJM Consultants</td><td>Accounting services</td><td>743 838,00</td></tr><tr><td>Mabotwane Security Services</td><td>Security Services</td><td>3 268 619.02</td></tr><tr><td>Palletised Equipment (Pty) Ltd</td><td>Repairs of electronic pallet trucks</td><td>127 091.73</td></tr><tr><td>Buhle Waste</td><td>Disposal of medical waste</td><td>1497.12</td></tr><tr><td>Fumigation Worx CC</td><td>Pest Control Services</td><td>175 560</td></tr><tr><td>Tshipembe Cleaning Services</td><td>Cleaning Services</td><td>660 264.90</td></tr><tr><td>Previous</td><td></td><td></td></tr><tr><td>XJM Consultants</td><td>Accounting Services</td><td>221 111</td></tr><tr><td>Mabotwane Security Services</td><td>Security Services</td><td>273 983.81</td></tr><tr><td>Palletised Equipment (Pty) Ltd</td><td>Repairs of electronic pallet trucks</td><td>353 583.27</td></tr><tr><td>Buhle Waste</td><td>Disposal of medical waste</td><td>3 333.17</td></tr><tr><td>Fumigation Worx CC</td><td>Pest Control Services</td><td>95 760</td></tr><tr><td>Gauteng Trolleys</td><td>Maintenance of rolltainers</td><td>239 900</td></tr><tr><td colspan="2">Total</td><td>R6 164 542</td></tr></table></td><td>No</td></tr>
<tr><td>17</td><td></td><td>What investigations have been undertaken regarding irregular expenditure reported in 2019/2020 financial year and what disciplinary measures have been/will be taken against those responsible for irregular expenditure?</td><td>During the audit the entity presented the Auditor General with an internal report for preliminary findings on the investigations; however, the Auditor General’s view was that the investigation should be conducted by central office because it has a dedicated office for investigations. The relevant supporting documentation were submitted to central office for further investigation.</td><td>No</td></tr>
<tr><td>18</td><td></td><td>Considering the numerous turn-around strategies actioned in the Entity explain why the irregular expenditure recurred.</td><td>The irregular expenditure persisted because of extensions of contracts. Though prior approval for the extension was obtained from the departmental BAC and the Accounting Officer and was also presented to the auditors, the Auditor General felt that the contracts should not have been extended</td><td>No</td></tr>
</table>

<table>
<tr><th>Resolution No.</th><th>Subject</th><th>Details</th><th>Response by the department</th><th>Resolved (Yes/No)</th></tr>
<tr><td>19</td><td></td><td>What disciplinary steps will be taken against the Accounting Officer for non-compliance with Section 38(1)(c)(ii) of the Public Finance Management Act and Treasury Regulation 9.1.1?</td><td>Disciplinary steps will be informed by the outcome of the investigation that is still underway.
<table>
<tr><th>Year</th><th>Description</th><th>Service Provider</th><th>Amount (R)</th></tr>
<tr><td>2013</td><td>Amount from the Nexus forensic investigation report</td><td>Forensic Investigation</td><td>16 020 624</td></tr>
<tr><td></td><td>Damaged and Expired Stock</td><td>MSD Warehouse</td><td>5 032 948</td></tr>
<tr><td>2014</td><td>Damaged Stock due to faulty fridge temperatures</td><td>Gauteng Department of Infrastructure and Development (GDID)</td><td>3 860 795</td></tr>
<tr><td></td><td>Damaged and Expired Stock</td><td>MSD Warehouse</td><td>827 958</td></tr>
<tr><td>2019</td><td>Duplicate payments – this amount is originated from the duplicated payment happened in 2009/2010 due to the failed implementation of a new system.</td><td>ORACLE system</td><td>4 970 974</td></tr>
</table></td><td>No</td></tr>
</table>

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
20	**PARAGRAPH 25 PG 266 CONSEQUENCE MANAGEMENT** **Effective steps were not taken to prevent irregular and fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. The fruitless and wasteful expenditure was due to proper and complete records were not maintained as evidence to support the investigations into irregular expenditure.**	Why effective steps were not taken as required by section 38(1)(h)(iii) of the PFMA to prevent fruitless and wasteful expenditure?	The incidents which led to the MEDSAS system crash were not foreseen. Just as the incident that led to the sudden increase in temperature of the fridges was not foreseen as the room temperature was maintained continuously. As a control measure, where there are changes in fridge temperature the alarm system will go off signalling a problem to the Gauteng Department of Infrastructure Development maintenance team who, in this instance, failed to respond to the signal.	No
21		Provide the detailed transactions of each instance of fruitless and wasteful expenditure including the name of the Provider and the Service provided?	The information is disclosed under section 26.1 and 26.2 of the AFS	Yes
22		By when will the Entity be able to process the condonation of fruitless and wasteful?	Due to the limited capacity at the depot, investigations are being conducted by the central office. At this point, investigations are not yet completed to initiate the request for condonation. The request for condonation will be made pending the outcome of the findings.	No
23		What investigations have been undertaken regarding fruitless and wasteful expenditure reported in 2019/2020 financial year and what disciplinary measures have been taken against those responsible for irregular expenditure?	There was a matter referred to investigations in November 2020 regarding irregular expenditure and fraud. The range of the investigation is from 2012-2019. The SIU was also busy with some of the investigations linked to fraud. This matter is still pending.	No
24		What remedial action will be taken against the Accounting Officer for non-compliance with Section 38(1)(h)(iii) of the PFMA?	The accounting officer accountable for the year under review is no longer employed under the DoH in Gauteng. However, the MEC has now put processes in place to appoint a permanent accounting officer and other senior managers as a matter of priority in order to stabilize the organization and create the environment of accountability.	No

<table>
<tr><th>Resolution No.</th><th>Subject</th><th>Details</th><th>Response by the department</th><th>Resolved (Yes/No)</th></tr>
<tr><td>25</td><td>PARAGRAPH 26 PG 266 PROCUREMENT AND CONTRACT MANAGEMENT

Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids, and deviations were approved by the accounting officer even though it was practical to invite competitive bids, as required by treasury regulation 16A6.1 and 16A6.4.</td><td>Why goods and services with a transaction value above R500 000 were procured without inviting competitive bids and in some instances, deviations were approved by the Accounting Officer even though it was practical to invite competitive bids as prescribed by Treasury Regulation 16A6.1 and 16A6.4.

As this finding is recurring, what will be done to stop this?</td><td>The Gauteng Department of Health has advertised both contracts for security and cleaning services. The award of the new contracts will stop the extension of contracts.</td><td>No</td></tr>
<tr><td>26</td><td></td><td>Provide a detailed list of all the transactions entered violating Treasury Regulation 16A.6.1 and 16A.6.4.</td><td>Table 3: Transactions in violation of Treasury regulation 16A 6.1 and 16A 6.4<table><tr><th>Supplier</th><th>Services provided</th><th>Comment</th></tr><tr><td>XJM Consultants</td><td>Accounting services</td><td>Extension of contract</td></tr><tr><td>Mabotwane Security Services</td><td>Security Services</td><td>Extension of contract</td></tr><tr><td>Tshipembe Cleaning Services</td><td>Cleaning Services</td><td>Extension of contract</td></tr></table></td><td>Yes</td></tr>
<tr><td>27</td><td></td><td>Similar non-compliance was reported in the prior year, provide portfolio of evidence detailing the officials implicated plus the disciplinary steps taken against the said officials in respect of goods and services purchased which were approved without acquiring the sufficient quotations.</td><td>During the audit the entity presented the Auditor General with an internal report for preliminary findings on the investigations, however the Auditor General’s view was that the investigation should be conducted by central office because it has a dedicated office for investigations. The relevant supporting documentation was submitted to central office for further investigation.</td><td>No</td></tr>
<tr><td>28</td><td></td><td>The list should include the name of the provider and service rendered and the amount involved.</td><td>The transactions of services rendered above R500 000 deemed as irregular are outlined in Table 4 below.
Table 4: Irregular transactions above R500 000<table><tr><th>Supplier</th><td>Service rendered</td><th>Amount (R)</th></tr><tr><td>XJM Consultants</td><td>Accounting services</td><td>743 838,00</td></tr><tr><td>Mabotwane Security Services</td><td>Security Services</td><td>3 268 619.02</td></tr><tr><td>Tshipembe Cleaning Services</td><td>Cleaning Services</td><td>660 264,90</td></tr></table></td><td>Yes</td></tr>
<tr><td>29</td><td></td><td>What is the status quo of the investigations conducted for this financial misconduct?</td><td>Investigations are still underway.</td><td>No</td></tr>
</table>

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
30		Provide the Committee with corrective measures and/or disciplinary steps that the MEC will take against the Accounting Officer for contravening Treasury Regulation 16A.6.1 and 16A.6.4.	As investigations are underway, corrective measures will be instituted as per findings of the investigation. The entity does not pay on sundry. The entity, however, will improve its internal controls and has identified the following measures to be put in place: • Continuous engagement with service providers to submit invoices on time. • Contracts for the payment of staff will include 30 days payment as a key performance area. • The Chief Information Officer at central office has been requested to assist in the benchmarking of an effective system to replace the outdated payment system used currently by the entity • The prevention of irregular expenditure is now included in the performance contract of the Chief Executive Officer. The entity is currently using the system called MSD Online where suppliers upload their invoices instead of posting or delivering manually. The depot has conducted on the job training. The entity is also arranging external training scheduled to take place in March 2022. Officials are also encouraged to upskill themselves through attending relevant courses.	Yes
31	**INTERNAL CONTROL DEFICIENCIES PARAGRAPHS 32-35, PGS 266-267 The Accounting Officer did not adequately exercise effective oversight responsibility over the internal controls relating to the procurement and contract management, expenditure management as well as to ensure that consequence management is instituted against liable officials.**	Why was the action plan to address audit findings not monitored on a timely basis by the appropriate level of management?	The action plan was implemented and monitored. However, extension of contracts could not be prevented due to the centralisation of contracts i.e. extension of contracts and IT related findings where the entity is dependent on central office.	No
32		Why did the AO not provide adequate oversight relating to implementation and adherence to the plan?	The Accounting Officer provided oversight to an extent that management were expected to present progress on the implementation of audit findings strategies to the Accounting Officer on a quarterly basis.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
33		What action is being taken to enhance leadership in the Entity with emphasis on:	**a) Lack of monitoring controls to ensure compliance with laws and regulations** Management has advertised posts to increase capacity in sections such as Risk Management, Internal Control and payments **b) Procurement and contract management** Training for supply chain management practitioners is still in progress but was delayed due to COVID-19 restrictions. **c) Expenditure management and revenue management** On the job training of finance practitioners has been conducted, officials were also encouraged to register for relevant courses to upskill themselves.	No
34		What actions have the Trading Entity taken, in partnership with the Department of e-Government to find solutions to information technology controls deficiencies to resolve operating systems problems? Including monitoring of backups on a daily basis.	The control deficiencies, related to operating systems challenges, will be addressed through the implementation of a new warehouse and procurement system for the depot.	No
35		Is there any signed Service Level Agreement between e-Gov and the entity with regards to GBN, collaboration and transversal services?	No. The signed Service Level Agreement, which include GBN, Collaboration and Transversal Systems for all health facilities, is concluded between e-Government and Provincial Health, at Central Office.	No
36		Noting the operating system crash in 2018, what action did the Trading Entity take against the management for neglecting to refurbish the ICT infrastructure for 20 years and over-reliance on the external service provider for securing the system?	The entity had already started the process of procuring a new IT system when the system crashed in 2018. A process was initiated to re-engage SITA to obtain a proposal to finalise the additional development requirements.	No
37		Does the Trading Entity have a scheduled maintenance plan for ICT infrastructure?	The entity recently upgraded its infrastructure with the exception of the old MEDSAS system. At this stage there is no maintenance plan other than plan to change MEDSAS.	No
38		To mitigate high risk to the Trading Entity, provide the Committee with a progress report on the implementation of the disaster recovery plan.	The draft recovery plan will be ready by end of quarter 4 2021/22 The entity is utilising policies of the department. However, the entity has an off-backup server, daily backups and restoration tests are performed. The entity has signed an SLA with SITA to manage and maintain the backup server.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
39	**Unauthorized Expenditure (UE) –** **No unauthorized Expenditure incurred by the entity as at 31 March 2018.**	Provide the following:	**The closing balance of UE by 31 March 2018** No unauthorized expenditure incurred by the entity as at 31 March 2018. **The total amount of UE incurred in 2019/20 financial, year, including the details (what gave rise to such UE)** No unauthorized expenditure incurred by the entity for 2019/2020 financial year. **The amounts of UE condoned in 2019/20, including the process followed and reasons for condoning such amounts.** No unauthorized expenditure incurred by the entity for 2019/2020 financial year. **The actions taken by to implement the recommendations of the findings of the investigations on UE, if any** No unauthorized expenditure incurred by the entity for 2019/2020 financial year. **Where the UE has not been condoned, please provide the reasons for not condoning such UE.** No unauthorized expenditure incurred by the entity for 2019/2020 financial year.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
40	**Fruitless & Wasteful Expenditure (F&WE)**	Provide the following:	**The closing balance of F&WE by 31 March 2018.** The closing balance for F&WE by 31 March 2018 financial year was R25 742 325. **The total amount of F&WE incurred in 2019/20 financial, year, including the details (what gave rise to such F&WE).** The fruitless and wasteful expenditure disclosed relates to the previous years. No fruitless and wasteful expenditure was incurred during the 2019/20 financial year. **Amounts of F&WE condoned in 2019/20, including the process followed and reasons for condoning such amounts.** Fruitless and wasteful expenditure is still under investigation. **Actions taken by to implement the recommendations of the findings of the investigations on F&WE, if any.** Fruitless and wasteful expenditure is still under investigation. **Where the F&WE has not been condoned, please provide the reasons for not condoning such F&WE.** Fruitless and wasteful expenditure is still under investigation.	No

<table>
<tr><th>Resolution No.</th><th>Subject</th><th>Details</th><th>Response by the department</th><th>Resolved (Yes/No)</th></tr>
<tr><td>41</td><td>Irregular Expenditure (IE)</td><td></td><td>The closing balance of IE by 31 March 2018.

The closing balance for irregular expenditure at 31 March 2018 was R1 378 614 421.

The total amount of IE incurred in 2019/20 financial, year, including the details (what gave rise to such IE).

The total amount of irregular expenditure incurred during the 2019/2020 financial year is as follows:

<table>
<tr><th>Supplier</th><th>Description of service</th><th>Amount (R)</th></tr>
<tr><td>XJM Consultants</td><td>Accounting services</td><td>743 838,00</td></tr>
<tr><td>Mabotwane Security Services</td><td>Security Services</td><td>3 268 619.02</td></tr>
<tr><td>Palletised Equipment (Pty) Ltd</td><td>Repairs of electronic pallet trucks</td><td>127 091.73</td></tr>
<tr><td>Buhle Waste</td><td>Disposal of medical waste</td><td>1497.12</td></tr>
<tr><td>Fumigation Worx CC</td><td>Pest Control Services</td><td>175 560</td></tr>
<tr><td>Tshipembe Cleaning Services</td><td>Cleaning Services</td><td>660 264.90</td></tr>
<tr><td colspan="2">Total (IE incurred during 2019/2020)</td><td>4 976 870.77</td></tr>
</table>
Amounts of IE condoned in 2019/20, including the process followed and reasons for condoning such amounts.

Irregular expenditure is still under investigation.

Actions taken by to implement the recommendations of the findings of the investigations on IE, if any.

Irregular expenditure is still under investigation.

Where the IE has not been condoned, please provide the reasons for not condoning such IE.

Irregular expenditure is still under investigation.</td><td>No</td></tr>
<tr><td>42</td><td></td><td>For each of the UIF&W investigations, please comment on the relevance of Treasury Regulation 12.2, and how the Department has implemented it, where necessary.</td><td>Paragraph 12.2 of Treasury Regulations refers to claim against the state through omissions; the paragraph is not relevant in this regard.</td><td>No</td></tr>
</table>

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
43	**LAWSUITS/ LITIGATIONS:**	Provide the following as it relates to lawsuits in the department	Provide the following as it relates to lawsuits in the department: a) The list of all lawsuits which the department is the defendant by 31 March 2020. The entity (MSD) does not have litigations b) The list of lawsuits for the current financial year, i.e. the period from 01 April to 31 December 2020. The entity (MSD) does not have litigations	No
44		Provide the following information as it relates to the lawsuits as requested:	a. The summary of matters about which are the lawsuits. The entity (MSD) does not have litigations b. Progress in resolving each lawsuit by 31 December 2020. The entity (MSD) does not have litigations	No
45		For each of the investigations, please comment on the relevance of Treasury Regulation 12.2, and how the Department has implemented it, where necessary.	The entity does not have litigations	No
46	**INVESTIGATION:**	Investigations relating to the period which ended 31 March 2019 and 2019/20	The Entity to provide a report on the investigations it conducted. This is irrespective of the findings by the AGSA. Provide the Committee with the list indicating the following: - a) Investigations relating to the period which ended 31 March 2019. The are no investigations in the entity, Investigations reported are for Gauteng Department of Health as a whole. b) Investigations relating to the year under review, 2019/20. The are no investigations in the entity, Investigations reported are for Gauteng Department of Health as a whole. c) Investigations relating to the current financial year, i.e. 01 April 2019 to 31 December 2020. The are no investigations in the entity, Investigations reported are for Gauteng Department of Health as a whole.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
47		For each investigation, provide the following:	**a. Summary of the nature of the investigation** The are no investigations in the entity. Investigations reported are for Gauteng Department of Health as a whole. **b. Stage of the investigation by 31 December 2020** The are no investigations in the entity. Investigations reported are for Gauteng Department of Health as a whole.	No
48		Where the investigations are completed	**Provide summary of measures which were recommended and the stage of implementation of these recommendations by 31 December 2020.** The are no investigations in the entity. Investigations reported are for Gauteng Department of Health as a whole. **Where relevant, provide details on the application of Treasury Regulation 12.2.** The gist of TR 12.2 is management of losses and claims against the state through acts of omission or negligence. There is currently a Loss Register that is kept and is updated on a regular basis. The department endeavours at all times to ensure that where identified officials are responsible for causing a loss and the investigation finds that such an official acted outside of the legal framework, such official will be subjected to the normal civil litigation process for the recovery of the loss. The appointment of an appropriate Loss Control Function officer and the establishment of a strengthened Compliance unit will enhance compliance with the provisions of TR 12.2. Where officials are responsible for causing a loss and the investigation finds that such an official acted outside of the legal framework, such official will be subjected to the normal civil litigation process for the recovery of the loss.	No
49		Where the investigations were not completed, please provide estimated period the investigations are anticipated to take.	Where the investigations were not completed, please provide estimated period the investigations are anticipated to take. Departmental investigations are based on staff capacity. The Department is reliant on Gauteng Treasury and Premiers office for investigation assistance.	No
50		Provide the committee with the plan of the department to minimize/eliminate financial irregularities, financial misconduct, and fraud (if the plan exists).	The entity with the assistance of Provincial Treasury conducted a fraud risk assessment which is inclusive of fraud prevention plan. The Fraud Prevention Plan is available. The plan for financial irregularities and misconduct will be developed as soon as the investigation is completed.	No

8. SCOPA RESOLUTIONS

RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	**RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022**	That the Department must provide the Committee with a progress report detailing the implementation and effectiveness of the controls to review the annual financial statements by 31 July 2021 and every quarter continuing up until the end of June 2022.	The department has a dedicated team which prepares quarterly and annual financial statements of the department. At the departmental level each Senior Manager is responsible for information provided for disclosure in the financial statements. There are also various levels of review at Senior Management level as well as independent reviews conducted. Independent reviews include Internal Control review as well as reviews by Provincial Treasury. Ongoing training is provided by National and Provincial Treasury to ensure adherence to all audit standards and requirements. Findings of both Internal Control and Provincial Treasury are addressed and included where applicable.	No
2		That the Department must submit quarterly progress report on the finalisation of the lawsuits reported for the period to 31 March 2020 by 31 July 2021 and every quarter continuing up until finalisation thereof.	During the 2020/2021 financial year, 67 (sixty-seven) lawsuits against the Department were finalised with a total value of R605 831 469-65 (six hundred and five million eight hundred and thirty-one thousand four hundred and sixty-nine rand and sixty-five cents). Detailed report submitted to SCOPA.	No
3		That the Department must investigate alternative measurers to reduce the occurrence of lawsuits and submit the plan to the Committee by 31 July 2021.	A detailed anti litigation plan submitted to SCOPA	Yes
4		That the Department implement proper control measures to ensure that there are no further over commitments and provide the Committee with progress report for the period ending 31 March 2020 by 31 July 2021 and every quarter continuing up until finalization thereof.	Commitments in the Department emanates from contracts signed off with service providers on the basis is contracts signed off and also as a result of monthly obligations of the Department on goods and services received. There are however control measures the Department has put on place to ensure that there are no over- commitments made which would result on budget shortfalls. The Department has thus far spent 24% of its budget allocation and there are no major commitments made except on provision for PPE which is reflecting a projected overspending as an item on goods and services. Provision for funding will however be made during adjustment estimates on projects or programmes that are projecting to underspend by year end.	No
5		That the Department must provide the Committee with a progress report detailing the status of the investigation and possible write off by 31 July 2021 and every quarter continuing up until end of June 2022.	The process of investigation on the risk profile has not been concluded. There are cases dating back as far as 2015/16 financial year which have not been concluded and could have given the department a position to take in terms of debt recovery on losses, condonation of the irregular expenditure or write offs. The Department has drafted a project plan that has also incorporated the audit findings for the year 2020/21 and will present this report for approval and implantation during the second quarter of the current financial year. It is anticipated that where matters have prescribed and such investigations not concluded- these cases be written off. Consultation will however be conducted with legal services and the office of the Provincial Accountant General. A comprehensive progress report will then be issued to SCOPA in the third quarter of this year.	No

<table>
<tr><th>Resolution No.</th><th>Subject</th><th>Details</th><th>Response by the department</th><th>Resolved (Yes/No)</th></tr>
<tr><td>6</td><td>RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022</td><td>The Department must submit its plans detailing the effectiveness of measures put in place to curb the recurrence of weaknesses on pre-determined objectives by 31 July 2021. The plan must include the Department’s assessment of the implementation of the plan in the 2020/21 financial year.</td><td>Addressing AOPO require that interventions implemented be comprehensive and address multiplicity of issues since the weakness on AOPO are systems related. These weaknesses stem from poor records management, lack of comprehensive health information systems, issues which stems from low skilled human resources, lack of comprehensive information system, limited supervision and accountability across all levels, capacity to do reconciliations, poor compliance to POE submission and the current plan address the aforementioned through the following means:
<table>
<tr><th>Weakness/ Concern</th><th>Intervention</th><th>Progress Update</th></tr>
<tr><td>Limited HR capacity</td><td>Proposals for funding to increase capacity to deal with data and insights across the health system largely at big Clinics and Hospitals</td><td>Posts have been created within Hospitals and Clinics, Districts and Sub-districts for Data Captures, Data Manager, Performance Monitoring-AOPO coordinator, Data Scientists, Performance Monitoring and Reporting (POE review)</td></tr>
<tr><td>Limited Technical capacity</td><td>Development of Job evaluation and job creation specifying the exact technical skills requirements that must be met

Training and development on data management and analytics</td><td>Ongoing orientation of officials on data reconciliations, POE review and reporting requirements

Proposal for the medium to long term development of Information and M&E personnel on data science through a formalised programme with Sol Plaatjie engagements has commenced</td></tr>
<tr><td>Technical Requirements and compliance to set policies and practices</td><td>Annual guidelines with schedules shared and approved through EMC tech to guide reporting, data reconciliations and POE provision including systems for document management to support ease of records retrieval</td><td>Significant improvements in the number of institutions that submit POEs and Data Reconciliations using SharePoint

There is still room for improvement however regarding quality of the provided Data Reconciliations and POE</td></tr>
<tr><td>Automation of data collection processes</td><td>Automation of the Midnight Census reports at hospital levels

Implementation and roll-out of the HIS system by ICT</td><td>HIS rolled out at 6 of the CHCs and once Local Network Infrastructure is implemented at the CHCs. the HIS deployment will thereafter be accelerated across the remaining CHCs</td></tr>
<tr><td>Feedback on reviewed POE based on POE framework</td><td>Provision of dashboards on POE compliance and Reporting compliance</td><td>Feedback reports shared with Branches reflecting on their gaps in POE and the quality of POE provided quarterly</td></tr>
</table>
</td><td>No</td></tr>
</table>

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
7	**RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022**	That the Department must provide the Committee with a progress report detailing the implementation and effectiveness of the controls to review the annual financial statements by 31 July 2021 and every quarter continuing up until the end of June 2022.	Currently the audit for 2020/2021 is still in progress with the Auditor General. Once the audit is finalized action plans will be drawn up by the department which will include any internal control deficiencies the Auditor General may have identified during the audit relating to the preparation of the financial statements.	Yes
8		That the Department provide the Committee with a progress report detailing the status of the appointment of the accounting officer by 31 July 2021 and every quarter continuing up until finalisation thereof.	The appointment of the Head of Department has been resolved as Dr Sibongile Zungu was appointed as Head of Department following a secondment from the National Department of Health with effect from 01 July 2021 for a period of twelve (12) months.	Yes
9		That the Department must submit its plan to prevent the occurrence of irregular expenditure. This plan must include the assessment of its effect in the 2020/21 financial year, by 31 July 2021. That the Department must submit quarterly assessment reports on the implementation of its plan and its impact on the 2021/22 financial year.	• Regarding the Consignment stock, the Department has finalised the TOR for Orthopaedic Consignment stock and Radiology Consumables are awaiting appointment of Probity auditor from GPT. The Department is also in the process of compiling TOR for Cardiology Consumables. • With regards to the security contracts, the department has since advertised the tender for security and the tender is currently being evaluated, whilst the Department is also considering the insourcing model. • In relation to the Board of People Practice, the contract has since been cancelled. • As far as Nursing Services, the Department has put an interim contract in place until a long term contract has been finalised through open tender process. • In relation to SAICA, the contract has since been cancelled. • The matter involving V-Block, criminal as well as civil steps have been initiated to recover all monies due to the Department.	No
10		That the Department must submit its plan to investigate and reduce the irregular expenditure accumulated over years by 31 July 2021 and progress in the implementation of this plan every quarterly continuing up until June 2022:	The Department requests to be given time to prepare this plan as it has only now on 30 August concluded its audit process. The plan will incorporate all Irregular expenditure reported in the adjusted AFS for the year under review. Presentation of the approved plan and progress thereto will be presented to SCOPA in Q3.	No

<table>
<tr><th>Resolution No.</th><th>Subject</th><th>Details</th><th>Response by the department</th><th>Resolved (Yes/No)</th></tr>
<tr><td>11</td><td rowspan="4">RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022</td><td>That the Department must provide the Committee with a progress report detailing the status of the disciplinary processes against officials involved in the procurement of goods and services in contravention of Treasury Regulations and 2017 Preferential Procurement Regulation 5(1) and (3) by 31 July 2021 and every quarter continuing up until finalization thereof.</td><td>
<table>
<tr><th>Name and Surname</th><th>Sanction</th><th>Current Status</th></tr>
<tr><td>Vusi Mokoena</td><td>Procurement irregularities</td><td>Resigned</td></tr>
<tr><td>Former Head of Department</td><td>Procurement irregularities</td><td>Resigned</td></tr>
<tr><td>Former CFO</td><td>Procurement irregularities</td><td>Resigned</td></tr>
<tr><td>Former Acting DDG HR & OD</td><td>Procurement irregularities</td><td>Resigned</td></tr>
<tr><td>Administration Officer</td><td>Procurement irregularities</td><td>Charge sheet served Hearing schedule to 27/08/2021</td></tr>
<tr><td>Administration officer</td><td>Procurement irregularities</td><td>Charge sheet served hearing sat on the 17/08/2021</td></tr>
<tr><td>Former CD Supply Chain Management</td><td>Procurement irregularities</td><td>Dismissal</td></tr>
</table>
</td><td>Yes</td></tr>
<tr><td>12</td><td>That the Department must provide the Committee with a progress report detailing the status of the forensic investigation into the COVID-19 related procurement by 31 July 2021 and every quarter continuing up until finalization thereof.</td><td>The Special Investigating Unit conducts its investigations under a proclamation from the President of the Republic. Progress and status reports are only provided to the President and not to the Department. The Department only receives referrals for disciplinary action and then implements those recommendations. The report on those referrals is discussed in point 11.</td><td>No</td></tr>
<tr><td>13</td><td>That the Department must submit its plan to prevent the occurrence of fruitless and wasteful expenditure. This plan must include the assessment of its effect in the 2020/21 financial year, by 31 July 2021. That the Department must also submit quarterly assessment reports on the implementation of its plan and its impact on the 2021/22 financial year, every quarter continuing up until the end June 2022.</td><td>During the financial year 2020/2021 the department incurred fruitless and wasteful expenditure for a material amount relating to overcharges by suppliers who provided PPE to the department. The department has already implemented controls and contracts to ensure that all suppliers of PPE adhere to regulated prices by contract or through National Treasury pricing guidelines. Steps have already been taken against suppliers who overcharged the department for the recovery of these overcharges. The department does not anticipate further overcharges on PPE deliveries to the department.</td><td>No</td></tr>
<tr><td>14</td><td>That the Department must submit its plan to investigate and reduce the fruitless and wasteful expenditure accumulated over years by 31 July 2021 and every quarter continuing up until the end of June 2022.</td><td>The Department requests to be given time to prepare this plan as it has only now on 30 August concluded its audit process. The plan will incorporate all Fruitless and wasteful expenditure reported in the adjusted AFS for the year under review. Presentation of the approved plan and progress thereto will be presented to SCOPA in Q3.</td><td>No</td></tr>
</table>

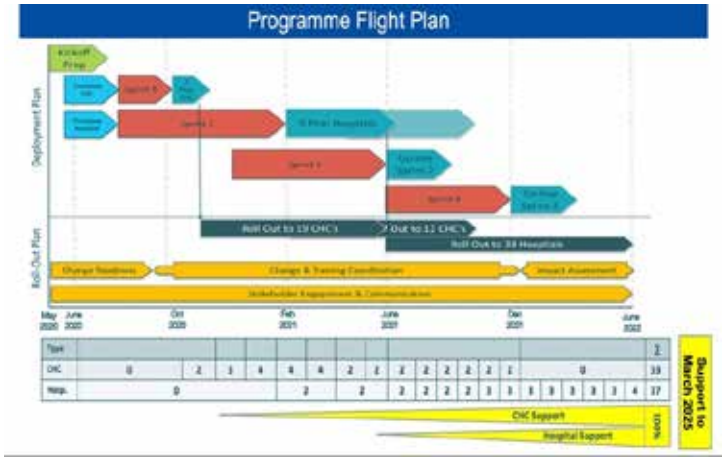
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
15	**RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022**	That the Department must submit its plan detailing its adherence and compliance to the requirements of all applicable legislation to ensure that effective measures are implemented to ensure that contractual obligations are met by 31 July 2021 and every quarter continuing up until finalization thereof.	In instances where machinery and equipment have to be repaired and maintained by the original equipment manufacturers (OEM) no quotations are obtained, as repairs and maintenance are included in the contractual agreement with the original contractor. In instances where employees conduct business with the state, letters have been issued by the Integrity Unit to the relevant officials	No
16		That the Department intensify performance and consequence management processes to eliminate findings on irregular expenditure and must submit its plan detailing its adherence and compliance to the requirements of all applicable legislation to ensure that effective measures are implemented by 31 July 2021 and every quarter continuing up until finalisation thereof:	The Performance Management System for the Senior Managers provides for core Management competencies which each Senior Manager must have. One of the competencies mentioned above is Financial Management. Senior Manager's performance will include an assessment against Financial Management as a key performance indicator. Therefore, all SMS contracts will have Financial Management as a core management competency. The Moderating Committee, appointed by the Accounting Officer, will ensure that all SMS members performance assessments are done appropriately. Furthermore, all performance contracts will include financial management as a critical performance area, at the beginning of the assessment period. Irregular expenditure is financial misconduct. The consequence for the aforesaid conduct will be dealt with following the SMS Handbook Chapter 7, which prescribe the disciplinary process, as it relates to SMS members. The Department will provide quarterly reports on SMS performance, as it relates to Financial Management	No

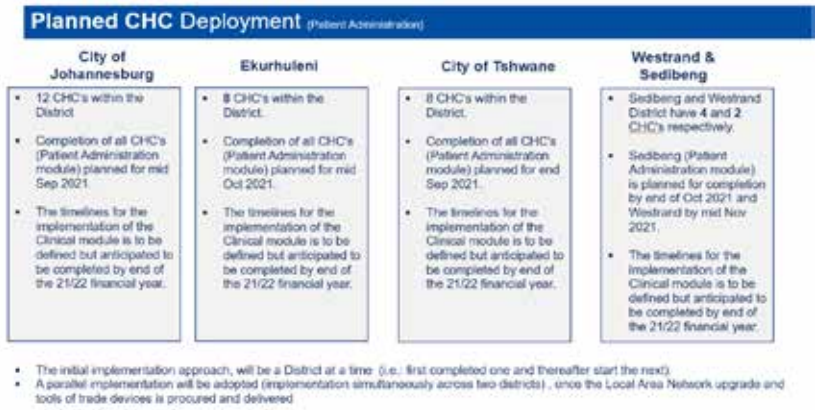
<table>
<tr><th>Resolution No.</th><th>Subject</th><th>Details</th><th>Response by the department</th><th>Resolved (Yes/No)</th></tr>
<tr><td>17</td><td>RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022</td><td>That the Department must provide the Committee with a progress report detailing the status of the forensic investigation into the irregular expenditure by 31 July 2021 and every quarter continuing up until finalization thereof.</td><td>This report is based on the Irregular Expenditures (IE) disclosed in the notes 25-26 of the Annual Financial Statements, which the AG had found that effective steps were not taken to prevent all these IEs as required by Sec 38(1) (c)(ii) of the PFMA and TR9.1.1
<table>
<tr><th rowspan="2">Incident</th><th rowspan="2">Amount R 000</th><th rowspan="2">Forensic Investigation initiated</th><th colspan="2">Implementation Reporting</th><th colspan="2">Comments</th></tr>
<tr><th>Completed</th><th>In-progress</th><th>Outstanding</th><th></th></tr>
<tr><td>Waste Removal</td><td>91 817 000</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Telkom V-Block</td><td>33 774 000</td><td>Yes</td><td>95%</td><td>N/A</td><td>5%</td><td>Legal and criminal matters outstanding</td></tr>
<tr><td>Fumigation</td><td>8 210 000</td><td>No</td><td>TBC</td><td>TBC</td><td>TBC</td><td>To seek a private SP</td></tr>
<tr><td>Consignment Stock</td><td>431 146 000</td><td>No</td><td>TBC</td><td>TBC</td><td>TBC</td><td>To seek a private SP</td></tr>
<tr><td>Security Contracts</td><td>548 609 000</td><td>No</td><td>TBC</td><td>TBC</td><td>TBC</td><td>To seek a private SP</td></tr>
<tr><td>Outsourced Nursing Staff</td><td>118 792 000</td><td>No</td><td>TBC</td><td>TBC</td><td>TBC</td><td>To seek a private SP</td></tr>
<tr><td>Cleaning Contracts</td><td>14 667 000</td><td>No</td><td>TBC</td><td>TBC</td><td>TBC</td><td>To seek a private SP</td></tr>
<tr><td>BAC Deviations</td><td>24 671 000</td><td>No</td><td>TBC</td><td>TBC</td><td>TBC</td><td>To seek a private SP</td></tr>
<tr><td>Sundry Payments</td><td>6 505 000</td><td>No</td><td>TBC</td><td>TBC</td><td>TBC</td><td>To seek a private SP</td></tr>
<tr><td>COVID-19 Expenditure</td><td>2 394 514 000</td><td>Yes, (SIU)</td><td>TBC</td><td>TBC</td><td>TBC</td><td></td></tr>
<tr><td>Procurement process not followed</td><td>85 707 000</td><td>No</td><td>TBC</td><td>TBC</td><td>TBC</td><td>To seek a private SP</td></tr>
<tr><td>Total</td><td>3 758 412 000</td><td></td><td></td><td></td><td></td><td></td></tr>
</table></td><td>No</td></tr>
<tr><td>18</td><td></td><td>That the Department must submit its plan detailing its adherence and compliance to the requirements of all applicable legislation to ensure that effective measures are implemented by 31 April 2021 and every quarter continuing up until the end of June 2022.</td><td>The GDoH Annual Compliance Plan and sample of the Compliance Risk Management Plan that is updated monthly in line with the plan was submitted to SCOPA</td><td>Yes</td></tr>
</table>

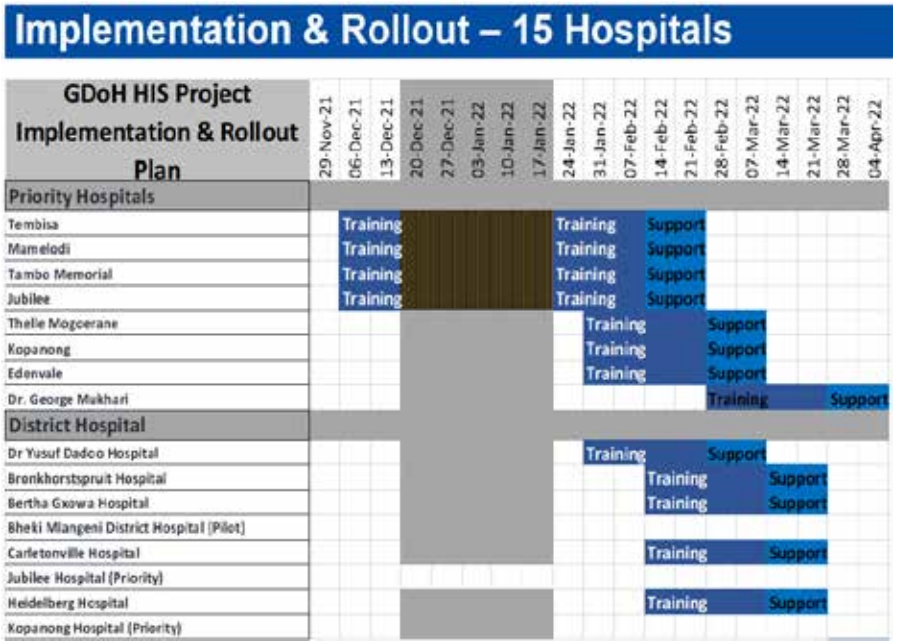
Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
19	**RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022**	That the Department must provide the Committee with a progress report detailing the effectiveness of the District Health Information System by 31 July 2021 and every quarter continuing up until the end of June 2022.	The DHIS is a web-based electronic system and it enables the identification of gaps, outliers and violations immediately after the data has been captured. The data quality issues should be addressed at all levels in the health system and the system is as good as the management process are in place. There are reports generated on data quality gaps and other reports are always readily available with all the calculations done by the system. All levels in the system are aware of the system capability to produce data quality reports and the system is used by these levels. All users are familiar with the system and there is a fully functional troubleshooting mechanism between users and the province together with the developers.	Yes
20		That the Department provide the Committee with a progress report detailing the effectiveness of measures put in place to ensure that assurance is embedded through the entire health service delivery by 31 July 2021 and every quarter continuing up until end of June 2022:	The Department will collaborate and use the GPT combined assurance framework with the objective of enhancing service delivery programmes. This will assist in addressing challenges the department is facing and improve on its performance. The framework will then be used to develop a strategy that will improve on service delivery. Progress on the developed plan aligned to the Treasury framework will be presented during the second quarter with implementation measures reported in the third quarter of the current financial year.	No
21		The Department must provide the Committee with a progress report detailing the status of the matter referred to the National Prosecuting Authority on 24 July 2019 to consider whether criminal charges can be instituted against the implicated officials as well as the matter referred to the State Attorney on 19 July 2019 to consider possible civil claims against the implicated officials by 31 July 2021 and every quarter and continuing up until finalization thereof.	Mr C Thaver of the State Attorney, Johannesburg is dealing with this matter on behalf of the Department. Mr Thaver advised that, pertaining to the criminal charges, draft submissions were prepared by Counsel to be made to the National Prosecuting Authority. Pertaining to civil recovery steps, Mr Thaver advised that letters of demand have been sent to the Defendants and that Counsel has prepared draft particulars of claim. Summons shall be issued as soon as particulars of claim has been finalised.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
22	**RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022**	That the Department provides the Committee with a progress report detailing the status of the investigations by 31 July 2021and every quarter continuing up until finalisation thereof.	As by the end of 31st July 2021 the status of Investigations reported was as follows: Reporting on Internal Investigations completed Of 21 reported cases 0 completed 8 are in progress 13 are outstanding Reporting on Outsourced Investigations completed Of 10 reported 0 completed 7 in progress 3 are outstanding Reporting on Reports issued to GDoH for implementation Of 39 Internal Reports issued 4 were completed 0 in progress 35 Outstanding Of 10 Outsourced Reports issued 1 Completed 3 in progress 6 are Outstanding	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
23	**RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022**	That the Department provides the Committee with a progress report detailing the effectiveness of the key objectives to minimise/eliminate financial irregularities, financial misconduct, and fraud by 31 July 2021 and every quarter continuing up until the end of June 2022:	The Department has a comprehensive strategy which is informed by its Fraud Prevention Plan to minimise/eliminate financial irregularities, financial misconduct and corruption. On a regular basis an overview of the status of the risk action plans that are instituted to mitigate these risks for year 2021-2022 is provided covering the following areas: **Fraud Prevention and Ethics Management:** The purpose of these initiative is to promote an ethical culture through implementation of anti-corruption methods aimed at preventing, detecting and investigating incidents of fraud and corruption. See Annexure 23.1 **Integrity Management:** The purpose of this initiative is to encourage integrity and transparency. See Annexure 23.2 GDoH Strategic Risk Register for the 2021-2022 financial year, provides a macro-enterprise-wide report of progress made on strategic risk identified for the 5year term of the current administration. See Annexure 23.3. **An SCM and Covid Risk Registers** seeks to ensure compliance with laws and necessary reforms in Departmental procurement in the light of past pernicious risks in this area. See Annexure 23.4 **Monitoring Dashboard of Financial prudence** by tracking compliance with the recent National Treasury Regulations on consequence management for material irregularities emanating from financial misconduct. See Annexure 23.5 **Misconduct and Investigations** are the last measures when conduct has deviated from the norm and consequences must be meted to those who have transgressed, and an example must be set to bring deviant conduct into line. See Annexure 23.6 Risk Governance and Administration. **Compliance Management:** This report covers the departmental complies with legislation and every quarter a report is produced of pieces of legislation that will have been sampled by the Risk Management Unit for compliance and this tend to be on risk assessment basis. For instance, OHS Act was the centre at the time when there were fire incidents and absence of water in our hospitals **Combined Assurance:** GDoH has adopted the three lines of assurance in accordance with the Gauteng Provincial Government Combined Assurance Framework. Combined Assurance is not only about having an adequate and effective control environment but the need to strengthen the integrity of reports for more informed decision making **AG and GAS Findings and Recommendations:** The Internal Control Unit/Audit and Compliance works always towards reducing the number of outstanding AG and GAS findings and recommendations, which goes a long way in dealing with any irregularities that will have been flagged by either GAS or AG.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
24	**RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022**	The Department must provide the Committee with a progress report detailing the status of the implementation of the new Health Information System by 31 July 2021 and every quarter continuing up until finalization thereof:	**(a) Introduction** The Health Information System project consist of two primary deployment streams, namely deployment at Community Health Centre (CHC) and at a Hospital Level. The number and timelines of the implementation, across the Hospitals and CHC's, is depicted in figure 1 below. Figure 1: Overall Flight Plan 	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
	RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022		**(b) CHCs Deployment** The delivery, at the CHC level, was concluded at the Hillbrow CHC, Lillian Ngoyi CHC, OR Tambo, Stretford CHC, Discoverers CHC and Alexandra CHC, between November 2020 – April 2021 (Patient administration). The said delivery, although successfully delivered, were delayed due to infrastructure and end-user device constraints brought about by procurement and implementation restrictions due to Covid-19. The Department has revised a plan to implement the balance of the CHC's by the end of quarter 3 in the current financial year, 21/22. Figure 2, below, shows the implementation timelines for the CHC's, per District. Figure 2: CHC Deployment Timelines 	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
	RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022		**(c) Hospitals Deployment** The Hospital deployment is envisaged to deliver the implementation of 15 priority hospitals by the end of the 21/22 financial year. The delivery progress has been significantly impacted due to the Covid-19 pandemic, where clinicians are primarily involved in the Covid-19 response and also expected to participate in project activities. The balance of the hospitals is expected to be implemented by the end of the 3rd quarter of 22/23 financial year, as depicted in figure 3 & 4 below. The implementation team is also aware of the potential delays that might arise as a result of the anticipated Covid-19 impacts. A detailed figure Implementation Flight Plan for Hospitals (baseline-balance of hospitals) was submitted to SCOPA. Figure 4: Implementation Flight Plan for the 15 Hospitals  	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
	RESOLUTIONS FOR RESPONSES ON SCOPA OVERSIGHT REPORT ON THE REPORT OF AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION TO THE GAUTENG PROVINCIAL LEGISLATURE ON VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2022		**(d) Key Dependencies, Risk and Issues** Key dependencies include Clinician and related stakeholder availability. One of the primary risks include Covid-19 and the associated impacts on resources availability. Furthermore delayed procurement, for the required end-user tools of trade and network infrastructure and additional risks which could impact project delivery. The Department is proactively monitoring the aforesaid and will define mitigations to address the possible risks. (e) Control Measures (Performance) The Department through the office of the HoD, has scheduled monthly project steering committee meetings to track and monitor the progress of the project. The project status report is also tabled, as a standing item, at the Executive Management meetings.	
25		The Departments must submit its audit action plan indicating each area of finding by the AGSA in the 2019/20 FY; Plans by the Department to address the area of findings; and Time frames for implementation. This must include a progress report of implementation as at 31st March 2021, which must be reported every quarter until 30th October 2021.	The audit action plan with the implementation progress indication as at 31 March 2021 was submitted to SCOPA.	Yes

SCOPA PRELIMINARY QUESTIONS EMANATING FROM THE REPORT OF THE AUDITOR-GENERAL OF SOUTH AFRICA TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE FIRST AND SECOND SPECIAL REPORT ON THE FINANCIAL MANAGEMENT OF GOVERNMENT'S COVID-19 INITIATIVES

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	**Non-adherence of procurement legislation contained in National Treasury (NT) Instruction Note 08 of 2019-20.** **Twenty-three (23) suppliers other than those listed in Annexure A of National Treasury Instruction Note 8, were used to procure PPEs amounting to R862 545 338. There was no mention of the actual specifications that were required to be complied with for the goods that are to be delivered as required by par. 3.7.6 of NT instruction No 08 of 2019/20.**	Provide details for the Department not adhering to National Treasury Instruction Note 08 of 2019-20 where three suppliers were used to procure PPEs amounting to R 862 546 338.	The Department failed to adhere to National Treasury instruction note 8 of 2019-20 with regard to specifications of items procured from 23 suppliers other than those listed. A detailed Annexure submitted to SCOPA.	Yes
2	**Audit finding: Goods received and accepted not the same as goods ordered Goods with a value of R255 000 were received and paid for by the Department which were not the same as the ones specified in the original order documents**	Provide details for the Department receiving and paying for goods that were not the same as the ones in the original document amounting to R 255 000.	Management agrees with the finding. The Department accepted the delivery and paid for 300 000 disposable aprons at a cost of R255 000. The matter is being investigated by the SIU.	Yes
3	**Audit Finding: Goods delivered at prices higher than National Treasury Instruction No 8 Annexure A prices.** **The Department entered transactions at prices in excess of the prices determined for the specific items, resulting in the possible financial loss being incurred. The total overcharged amount is R5 729 225.**	Provide the Committee with details for entering into transactions at prices in excess of the process determined for the specific items.	The Department acknowledges that there were instances where prices charges in PPE were not in line with prescribed pricing which then led to the reporting on fruitless and wasteful expenditure incurred and as reported in the AFS for the year 2020/21. The process of recovery is underway.	No
4	**Audit finding: PPE items that were ordered had not yet been delivered** **R127 136 000 worth of PPEs were ordered and had not been received by the Department.**	Provide details for receiving goods ordered amounting to R 127 136 000	Management agrees with the findings. Management agrees that certain controls have not been implemented due to capacity constraints. However, the Department is in the process of reviewing the organizational structure and the Department failed to invoke the general conditions of contract.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
5	**Audit Finding: Procurement of Items not listed on Annexure A of the NT instruction note 8 of 2019/20 were not reported by department to Provincial Treasury within 30 days** **There are four (4) instances where procurement of items in terms of paragraph 3.5 of National Treasury Instruction No.8 of 2019/20 were not reported to Provincial Treasury. This emergency procurement not reported amounted to R6 969 550.**	Provide details for the Department not adhering to National Treasury Note 8 in that goods amounting to R 6 969 550 were procured as an emergency and not reported to the Provincial Treasury.	Management agrees with the finding and notes the non-compliance. Management agrees that there are control deficiencies and will be improved. Management notes and agrees with the recommendations. The process of reporting deviations is currently under way, according to Covid-19 COAF 3-SCM.	Yes
6	**Audit Finding: No evidence that there was verification of the tax compliance status of the bidders as the central supplier database (CSD) report was not part of the procurement batch** **Evidence of how the tax compliance status of bidders for 23 awards was verified as the procurement documents submitted did not contain the relevant CSD reports. The awards amounted to R862 545 338.**	Provide details for the information contained in the central supplier database (CSD) reports not to be included in the procurement batch thus resulting in non-compliance amounting to R 862 545 338.	Management agrees with the finding. Management acknowledges that there have been control deficiencies due to the failure to link the COVID procurement team with the team of buyers at head office who have access to CSD, Recommendations are noted and accepted. The response is as per Covid-19 COAF No 3.	Yes
7	**Audit Finding: Deviation from competitive bids: No evidence that the Department invited as many suppliers as possible in order to select the preferred supplier using the competitive bid committee system.** **For the procurement of certain PPEs, the Department had deviated from competitive bidding processes as allowed by Instruction Note 8 for 23 awards. No evidence was provided that the Department had invited as many suppliers as possible to bid and thus selected the preferred suppliers using the competitive bid committee system. The total awards amounted to R862 545 338. –**	Provide details for the Department not to adhere to the prescripts of National Treasury Regulations, note 8 where not many suppliers (with awards amounting to R 862 545 338) were invited to bid.	Management agrees with the finding. Management acknowledges that there has been control deficiencies due to the failure to link the COVID procurement team with the team of buyers at head office. The team of buyers at head office were responsible for procurement of PPE items from established contract and/or RFQ as from August 2020, Recommendations are noted and accepted. The response is as per Covid-19 COAF No 3.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8	**Finding: Emergency procurement commitment letters were awarded but no system generated orders had been placed as of 30 June 2020** **There were instances where 27 awards had been made as commitment letters to the value of R275 028 665 were issued to suppliers during March, April and May through the emergency procurement process in response to the Covid-19 pandemic. There were no orders placed for these contracts as of 30 June 2020.** **These instances expose the department to possible circumvention of the supply chain processes as well as incurring high commitments**	Provide the Committee with details for no systems generated orders had been placed in respect of emergency procurement commitment letters for awards amounting to R 275 028 665. 6	Management agrees with the finding. It must be noted that appointment letters were issued instead of purchase orders and upon creating purchase orders some issues will emerge such as supplier not being registered on the Central Supplier Database.	Yes
9	**Audit finding: Awards made to service providers with no known history and capacity of supplying PPE.** **The Department awarded contracts to certain service providers with no previous history of supplying or delivering PPEs. Furthermore, no background checks were run to determine the capacity and capability of the service providers to fulfil obligations of the contract. The value of the awards amounted to R125 750 000.**	Provide details for not running any background checks on service providers amounting to R 125 750 000 with no history and capacity of supplying PPE.	Management agrees with the finding. It must be noted that the contract was since cancelled and no payments were made. Management acknowledges that here have been control deficiencies due to the emergency and the pressures at the time.	Yes
10	**Audit Finding: No guidance/instructions were received from the department on how to determine their re-order levels and/or to calculate their re-order quantities for PPE stock from the bulk storage facilities**	Provide for the Department not giving instructions to the health care facilities on how to determine their re-order levels as well as calculate their re-order quantities for PPE stock.	Management agrees with the finding. In terms of stock management, the institution is equipped with the Provisioning Administration System (PAS). Calculations of stock level are based on need, stock turnover, procurement lead time and consumption.	No
11	**Audit Finding: No procedures/instructions were received from the Department for re-ordering/requesting PPE from the bulk storage facilities.**	Provide details the Department not instructions to the health care facilities for re-ordering or requesting PPEs from the bulk storage facilities.	Management agrees with the finding. Circular 32 of 2020 was issued indicating that Hospitals must request PPE's items from the two Warehouses.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
12	**Audit Finding: Storage areas for PPE were not sufficient to store all the Covid-19 PPE**	Give details for having insufficient storage areas to store all the PPEs.	Management agrees with the finding. The Department has insufficient warehouse capacity at the institutions and at the medical supplies' depot. The Department appointed two service providers to provide warehousing services.	Yes
13	**TEMPORARY FIELD HOSPITALS AND QUARANTINE FACILITIES** **Audit Finding: Payments to the value of R 22 485 448 were made to the supplier outside of the agreed terms in the signed contract by the Gauteng Department of Health and the supplier. The Department paid for the purchase of items that are leased by the supplier to the Department. The payments were not covered by the lease agreement.**	Provide details for making payment to the value of R 22 485 448 to the supplier outside of the agreed terms in the signed contract with the supplier.	The payments were made in line with the signed contract. The Auditor General will remove the paragraph on the final management report. Explanatory to Payments referred to by AG: R9 729 426, 00 This payment constitutes a progress payment for delivery and installation of HVAC Components and Electrical Cabling Networks: i. R 8 100 000.00 Mechanical Equipment ii. R 1 234 878.00 Electrical Distribution for HVAC iii. R 394 548.00 for Walls insulation <u>R 9 729 426.00 Total Progress Payment</u>: R12 756 022.04: i. This payment includes the recoverable costs referred to in Annexure G, as confirmed on site and ready for use – Completed construction (reconfiguration works/and furniture) ii. Once-off payment of Medical Waste Infrastructure Storage and Collection Site - R 230 000 iii. Additional Equipment requested by the Facility Manager iv. Additional Requirements as per the Fire Safety and Occupation Certification by Municipality v. Breakdown of itemised cost was provided as an annexure to the Invoice.	Yes
14	**Audit Finding: Payments were made for the purchase of assets, but these were not recorded in the Department's fixed asset register. The Department purchased assets as part of the upgrade to the facility. These payments were incorrectly classified as lease payments. The total value of these assets amounted to R22 485 448**	Give details for not recording assets amounting to R 22 485 448 in the Department's fixed asset register.	Management does not agree with the finding. The Department did not record the Johannesburg Expo Centre in the fixed asset register, which is not a state asset. Lease agreement submitted to SCOPA.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
15	**Audit Finding: The Department did not invite as many suppliers as possible and there was no prior approval from the relevant Treasury for the emergency procurement of the Nasrec Field Hospital as required by Treasury Regulation and Instructions.**	Give details for the Department not getting approval from the relevant Treasury for the emergency procurement of the Nasrec Field Hospital as required by Treasury Regulations. Give details for not inviting many suppliers to bid.	Management agrees with the finding. Evidence could not be provided as the original documentation was taken by the SIU to conduct the investigation.	Yes

REPORT OF THE AUDITOR-GENERAL OF SOUTH AFRICA TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2021

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	**MATERIAL UNCERTAINTIES** The Committee has noted that whilst new claims against the department in the year under review were RI 254 084 000 and that the department had either paid, cancelled, or reduced during the claims by R 567 379 000 in the year, the overall claims against the department have increased by R686 705 000 compared to the previous year (2019/20).	The Department must provide plans it has to prevent or minimize the occurrence of the various claims against it.	A detailed plan to prevent and minimize medico legal cases was submitted to SCOPA.	No
2	**MATERIAL UNCERTAINTIES** The Committee has noted that whilst new claims against the department in the year under review were RI 254 084 000 and that the department had either paid, cancelled, or reduced during the claims by R 567 379 000 in the year, the overall claims against the department have increased by R686 705 000 compared to the previous year (2019/20).	Where such a plan has existed, the Department must provide details of weaknesses which were identified in the plan and provide details of intervention plans.	A detailed plan to prevent and minimize medico legal cases was submitted to SCOPA.	No
3	**PAYABLES WHICH EXCEEDED VOTED FUNDS TO BE SURRENDERED** The Committee has noted that in the financial year under review, the Department has not made payments of RI 899 257 000 within the 30 days prescribed by treasury regulation 8.2.3., and that had the full amount been paid, the Department would have realized an unauthorised expenditure of about R795 732 000 as reported by the AG.	Provide details for not paying the amount of RI 899 257 000 within the 30 days period as required by Treasury Regulations 8.23.	Insufficient funds for Goods and Services because of prior year accruals.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
4	**PAYABLES WHICH EXCEEDED VOTED FUNDS TO BE SURRENDERED** The Committee has noted that in the financial year under review, the Department has not made payments of RI 899 257 000 within the 30 days prescribed by treasury regulation 8.2.3., and that had the full amount been paid, the Department would have realized an unauthorised expenditure of about R795 732 000 as reported by the AG.	Provide progress made by 30 September 2021 in finalizing the matter of the payment of the amount of RI 899 257 000, which was not paid within the 30 days period by 31 March 2021	The department did not incur any unauthorised expenditure. The register of accrued expenditure would have resulted in unauthorized expenditure should those transactions be processed by before 31 March 2021. The Department agrees that the cost of R795 million as reported above would have been reported as unauthorized expenditure. The inability to pay RI.9 million is as a result of shortages of cash at year end. Amount was paid during the 2021/2022 financial year.	No
5	**PAYABLES WHICH EXCEEDED VOTED FUNDS TO BE SURRENDERED** The Committee has noted that in the financial year under review, the Department has not made payments of RI 899 257 000 within the 30 days prescribed by treasury regulation 8.2.3., and that had the full amount been paid, the Department would have realized an unauthorised expenditure of about R795 732 000 as reported by the AG.	Provide details on how the Department has or intends to deal with payment of R759 732 000, which was not part of the voted funds	The incurrence of expenditure is as a result of the required services for the department. The reported R 759 million is made up of both equitable share and conditional grant.	No
6	**PAYABLES WHICH EXCEEDED VOTED FUNDS TO BE SURRENDERED** The Committee has noted that in the financial year under review, the Department has not made payments of RI 899 257 000 within the 30 days prescribed by treasury regulation 8.2.3., and that had the full amount been paid, the Department would have realized an unauthorised expenditure of about R795 732 000 as reported by the AG.	Provide details on how the Department has dealt with the matter of excess amounts over voted funds which it has experienced in the previous two financial years, i.e.2018/19 and 2019/20.	The over commitment of funds is due to unavoidable expenses that the department has incurred. The budget cuts experienced over the past financial years has resulted in budget shortfalls. The strategy that the department is currently implementing is to ringfence funds in order to make provision for commitments. The need to however implement cost containment measures cannot be ignored.	No
7	**Subsequent Events**	Provide assessment of the possible financial impact of the damage cause by the fire which took place at Charlotte Maxeke Hospital in April 2021,	The fire damaged sections of block 3 & 4 of structural, mechanical, electrical & architectural (incl. Fire OHS). The hospital was not OHS compliant due to many CoJ OHS by-laws passed over the years which could not be implemented since hospital was live, So, under architectural: a fire rationale design was proposed and passed by CoJ and must be implemented for the hospital to be re-opened. The GDID appointed Consultants have estimated the costs of full remedial works to R944Miltion. GDoH is assessing the validity of this work and trying to reduce costs since the provincial fiscal basket has shrunk.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
8		Plans developed and time frames set to restore the section and service which were affected by the fire to their original state.	Initially GDID appointed Consultants. Assessment was too vague to compare to the cost of RI,14bn which has since been reduced to R944M. GDoH is administering GDID Consultants to carefully detail the assessment list and for GDID to sign it off. Thereafter, GDoH will administer GDID through the Concept & Viability stage, then Design Development stage, then Procurement documentation, then Construction and finally Close off the project. These are the prescribed Infrastructure Delivery Management System (IDMS) stages. Solidarity fund is doing Fire OHS repairs to Block 1 level 6 in anticipation of Covid 4th wave. They will hand over completed section/ works on 31 January 2022. By then, GDoH anticipates that the IDMS stages should be at tender stage (Procurement documentation) to appoint Contractors to execute the remainder of the works. Completion date of the remainder of the works is anticipated to be December 2023.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
9	**Performance Audit (Predetermined Objectives)** The Committee has noted the material findings by the AG on the usefulness and reliability of the performance information of the selected Programme 2: District Health Services.	Provide details for not availing accurate and complete records as supporting evidence to assist the AG to be able to confirm the reported achievements and be able to determine whether any further adjustments were required to the reported achievements as listed at the top of page 211 of the Annual Report.	Reasons for challenges in the provision of patient files to be used as supporting evidence varied according to institutions. The main route cause is delayed provision of records or lack of submission of patient folders largely due to infrastructure limitation (lack of space for filing of patient folders, poor management of patient records which resulted in records not being found, when records were finally found it was outside of the audit submission period and or delayed retrieval of archived records. The exception in this case was the incorrect sampling of Tier patient folders by AGSA team in the case of Steve Biko hospital wherein records for Laudium were wrongly allocated to Steve Biko resulting in difficulties for the latter institution to locate the requested records. This was subsequently corrected. In the case of Dr George Mukhari patient folders sampled could not be provided because they were part of the active records with admitted patients thus the recommendation and resolution for AGSA to audit onsite instead of remote auditing. The province is currently visiting all the 36 CHCs and the big 7 hospitals conducting the assessment and reflecting on AGSA findings as an immediate intervention. The medium to long term interventions revolves around the implementation of a health information system to enable electronic management of a patient record and at the same time address the longs standing challenges on limitations that the PHC facility infrastructure placed on records management.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
10	**Performance Audit (Predetermined Objectives)** The Committee has noted the material findings by the AG on the usefulness and reliability of the performance information of the selected Programme 2: District Health Services.	Provide details for not availing sufficient appropriate evidence that systems and processes were established to enable consistent measurement and reliable reporting of performance against the predetermined indicator definition for the identified indicators in the middle of page 211 of the annual report	The question refers to the Ideal Clinic and Ideal Hospital status related indicators. Ideal Clinics and Ideal Hospitals has a comprehensive system for assessing ideal status which .is electronically accessed through an online platform. It comprises of a set of electronic questionnaire tools which are used to assess/ checklist all the areas that independent assessors must use during assessments at facilities. Assessments are to be done onsite because there are observable elements that can only be found in the facilities e.g signage, cleanliness of the facility etc. The assessments carried out by the assessors is based on observable elements e.g signage outside and inside the facility as an observable element in line with the checklist. Cleanliness of the facility based on observations of the assessors. Testing the instruments e.g medical instruments used for diagnosis e.g., oxygen machine, BP machine etc. If auditors wish to assess these, they can go through to the facility to assess such to find out whether these actions are reperformable or not. However, in terms of cleanliness the audit can also go anytime to check if the facility is not maintained at optimal cleanliness. This matter was also raised at the Audit Committee and the Chairperson did commit to assist the two parties to come with an appropriate way-forward regarding audit engagements on Ideal Hospital and Ideal Clinic. The Department has further engaged with the only province that obtained an unqualified audit opinion on this area namely the Western Cape. The Western Cape benchmark process also confirmed the same that their auditors understand that Ideal Clinics assessments are done onsite. The province shared their ideal facility assessments dates with AG who accompanies and sign off the assessments results based on the proof supporting the ticks (yes status) on the checklists. The recommendation to Gauteng AGSA during the audit cycle was to encourage AGSA to perform onsite physical audit at facilities in order to reperform the assessments to their satisfaction as in the case where they perform assets verification.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
11	**Performance Audit (Predetermined Objectives)** The Committee has noted the material findings by the AG on the usefulness and reliability of the performance information of the selected Programme 2: District Health Services.	Provide details for the achievements reported in the annual performance report having differed materially from the supporting evidence provided for other identified indicators listed at the bottom of page 211 of the Annual Report.	The response provided on the TB loss to follow-up was due to the incorrect provision of evidence which was not aligned to the reported actual performance. The Department whilst accepted the error did correct the explanations on the printed report to ensure alignment with the provided POE Alignment between POE and explanations provided including presentation has improved significantly compared to previous years resulting in very minimal findings in this are due to share point platform as well as availability of officials who are actively reviewing albeit with overstretched capacity. Recruitment process and job creation process is at advanced stages to boost this assurance provision process of POE review across the health system.	Yes
12	**Performance Audit (Predetermined Objectives)** The Committee has noted the material findings by the AG on the usefulness and reliability of the performance information of the selected Programme 2: District Health Services.	The Department must provide details for not implementing specific information systems to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by public service regulation 25(1)(e)(i) and (iii).	The department through HIEM Office is implementing all the information systems such as DHIS, Tier.Net, EDR-Web, NMC and Ideal Health Monitoring Tool that are required to collect and monitor all the measurements to assess the department's achievement of targets and ultimately achievements of outcomes and priorities. It is therefore not correct that the department does not implement specific information systems to enable the monitoring of progress made towards achievements of targets.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
13	**Irregular Expenditure** The Committee has noted that the AGSA has found that effective and appropriate steps were not taken to prevent irregular expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury . regulation, in the year under review and previous years.	Provide details of progress made by 30 September 2021, in its reported-investigations of irregular expenditure amounting to R 3 921 794 000, which is for the 2020/21 financial year. This must be progress made in each investigation.	Majority of the R 3 921 794 000 reported irregular expenditure (I.E) is largely made up of: • SCM, HR Authorization Irregularities • Covid Procurement Irregularities • Cost of Outsourced Forensic Investigations • Extension of Centralized Contracts **For the SCM, HR Authorization Irregularities**- A determination by the Condonation/irregular Committee will provide an action moving forward in terms of those incidents of I.E, where investigations will need to take place, now, we are still awaiting that determination. **For Covid-19 Irregular procurement**- All the investigations are done through a Presidential Proclamation by the SIU and the following officials were subjected to consequences management measures of varying degrees as a result of the findings mace against them: The then HOD: Was charged and officially placed on precautionary suspension but resigned before commencement of disciplinary hearing. The SIU is busy with the process of financial recovery on the irregular expenditure approved by the then HOD. The then CFO: Was charged and disciplinary hearing started, but official resigned. The SIU is busy with the process of financial recovery of monies lost due to the actions of the then CFO.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			The then Chief Director- SCM: Was charged and placed on precautionary suspension. Disciplinary hearing took place and the official was found guilty and dismissed. The then DDG-Corporate Services: Was charged and placed on precautionary suspension. Disciplinary hearing took place and concluded with the official found guilty, whilst a date was awaited from the Presiding Officer to hear arguments on sanction, the official resigned. **There are ongoing investigations against an official at SCM who is a Deputy Director**. **For the costs of outsourced investigations and Extension of Contracts**: The Department has just finalized an implementation plan of all outstanding action plans for approval by the HOD, where allegations of impropriety that have resulted in irregular expenditure will be acted upon. This stems from largely age analysis of these reports, as some of the recommendations have not been acted upon over the past three (3) years, which invoke a legal injunction of prescription period. Where a determination has been made of financial misconduct in the findings, consequence management will be instated against those pin-pointed in the reports. In an instance of three (3) prescription period having expired, Legal unit and Labour Relations will be consulted before a final recommendation is made to the Accounting Officer.	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
14	**Irregular Expenditure** The Committee has noted that the AGSA has found that effective and appropriate steps were not taken to prevent irregular expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury . regulation, in the year under review and previous years.	Provide details steps taken or intended to be taken to investigate the prior year irregular expenditure amounting to R 15 869 639 000.	Response: same as 13 above	No
15	**Irregular Expenditure** The Committee has noted that the AGSA has found that effective and appropriate steps were not taken to prevent irregular expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury . regulation, in the year under review and previous years.	Provide details for not taking effective and appropriate steps to prevent irregular expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury regulation, in the year under review and previous years.	The Department had taken effective and appropriate steps to prevent irregular expenditure in the current year by: i. Establishing an Irregular Expenditure/Condonation Committee chaired by the CFO, whose terms of reference is to ensure prudent management of the Department's financial and procurement process in line with prescripts. ii. An Implementation Plan has been finalized for the HOD approval for actioning outstanding recommendations from forensic investigations of malfeasance and impropriety by officials.	No
16	**Fruitless And Wasteful Expenditure** The Committee has noted that the AGSA has found that effective and appropriate steps were not taken to prevent fruitless and wasteful expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury regulation, in the year under review and previous years.	Provide an update on the condonation of wasteful expenditure of R233 951 000, which is indicated that it was awaiting.	The process of write off of fruitless and wasteful expenditure requires that there be investigations prior to write off as per delegations of the Accounting Officer. Due to ongoing investigations consulted by the SIU, the department cannot commence with write off. There may be a need to recover funds where the department was overpriced on certain goods and services. . Another critical issue out of the reported balance of R233,9 million, there is a balance of R860 000.00 that was paid and relating to medico legal cases. This will be written off after internal enquiries before end of March 2022. The investigation on the R234 million relating to fruitless and wasteful expenditure has not been finalised by the SIU. The investigation is regarded as a determination test per the condonation process prescripts. The recommendations from the investigation will be assessed and the prescribed condonation and write-off process will be followed.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
			Legal Council has provided responses to the Department (edited): *The SIU investigation has revealed that no SCM process was followed in the appointment of service providers. Considering the circumstances at the time of the appointments, the officials failed to act in respect of the emergency processes to be followed as per Treasury* Regulation 16A6.4 (CNR. 225 of 15 March 2005: Amendment of Treasury Regulations in terms of Section 76 of the PFMA) ("Treasury Regulations"), which were issued in terms of the PFMA, which states that "If in a specific case it is impractical to invite competitive bids, the accounting officer or accounting authority may procure the required goods or services by other means, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the accounting officer or accounting authority"; and National Treasury Practice Note 6 of 2007/2008 dated 18 April 2007 "Procurement of goods and services by means other than through the invitation of competitive bids" ("Practice Note No. 6 of 2007/2008"). The former CFO has resigned before any disciplinary action could be instituted. The CD Supply chain was disciplined on numerous other matters and dismissed. The former HOD resigned but the SIU has instituted criminal action against him for contravention of S38 of the PFMA.	

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
17	**Fruitless And Wasteful Expenditure** The Committee has noted that the AGSA has found that effective and appropriate steps were not taken to prevent fruitless and wasteful expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury regulation, in the year under review and previous years.	Provide for not taking effective and appropriate steps to prevent fruitless and wasteful expenditure as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.	Response: Same as 15 above. The SIU investigation has revealed that no SCM process was followed in the appointment of service providers. Considering the circumstances at the time of the appointments, the officials failed to act in respect of the emergency processes to be followed as per Treasury Regulation 16A6.4 (GNR. 225 of 15 March 2005: Amendment of Treasury Regulations in terms of Section 76 of the PFMA) ("Treasury Regulations"), which were issued in terms of the PFMA, which states that "If in a specific case it is impractical to invite competitive bids, the accounting officer or accounting authority may procure the required goods or services by other means, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the accounting officer or accounting authority"; and National Treasury Practice Note 6 of 2007/2008 dated 18 April 2007 "Procurement of goods and services by means other than through the invitation of competitive bids" ("Practice Note No. 6 of 2007/2008").	No
18	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for procuring some of the goods and services of a transaction value above R500 000 without inviting competitive bids and for the accounting office to have approved some deviations although according to the AG it was practical to invite competitive bids, as required by treasury regulations 16A6.1 and 16A6.4.	Due to the Covid-19 global pandemic the department procured goods and services above the value of R500 000 by not inviting competitive bids. The Accounting Officer approved deviations where it was practical to invite competitive bids. Investigations are still on going by the SIU	No
19	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for awarding some of the contracts to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, with is prescribed in order to comply with treasury regulations 16A6.3(a).	Due to the Covid-19 global pandemic, the department awarded contracts to bidders who did not submit the declaration on whether they are employed by the department or not (SBD4). Investigations are still on going by the SIU.	No
20	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for awarding some of the contracts to suppliers whose tax matters had not been declared by the South African Revenue Service to be in order as required by treasury regulation 16A9.1(d).	Response: Due to the Covid-19 global pandemic, the department awarded contracts to suppliers whose tax matters had not been declared by the South African Revenue Service. Investigations are still on going by the SIU.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
21	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for procuring through specifications of personal protective equipment (PPE) items which did not comply with the specifications prescribed by the Department of Health, as required by paragraph 3.7.6 of the National Treasury Instruction Note 8 of 2019/20	Response: Due to the Covid-19 global pandemic, the department procured PPE items through specifications which did not comply with the specifications prescribed by the Department of Health. Investigations are still on going by the SIU.	No
22	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for procuring the covid-19 PPE items through quotations which were not in accordance with the specifications of the national Department of Health and World Health Organisation, as required by paragraph 6.4 of National Treasury Instruction Note 3 of 2020/21.	Due to the Covid-19 global pandemic, the department procured PPE items through quotations which were not in accordance with the specifications of the national Department of Health. Investigations are still on going by the SIU.	No
23	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for not procuring the Covid-19 PPE items through quotations which were not in accordance with the specifications of the national Department of Health and the World Health Organization, as required by paragraph 4.6 of National Treasury Instruction Note 5 of 2020/21	Due to the Covid-19 global pandemic, the department procured PPE items through quotations which were not in accordance with the specifications of the national Department of Health. Investigations are still on going by the SIU.	No
24	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide for the prices of COVID-19 PPE items having been higher than the prescribed prices in annexure A of national Treasury Instruction Note 8 of 2019/20, in contravention of paragraph 3.7.6 of same instruction note.	Due to the Covid-19 global pandemic, the department procured PPE items at prices higher than the prescribed prices in annexure A of national Treasury Instruction Note 8 of 2019. Investigations are still on going by the SIU.	No
25	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for the prices of Covid-19 PPE items having been higher than prescribed prices in annexure A of National Treasury Instruction Note 3 of 2020/21, in contravention of paragraph 6.4 of same instruction note.	Due to the Covid-1 9 global pandemic, the department procured PPE items at prices higher than the prescribed prices in annexure A of national Treasury Instruction Note 8 of 2019. .Investigations are still on going by the SIU.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
26	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for the prices of Covid-19 PPE items having been higher than the prescribed prices in annexure A of National Treasury Instruction Note 5 of 2020/21, . in contravention of paragraph 4.3 of same instruction note.	Response: Due to the Covid-19 global pandemic, the department procured PPE items at prices higher than the prescribed prices in annexure A of national Treasury Instruction Note 8 of 2019. Investigations are still on going by the SIU.	No
27	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for acquiring through quotation the COVID 19 PPE items which were in excess of price prescribed on Annexure A as required by paragraph 4.6 of National Treasury Instruction note No 5 of 2020/21.	Due to the Covid-19 global pandemic, the department procured PPE items, at prices in excess of price prescribed on Annexure Investigations are still on going by the SIU. .	No
28	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide for appointing the suppliers of PPE items who were not listed on the central supplier database, as required by paragraph 37.6 of National Treasury Instruction Note 8 of 2019/20	Due to the Covid-19 global pandemic, the department appointed suppliers of PPE items who were not listed on the central supplier database, Investigations are still on going by the SIU	No
29	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for procuring Covid-19 PPE items through the quotations from suppliers who were not registered on the central supplier database as required by paragraph 6.4 of instruction note 3 of 2020/21.	Due to the Covid-19 global pandemic, the department appointed suppliers of PPE items who were not registered on the central supplier database, Investigations are still on going by the SIU.	No
30	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for procuring Covid-19 PPE items through the quotations from suppliers who were not registered on the central supplier database as required by paragraph 4.6 of Instruction Note 5 of 2020/21.	Due to the Covid-19 global pandemic, the department appointed suppliers of PPE items who were not registered on the central supplier database, Investigations are still on going by the SIU.	No
31	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for not honouring the existing contracts for Covid-19 PPE items and the reason for not utilizing the contract which was justifiable in terms of paragraph 3.7.2 of National Treasury Instruction Note 8 of 2019/20.	Due to the Covid-19 global pandemic, the department procured PPE items from suppliers not listed on existing contracts. Investigations are still on going by the SIU.	No
32	**Procurement Contract Management** The Committee has noted several material findings by the AGSA on procurement contract management.	Provide details for utilizing the suppliers of COVID 19 PPE items who were not registered with the Department of Small Business Development as required by paragraph 4.6 (d) of National Treasury instruction note 5 of 2020/21.	Due to the Covid-19 global pandemic, the department appointed suppliers of PPE items who were not registered with the Department of Small Business Development. Investigations are still on going by the SIU.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
33	**Consequence Management**	The Department must provide details for not taking disciplinary steps against the officials who had incurred and permitted irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA, as reported by the AG.	A detailed response was forwarded to SCOPA in an addendum.	No
34	**Internal Control Deficiencies**	Provide details for the accounting officer not to have exercised adequate oversight responsibility over internal controls relating to procurement and contract management and over the preparation of the annual performance report. According to the AG, this resulted in non-compliance with key legislation and material findings on the annual financial statements and annual performance report.	There were no material findings in the AFS for the year 2020/21. Materiality was found in the performance information, and this was on the basis of evidence given. There are weaknesses in internal control when it comes to record keeping that supports performance (non-Financial) of the department. this is however in the process of being addressed	Yes
35	**Internal Control Deficiencies**	Provide details for the senior management not to have implemented sufficient controls with regard to the preparation of an accurate and complete annual performance report that was supported by reliable information. According to the AG, this has resulted in material findings on the annual performance report.	The Department has realized the need to improve on its internal control mechanisms. Amongst other needs is to ensure that officials are capacitated with issues of policy implementation and compliance thereto. Management agrees that there are internal control deficiencies and is working on the matter.	Yes
36	**Internal Control Deficiencies**	Provide details for the lack of monitoring of controls to ensure compliance with laws and regulations, including procurement and contract management and expenditure management	Management has developed an audit action plan to prevent recurring irregular expenditure, however the extension of contracts is a centralised process that is cumbersome and involves assistance from the Gauteng Provincial Treasury. Any tender anticipated to be above R2million is subject to probity audit which also delays the process further due to limited resource availability during the Covid 10 pandemic. Awarding of contracts are managed in line with approved delegations. The department is mitigating this risk where a process is followed to invite competitive bids and DBAC approval being obtained for any extension.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
37	**Internal Control Deficiencies**	Progress in the implementation of House Resolutions emanating from SCOPA Oversight Report on the Report of AGSA for the financial year ending 31 March 2020.	The responses were signed by the MEC on 19/10/2021 and forwarded to the legislature.	No
38	**Internal Control Deficiencies**	The Department must provide the Committee with details for not submitting responses to House Resolutions emanating from SCOPA's Oversight Report on the Reports of the AGSA on Financial Statements of Gauteng Department of Health for the year ending 31 March 2020.	The responses were signed by MEC on 19/1 0/2021 and forwarded to the legislature.	Yes
39	**Investigations**	The Department must provide the following details on the investigations: a. Summary of the nature of the investigation b. Stage of the investigation by 31 September 2021 c. Where the investigations are completed, provide summary of measures which were recommended and the stage of implementation of these recommendations by 31 December 2020.	A detailed investigations report was submitted to SCOPA.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
40	**Information Technology Disaster Recovery Plan**	The Department must provide an update on its IT Disaster Recovery Plan (DRP) considerations as part of the BCP based on a business impact analysis. This must be accompanied by an indication if the SLA with e-Gov and SITA has been finalised, approved, and signed.	The Information and Communication Technology (ICT) unit has begun a process to develop the disaster recovery plan (DRP) to support the department's BCP. The draft version of the DRP has been finalized and distributed to the ICT managers of the facility for input and discussion. High-level timelines for the DRP conclusion and approval process were submitted to SCOPA. The input and discussion process is anticipated to be concluded at the beginning of the fourth quarter of the 21/22 financial year; meanwhile, approval of the DRP will be concluded at the end of quarter four. The department is currently in communication with eGovernment on proposed changes to the current SLA. The current SLA has been discussed at several ICT forums within the department, and there is a need to align the SLA service offering with the Gauteng Health key objective operation. The department is in discussion with eGov on the proposed changes before signing. All inputs have been provided to the eGov representative and are awaiting a response.	No

RESOLUTIONS FOR RESPONSES ON RESPONSE ON STANDING COMMITTEE ON PUBLIC ACCOUNTS OVERSIGHT REPORT ON THE REPORT OF THE AUDITOR-GENERAL OF SOUTH AFRICA TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2021.

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
1	**RESOLUTIONS FOR RESPONSES ON RESPONSE ON STANDING COMMITTEE ON PUBLIC ACCOUNTS OVERSIGHT REPORT ON THE REPORT OF THE AUDITOR-GENERAL OF SOUTH AFRICA TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2021.**	That the Department must investigate alternative Health 31/01/2022 measurers to reduce the occurrence of lawsuits and submit the plan to the Committee by 31 January 2022	A detailed anti-litigation plan was submitted to SCOPA	Yes
2		That the Department implement proper control measures to ensure that there are no further over commitments and provide the Committee with a progress report detailing the effectiveness of those measures by 31 January 2022 and thereafter every quarter continuing up until the end of June 2022.	An EMC Core Parliamentary Tracking Report will be implemented with immediate effect. See attached template report. Secondly all responsible managers will be issued with letters of actioning, failing which consequence management will be invoked.	No
3		That the Department submits progress report on completion of repairing the fore OHS to Block 1 Level 6 by 31 January 2022 and thereafter every quarter continuing until finalisation thereof	The CMJAH Ministerial Report that addresses the matter raised in the resolution was submitted to SCOPA.	Yes
4		That the Department provides the Committee with a progress report detailing the effectiveness of measures put in place to address weaknesses of pre - determined objectives by 31 Health 31/01/2022 January 2022 and thereafter every quarter continuing up until the end of June 2022.	**Continue implementation of the HIEM strategy** • Ongoing advocacy for Bi-weekly/Monthly Data Reconciliations at facility levels • Schedules for Monthly Provincial reviews of data reconciliation, POE submission and Monthly Performance reviews • Provincial visits to support data quality audits at targeted facilities • Development of a register of registers to ensure that facilities become aware if a register goes missing during recounts/ reconciliations Tshepo 1 Million captures have been provided to big facilities to support data management efforts and data capturing posts created for big facilities.	Yes
5		That the Department provides the Committee with a progress report on investigations conducted by SIU relating to Procurement and contract management by 31 January 2022 and thereafter every quarter continuing up until finalisation thereof.	All SIU reports are housed in the Office of the Premier.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
6	**RESOLUTIONS FOR RESPONSES ON RESPONSE ON STANDING COMMITTEE ON PUBLIC ACCOUNTS OVERSIGHT REPORT ON THE REPORT OF THE AUDITOR-GENERAL OF SOUTH AFRICA TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2021.**	That the Department must submit its plan to investigate and reduce the irregular expenditure accumulated over years by 31 January 2022 and progress in the implementation of this plan every quarter continuing up until the end of June 2022.	A submission will be submitted to the HOD Office with the view of procuring the services a Service Provider (SP) on the panel of Premier's Office's Panel of Experts to assist with fast-tracking the implementation of outstanding investigative recommendations.	No
7		That the Department must provide the Committee with a progress report detailing the status of the investigation on Fruitless and wasteful expenditure and possible write off by 31 January 2022 and every quarter Health 31/01/2022 continuing up until end of June 2022.	In line with the GDoH-wide Enterprise Risk Management. HOD approved a Senior Management Team to deal with outstanding consequence Management matters. Secondly a submission will be submitted to the HOD Office with the view of procuring the services a Service Provider (SP) on the panel of Premier's Office's Panel of Experts to assist with fast-tracking the implementation of outstanding investigative recommendations.	No
8		The GDOH must by 31 January 2022: • Provide details of payments which were not made by 31 March 2021, if any, and reasons thereof. • For each service provider provide progress made to pay them by 31 December 2021. Provide its analysis/plan to ensure that it complies with the legislative requirements to pay service providers within 30 days, and possibly with 15 days as per the provincial government target	Records of accruals including payments of transactions and the report that includes outstanding balances and plans for payment which forms part of the presentation, were submitted to SCOPA.	Yes
9		That the Department intensify performance and consequence management processes to eliminate findings on irregular expenditure and provides the Committee with a progress report by 31 January 2022 and thereafter every quarter continuing up until the end of June 2022	In line with the GDoH-wide Enterprise Risk Management. HOD approved a Senior Management Team to deal with outstanding consequence Management matters. Secondly a submission will be submitted to the HOD Office with the view of procuring the services a Service Provider (SP) on the panel of Premier's Office's Panel of Experts to assist with fast-tracking the implementation of outstanding investigative recommendations.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
10	**RESOLUTIONS FOR RESPONSES ON RESPONSE ON STANDING COMMITTEE ON PUBLIC ACCOUNTS OVERSIGHT REPORT ON THE REPORT OF THE AUDITOR-GENERAL OF SOUTH AFRICA TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2021.**	The Department must submit its plans detailing the Health 31/01/2022 effectiveness of measures put in place to curb the recurrence of weaknesses on pre - determined objectives by 31 January 2022. The plan must include the Department's assessment of the implementation of the plan in the 2021/22 financial year	**Continue implementation of the HIEM strategy** • Ongoing advocacy for Bi-weekly/Monthly Data Reconciliations at facility levels • Schedules for monthly Provincial reviews of data reconciliation, POE submission and monthly Performance reviews • Provincial visits to support data quality audits at targeted facilities • Development of a register of registers to ensure that facilities become aware if a register goes missing during recounts/ reconciliations Tshepo 1 Million captures have been provided to big facilities to support data management efforts and data capturing posts created for big facilities.	Yes
11		That the Department must provide the Committee with a progress report by 31 January 2022 on the effectiveness of measures put in place to address poor leadership in the Department and thereafter every quarter continuing up until the end of June 2022.	In line with the GDoH-wide Enterprise Risk Management. HOD approved a Senior Management Team to deal with outstanding consequence Management matters. Secondly the HOD will be signing Performance Contracts with Branch Heads and CEOs of Central Hospitals. Lastly the issue of delegations for all accountable managers will be finalised	No
12		That the Department must provide the Committee with a report detailing the progress of filling vacant posts 31 January 2022 and a quarterly progress report continuing up until finalisation thereof	A report on progress of filling vacant posts was presented and submitted to SCOPA.	Yes
13		That GDoH must provide the Committee with a progress report on the investigations it is conducting, detailing the status of each investigation by 31/01/2022 and a quarterly progress thereafter.	A report detailing investigations conducted and status was submitted to SCOPA.	No
14		That GDoH must provide the Committee with a Health 31/01/2022 progress report on the investigations it is conducting, detailing the status of each investigation by 31 January 2022 and a quarterly progress until finalization thereof.	All the mentioned posts have been filled save for the CD: SCM, which is in progress.	No

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
15	**RESOLUTIONS FOR RESPONSES ON RESPONSE ON STANDING COMMITTEE ON PUBLIC ACCOUNTS OVERSIGHT REPORT ON THE REPORT OF THE AUDITOR-GENERAL OF SOUTH AFRICA TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE 4: GAUTENG DEPARTMENT OF HEALTH FOR THE YEAR ENDED 31 MARCH 2021.**	The GDoH must provide SCOPA with the quarterly progress reports on its implementation of the recommendations of the Auditor -General of South Africa on the identified material irregularity, starting from 31 January 2022 and quarterly thereafter.	The matter was queried internally to the relevant officials. However, there was a nil return in the status and outcome of the matter from the relevant officials due to changes in senior management since the last submission to SCOPA and the fire incident at BOL. Gauteng Provincial Treasury was requested by SCOPA for the GDoH to provide the reasons as to why the supporting documents may not be recovered and it be provided with quarterly progress reports on investigations.	Yes
16		That the Department must provide the Committee with a breakdown and reasons for the unauthorized expenditure by 31 January 2022	A detailed report in this regard was submitted to SCOPA	No
17		The Department must provide an update on its IT Disaster Recovery Plan (DRP) considerations as part of the BCP based on a business impact analysis. This must be accompanied by an indication if the SLA with e -Gov and SITA has been finalised, approved, and signed.	a) The Information and Communication Technology (ICT) unit has begun a process to develop the disaster recovery plan (DRP) to support the department's BCP. The draft version of the DRP has been finalized and distributed to the ICT managers of the facility for input and discussion. The input and discussion process is anticipated to be concluded at the beginning of the fourth quarter of the 22/23 financial year; meanwhile, approval of the DRP will be concluded at the end of quarter four. b) The department is currently in communication with eGovernment on proposed changes to the current SLA. The current SLA has been discussed at several ICT forums within the department, and there is a need to align the SLA service offering with the Gauteng Health key objective operation. The department is in discussion with eGov on the proposed changes before signing. All inputs have been provided to the eGov representative and are awaiting a response.	No
18		That GDoH must submit its audit action plan indicating each area of finding by the AGSA in the 2020/21 FY; Plans to address the area of findings; and time frames for implementation.	A detailed audit plan was submitted to SCOPA,	Yes
19		That GDoH must submit progress made in the implementation of its audit action plan by 31 January 2022 and every quarter thereafter until all resolutions are resolved.	Progress on audit action plan outcomes will be reflected in the number of reduced audit findings in a financial year.	Yes
20		That GDoH must submit its assessment of the implications of its audit action plans to the current (2021/22) financial year.	A detailed audit plan was submitted to SCOPA.	Yes

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The table below shows steps taken to address matters in the AGSA's report for the previous financial year.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter
None	N/A	N/A

1. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(b) of the PFMA. Material misstatements on contingent liabilities and commitments identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

2. Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids and deviations were approved by the Accounting Officer but it was impractical to invite competitive bids, as required by Treasury Regulations 16A6.1 and 16A6.4. Similar non-compliance was also reported in the prior year.
3. Some of the contracts were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury Regulations 16A6.3(a). Similar non-compliance was also reported in the prior year.
4. Some of the contracts were awarded to suppliers whose tax matters had not been declared by the South African Revenue Services to be in order as required by Treasury Regulation 16A9.1(d).
5. The specifications of Personal Protective Equipment items procured did not comply with the specifications prescribed by the Department of Health as required by paragraph 3.7.6 of National Treasury Instruction Note 8 of 2019/20.
6. The COVID-19 Personal Protective Equipment items procured through quotations were not in accordance with the specifications of the National Department of Health and World Health Organisation as required by paragraph 6.4 of National Treasury Instruction Note No 3 of 2020/21.
7. The COVID-19 Personal Protective Equipment items procured through quotations were not in accordance with the specifications of the National Department of Health and World Health Organisation as required by paragraph 4.6 of National Treasury Instruction Note No 5 of 2020/21.
8. The prices of COVID-19 Personal Protective Equipment items were higher than prescribed prices on Annexure A of National Treasury Instruction Note 8 of 2019/20 in contravention of paragraph 3.7.6 of same Instruction Note.
9. The prices of COVID-19 Personal Protective Equipment items were higher than prescribed prices on Annexure A of National Treasury Instruction Note 3 of 2020/21 in contravention of paragraph 6.4 of same instruction note.
10. The prices of COVID-19 Personal Protective Equipment items were higher than prescribed prices on Annexure A of National Treasury Instruction Note 5 of 2020/21 in contravention of paragraph 4.3 of same Instruction Note.
11. The suppliers of Personal Protective Equipment items were not listed on the Central Supplier Database as required by paragraph 3.7.6 of National Treasury Instruction Note 8 of 2019/20. The suppliers of COVID-19 Personal Protective Equipment who procured items through the quotations were not registered on the Central Supplier Database as required by paragraph 6.4 of Instruction Note 3 of 2020/21.
12. The suppliers of COVID-19 Personal Protective Equipment who procured items through the quotations were not registered on the Central Supplier Database as required by paragraph 4.6 of Instruction Note 5 of 2020/21.
13. The existing contracts of COVID-19 Personal Protective Equipment items were not honoured and the reason for not utilising the contracts was not justifiable as required by paragraph 3.7.2 of National Treasury Instruction Note 8 of 2019/20.

Expenditure management

14. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R3 758 412 000, as disclosed in Note 25.1 to the Annual Financial Statements as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulations 9.1.1. The majority of the irregular expenditure disclosed in the financial statements was caused by non-compliance with Treasury Regulations on competitive bidding as well as procurement irregularities on the procurement of Personal Protective Equipment.

15. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R217 856 000, as disclosed in Note 26.1 to the Annual Financial Statements as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulations 9.1.1. The majority of the fruitless and wasteful expenditure was caused by price overcharging on procurement of Personal Protective Equipment.
16. Effective internal controls were not in place for approval and processing of payments, as required by Treasury Regulation 8.1.1.
17. Payments were not made within 30 days or within an agreed period after receipt of an invoice, as required by TR 8.2.3.

Consequence management

18. Disciplinary steps were not taken against officials who had permitted irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA.

Strategic planning and performance management

19. Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by Public Service Regulation 25(1)(e)(i) and (iii).

10. INTERNAL CONTROL UNIT

The Internal Control unit facilitated, to the extent possible, that the Department maintains an effective, efficient and transparent internal control system liaising with the Auditor-General and hosting of the Audit Steering Committee meetings during the year under review.

The main functions performed by the Internal Control Unit covered the following areas:
- Facilitated the internal and external audit processes.
- Reviewed and monitored the Audit Action Plans of Head Office, branches and health institutions.
- Performed key control assessments at tertiary and major hospitals.
- Special assessments on the eligibility of payment transactions.
- Led assessments on matters referred for further investigation
- Assessment on matters relating to non-compliance with policies and prescripts.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The table below discloses relevant information on the Audit Committee members.

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Stanley Ngobeni	• Master of Business Administration • Master of Commerce in International and Domestic Taxation • B. Accounting Science (Hons) • B. Com-Accounting • Higher Diploma in Computer Auditing • Higher Diploma in Computer Auditing	External	-	01 March 2019	Current	05

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Lungelwa Sonqishe	• Bachelor of Accounting Science. • MBA • Certificate in Governance	External	-	11 August 2020	Current	05
Shelmadene Petzer	• Chartered Accountant (SA) • Certificate in the Theory of Accountancy • Advanced Executive Programme	External	-	01 September 2018	Current	05

12. AUDIT COMMITTEE REPORT

GAUTENG PROVINCIAL GOVERNMENT (GPG)

Report of the Audit Committee – Cluster 03
Gauteng Department of Health

We are pleased to present our report for the financial year ended 31 March 2022

Audit Committee and Attendance

The Audit Committee consists of the external Members listed hereunder and is required to meet a minimum of at least two times per annum as per the provisions of the Public Finance Management Act, 1999 (Act Number 1 of 1999) (PFMA). In terms of the approved Terms of Reference (GPG Audit Committee Charter), Five meetings were held during the current year i.e. three meetings to consider the Quarterly Performance Reporting (financial and non-financial) and two meetings to review and discuss the Annual Financial Statements and the Auditor-General of South Africa's (AGSA) Audit and Management Reports.

Non-Executive Members

Name of Member	Number of Meetings attended
Mr. Stanley Ngobeni (Chairperson)	05
Ms. Lungelwa Sonqishe *	05
Ms. Shelmadene Petzer	05

*Stand in member from another cluster

Executive Members

In terms of the GPG Audit Committee Charter, officials listed hereunder are obliged to attend meetings of the Audit Committee:

Compulsory Attendees	Number of Meetings attended
Dr. Sibongile Zungu (Acting Accounting Officer)	03
Ms. Nomonde Nolutshungu (HoD)	02
Ms. Lerato Madyo (Acting Chief Financial Officer)	05
Mr. Canada Motsaneng (Chief Risk Officer)	05
Mr. Kweyama Velile (Chief Audit Executive)	05

The Audit Committee noted that the different Acting Accounting Officer/s attended five (05) scheduled Audit Committee meetings. Therefore, the Audit Committee is satisfied that the Department adhered to the provisions of the GPG Audit Committee Charter in relation to ensuring that there is proper representation by the Accounting Officer. Of concern is the number of acting persons at senior management level during the year and it is critical that this be resolved in this key department.

The Members of the Audit Committee met with the Senior Management of the Department and Internal Audit, collectively to address risks and challenges facing the Department. A number of in-committee meetings were held to address internal control weaknesses and deviations within the Department.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control and Information and Communication Technology (ICT) Governance

The Audit Committee is concerned with the continued regression in the internal control environment of the Department. The regression in the internal control environment of the Department mainly relates to the failure to implement prior year recommendations of the AGSA and internal audit, inadequate review of performance information and compliance with laws and regulations in the Supply Chain Management function (SCM).

The department experienced many changes in senior personnel in the last year which has exacerbated the situation and contributed to the regression in the internal control environment. The department has been subject to continuous problems which have been the subject of media reports concerning conditions at hospitals which are affecting staff and patients alike. These matters, including the reporting channels and protection of whistleblowers require urgent and decisive attention. Of concern is also the number of instances of fires at hospitals which further impacts the conditions of the hospital premises.

The Audit Committee is also concerned about deficiencies in IT Governance This matter impacts the storage and retrieving of documents not least of all patient records. The latter impacts the ability of the department to defend court cases brought against it.

The department continues to incur irregular expenditure as a consequence of poor SCM which has resulted in material irregularities being identified by the AGSA. Whilst certain actions are in process of address these the department is encouraged to take further steps to prevent their recurrence. The department is further urged to attend to clearing long outstanding occurrences of such expenditure.

The department also continues to experience significant difficulty in collecting debtors resulting in the impairment of 85% of its debt. This further exacerbates the financial problems of the department that emanate from the problem of old unpaid accounts payable accumulated in prior years, although this has shown slight improvement, it impacts the availability of the voted funds for the next year's requirements.

The Audit Committee was concerned with the high number of government employees who have been identified as doing business with the department and this requires attention.

Internal Audit

The Audit Committee is satisfied that the Internal Audit plan represents a clear alignment with the key risks and has adequate information systems coverage. The Audit Committee is satisfied that the internal auditors consulted with Management, Auditor General and the Audit Committee on its Internal Audit Plan and that the plan was completed in full. Internal audit continues to follow-up on previous audit recommendations.

The AGSA and Internal audit are urged to improve their collaboration with the aim of maximizing combined assurance initiatives.

Risk Management

Progress on the departmental risk management was reported to the Audit Committee on a quarterly basis. The Audit Committee notes the effort made by the Department to improve its risk management processes, however, the risk mitigations and implementation plans are not fully implemented which increases the risk exposure of the department The strategic risk register requires further consideration regarding the numerous issues reported by the internal and external auditors and those matters emanating from the forensic investigations and media reports.

The department is urged to timely implement effective consequence management for matters of noncompliance and poor performance of staff and management in an attempt to combat the continuous regression in its outcomes. In addition the oversight of operations and training of staff should be stranthened.

Forensic Investigations and Medico legal claims

Investigations into alleged financial irregularities, financial misconduct and fraud were performed during the year under review. There are still a number of cases which have not yet been investigated dating back a number of years and, together with provincial government, the department should formulate a strategy to deal with this. In addition, the department should ensure that recommendations are implemented timeously, and that progress is monitored.

The matters given rise to the forensic investigations and medico legal claims result in the significant contingent liabilities of the department. The department is urged to address the root causes of these matters urgently as the financial implications are impacting its ability to function optimally.

The quality of quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

The Audit Committee notes the content and quality of financial and non-financial quarterly reports prepared and submitted by the Accounting Officer of the Department during the year under review and emphasise that the Department must improve the quality of its financial, non-financial reports and record management system.

Combined assurance

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that the department should fully implement of Combined assurance framework.

Compliance with the relevant laws and regulations

The Audit Committee considered reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements and concluded that the department did not material comply with the enabling laws and regulations as well as its departmental policies and standard operating procedures, especially in the areas of addressing the irregular and fruitless expenditure, quality of annual financial statement and supply chain management (including expenditure management).

Evaluation of Annual Financial Statements

Following the review by the Audit Committee of the Annual Financial Statements for the year ended 31 March 2022 before and after the audit, the Audit Committee is of the view that, in all material respects, it complied with the relevant provisions of the PFMA and MCS and fairly presents the financial position at that date and the results of its operations and cash flows for the year then ended. Furthermore, the Audit Committee agrees with the inclusion of the annual financial statements in the Annual Report.

Evaluation of Annual Performance Report

The Audit Committee continues to be concerned about the completeness, accuracy and reliability of the annual performance report. The department is urged to improve systems for recording performance information together with consequences for nonperformance.

Final Auditor General's Report

The Audit Committee concurs and accepts the conclusions of the Auditor-General of South Africa on the Annual Financial Statements and Annual Performance Report.

One-on-One Meeting with the Accounting Officer

The Audit Committee has met quarterly with the Accounting Officer for the Department to address unresolved issues.

One-on-One Meetings with the Executive Authority

The Audit Committee Chairperson met with the Executive Authority for the Department to apprise the MEC on the performance of the Department, the Audit Committee believes that the frequency of these interactions would be more beneficial to the Executive Authority.

Auditor-General of South Africa

The Audit Committee has met with the AGSA to ensure that there are no unresolved issues.

Mr. Stanley Ngobeni
Chairperson of the Audit Committee
05 August 2022

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the B-BBEE requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department/Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response** **Yes / No**	**Discussion** **(include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	NA	NA
Developing and implementing a preferential procurement policy?	Yes	The department has compiled a Preferential Procurement policy.
Determining qualification criteria for the sale of state-owned enterprises?	NA	NA
Developing criteria for entering into partnerships with the private sector?	NA	NA
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	NA	NA

PART D:

HUMAN RESOURCES

Part D: Human Resources Oversight Statistics

1. INTRODUCTION

The province's commitment to attaining universal coverage requires very capable human resources for health sector reforms to flourish. The Human Resource unit in the department has during the year under review put measures in place to ensure that there is movement towards attaining reforms which include development of a comprehensive Human Resources for Health strategy amongst other initiatives to ensure that retention of talent and filling of leadership positions continues. It has also ensured that policy directives are implemented; these include, amongst others, early retirement without penalisation introduced since 2019 by the Minister of Finance. The goal of the framework was to curb the budget deficit by targeting retiring employees aged 53 to 59 who qualified for early retirement. To this end, the department managed to retire a total of 213 employees. The employees were released in phases; in the first phase, 122 employees were released on 31 December 2021 and in the second phase 91 employees were released on 31 March 2022.

The department has signed a contract with independent service provider Pro-Active Health Solutions for the current sick leave cycle (2022 till 2024). This is for the purpose of assessing and recommending PILIR applications. As regards to retirement due to ill-health for the financial year 2021/2022, the department has managed to retire 29 employees.

As regards addressing leadership stability and closing gaps in the management echelons, the department managed to fill 17 SMS critical posts including that of Chief Executive Officers of hospitals.

With the continuation of the pandemic and its negative effects on the economy, budgets relating to Compensation of Employees were cut. These budget cuts resulted in most institutions projecting an over-expenditure by the middle of the financial year. It was problematic to replace and fill some of the critical posts. There were also some outstanding payments of staff such as incentive bonuses and pay progression which were paid well after they were due. The department still needs to work hard towards finalising the organisational structure of all the health programmes, hospitals and PHC clinics.

2. HUMAN RESOURCES OVERSIGHT STATISTICS

The following tables provide key information about the department's Human Resources for the financial year 2021/2022.

Table 2.1.1: Personnel expenditure by programme: 1 April 2021 to 31 March 2022

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel costs as percent of Total Expenditure	Average Personnel Cost per Employee (R'000)	Employment (b)
1. Administration	2 173 192	463 884	497	98 863	21%	210	2 212
2. District health services	19 251 444	11 938 292	5 157	138 118	62,0%	401	29 791
3. Emergency medical services	1 431 692	899 601	17	27	62,8%	313	2 878
4. Provincial hospital services	10 697 214	7 914 478	954	326 470	74,0%	337	23 508
5. Central hospital services	20 379 143	13 476 463	387	63 897	66,1%	681	19 789
6. Health sciences and training	706 868	521 238	10 888	478	73,7%	318	1 638
7. Health care support services	388 833	209 814	-	-	54,0%	278	755

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel costs as percent of Total Expenditure	Average Personnel Cost per Employee (R'000)	Employment (b)
8. Health facilities management	2 020 750	40 082	45	-	2,0%	466	86
HWSETA accounts	-	-	-	-	*	*	
MedSAS trading account	-	-	-	-	*	*	
Total	**57 049 136**	**35 463 852**	**17 945**	**627 853**	**62,2%**	**440**	**80 657**

Table 2.1.1: Professional and Special Services consisting of: A&S/O/S: Medical Services, Nursing Staff, Personnel&Labour, Admin&Supprt Staff, CNS:BUS&ADV Ser: Human Resource, Organisational, Qualification Verification, Board &Committee Member, Research&Advisory, Financial Management, Accountants&Auditors and Contractors: Medical Services as per the Standard Chart of Accounts (SCOA).

Table 2.1.2: Personnel costs by salary band: 1 April 2021 to 31 March 2022

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1-2)	1 855 775	8,18%	17074	109
Skilled (level 3-5)	3 625 282	15,97%	21701	167
Highly skilled production (levels 6-8)	4 765 491	21,00%	17823	267
Highly skilled supervision (levels 9-12)	8 840 773	38,95%	13087	676
Senior and Top management (levels 13-16)	104 180	0,46%	88	1 184
Contract (level 1-2)	79 262	0,35%	758	105
Contract (level 3-5)	235 019	1,04%	1483	158
Contract (level 6-8)	425 831	1,88%	1698	251
Contract (level 9-12)	2 735 675	12,05%	3980	687
Contract (level 13-16)	30 679	0,14%	23	1 334
Periodical Remuneration	0	0,00%	707	0
Abnormal Appointment	0	0,00%	2235	0
Total	**22 697 966**	**100,00%**	**80657**	**281**

Table 2.1.3: Salaries, Overtime, Home Owners' Allowances and Medical Aid by programme: 1 April 2021 to 31 March

2022

Programme	Salaries (R'000)	Salaries as % of personnel costs	Overtime (R'000)	Overtime as % of Personnel costs	HOA (R'000)	HOA as % of personnel costs	Medical Ass. (R'000)	Medical Ass. as % of personnel costs	Total personnel cost (R'000)
Administration	429 394	1,2%	5 026	0,0%	9 022	0,0%	20 442	0,1%	463 884
District health services	10 277 789	29,0%	578 465	1,6%	348 482	1,0%	733 556	2,1%	11 938 292
Emergency medical services	778 148	2,2%	4 542	0,0%	37 946	0,1%	78 965	0,2%	899 601
Provincial hospital services	6 525 003	18,4%	819 304	2,3%	207 638	0,6%	362 533	1,0%	7 914 478
Central hospital services	11 021 368	31,1%	1 610 517	4,5%	316 257	0,9%	528 321	1,5%	13 476 463
Health sciences and training	486 163	1,4%	1 233	0,0%	11 949	0,0%	21 893	0,1%	521 238
Health care support services	155 132	0,4%	14 735	0,0%	14 362	0,0%	25 584	0,1%	209 813
Health facilities management	36 952	0,1%	525	0,0%	687	0,0%	1 919	0,0%	40 083
HWSETA accounts	-								-
Total	**29 709 949**	**83,8%**	**3 034 347**	**8,6%**	**946 343**	**2,7%**	**1 773 213**	**5,0%**	**35 463 852**

Table 2.1.4: Salaries, Overtime, Home Owners' Allowance and Medical Aid by salary band: 1 April 2021 to 31 March 2022

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Salaries (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower Skilled (level 1-2)	1 830 898 658	9,43%	57 992 429	2,11%	181 229 533	20,92%	401 773 078	25,02%
Skilled (level 3-5)	3 767 143 036	19,40%	256 531 475	9,33%	304 979 674	35,21%	506 430 369	31,54%
Highly skilled production (levels 6-8)	4 977 690 292	25,64%	341 515 381	12,41%	244 748 423	28,26%	431 184 487	26,85%
Highly skilled supervision (levels 9-12	8 752 535 860	45,08%	2 088 801 143	75,93%	134 653 195	15,55%	264 625 835	16,48%
Senior and Top management (level 13-16)	86 342 125	0,44%	6 078 945	0,22%	529 587	0,06%	1 860 919	0,12%
Total	**19 414 609 970**	**100,00%**	**2 750 919 373**	**100,00%**	**866 140 412**	**100,00%**	**1 605 874 687**	**100,00%**

Table 2.2.1: Employment and vacancies by programme as at 31 March 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
01 - HEALTH ADMINISTRATION	1616	1042	35,09%	25
02 - DISTRICT HEALTH SERVICES	32406	29576	7,42%	2247
03 - EMERGENCY MEDICAL SERVICES	3588	2876	19,84%	
04 - PROVINCIAL HEALTH SERVICES	24891	23038	6,64%	2968
05 - ACADEMIC HEALTH SERVICES	22122	19648	9,92%	2150
06 - HEALTH SCIENCES AND TRAINING	2328	648	72,16%	
07 - HEALTH CARE SUPPORT SERVICES	800	752	6,00%	
08 - HEALTH FACILITY MANAGEMENT	104	85	18,27%	7
GRAND TOTAL	**87855**	**77665**	**11%**	**7397**

Table 2.2.2: Employment and vacancies by salary band as at 31 March 2022

Salary band Description	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	17 923	17136	3,90%	792
Skilled (3-5)	29 550	25400	13,54%	1516
Highly skilled production (6-8)	21 336	18667	11,79%	1907
Highly skilled supervision (9-12)	18 887	16347	10,68%	3180
Senior management (13-16)	159	115	27,67%	2
Total	**87 855**	**77 665**	**10,56%**	**7397**

Table 2.2.3: Employment and vacancies by critical occupation as at 31 March 2022

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
01. Medical Practitioner	2919	2514	8,63%	582
02. Medical Intern	1583	1416	1,71%	1401
03. Medical Specialist	2809	1211	8,08%	31
04. Dental Practitioner	257	221	7,39%	12
05. Dentists/Specialist	153	131	11,76%	
06. Emergency Care Practitioner	3412	2788	18,29%	
07. Professional Nurses	19439	17141	10,97%	1445
08. Staff Nurses	7916	7306	7,31%	515
09. Nursing Assistant	7384	7022	4,62%	175
10. Student Nurses	1643	70	35,24%	
11. Pharmacist	584	61	6,34%	108
12. Pharmacist intern	70	544	0,00%	67
GRAND TOTAL	**48169**	**40425**	**10,04%**	**4336**

Table 2.3.1: SMS post information as at 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1		0,00%		0,00%
Salary Level 16	1	1	100,00%	1	100,00%
Salary Level 15	8	7	87,50%	2	25,00%
Salary Level 14	38	21	55,26%	13	34,21%
Salary Level 13	111	83	74,77%	28	25,23%
Total	**159**	**112**		**112**	

Table 2.3.2: SMS post information as of 30 September 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1		0,00%		0,00%
Salary Level 16	1	1	100,00%	1	100,00%
Salary Level 15	8	5	62,50%	3	37,50%
Salary Level 14	39	23	58,97%	14	35,90%
Salary Level 13	107	84	78,50%	24	22,43%
Total	**156**	**113**		**42**	

Table 2.3.3: Advertising and filling of SMS posts: 1 April 2021 to 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	Total number of SMS posts advertised	% of SMS posts filled	Total number of SMS vacant funded posts	% of SMS posts vacant
Head of Department	1	0		0%	1	100%
Salary Level 16	1	1		100%	1	100%
Salary Level 15	8	7		88%	2	25%
Salary Level 14	38	21		55%	13	34%
Salary Level 13	111	83		75%	28	25%
Total	**159**	**113**	**1**		**45**	

Table 2.3.4: Reasons for not having complied with the filling of funded vacant SMS posts advertised within six months and filled within 12 months after becoming vacant: 1 April 2021 to 31 March 2022

Reasons for vacancies not advertised within six months
None
None

Reasons for vacancies not filled within six months
None

Table 2.3.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months

The prescribed timeframe for filling within twelve months
None

Reasons for vacancies not filled within twelve months
None

Table 2.4.1: Job evaluation by salary band: 1 April 2021 to 31 March 2022

Salary band	Number of posts on approved	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	17 213	0	0,0%	0	0	0	0%
Skilled (Levels 3-5)	28 200	0	0,0%	0	0	0	0%
Highly skilled production (Levels 6-8)	19 600	0	0,0%	0	0	0	0%
Highly skilled supervision (Level 9-12)	14 757	0	0,0%	0	0	0	0%
Senior Management Service Band A	100	0	0,0%	0	0	0	0%
Senior Management Service Band B	27	0	0,0%	0	0	0	0%
Senior Management Service Band C	3	0	0,0%	0	0	0	0%
Senior Management Service Band D	2	0	0,0%	0	0	0	0%
Contract (Level 1-2)	710	0	0,0%	0	0	0	0%
Contract (Level 3 -5)	1 350	0	0,0%	0	0	0	0%
Contract (Level 6-8)	1 736	0	0,0%	0	0	0	0%
Contract (Level 9-12)	4 130	0	0,0%	0	0	0	0%

Salary band	Number of posts on approved	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Contract Band A	11	0	0,0%	0	0	0	0%
Contract Band B	11	0	0,0%	0	0	0	0%
Contract Band C	5	0	0,0%	0	0	0	0%
Contract Band D	0	0	0,0%	0	0	0	0%
Total	**87 855**	**0**	**0**	**0**	**0**	**0**	**0**

Table 2.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded: 1 April 2021 to 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**
Employees with a disability					

Table 2.4.3: Employees with salary levels higher than those determined by job evaluation by occupation: 1 April 2021 to 31 March 2022

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total number of employees whose salaries exceeded the level determined by job evaluation				**0**
Percentage of total employed				0,0%

Table 2.4.4: Profile of employees whose salary levels were higher than those determined by job evaluation: 1 April 2021 to 31 March 2022

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0%
Male	0	0	0	0	0%
Total	**0**	**0**	**0**	**0**	**0%**
Employees with a disability					

Table 2.5.1: Annual turnover rates by salary band: 1 April 2021 to 31 March 2022

Salary band	Number of employees at beginning of period - 1 April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	19596	6598	6876	35,09%
Skilled (Levels 3-5)	21796	1712	923	4,23%
Highly skilled production (Levels 6-8)	17480	1307	1643	9,40%
Highly skilled supervision (Levels 9-12)	12998	1142	1407	10,82%
Senior Management Service Bands A	75	4	6	8,00%
Senior Management Service Bands B	18		2	11,11%
Senior Management Service Bands C	2			0,00%
Senior Management Service Bands D	1			0,00%
Contracts	9980	5614	8652	86,69%
Total	**81946**	**16377**	**19509**	**23,81%**

Table 2.5.2: Annual turnover rates by critical occupation: 1 April 2021 to 31 March 2022

Critical occupation	Number of employees at beginning of period, April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
01. Medical Practitioner	2910	1618	682	23,44%
02. Medical Intern	1334	842	699	52,40%
03. Medical Specialist	2688	551	681	25,33%
04. Dental Practitioner	328	96	122	37,20%
05. Dentists / Specialist	148	25	30	20,27%
06. Emergency Care Practitioner	2511		84	3,35%
07. Professional Nurses	17169	2527	3609	21,02%
08. Staff Nurses	7944	728	1201	15,12%
09. Nursing Assistant	7352	383	980	13,33%
10. Student Nurses	576	159	352	61,11%
11. Pharmacist	592	160	174	29,39%
12. Pharmacist intern	64	67	65	101,56%
GRAND TOTAL	**43616**	**7156**	**8679**	**19,90%**

Table 2.5.3: Reasons why staff left the department: 1 April 2021 to 31 March 2022

Termination Type	Number	% of Total Resignations
Death	421	2,16%
Resignation	4436	22,74%
Expiry of contract	13088	67,09%
Dismissal – operational changes	51	0,26%
Dismissal – misconduct	22	0,11%
Dismissal – inefficiency		0,00%
Discharged due to ill-health	17	0,09%
Retirement	1114	5,71%
Transfer to other Public Service Departments	1	0,01%
Other	359	1,84%
Total	**19509**	**100,00%**
Total number of employees who left as a % of total employment		23,81%

Table 2.5.4: Promotions by critical occupation: 1 April 2021 to 31 March 2022

Occupation	Number of Employees, 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Dental Practitioner	328	1	0,30%	6	1,83%
Dental Specialist	148		0,00%	8	5,41%
Medical Practitioner	2910	44	1,51%	37	1,27%
Medical Intern	1334		0,00%		0,00%
Medical Specialist	2688	20	0,74%	90	3,35%
Emergency Care Practitioner	2511	24	0,96%	31	1,23%
Pharmacist	592	5	0,84%	14	2,36%
Pharmacist (Intern)	64		0,00%		0,00%
Professional Nurses	17169	817	4,76%	164	0,96%
Staff Nurses	7944	455	5,73%	6	0,08%
Nursing Assistant	7352	348	4,73%	88	1,20%
Professional Nurse (Student)	576		0,00%		0,00%
Total	**43 616**	**1 714**	**3,93%**	**444**	**1,02%**

Table 2.5.5: Promotions by salary band: 1 April 2021 to 31 March 2022

Salary Band	Employees 1 April 2021	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	21177		0,00%	1	0,00%
Skilled (Levels 3-5)	24458	631	2,58%	122	0,50%
Highly skilled production (Levels 6-8)	19273	1094	5,68%	59	0,31%
Highly skilled supervision (Levels 9-12)	16923	513	3,03%	358	2,12%
Senior Management (Levels 13-16)	115	6	5,22%		0,00%
Total	**81946**	**2244**	**2,74%**	**540**	**0,66%**

Table 2.6.1: Total number of employees (including employees with disabilities) in occupational categories as at 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	95	4	2	4	95	3	6	6	**215**
Professionals	2124	71	464	681	2635	124	586	944	**7629**
Technicians and associated professionals	2854	39	63	100	17485	433	371	751	**22096**
Clerks	2761	41	17	35	6492	91	16	185	**9638**
Service and sales workers	784	12			7426	94	2	5	**8323**
Skilled agriculture and fishery workers	3296	24	23	55	15189	75	14	91	**18767**
Craft and related trades workers									**0**
Plant and machine operators and assemblers	402	6	1	7	31				**447**
Elementary occupations	4203	69	6	47	7682	154	1	48	**12210**
Total	**16519**	**266**	**576**	**929**	**57035**	**974**	**996**	**2030**	**79325**
Employees with disabilities	281	8	4	29	910	24	11	65	**1332**

Table 2.6.2: Total number of employees (including employees with disabilities) in occupational bands as at 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3				4				7
Senior Management	48	3	2	3	33	1	1	4	**95**
Professionally qualified and experienced specialists and mid-management	3178	97	478	652	10051	337	761	1283	**16837**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3057	35	30	94	15014	277	173	544	**19224**
Semi-skilled and discretionary decision making	5756	58	17	56	16699	120	10	70	**22786**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Unskilled and defined decision making	4477	73	49	124	15234	239	51	129	**20376**
Total	**16519**	**266**	**576**	**929**	**57035**	**974**	**996**	**2030**	**79325**
Employees with disabilities	281	8	4	29	910	24	11	65	**1332**

Table 2.6.3: Recruitment: 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1				1				**2**
Senior Management	4	1			1				**6**
Professionally qualified and experienced specialists and mid-management	821	32	147	235	1616	75	270	417	**3613**
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	460	5	7	15	2307	60	65	155	**3074**
Semi-skilled and discretionary decision making	746	2	2	4	1907	6	1	4	**2672**
Unskilled and defined decision making	2009	28	21	59	4707	67	34	68	**6993**
Total	**4041**	**68**	**177**	**313**	**10539**	**208**	**370**	**644**	**16360**
Employees with disabilities	7				8			2	**17**

Table 2.6.4: Promotions: 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									**0**
Senior Management	4				2				**6**
Professionally qualified and experienced specialists and mid-management	150	3	13	18	587	15	34	34	**854**
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	160	1		1	956	11	2	11	**1142**
Semi-skilled and discretionary decision making	172	2			565	3			**742**
Unskilled and defined decision making					1				**1**
Total	**486**	**6**	**13**	**19**	**2111**	**29**	**36**	**45**	**2745**
Employees with disabilities	9			1	26		1	2	**39**

Table 2.6.5: Terminations: 1 April 2021 to 31 March 2022

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1								**1**
Senior Management	6				8		1		**15**
Professionally qualified and experienced specialists and mid-management	669	44	145	302	1777	93	256	538	**3824**
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	561	15	7	13	3008	84	75	232	**3995**
Semi-skilled and discretionary decision making	651	9	2	5	2677	12		11	**3367**
Unskilled and defined decision making	2265	33	40	70	5551	96	33	71	**8159**
Total	**4153**	**101**	**194**	**390**	**13021**	**285**	**365**	**852**	**19361**
Employees with disabilities	32	1		3	94	3	1	14	**148**

Table 2.6.6: Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	499	3	4	6	652	14	1	6	1185

Table 2.6.7: Skills development for the period 1 April 2021 to 31 March 2022

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	28	0	0	0	19	0	1	0	**48**
Professionals	1 513	91	248	211	1 001	97	231	281	**3673**
Technicians and associate professionals	2 078	62	95	311	2 224	81	86	802	**5739**
Clerks	1 106	51	25	62	1 255	95	32	71	**2697**
Service and sales workers	126	18	12	44	1 671	41	12	46	**1970**
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	**0**
Craft and related trades workers	4	0	0	0	0	0	0	0	**4**
Plant and machine operators and assemblers	2	0	0	0	0	0	0	0	**2**
Elementary occupations	522	49	12	46	1 701	55	196	43	**2624**
Total	**5379**	**271**	**392**	**674**	**7871**	**369**	**558**	**1243**	**16757**
Employees with disabilities	14	2	0	0	28	0	0	0	**44**

Table 2.7.1: Signing of Performance Agreements by SMS members as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members	Reason for not having concluded performance agreement
Director-General/ Head of Department	1				
Salary Level 16	1	1	0	0%	Non-compliance to performance management and development policy
Salary Level 15	8	7	2	29%	
Salary Level 14	38	21	8	38%	
Salary Level 13	111	83	47	57%	
Total	**159**	**112**	**57**	**51%**	

Table 2.7.2: Reasons for not having concluded Performance Agreements for all SMS members as on 31 March 2022

Reasons
Non-compliance to performance management and development policy

Table 2.7.3: Disciplinary steps taken against SMS members for not having concluded Performance Agreements

Reasons
Follow ups made with all senior managers with outstanding Performance Agreements

Table 2.8.1: Performance rewards by race, gender and disability for the period 1 April 2021 to 31 March 2022

	Beneficiary Profile			Cost	
Race and Gender	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male					
Female					
Asian					
Male					
Female					
Coloured	No performance bonus paid				
Male					
Female					
White					
Male					
Female					
Total	0	0		R -	-

Table 2.8.2: Performance rewards by salary band for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022

	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
Salary band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (levels 1-2)						
Skilled (levels 3-5)						
Highly skilled production (levels 6-8)	No performance bonus paid					
Highly skilled supervision (levels 9-12)						
Periodic remuneration						
Abnormal appointment						
Total	0	0	-	R -	-	0,00%

Table 2.8.3: Performance rewards by critical occupation for the period 1 April 2021 to 31 March 2022

Salary Band	Number of beneficiaries	Total employment	% of total within occupation	Total Cost (R'000)	Average cost per beneficiary
Nursing					
Medical					
Pharmacists	No performance bonus paid				
Allied					
Total	0	0		R -	

Table 2.8.4: Performance related rewards (cash bonus) by salary band for Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of beneficiaries	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A						
Band B						
Band C	No performance bonus paid					
Band D						
Total						

Table 2.9.1: Foreign workers by salary band, 1 April 2021 to 31 March 2022

Salary band	01-Apr-21		31-Mar-22		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	34	5,04%	39	6,13%	5	-12,82%
Highly skilled production (Levels 6-8)	4	0,59%	4	0,63%	0	0,00%
Highly skilled supervision (Levels 9-12)	44	6,52%	38	5,97%	-6	15,38%
Contract (Levels 9-12)	592	87,70%	554	87,11%	-38	97,44%
Contract (Levels 13-16)	1	0,15%	1	0,16%	0	0,00%
GRAND TOTAL	**675**		**636**		**-39**	

Table 2.9.2: Foreign workers by major occupation, 1 April 2021 to 31 March 2022

Major occupation	01-Apr-21		31-Mar-22		Change	
	Number	% of total	Number	% of total	Number	% Change
1. Legislators, Senior Officials & Managers	2	0,30%		0,00%	-2	5,13%
2. Professionals	536	79,41%	510	80,19%	-26	66,67%
3. Technicians and Associated Professionals	125	18,52%	113	17,77%	-12	30,77%
4. Clerks	2	0,30%	4	0,63%	2	-5,13%
5. Service Workers	3	0,44%	2	0,31%	-1	2,56%
6. Service Workers and Shop & Market Sales Workers	5	0,74%	5	0,79%	0	0,00%
7. Plant and Machine Operators & Assemblers	1	0,15%	1	0,16%	0	0,00%
8. Elementary Occupations	1	0,15%	1	0,16%	0	0,00%
GRAND TOTAL	**675**		**636**		**-39**	

Table 2.10.1: Sick leave, 1 January 2021 to 31 December 2021

Salary Band	Total days	% days with Medical Certification	Number of employees using Sick Leave	% of total employees using Sick Leave	Average days per employee	Estimated Cost (R'000)	Total number of employees using Sick Leave	Total number of days with Medical Certification
Contract (Levels 1-2)	4 213,00	90	829	140%	5	2 275	58944	3 782
Contract (Levels 3-5)	10 068,00	88	2006	340%	5	8 372	58944	8 888
Contract (Levels 6-8)	11 559,00	85	2104	360%	5	15 357	58944	9 846
Contract (Levels 9-12)	10 302,00	84	1920	330%	5	26 939	58944	8 628
Contract (Levels 13-16)	115,00	96	8	0%	14	562	58944	110
Contract Other	151,00	80	57	10%	3	73	58944	121
Lower skilled (Levels 1-2)	83 807,00	90	11442	1940%	7	46 713	58944	75 525
Skilled (Levels 3-5)	127 151,00	88	16679	2830%	8	110 692	58944	112 311
Highly skilled production (Levels 6-8)	112 316,00	87	14345	2430%	8	156 028	58944	97 350
Highly skilled supervision (Levels 9-12)	76 384,00	87	9500	1610%	8	214 772	58944	66 207
Senior management (Levels 13-16)	432,00	92	47	10%	9	1 941	58944	398
Other	35,00	91	7	0%	5	24	58944	32
TOTAL	**436 533,00**	**88**	**58944**	**10000%**	**7**	**583 748**	**58944**	**383 198**

Table 2.10.2: Disability leave (temporary and permanent), 1 January 2021 to 31 December 2021

Salary Band	Total days	% days with Medical Certification	Number of employees using Disability Leave	% of total employees using Disability Leave	Average days per employee	Estimated Cost (R'000)	Total number of days with medical certification	Total number of employees using Disability Leave
Contract (Levels 1-2)	122	100	9	30%	14	66	122	2 968
Contract (Levels 3-5)	275	100	26	90%	11	223	275	2 968
Contract (Levels 6-8)	482	100	41	140%	12	661	482	2 968
Contract (Levels 9-12)	410	100	26	90%	16	973	410	2 968
Lower skilled (Levels 1-2)	8893	100	396	1330%	22	5 250	8893	2 968
Skilled (Levels 3-5)	18133	100	908	3060%	20	15 637	18133	2 968
Highly skilled production (Levels 6-8)	19960	100	954	3210%	21	27 982	19960	2 968
Highly skilled supervision (Levels 9-12)	13611	99,2	606	2040%	22	36 699	13502	2 968
Senior management (Levels 13-16)	12	100	2	10%	6	57	12	2 968
TOTAL	**61898**	**99,8**	**2968**	**10000%**	**21**	**87 549**	**61789**	**2 968**

Table 2.10.3 Annual leave: 1 January 2021 to 31 December 2021

Salary Band	Total Days Taken	Average per employee	Number of employees using Annual Leave
Contract (Levels 1-2)	12943	11	1 211,00
Contract (Levels 13-16)	310	18	17,00
Contract (Levels 3-5)	32254,36	12	2 698,00
Contract (Levels 6-8)	32604,76	13	2 483,00
Contract (Levels 9-12)	59234,96	15	4 005,00
Contract Other	1393,92	5	259,00
Highly skilled production (Levels 6-8)	430120,63	23	18 326,00
Highly skilled supervision (Levels 9-12)	315890,93	24	13 413,00
Lower skilled (Levels 1-2)	291424,41	18	15 971,00
Other	41	8	5,00
Senior management (Levels 13-16)	2336	26	90,00
Skilled (Levels 3-5)	505354,16	23	22 074,00
TOTAL	**1683908,13**	**21**	**80 552,00**

Table 2.10.4 Capped leave: 1 January 2021 to 31 December 2021

Salary Band	Total days of Capped Leave taken	Average number of days taken per employee	Average Capped Leave per employee as at end of period	Number of employees using Capped Leave	Total number of Capped Leave available at end of period	Number of employees as at end of period
Contract (Levels 1-2)	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	2	0	4,66	2
Contract (Levels 13-16)	0	0	25	0	49,14	2
Contract Other	0	0	0	0	0	0
Lower skilled (Levels 1-2)	0	0	22	0	332,65	15
Skilled (Levels 3-5)	228	4	22	57	43340,24	2013
Highly skilled production (Levels 6-8)	369,37	4	26	97	59373,73	2247
Highly skilled supervision (Levels 9-12)	613,3	4	30	138	67297,78	2268
Senior management (Levels 13-16)	1	1	50	1	1303,41	26
Other	0	0	0	0	0	0
TOTAL	**1211,67**	**4**	**26**	**293**	**171 702**	**6573**

Table 2.10.5 Leave pay-outs (estimated), 1 January 2021 to 31 December 2021

Reason	Total estimated amount (R'000)	Number of employees	Estimated average per employee (R)
Annual - Discounting with Resignation (Work Days)	32 089	1 239	25 899
Annual - Discounting: Contract Expiry (Work Days)	75	1	75 000
Annual - Discounting: Unused Vacation Credits (Suspension)	256	5	51 200
Annual - Discounting: Unused Vacation Credits (Work Days)	35	2	17 500
Annual - Gratuity: Death/Retirement/Medical Retirement (Work Days)	45 452	1 235	36 803
Capped - Gratuity: Death/Retirement/Medical Retirement (Work Days)	36 640	765	47 895
TOTAL	**114 546**	**3 247**	

Table 2.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
All health care workers (HCWs) managing patients are at risk of biological exposure. Chronic disease management of HCWs is also in place for high risk individuals.	Health Risk Assessments conducted to identify among others Biological Hazards.
	The department has a Biological Exposure protocol to manage the following workplace injuries: needle stick, cuts, bites etc.
	There are institutional Occupational Health and Wellness Centres to manage all work related injuries and diseases

Table 2.11.2 Details of health promotion and HIV/AIDS programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		There is a Director post for the Integrated Employee Wellness Directorate Programme. The Workplace HIV, TB & STI Programme and the Occupational Health Programme reside in the Integrated EWP Directorate. Both programmes deal with the management of HIV in the workplace. The risk is that the Director post remains vacant.
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.			For the financial year 2022/23, a budget of R30 million has been allocated: R19 million for COE and R11 million for Goods and Services. There are 23 permanent employees excluding the Director post. The Integrated EWP Directorate is the dedicated unit for the promotion of health and wellbeing of the employees.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.			-
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.			
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.			
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.			
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.			
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.			

Table 2.12.1 Collective agreements for the period 1 April 2021 to 31 March 2022

Subject matter	Date
Amendment to Resolution 2 of 2021 Standardisation of Remuneration for Community Health Workers	22/07/2021
Agreement on the payment of a salary adjustment in the public service	26/07/2021
Agreement on the mechanisms and conditions for averaging workers' hours of Emergency Medical Services shift workers	14/02/2022
Agreement on the establishment of Occupational and Safety Committees within public health and social development	14/02/2021
Agreement on the provision of uniform for nurses in the public service health and social development	15/02/2022
Agreement on tokens of appreciation in public health and social development	28/02/2022

Table 2.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 to 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	3	0,4%
Verbal warning	33	4,0%
Written warning	364	43,9%
Final written warning	370	44,6%
Suspended without pay	24	2,9%
Fine	0	0,0%
Demotion	0	0,0%
Dismissal	13	1,6%
Not guilty	2	0,2%
Case withdrawn	20	2,4%
Total	**829**	**100%**

Table 2.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 to 31 March 2022

Type of misconduct	Number	% of total
Absenteeism	221	19%
Assault	13	1%
Dereliction of duties	28	2%
Desertion of post	36	3%
Fraud and corruption	31	3%
Insubordination	200	17%
Misuse of state vehicle	13	1%
Money lending	0	0%
Negligence	121	10%
Poor performance	26	2%
Theft	113	10%
Unlawful industrial action	59	5%
While on duty conduct himself in an improper, disgraceful and unacceptable manner	90	8%
Others include failing to comply with an Act, RWOPS, late coming	234	20%
Total	**1185**	**100%**

Table 2.12.4 Grievances logged for the period 1 April 2021 to 31 March 2022

Grievances	Number	% of Total
Number of grievances resolved	469	91%
Number of grievances not resolved	49	9%
Total number of grievances lodged	**518**	**100%**

NOTES:

Nature of grievances lodged
Application approval
Disciplinary Matter
Filling of Post
Salary Problem
Performance Assessment
Unfair treatment

Table 2.12.5 Disputes logged with Councils for the period 1 April 2021 to 31 March 2022

Disputes	Number	% of Total
Number of disputes finalised	65	69%
Number of disputes pending	29	31%
Total number of disputes lodged	**94**	**100%**

NOTES:
Infavour of the Department - 12
Infavour of the Applicant - 12
Dismissed - 13
Settled - 10
Withdrawn - 23

NOTES:
Nature of Disputes Lodged:
Collective Agreement
Interpretation/Application of Collective Agreement
Constrative Dismissal
Dismissal realted to misconduct
Unfair Discrimination
Unfair Conduct
Unfair Suspension
Unilateral Change to terms/Conditions of employment

Table 2.12.6 Strike action for the period 1 April 2021 to 31 March 2022

Total number of persons working days lost	1128
Total costs working days lost	6 days
Amount recovered as a result of no work no pay (R'000)	00.00

NOTE: The number of person working days lost includes EPWP beneficiaries (418) which does not have financial implications.

Table 2.12.7 Precautionary suspensions for the period 1 April 2021 to 31 March 2022

Number of people suspended	38
Number of people whose suspension exceeded 30 days	28
Average number of days suspended	112
Cost of suspensions (R'000)	R4 298 472,13

Table 2.13.1 Training needs identified for the period 1 April 2021 to 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training needs identified at start of the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	79		30		30
	Male	81		30		30
Professionals	Female	4239		1000	100	1100
	Male	3361		800	70	870
Technicians and associated professionals	Female	19815		7000	300	7300
	Male	3122		1500	178	1678
Clerks	Female	6883	600	2000		2600
	Male	2858	300	900		1200
Service and sales workers	Female	7652		1950		1950
	Male	770		100		100
Craft and related trades workers	Female	16377		1980		1980
	Male	3314		300		300
Plant and machine operators and assemblers	Female	36		5		5
	Male	422		20		20
Elementary occupations	Female	8354		1500		1500
	Male	4583		800		800
Total		**81946**	**900**	**19915**	**648**	**21463**

NOTE: Bursaries are categorised as "Other forms of training".

Table 2.13.2 Training provided for the period 1 April 2021 to 31 March 2022

Occupational category	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	79		20		20
	Male	81		20		20
Professionals	Female	4 239		1000	100	1100
	Male	3 361		800	70	870
Technicians and associated professionals	Female	19 815		6000	300	6300
	Male	3 122		1000	178	1178
Clerks	Female	6 883	700	1500		2200
	Male	2 858	300	600		900
Service and sales workers	Female	7 652		500		500
	Male	770		500		500
Craft and related trades workers	Female	16 377		3000		3000
	Male	3 314		1014		1014
Plant and machine operators and assemblers	Female	36		5		5
	Male	422		20		20
Elementary occupations	Female	8 354		1500		1500
	Male	4 583		800		800
Total		**81 946**	**1000**	**18279**	**648**	**19927**


POWDER FREE

PART E

FINANCIAL INFORMATION

Auditor General Report

Report of the auditor-general to the Gauteng Provincial Legislature on vote no. 4: Gauteng Department of Health

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Gauteng Department of Health set out on pages 223 to 289, which comprise the appropriation statement, statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Gauteng Department of Health as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa Act 1 of 1999 (PFMA) and the Division of Revenue Act of South Africa 9 of 2021 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material uncertainties relating to litigations

7. With reference to note 19 to the financial statements, the department is the defendant in various lawsuits. The ultimate outcome of these matters cannot presently be determined and no provision for any liability that may result was made in the financial statements.

Material impairments

8. As disclosed in note 24.3 to the financial statements, the accrued departmental revenue has been significantly impaired. The allowance for impairment amounts to R3 195 452 000 (2020-21: R2 474 952 000), which represents 85% (2020-21: 81.2%) of total accrued department revenue.

Report of the Auditor General
to the Gauteng Provincial Legislature on Vote no. 4: Gauteng Department of Health

Underspending of the vote

9. As disclosed in the appropriation statement, the department materially underspent the budget by R624 477 000 on Programme 2 – district health services.

Payables which exceeded voted funds to be surrendered

10. As disclosed in note 21.2 to the financial statements, payables of R3 472 708 000 exceeded the payment term of 30 days, as required by treasury regulation 8.2.3. This amount, in turn, exceeded the R2 576 375 000 of voted funds to be surrendered by R896 333 000 as per the statement of financial performance. Therefore, the amount of R896 333 000 would have constituted unauthorised expenditure had the amounts due been paid in time.

Other matter

11. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

12. The supplementary information set out on pages 290 to 303 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

14. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

15. My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

16. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report of the Auditor General

to the Gauteng Provincial Legislature on Vote no. 4: Gauteng Department of Health

Report on the audit of the annual performance report

Introduction and scope

17. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I was engaged to perform procedures to identify findings but not to gather evidence to express assurance.

18. I was engaged to evaluate the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the department's annual performance report for the year ended 31 March 2022:

Programme	Pages in the annual performance report
Programme 2: district health services	48 – 68

19. The material findings on the usefulness and reliability of the performance information of the selected programme are as follows:

Programme 2: District Health Services

Various indicators

20. I was unable to obtain sufficient appropriate audit evidence for the reported achievements of some of the indicators relating to this programme. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements in the annual performance report for the indicators listed below:

Indicator description	Reported Achievement
Couple year protection rate	37.8%
Antenatal 1st visit before 20 weeks rate	66.8%
Immunisation under 1 year coverage	88%
Measles 2nd dose coverage	83.2%
Child under 5 years pneumonia case fatality rate	1.5%
Ideal clinic status obtained rate	92.4%
Death under 5 years against live birth rate (district hospitals)	0.88%
Maternal mortality in facility ratio (district hospitals)	63
Ideal hospital status obtained rate (district hospitals)	83.3%

Various indicators

21. The achievements below were reported in the annual performance report for the listed indicators. However, some supporting evidence provided materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate audit evidence. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to these reported achievements.

Report of the Auditor General
to the Gauteng Provincial Legislature on Vote no. 4: Gauteng Department of Health

Indicator description	Reported Achievement
Maternal mortality in facility ratio	129.3
Mother postnatal visit within 6 days rate	74.7%
Neonatal (<28 days) death in facility rate	14.3
Infant 1st PCR test positive at birth rate	0.53%
Severe acute malnutrition death under 5 years rate	12%
Death under 5 years against live birth rate	1.9%
Child under 5 years pneumonia case fatality rate (district hospitals)	0.91%

Various indicators

22. The achievements reported in the annual performance report differed materially from the supporting evidence provided for the indicators listed below:

Indicator description	Reported Achievement
HIV positive 15-24 years (excl ANC) rate	1.7%
Child under 5 years diarrhoea case fatality rate (district hospitals)	1.1%

Other matter

23. I draw attention to the matter below.

Achievement of planned targets

24. Refer to the annual performance report on pages 24 to 128 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 20 to 22 of this report.

Report on the audit of compliance with legislation

Introduction and scope

25. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

26. The material findings on compliance with specific matters in key legislation are as follows:

Procurement and contract management

27. Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by treasury regulation 16A6.1 and paragraph 3.4.1 of Practice Note 8 of 2007/2008. Similar non-compliance was also reported in the prior year.

Expenditure management

28. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R2 570 827 000, as disclosed in note 25.1 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure disclosed in the financial statements was caused by not inviting competitive bids.

Report of the Auditor General

to the Gauteng Provincial Legislature on Vote no. 4:
Gauteng Department of Health

29. Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R17 017000, as disclosed in note 26.1 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the fruitless and wasteful expenditure was caused by price overcharging on procurement of personal protective equipment.

30. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3. The non-compliance resulted in a material irregularity as reported in the section on material irregularities.

Consequence management

31. Disciplinary steps were not taken against the officials who had permitted irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA.

Revenue management

32. I was unable to obtain sufficient appropriate audit evidence that effective and appropriate steps were taken to collect all money due, as required by section 38(1)(c)(i) of the PFMA.

33. Interest was not charged on debts, as required by treasury regulation 11.5.1.

Transfer of funds

34. I was unable to obtain sufficient appropriate audit evidence that appropriate measures were maintained to ensure that transfers and subsidies to entities were applied for their intended purposes, as required by treasury regulation 8.4.1.

Strategic planning and performance management

35. Specific information systems were not implemented to enable the monitoring of progress made towards achieving targets, core objectives and service delivery as required by public service regulation 25(1)(e)(i) and (iii).

Other information

36. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that has been specifically reported in this auditor's report.

37. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

38. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

39. I am unable to conclude whether the other information is materially misstated because I was unable to obtain sufficient appropriate audit evidence for programme 2: district health services.

Report of the Auditor General
to the Gauteng Provincial Legislature on Vote no. 4: Gauteng Department of Health

Internal control deficiencies

40. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

41. The accounting officer did not exercise adequate oversight responsibility over internal controls relating to procurement and contract management and over the preparation of the annual performance report. This resulted in non-compliance with key legislation and material findings on the annual performance report.

42. Senior management did not implement sufficient controls regarding the preparation of accurate and complete annual performance report that is supported by reliable information. This resulted in material findings on the annual performance report. Furthermore, there was a lack of monitoring of controls to ensure compliance with laws and regulations resulting in material findings.

Material irregularities

43. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of the material irregularities reported in the previous year's auditor's report.

Material irregularities identified during the audit

44. The material irregularities identified are as follows:

Interest on late payments of court orders

45. The department failed to settle court orders within 30 days from the date of court judgement as required by treasury regulation 8.2.3 during the financial year ended 31 March 2020.

46. The non-compliance has resulted in a material financial loss of R1 526 799, 86 by 31 March 2020 and is likely to result in further material financial losses for the department. The amount is disclosed in note 26.1 as a comparative to the 2020-21 annual financial statements.

47. The accounting officer was notified of the material irregularity on 31 August 2021.

48. The following actions have been taken to resolve the material irregularity by accounting officer:

- The department embarked on a legislative drafting project during 2021 to draft the Gauteng medical litigation and mediation bill. The purpose of the bill is to provide a legislative mechanism for amongst others:
- amending the facility admission forms to include a mandatory provision that when a serious adverse event takes place, the first option before litigation may commence should be mediation;
- the provision of future medical treatment and related health care requirements at state facilities instead of paying lump sum to plaintiffs.

49. I will follow up on the implementation of the committed actions during my next audit.

Procurement of sanitisers at excessive prices

50. The price of sanitisers was higher than the prescribed prices in annexure A of National Treasury instruction note 8 of 2019/20, in contravention of paragraph 3.7.6 of same instruction note.

Report of the Auditor General
to the Gauteng Provincial Legislature on Vote no. 4: Gauteng Department of Health

51. The non-compliance is likely to result in a material financial loss if not recovered. The amount is disclosed in note 26.1 as a comparative to the 2021-22 annual financial statements.

52. The accounting officer was notified of the material irregularity on 15 October 2021.

53. An investigation that was conducted by the Special Investigating Unit dated 10 December 2021, concluded that there is possible price overcharge on the procurement of sanitisers. The Special Investigating Unit, after completion of the investigation:

- Referred evidence to the National Prosecuting Authority on 26 July 2021 to consider whether criminal charges can be instituted against the implicated official.
- Referred evidence to the Competition Commission regarding or which points to potential excessive, unfair, unreasonable and /or unjust pricing on 19 April 2021.

54. I will follow up on the progress of referrals to the National Prosecuting Authority and Competition Commission during my next audit.

Procurement of masks at excessive prices

55. The price of masks was higher than the prescribed prices in annexure A of National Treasury instruction note 5 of 2020/21, in contravention of paragraph 4.3 of same instruction note.

56. The non-compliance is likely to result in a material financial loss if not recovered. The amount is disclosed in note 26.1 as a comparative to the 2021-22 annual financial statements.

57. The accounting officer was notified of the material irregularity on 15 October 2021.

58. An investigation that was conducted by the Special Investigating Unit dated 10 December 2021, concluded that there is possible price overcharge on the procurement of masks. The Special Investigating Unit, after completion of the investigation:

- Referred evidence to the Competition Commission regarding or which points to potential excessive, unfair, unreasonable and /or unjust pricing on 19 April 2021.

59. I will follow up on the progress of referral to the Competition Commission during my next audit.

Status of previously reported material irregularities

Procurement of V-blocks IT infrastructure without inviting competitive bids

60. The R538 718 000 contract for V-blocks IT infrastructure was awarded during March 2015 without inviting competitive bids as required by treasury regulation 16A6.1.

61. An investigation that was completed on 28 September 2018 by the accounting officer, concluded that by not following a competitive bidding process the department suffered a financial loss of R148 921 151 as there were cheaper alternatives.

62. The accounting officer was notified of the material irregularity on 24 June 2019.

63. The following actions have been taken to resolve the material irregularity by accounting officer, following the recommendation as per the investigation report:

- Referred the matter to the National Prosecuting Authority on 24 July 2019 to consider whether criminal charges can be instituted against the implicated officials.
- Referred the matter to the State Attorney on 19 July 2019 to consider possible civil claims against the

Report of the Auditor General
to the Gauteng Provincial Legislature on Vote no. 4: Gauteng Department of Health

implicated officials.
- Took disciplinary actions against two out of the three implicated officials on 3 April 2020 and 19 June 2020, where the officials were cautioned and given verbal warnings. The third official was not found guilty on 20 October 2021.

64. I will follow up on the progress of referrals to the National Prosecuting Authority and State Attorney during my next audit.

Other reports

65. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

66. Various investigations, based on the allegations of procurement irregularities, fraud, theft and negligence, are being performed by the department dating back from prior periods. Some of these investigations had been finalised while others were still in progress at the date of this auditor's report.

Auditor - General

Johannesburg
31 July 2022

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the Auditor General

to the Gauteng Provincial Legislature on Vote no. 4:
Gauteng Department of Health

Annexure – Auditor-general's responsibility for the Audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected programme and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I 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 my 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 department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
- conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Gauteng Department of Health to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Appropriation Statement
for the period ended 31 March 2022

Appropriation per programme										
		2021/22							2020/21	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Voted funds and Direct charges		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
	Programme									
1	ADMINISTRATION	1,292,275	-	1,049,573	2,341,848	2,173,192	168,656	92.8%	3,697,845	3,695,016
2	DISTRICT HEALTH SERVICES	20,476,521	-	(600,600)	19,875,921	19,251,444	624,477	96.9%	18,366,611	17,959,247
3	EMERGENCY MEDICAL SERVICES	1,619,305	-	(41,600)	1,577,705	1,431,691	146,014	90.7%	1,681,370	1,680,801
4	PROVINCIAL HOSPITAL SERVICES	11,081,898	-	-	11,081,898	10,697,214	384,684	96.5%	9,942,279	9,905,850
5	CENTRAL HOSPITAL SERVICES	20,992,307	-	(283,573)	20,708,734	20,331,658	377,076	98.2%	19,612,633	19,254,052
6	HEALTH SCIENCES AND TRAINING	1,285,400	-	(102,800)	1,182,600	706,868	475,732	59.8%	901,268	787,210
7	HEALTH CARE SUPPORT SERVICES	414,874	-	(21,000)	393,874	388,833	5,041	98.7%	391,264	388,844
8	HEALTH FACILITIES MANAGEMENT	2,462,930	-	-	2,462,930	2,068,235	394,695	84.0%	4,242,233	4,041,357
	Programme sub total	**59,625,510**	**-**	**-**	**59,625,510**	**57,049,135**	**2,576,375**	**95.7%**	**58,835,503**	**57,712,377**
	Statutory Appropriation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	TOTAL	**59,625,510**	**-**	**-**	**59,625,510**	**57,049,135**	**2,576,375**	**95.7%**	**58,835,503**	**57,712,377**
Reconciliation with Statement of Financial Performance										
Add:										
	Departmental receipts				502,552				513,787	
Actual amounts per Statement of Financial Performance (Total					**60,128,062**				**59,349,290**	
Add:	Aid assistance					-				-
	Prior year unauthorised expenditure approved without funding									
						57,049,135				**57,712,377**

Appropriation Statement
for the period ended 31 March 2022

Appropriation per economic classification									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**54,615,144**	**-**	**(77,000)**	**54,538,144**	**53,337,343**	**1,200,801**	**97.8%**	**52,011,386**	**51,508,233**
Compensation of employees	35,829,428	-	(268,600)	35,560,828	35,463,853	96,975	99.7%	31,567,144	31,474,850
Salaries and wages	31,542,156	-	(268,600)	31,273,556	31,283,945	(10,389)	100.0%	27,024,271	27,754,918
Social contributions	4,287,272	-	-	4,287,272	4,179,908	107,364	97.5%	4,542,873	3,719,932
Goods and services	18,785,716	(1,148)	191,600	18,976,168	17,872,343	1,103,825	94.2%	20,442,658	20,031,799
Administrative fees	22,093	-	-	22,093	21,023	1,070	95.2%	11,382	11,945
Advertising	22,784	(1,148)	-	21,636	5,663	15,973	26.2%	32,706	13,771
Minor assets	86,470	(2,100)	-	84,370	28,838	55,532	34.2%	89,460	39,640
Audit costs: External	27,868	-	-	27,868	25,786	2,082	92.5%	26,415	25,489
Bursaries: Employees	11,742	-	-	11,742	6,377	5,365	54.3%	10,960	8,992
Catering: Departmental activities	12,244	-	-	12,244	4,497	7,747	36.7%	21,879	11,473
Communication (G&S)	79,727	-	31,000	110,727	93,340	17,387	84.3%	94,568	71,889
Computer services	254,799	-	-	254,799	244,566	10,233	96.0%	372,946	271,752
Consultants: Business and advisory services	605,538	-	-	605,538	314,629	290,909	52.0%	501,761	352,948
Laboratory services	2,853,664	8,246	(262,000)	2,599,910	2,326,076	273,834	89.5%	3,227,842	2,874,613
Legal services	19,002	-	115,000	134,002	143,921	(9,919)	107.4%	148,011	173,340
Contractors	501,049	(8,000)	-	493,049	400,362	92,687	81.2%	331,362	302,338
Agency and support / outsourced services	343,835	313	-	344,148	322,976	21,172	93.8%	275,179	294,125
Fleet services (including government motor transport)	236,265	-	-	236,265	186,380	49,885	78.9%	207,563	181,897
Inventory: Clothing material and accessories	-	-	-	-	3,909	(3,909)	-	-	11,217
Inventory: Food and food supplies	430,486	-	-	430,486	391,862	38,624	91.0%	414,502	317,673
Inventory: Fuel, oil and gas	312,262	-	(11,000)	301,262	283,017	18,245	93.9%	313,992	278,186
Inventory: Learner and teacher support material	830	-	-	830	581	249	70.0%	1,732	1,041
Inventory: Materials and supplies	54,800	-	-	54,800	43,995	10,805	80.3%	62,441	43,543
Inventory: Medical supplies	3,546,906	1,541	-	3,548,447	4,171,370	(622,923)	117.6%	3,639,781	4,365,954
Inventory: Medicine	5,119,852	-	(140,000)	4,979,852	4,324,149	655,703	86.8%	4,334,395	4,381,043
Medsas inventory interface	-	-	-	-	-	-	-	-	32
Inventory: Other supplies	127,449	-	-	127,449	100,790	26,659	79.1%	124,557	112,084
Consumable supplies	1,083,757	-	463,200	1,546,957	1,164,365	382,592	75.3%	2,552,695	2,493,708
Consumable: Stationery, printing and office supplies	188,486	-	(10,900)	177,586	162,583	15,003	91.6%	205,389	141,840

Appropriation Statement
for the period ended 31 March 2022

Appropriation per economic classification									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating leases	282,077	-	(14,700)	267,377	345,056	(77,679)	129.1%	401,831	372,488
Property payments	2,432,119	-	(16,000)	2,416,119	2,680,534	(264,415)	110.9%	2,896,615	2,822,398
Transport provided: Departmental activity	5,752	-	-	5,752	320	5,432	5.6%	12,455	437
Travel and subsistence	35,236	-	-	35,236	18,974	16,262	53.8%	57,980	14,884
Training and development	69,451	-	-	69,451	11,567	57,884	16.7%	44,057	12,659
Operating payments	12,583	-	-	12,583	5,660	6,923	45.0%	19,303	11,646
Venues and facilities	5,197	-	-	5,197	2,133	3,064	41.0%	6,164	786
Rental and hiring	1,393	-	37,000	38,393	37,044	1,349	96.5%	2,735	15,968
Interest and rent on land	-	1,148	-	1,148	1,147	1	99.9%	1,584	1,584
Rent on land	-	1,148	-	1,148	1,147	1	99.9%	1,584	1,584
Transfers and subsidies	**1,800,575**	**-**	**77,000**	**1,877,575**	**1,687,029**	**190,546**	**89.9%**	**1,805,101**	**1,787,316**
Provinces and municipalities	470,568	-	-	470,568	441,664	28,904	93.9%	520,489	520,489
Provinces	-	-	-	-	-	-	-	92,000	92,000
Provincial Revenue Funds	-	-	-	-	-	-	-	92,000	92,000
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	470,568	-	-	470,568	441,664	28,904	93.9%	428,489	428,489
Municipal bank accounts	-	-	-	-	-	-	-	74,920	74,920
Municipal agencies and funds	470,568	-	-	470,568	441,664	28,904	93.9%	353,569	353,569
Departmental agencies and accounts	24,636	-	-	24,636	24,636	-	100.0%	23,352	23,352
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies	24,636	-	-	24,636	24,636	-	100.0%	23,352	23,352
Higher education institutions	16,309	-	-	16,309	7,867	8,442	48.2%	15,459	12,871
Public corporations and private enterprises	-	-	-	-	-	-	-	-	318
Public corporations	-	-	-	-	-	-	-	-	318
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	30
Other transfers to public corporations	-	-	-	-	-	-	-	-	288
Non-profit institutions	705,868	-	(45,000)	660,868	630,635	30,233	95.4%	656,870	602,710
Households	583,194	-	122,000	705,194	582,227	122,967	82.6%	588,931	627,576
Social benefits	104,813	-	-	104,813	118,995	(14,182)	113.5%	99,157	114,232
Other transfers to households	478,381	-	122,000	600,381	463,232	137,149	77.2%	489,774	513,344
Payments for capital assets	**3,209,791**	**-**	**-**	**3,209,791**	**2,023,091**	**1,186,700**	**63.0%**	**5,018,997**	**4,416,809**
Buildings and other fixed structures	1,178,433	-	-	1,178,433	735,593	442,840	62.4%	2,601,069	2,419,098
Buildings	1,178,433	-	-	1,178,433	735,593	442,840	62.4%	2,601,069	2,419,098
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2,031,358	-	-	2,031,358	1,287,091	744,267	63.4%	2,417,921	1,997,704
Transport equipment	336,775	-	-	336,775	284,592	52,183	84.5%	730,465	915,094
Other machinery and equipment	1,694,583	-	-	1,694,583	1,002,499	692,084	59.2%	1,687,456	1,082,610
Software and other intangible assets	-	-	-	-	407	(407)	-	7	7
Payment for financial assets	**-**	**-**	**-**	**-**	**1,672**	**(1,672)**	**-**	**19**	**19**
	59,625,510	**-**	**-**	**59,625,510**	**57,049,135**	**2,576,375**	**95.7%**	**58,835,503**	**57,712,377**

Appropriation Statement
for the period ended 31 March 2022

Programme 1: ADMINISTRATION									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 **OFFICE OF THE MEC**	25 528	-	-	25 528	16 392	9 136	64,2%	24 043	16 068
2 **MANAGEMENT**	1 266 747	-	1 049 573	2 316 320	2 156 800	159 520	93,1%	3 673 802	3 678 948
	1 292 275	**-**	**1 049 573**	**2 341 848**	**2 173 192**	**168 656**	**92,8%**	**3 697 845**	**3 695 016**
Economic classification									
Current payments	**1 235 156**	**-**	**656 200**	**1 891 356**	**1 649 055**	**242 301**	**87,2%**	**3 044 484**	**2 940 737**
Compensation of employees	563 309	-	-	563 309	463 885	99 424	82,4%	466 972	442 839
Salaries and wages	503 101	-	-	503 101	405 068	98 033	80,5%	409 517	385 885
Social contributions	60 208	-	-	60 208	58 817	1 391	97,7%	57 455	56 954
Goods and services	671 847	(1 098)	656 200	1 326 949	1 184 072	142 877	89,2%	2 575 928	2 496 314
Administrative fees	4 617	-	-	4 617	6 253	(1 636)	135,4%	4 617	5 648
Advertising	6 700	(1 098)	-	5 602	1 507	4 095	26,9%	14 200	13 124
Minor assets	262	-	-	262	585	(323)	223,3%	811	4 831
Audit costs: External	27 868	-	-	27 868	25 744	2 124	92,4%	26 415	25 462
Bursaries: Employees	-	-	-	-	-	-	-	-	42
Catering: Departmental activities	750	-	-	750	117	633	15,6%	4 750	5 902
Communication (G&S)	27 356	-	31 000	58 356	57 840	516	99,1%	28 684	36 526
Computer services	232 373	-	-	232 373	239 579	(7 206)	103,1%	342 590	254 918
Consultants: Business and advisory services	98 805	-	-	98 805	26 181	72 624	26,5%	120 572	40 322
Laboratory services	36 839	-	-	36 839	1	36 838	0,0%	-	(525)
Legal services	19 002	-	115 000	134 002	139 046	(5 044)	103,8%	148 011	155 357
Contractors	12 073	-	-	12 073	254	11 819	2,1%	3 150	14
Agency and support / outsourced services	88 449	-	-	88 449	75 430	13 019	85,3%	1 500	24 923
Fleet services (including government motor transport)	3 185	-	-	3 185	4 822	(1 637)	151,4%	2 910	3 701
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	8 708
Inventory: Food and food supplies	35	-	-	35	-	35	-	33	3
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	48
Inventory: Materials and supplies	422	-	-	422	379	43	89,8%	20	36
Inventory: Medical supplies	-	-	-	-	2 991	(2 991)	-	215 130	219 234
Inventory: Medicine	-	-	-	-	(1)	1	-	-	-

Appropriation Statement
for the period ended 31 March 2022

Programme 1: ADMINISTRATION	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Other supplies	-	-	-	-	148	(148)	-	-	10 905
Consumable supplies	82 483	-	473 200	555 683	523 817	31 866	94,3%	1 628 664	1 628 902
Consumable: Stationery, printing and office supplies	4 880	-	-	4 880	628	4 252	12,9%	3 336	1 827
Operating leases	11 395	-	-	11 395	21 961	(10 566)	192,7%	16 893	25 380
Property payments	7 274	-	-	7 274	17 260	(9 986)	237,3%	6 895	12 518
Travel and subsistence	5 896	-	-	5 896	2 352	3 544	39,9%	5 787	2 476
Training and development	-	-	-	-	497	(497)	-	-	230
Operating payments	-	-	-	-	18	(18)	-	-	107
Venues and facilities	901	-	-	901	-	901	-	690	-
Rental and hiring	282	-	37 000	37 282	36 663	619	98,3%	270	15 695
Interest and rent on land	-	1 098	-	1 098	1 098	-	100,0%	1 584	1 584
Rent on land	-	1 098	-	1 098	1 098	-	100,0%	1 584	1 584
Transfers and subsidies	**3 427**	**-**	**224 800**	**228 227**	**371 718**	**(143 491)**	**162,9%**	**293 729**	**395 238**
Households	3 427	-	224 800	228 227	371 718	(143 491)	162,9%	293 729	395 238
Social benefits	1 810	-	-	1 810	2 536	(726)	140,1%	1 196	3 477
Other transfers to households	1 617	-	224 800	226 417	369 182	(142 765)	163,1%	292 533	391 761
Payments for capital assets	**53 692**	**-**	**168 573**	**222 265**	**152 410**	**69 855**	**68,6%**	**359 632**	**359 041**
Machinery and equipment	53 692	-	168 573	222 265	152 410	69 855	68,6%	359 625	359 034
Transport equipment	175	-	-	175	-	175	-	359 425	358 980
Other machinery and equipment	53 517	-	168 573	222 090	152 410	69 680	68,6%	200	54
Software and other intangible assets	-	-	-	-	-	-	-	7	7
Payment for financial assets	**-**	**-**	**-**	**-**	**9**	**(9)**	**-**	**-**	**-**
	1 292 275	**-**	**1 049 573**	**2 341 848**	**2 173 192**	**168 656**	**92,8%**	**3 697 845**	**3 695 016**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 1.1: OFFICE OF THE MEC

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**24 805**	**-**	**-**	**24 805**	**16 392**	**8 413**	**66,1%**	**23 843**	**15 317**
Compensation of employees	19 037	-	-	19 037	9 876	9 161	51,9%	17 889	11 961
Goods and services	5 768	-	-	5 768	6 516	(748)	113,0%	5 954	3 356
Transfers and subsidies	**548**	**-**	**-**	**548**	**-**	**548**	**-**	**-**	**697**
Households	548	-	-	548	-	548	-	-	697
Payments for capital assets	**175**	**-**	**-**	**175**	**-**	**175**	**-**	**200**	**54**
Machinery and equipment	175	-	-	175	-	175	-	200	54
Total	**25 528**	**-**	**-**	**25 528**	**16 392**	**9 136**	**64,2%**	**24 043**	**16 068**

Subprogramme: 1.2: MANAGEMENT

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**1 210 351**	**-**	**656 200**	**1 866 551**	**1 632 663**	**233 888**	**87,5%**	**3 020 641**	**2 925 420**
Compensation of employees	544 272	-	-	544 272	454 009	90 263	83,4%	449 083	430 878
Goods and services	666 079	(1 098)	656 200	1 321 181	1 177 556	143 625	89,1%	2 569 974	2 492 958
Interest and rent on land	-	1 098	-	1 098	1 098	-	100,0%	1 584	1 584
Transfers and subsidies	**2 879**	**-**	**224 800**	**227 679**	**371 718**	**(144 039)**	**163,3%**	**293 729**	**394 541**
Households	2 879	-	224 800	227 679	371 718	(144 039)	163,3%	293 729	394 541
Payments for capital assets	**53 517**	**-**	**168 573**	**222 090**	**152 410**	**69 680**	**68,6%**	**359 432**	**358 987**
Machinery and equipment	53 517	-	168 573	222 090	152 410	69 680	68,6%	359 425	358 980
Software and other intangible assets				-		-	-	7	7
Payment for financial assets				**-**	**9**	**(9)**	**-**		
Total	**1 266 747**	**-**	**1 049 573**	**2 316 320**	**2 156 800**	**159 520**	**93,1%**	**3 673 802**	**3 678 948**

Appropriation Statement
for the period ended 31 March 2022

Programme 2: DISTRICT HEALTH SERVICES									
		2021/22						2020/21	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
1	**DISTRICT MANAGEMENT**	1 481 801	-	(145 000)	1 336 801	1 226 765	110 036	91,8%	741 510	826 373
2	**COMMUNITY HEALTH CLINICS**	2 740 233	-	(157 000)	2 583 233	2 559 621	23 612	99,1%	2 619 815	2 475 289
3	COMMUNITY HEALTH CENTRES	2 413 548	-	(139 600)	2 273 948	2 211 791	62 157	97,3%	2 189 501	2 064 122
4	COMMUNITY BASED SERVICES	2 616 138	-	(35 000)	2 581 138	2 583 098	(1 960)	100,1%	2 379 878	2 445 328
5	HIV, AIDS	6 230 575	-	-	6 230 575	5 995 932	234 643	96,2%	6 167 521	5 986 583
6	NUTRITION	68 814	-	(10 000)	58 814	49 495	9 319	84,2%	4 591	4 591
7	CORONER SERVICES	359 872	-	-	359 872	274 106	85 766	76,2%	265 549	263 857
8	DISTRICT HOSPITALS	4 565 540	-	(114 000)	4 451 540	4 350 636	100 904	97,7%	3 998 246	3 893 104
		20 476 521	**-**	**(600 600)**	**19 875 921**	**19 251 444**	**624 477**	**96,9%**	**18 366 611**	**17 959 247**
Economic classification										
	Current payments	**19 352 246**	**-**	**(555 600)**	**18 796 646**	**18 266 704**	**529 942**	**97,2%**	**17 263 929**	**16 896 832**
	Compensation of employees	11 465 329	-	(268 600)	11 196 729	11 938 291	(741 562)	106,6%	10 101 285	10 019 369
	Salaries and wages	10 081 232	-	(268 600)	9 812 632	10 344 124	(531 492)	105,4%	8 586 113	8 744 767
	Social contributions	1 384 097	-	-	1 384 097	1 594 167	(210 070)	115,2%	1 515 172	1 274 602
	Goods and services	7 886 917	-	(287 000)	7 599 917	6 328 413	1 271 504	83,3%	7 162 644	6 877 463
	Administrative fees	2 144	-	-	2 144	1 333	811	62,2%	1 708	1 207
	Advertising	13 377	-	-	13 377	3 127	10 250	23,4%	15 730	198
	Minor assets	33 695	-	-	33 695	13 240	20 455	39,3%	30 734	10 508
	Catering: Departmental activities	9 336	-	-	9 336	3 781	5 555	40,5%	16 236	5 035
	Communication (G&S)	20 587	-	-	20 587	12 185	8 402	59,2%	28 842	13 173
	Computer services	-	-	-	-	29	(29)	-	50	721
	Consultants: Business and advisory services	387	-	-	387	197	190	50,9%	5 601	10 631
	Laboratory services	1 371 919	-	(147 000)	1 224 919	1 263 374	(38 455)	103,1%	1 642 948	1 631 763
	Legal services	-	-	-	-	384	(384)	-	-	1 283
	Contractors	135 923	-	-	135 923	159 328	(23 405)	117,2%	79 662	82 960
	Agency and support / outsourced services	44 561	-	-	44 561	25 784	18 777	57,9%	53 695	32 247
	Fleet services (including government motor transport)	38 407	-	-	38 407	33 694	4 713	87,7%	50 880	31 064
	Inventory: Clothing material and accessories	-	-	-	-	2 957	(2 957)	-	-	1 342

Appropriation Statement
for the period ended 31 March 2022

Programme 2: DISTRICT HEALTH SERVICES

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Food and food supplies	91 209	-	-	91 209	57 214	33 995	62,7%	74 089	48 481
Inventory: Fuel, oil and gas	96 823	-	-	96 823	78 225	18 598	80,8%	94 197	67 382
Inventory: Materials and supplies	22 845	-	-	22 845	14 359	8 486	62,9%	24 651	12 725
Inventory: Medical supplies	849 454	-	-	849 454	604 036	245 418	71,1%	619 946	533 617
Inventory: Medicine	3 831 280	-	(140 000)	3 691 280	3 224 821	466 459	87,4%	3 070 012	3 329 445
Inventory: Other supplies	35 596	-	-	35 596	22 087	13 509	62,0%	30 075	24 249
Consumable supplies	461 177	-	-	461 177	120 670	340 507	26,2%	463 060	363 838
Consumable: Stationery, printing and office supplies	81 979	-	-	81 979	45 170	36 809	55,1%	85 256	49 415
Operating leases	58 090	-	-	58 090	79 357	(21 267)	136,6%	79 231	70 888
Property payments	608 977	-	-	608 977	549 113	59 864	90,2%	616 093	536 189
Transport provided: Departmental activity	3 034	-	-	3 034	40	2 994	1,3%	5 740	264
Travel and subsistence	15 621	-	-	15 621	5 855	9 766	37,5%	37 364	6 540
Training and development	53 195	-	-	53 195	5 157	48 038	9,7%	20 521	7 121
Operating payments	2 394	-	-	2 394	669	1 725	27,9%	10 244	4 310
Venues and facilities	3 796	-	-	3 796	2 133	1 663	56,2%	4 114	786
Rental and hiring	1 111	-	-	1 111	94	1 017	8,5%	1 965	81
Transfers and subsidies	**927 550**	**-**	**(45 000)**	**882 550**	**821 714**	**60 836**	**93,1%**	**814 999**	**760 127**
Provinces and municipalities	470 568	-	-	470 568	441 664	28 904	93,9%	445 569	445 569
Provinces	-	-	-	-	-	-	-	92 000	92 000
Provincial Revenue Funds	-	-	-	-	-	-	-	92 000	92 000
Municipalities	470 568	-	-	470 568	441 664	28 904	93,9%	353 569	353 569
Municipal agencies and funds	470 568	-	-	470 568	441 664	28 904	93,9%	353 569	353 569
Non-profit institutions	423 868	-	(45 000)	378 868	348 635	30 233	92,0%	339 870	285 710
Households	33 114	-	-	33 114	31 415	1 699	94,9%	29 560	28 848
Social benefits	33 114	-	-	33 114	31 415	1 699	94,9%	29 560	28 834
Other transfers to households	-	-	-	-	-	-	-	-	14
Payments for capital assets	**196 725**	**-**	**-**	**196 725**	**162 347**	**34 378**	**82,5%**	**287 667**	**302 272**
Machinery and equipment	196 725	-	-	196 725	162 347	34 378	82,5%	287 667	302 272
Transport equipment	52 284	-	-	52 284	42 764	9 520	81,8%	59 326	62 848
Other machinery and equipment	144 441	-	-	144 441	119 583	24 858	82,8%	228 341	239 424
Payment for financial assets	**-**	**-**	**-**	**-**	**679**	**(679)**	**-**	**16**	**16**
	20 476 521	**-**	**(600 600)**	**19 875 921**	**19 251 444**	**624 477**	**96,9%**	**18 366 611**	**17 959 247**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 2.1: DISTRICT MANAGEMENT									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**1 430 433**	**-**	**(145 000)**	**1 285 433**	**1 176 259**	**109 174**	**91,5%**	**687 466**	**767 125**
Compensation of employees	1 291 376	-	(145 000)	1 146 376	974 582	171 794	85,0%	519 131	617 022
Goods and services	139 057	-	-	139 057	201 677	(62 620)	145,0%	168 335	150 103
Transfers and subsidies	**2 414**	**-**	**-**	**2 414**	**2 793**	**(379)**	**115,7%**	**2 944**	**3 214**
Households	2 414	-	-	2 414	2 793	(379)	115,7%	2 944	3 214
Payments for capital assets	**48 954**	**-**	**-**	**48 954**	**47 526**	**1 428**	**97,1%**	**51 084**	**56 018**
Machinery and equipment	48 954	-	-	48 954	47 526	1 428	97,1%	51 084	56 018
Payment for financial assets				**-**	**187**	**(187)**	**-**	**16**	**16**
Total	**1 481 801**	**-**	**(145 000)**	**1 336 801**	**1 226 765**	**110 036**	**91,8%**	**741 510**	**826 373**

Subprogramme: 2.2: COMMUNITY HEALTH CLINICS									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**2 315 902**	**-**	**(157 000)**	**2 158 902**	**2 137 499**	**21 403**	**99,0%**	**2 234 832**	**2 099 990**
Compensation of employees	1 343 592	-	-	1 343 592	1 397 296	(53 704)	104,0%	1 343 029	1 352 785
Goods and services	972 310	-	(157 000)	815 310	740 203	75 107	90,8%	891 803	747 205
Transfers and subsidies	**399 339**	**-**	**-**	**399 339**	**403 649**	**(4 310)**	**101,1%**	**367 179**	**367 150**
Provinces and municipalities	377 148	-	-	377 148	377 148	-	100,0%	353 569	353 569
Non-profit institutions	15 641			15 641	19 574	(3 933)	125,1%	8 593	8 593
Households	6 550	-	-	6 550	6 927	(377)	105,8%	5 017	4 988
Payments for capital assets	**24 992**	**-**	**-**	**24 992**	**18 395**	**6 597**	**73,6%**	**17 804**	**8 149**
Machinery and equipment	24 992	-	-	24 992	18 395	6 597	73,6%	17 804	8 149
Payment for financial assets				**-**	**78**	**(78)**	**-**	**-**	
Total	**2 740 233**	**-**	**(157 000)**	**2 583 233**	**2 559 621**	**23 612**	**99,1%**	**2 619 815**	**2 475 289**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 2.3: COMMUNITY HEALTH CENTRES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**2 368 028**	**-**	**(139 600)**	**2 228 428**	**2 174 017**	**54 411**	**97,6%**	**2 155 759**	**2 034 309**
Compensation of employees	1 751 405	-	(123 600)	1 627 805	1 627 733	72	100,0%	1 511 598	1 506 540
Goods and services	616 623	-	(16 000)	600 623	546 284	54 339	91,0%	644 161	527 769
Transfers and subsidies	**8 483**	**-**	**-**	**8 483**	**8 073**	**410**	**95,2%**	**9 050**	**6 930**
Households	8 483	-	-	8 483	8 073	410	95,2%	9 050	6 930
Payments for capital assets	**37 037**	**-**	**-**	**37 037**	**29 580**	**7 457**	**79,9%**	**24 692**	**22 883**
Machinery and equipment	37 037	-	-	37 037	29 580	7 457	79,9%	24 692	22 883
Payment for financial assets				**-**	**121**	**(121)**	**-**	**-**	
Total	**2 413 548**	**-**	**(139 600)**	**2 273 948**	**2 211 791**	**62 157**	**97,3%**	**2 189 501**	**2 064 122**

Subprogramme: 2.4: COMMUNITY BASED SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**2 365 598**	**-**	**-**	**2 365 598**	**2 379 183**	**(13 585)**	**100,6%**	**2 146 474**	**2 250 852**
Compensation of employees	1 758 519	-	-	1 758 519	1 711 472	47 047	97,3%	1 586 027	1 489 033
Goods and services	607 079	-	-	607 079	667 711	(60 632)	110,0%	560 447	761 819
Transfers and subsidies	**231 490**	**-**	**(35 000)**	**196 490**	**196 800**	**(310)**	**100,2%**	**224 892**	**188 376**
Non-profit institutions	228 984		(35 000)	193 984	193 693	291	99,8%	222 686	186 164
Households	2 506	-	-	2 506	3 107	(601)	124,0%	2 206	2 212
Payments for capital assets	**19 050**	**-**	**-**	**19 050**	**7 115**	**11 935**	**37,3%**	**8 512**	**6 100**
Machinery and equipment	19 050	-	-	19 050	7 115	11 935	37,3%	8 512	6 100
Total	**2 616 138**	**-**	**(35 000)**	**2 581 138**	**2 583 098**	**(1 960)**	**100,1%**	**2 379 878**	**2 445 328**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 2.5: HIV, AIDS									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**6 018 545**	**-**	**-**	**6 018 545**	**5 833 638**	**184 907**	**96,9%**	**5 843 249**	**5 676 858**
Compensation of employees	1 666 790	-	-	1 666 790	2 584 217	(917 427)	155,0%	2 008 249	1 947 702
Goods and services	4 351 755	-	-	4 351 755	3 249 421	1 102 334	74,7%	3 835 000	3 729 156
Transfers and subsidies	**205 670**	**-**	**-**	**205 670**	**151 574**	**54 096**	**73,7%**	**197 700**	**180 593**
Provinces and municipalities	93 420	-	-	93 420	64 447	28 973	69,0%	92 000	92 000
Non-profit institutions	110 429			110 429	85 942	24 487	77,8%	104 000	86 362
Households	1 821	-	-	1 821	1 185	636	65,1%	1 700	2 231
Payments for capital assets	**6 360**	**-**	**-**	**6 360**	**10 681**	**(4 321)**	**167,9%**	**126 572**	**129 132**
Machinery and equipment	6 360	-	-	6 360	10 681	(4 321)	167,9%	126 572	129 132
Payment for financial assets				**-**	**39**	**(39)**	**-**	**-**	
Total	**6 230 575**	**-**	**-**	**6 230 575**	**5 995 932**	**234 643**	**96,2%**	**6 167 521**	**5 986 583**

Subprogramme: 2.6: NUTRITION									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Transfers and subsidies	**68 814**	**-**	**(10 000)**	**58 814**	**49 495**	**9 319**	**84,2%**	**4 591**	**4 591**
Provinces and municipalities	-	-	-	-	69	(69)	-	-	-
Non-profit institutions	68 814		(10 000)	58 814	49 426	9 388	84,0%	4 591	4 591
Total	**68 814**	**-**	**(10 000)**	**58 814**	**49 495**	**9 319**	**84,2%**	**4 591**	**4 591**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 2.7: CORONER SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**344 773**	**-**	**-**	**344 773**	**267 961**	**76 812**	**77,7%**	**256 336**	**252 567**
Compensation of employees	278 604	-	-	278 604	234 796	43 808	84,3%	215 419	215 037
Goods and services	66 169	-	-	66 169	33 165	33 004	50,1%	40 917	37 530
Transfers and subsidies	**1 112**	**-**	**-**	**1 112**	**451**	**661**	**40,6%**	**783**	**467**
Households	1 112	-	-	1 112	451	661	40,6%	783	467
Payments for capital assets	**13 987**	**-**	**-**	**13 987**	**5 682**	**8 305**	**40,6%**	**8 430**	**10 823**
Machinery and equipment	13 987	-	-	13 987	5 682	8 305	40,6%	8 430	10 823
Payment for financial assets				**-**	**12**	**(12)**	**-**	**-**	
Total	**359 872**	**-**	**-**	**359 872**	**274 106**	**85 766**	**76,2%**	**265 549**	**263 857**

Subprogramme: 2.8: DISTRICT HOSPITALS									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**4 508 967**	**-**	**(114 000)**	**4 394 967**	**4 298 147**	**96 820**	**97,8%**	**3 939 813**	**3 815 131**
Compensation of employees	3 375 043	-	-	3 375 043	3 408 195	(33 152)	101,0%	2 917 832	2 891 250
Goods and services	1 133 924	-	(114 000)	1 019 924	889 952	129 972	87,3%	1 021 981	923 881
Transfers and subsidies	**10 228**	**-**	**-**	**10 228**	**8 879**	**1 349**	**86,8%**	**7 860**	**8 806**
Households	10 228	-	-	10 228	8 879	1 349	86,8%	7 860	8 806
Payments for capital assets	**46 345**	**-**	**-**	**46 345**	**43 368**	**2 977**	**93,6%**	**50 573**	**69 167**
Machinery and equipment	46 345	-	-	46 345	43 368	2 977	93,6%	50 573	69 167
Payment for financial assets				**-**	**242**	**(242)**	**-**	**-**	
Total	**4 565 540**	**-**	**(114 000)**	**4 451 540**	**4 350 636**	**100 904**	**97,7%**	**3 998 246**	**3 893 104**

Appropriation Statement
for the period ended 31 March 2022

Programme 3: EMERGENCY MEDICAL SERVICES									
		2021/22						2020/21	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
1	**EMERGENCY TRANSPORT**	1 372 403	-	(41 600)	1 330 803	1 151 058	179 745	86,5%	1 517 413	1 531 680
2	**PLANNED PATIENT TRANSPORT**	246 902	-	-	246 902	280 633	(33 731)	113,7%	163 957	149 121
		1 619 305	**-**	**(41 600)**	**1 577 705**	**1 431 691**	**146 014**	**90,7%**	**1 681 370**	**1 680 801**
Economic classification										
	Current payments	**1 276 557**	**-**	**(41 600)**	**1 234 957**	**1 135 040**	**99 917**	**91,9%**	**1 001 169**	**1 006 360**
	Compensation of employees	943 183	-	-	943 183	899 602	43 581	95,4%	714 402	757 890
	Salaries and wages	838 696	-	-	838 696	745 743	92 953	88,9%	602 293	629 238
	Social contributions	104 487	-	-	104 487	153 859	(49 372)	147,3%	112 109	128 652
	Goods and services	333 374	(50)	(41 600)	291 724	235 389	56 335	80,7%	286 767	248 470
	Administrative fees	12 000	-	-	12 000	11 981	19	99,8%	3 500	2 502
	Advertising	1 500	(50)	-	1 450	879	571	60,6%	1 500	-
	Minor assets	4 500	-	-	4 500	872	3 628	19,4%	7 833	1 568
	Catering: Departmental activities	980	-	-	980	370	610	37,8%	150	475
	Communication (G&S)	4 200	-	-	4 200	3 000	1 200	71,4%	4 834	3 102
	Computer services	820	-	-	820	-	820	-	512	-
	Consultants: Business and advisory services	-	-	-	-	27	(27)	-	-	-
	Legal services	-	-	-	-	50	(50)	-	-	-
	Contractors	4 697	-	-	4 697	2 956	1 741	62,9%	6 500	13 562
	Agency and support / outsourced services	1 678	-	-	1 678	177	1 501	10,5%	520	190
	Fleet services (including government motor transport)	171 817	-	-	171 817	132 792	39 025	77,3%	130 000	130 976
	Inventory: Food and food supplies	-	-	-	-	6	(6)	-	15	6
	Inventory: Fuel, oil and gas	1 500	-	-	1 500	415	1 085	27,7%	546	1 128
	Inventory: Materials and supplies	2 274	-	-	2 274	490	1 784	21,5%	5 274	2 413
	Inventory: Medical supplies	19 994	-	-	19 994	30 262	(10 268)	151,4%	28 994	32 426
	Inventory: Medicine	1 150	-	-	1 150	890	260	77,4%	1 150	516

Appropriation Statement
for the period ended 31 March 2022

Programme 3: EMERGENCY MEDICAL SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Other supplies	1 415	-	-	1 415	455	960	32,2%	1 515	1 648
Consumable supplies	19 555	-	-	19 555	10 609	8 946	54,3%	12 366	12 095
Consumable: Stationery, printing and office supplies	14 903	-	(10 900)	4 003	3 937	66	98,4%	8 353	5 236
Operating leases	40 191	-	(14 700)	25 491	25 483	8	100,0%	40 294	22 280
Property payments	26 000	-	(16 000)	10 000	9 615	385	96,2%	21 479	18 117
Transport provided: Departmental activity	2 200	-	-	2 200	-	2 200	-	6 095	-
Travel and subsistence	500	-	-	500	44	456	8,8%	787	83
Training and development	1 500	-	-	1 500	17	1 483	1,1%	3 690	147
Operating payments	-	-	-	-	62	(62)	-	-	-
Venues and facilities	-	-	-	-	-	-	-	860	-
Interest and rent on land	-	50	-	50	49	1	98,0%	-	-
Rent on land	-	50	-	50	49	1	98,0%	-	-
Transfers and subsidies	**3 307**	**-**	**-**	**3 307**	**1 515**	**1 792**	**45,8%**	**75 875**	**76 019**
Provinces and municipalities	-	-	-	-	-	-	-	74 920	74 920
Municipalities	-	-	-	-	-	-	-	74 920	74 920
Municipal bank accounts	-	-	-	-	-	-	-	74 920	74 920
Households	3 307	-	-	3 307	1 515	1 792	45,8%	955	1 099
Social benefits	3 307	-	-	3 307	1 515	1 792	45,8%	955	1 099
Payments for capital assets	**339 441**	**-**	**-**	**339 441**	**295 113**	**44 328**	**86,9%**	**604 326**	**598 422**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	478
Buildings	-	-	-	-	-	-	-	-	478
Machinery and equipment	339 441	-	-	339 441	295 113	44 328	86,9%	604 326	597 944
Transport equipment	272 562	-	-	272 562	237 085	35 477	87,0%	298 499	488 120
Other machinery and equipment	66 879	-	-	66 879	58 028	8 851	86,8%	305 827	109 824
Payment for financial assets	**-**	**-**	**-**	**-**	**23**	**(23)**	**-**	**-**	**-**
	1 619 305	**-**	**(41 600)**	**1 577 705**	**1 431 691**	**146 014**	**90,7%**	**1 681 370**	**1 680 801**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 3.1: EMERGENCY TRANSPORT									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**1 030 552**	**-**	**(41 600)**	**988 952**	**854 679**	**134 273**	**86,4%**	**837 427**	**857 451**
Compensation of employees	787 648	-	-	787 648	637 547	150 101	80,9%	625 294	685 262
Goods and services	242 904	(50)	(41 600)	201 254	217 083	(15 829)	107,9%	212 133	172 189
Interest and rent on land	-	50	-	50	49	1	98,0%	-	-
Transfers and subsidies	**2 410**	**-**	**-**	**2 410**	**1 243**	**1 167**	**51,6%**	**75 660**	**75 807**
Provinces and municipalities	-	-	-	-	-	-	-	74 920	74 920
Households	2 410	-	-	2 410	1 243	1 167	51,6%	740	887
Payments for capital assets	**339 441**	**-**	**-**	**339 441**	**295 113**	**44 328**	**86,9%**	**604 326**	**598 422**
Buildings and other fixed structures	-	-	-	-	-	-	-	-	478
Machinery and equipment	339 441	-	-	339 441	295 113	44 328	86,9%	604 326	597 944
Payment for financial assets				**-**	**23**	**(23)**	**-**	**-**	
Total	**1 372 403**	**-**	**(41 600)**	**1 330 803**	**1 151 058**	**179 745**	**86,5%**	**1 517 413**	**1 531 680**

Subprogramme: 3.2: PLANNED PATIENT TRANSPORT									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**246 005**	**-**	**-**	**246 005**	**280 361**	**(34 356)**	**114,0%**	**163 742**	**148 909**
Compensation of employees	155 535	-	-	155 535	262 055	(106 520)	168,5%	89 108	72 628
Goods and services	90 470	-	-	90 470	18 306	72 164	20,2%	74 634	76 281
Transfers and subsidies	**897**	**-**	**-**	**897**	**272**	**625**	**30,3%**	**215**	**212**
Households	897	-	-	897	272	625	30,3%	215	212
Total	**246 902**	**-**	**-**	**246 902**	**280 633**	**(33 731)**	**113,7%**	**163 957**	**149 121**

Appropriation Statement
for the period ended 31 March 2022

Programme 4: PROVINCIAL HOSPITAL SERVICES	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 **GENERAL HOSPITALS**	7 978 352	-	-	7 978 352	7 998 877	(20 525)	100,3%	7 279 341	7 414 991
2 **TUBERCULOSIS HOSPITALS**	365 146	-	-	365 146	321 495	43 651	88,0%	333 806	305 465
3 PSYCHIATRIC/MENTAL HOSPITAL	1 953 808	-	-	1 953 808	1 669 528	284 280	85,4%	1 585 024	1 523 443
4 DENTAL TRAINING HOSPITALS	672 891	-	-	672 891	603 093	69 798	89,6%	633 467	563 679
5 OTHER SPECIALISED HOSPITALS	111 701	-	-	111 701	104 221	7 480	93,3%	110 641	98 272
	11 081 898	**-**	**-**	**11 081 898**	**10 697 214**	**384 684**	**96,5%**	**9 942 279**	**9 905 850**
Economic classification									
Current payments	**10 916 999**	**-**	**-**	**10 916 999**	**10 536 389**	**380 610**	**96,5%**	**9 756 346**	**9 719 813**
Compensation of employees	8 053 422	-	-	8 053 422	7 914 479	138 943	98,3%	7 140 609	7 125 491
Salaries and wages	7 096 327	-	-	7 096 327	7 026 796	69 531	99,0%	6 216 467	6 280 802
Social contributions	957 095	-	-	957 095	887 683	69 412	92,7%	924 142	844 689
Goods and services	2 863 577	-	-	2 863 577	2 621 910	241 667	91,6%	2 615 737	2 594 322
Administrative fees	512	-	-	512	587	(75)	114,6%	925	1 002
Advertising	10	-	-	10	4	6	40,0%	10	1
Minor assets	13 199	-	-	13 199	7 073	6 126	53,6%	14 302	8 261
Bursaries: Employees	-	-	-	-	-	-	-	-	1
Catering: Departmental activities	120	-	-	120	16	104	13,3%	130	10
Communication (G&S)	10 012	-	-	10 012	4 827	5 185	48,2%	10 090	4 071
Computer services	1 100	-	-	1 100	1 023	77	93,0%	694	802
Consultants: Business and advisory services	505 409	-	-	505 409	288 104	217 305	57,0%	374 422	301 225
Laboratory services	377 598	-	-	377 598	240 528	137 070	63,7%	339 532	337 959
Legal services	-	-	-	-	1 529	(1 529)	-	-	7 335
Contractors	37 464	-	-	37 464	53 840	(16 376)	143,7%	38 008	48 681
Agency and support / outsourced services	68 468	-	-	68 468	93 227	(24 759)	136,2%	75 123	83 902
Fleet services (including government motor transport)	9 146	-	-	9 146	5 029	4 117	55,0%	8 892	6 316
Inventory: Clothing material and accessories	-	-	-	-	952	(952)	-	-	637
Inventory: Food and food supplies	143 918	-	-	143 918	151 006	(7 088)	104,9%	148 440	118 355
Inventory: Fuel, oil and gas	72 733	-	-	72 733	109 115	(36 382)	150,0%	65 296	73 649

Appropriation Statement
for the period ended 31 March 2022

Programme 4: PROVINCIAL HOSPITAL SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Materials and supplies	11 153	-	-	11 153	10 737	416	96,3%	18 130	12 431
Inventory: Medical supplies	774 408	-	-	774 408	775 129	(721)	100,1%	711 835	810 885
Inventory: Medicine	366 674	-	-	366 674	318 140	48 534	86,8%	335 147	287 288
Inventory: Other supplies	27 496	-	-	27 496	33 909	(6 413)	123,3%	26 107	29 540
Consumable supplies	88 170	-	-	88 170	107 582	(19 412)	122,0%	112 486	97 125
Consumable: Stationery, printing and office supplies	22 441	-	-	22 441	18 913	3 528	84,3%	23 999	20 411
Operating leases	31 748	-	-	31 748	30 367	1 381	95,7%	37 368	38 602
Property payments	295 316	-	-	295 316	359 742	(64 426)	121,8%	267 037	300 273
Transport provided: Departmental activity	258	-	-	258	107	151	41,5%	328	171
Travel and subsistence	934	-	-	934	8 287	(7 353)	887,3%	1 169	3 594
Training and development	3 135	-	-	3 135	954	2 181	30,4%	4 163	1 134
Operating payments	2 155	-	-	2 155	896	1 259	41,6%	1 604	469
Rental and hiring	-	-	-	-	287	(287)	-	500	192
Transfers and subsidies	**18 080**	**-**	**-**	**18 080**	**26 171**	**(8 091)**	**144,8%**	**16 123**	**25 768**
Households	18 080	-	-	18 080	26 171	(8 091)	144,8%	16 123	25 768
Social benefits	18 080	-	-	18 080	25 968	(7 888)	143,6%	16 123	25 768
Other transfers to households	-	-	-	-	203	(203)	-	-	-
Payments for capital assets	**146 819**	**-**	**-**	**146 819**	**134 144**	**12 675**	**91,4%**	**169 810**	**160 269**
Machinery and equipment	146 819	-	-	146 819	133 737	13 082	91,1%	169 810	160 269
Transport equipment	6 623	-	-	6 623	2 794	3 829	42,2%	7 329	2 230
Other machinery and equipment	140 196	-	-	140 196	130 943	9 253	93,4%	162 481	158 039
Software and other intangible assets	-	-	-	-	407	(407)	-	-	-
Payment for financial assets	**-**	**-**	**-**	**-**	**510**	**(510)**	**-**	**-**	**-**
	11 081 898	**-**	**-**	**11 081 898**	**10 697 214**	**384 684**	**96,5%**	**9 942 279**	**9 905 850**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 4.1: GENERAL HOSPITALS									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**7 862 990**	**-**	**-**	**7 862 990**	**7 867 850**	**(4 860)**	**100,1%**	**7 138 249**	**7 251 739**
Compensation of employees	5 832 962	-	-	5 832 962	5 835 978	(3 016)	100,1%	5 222 106	5 241 414
Goods and services	2 030 028	-	-	2 030 028	2 031 872	(1 844)	100,1%	1 916 143	2 010 325
Transfers and subsidies	**12 949**	**-**	**-**	**12 949**	**17 613**	**(4 664)**	**136,0%**	**10 521**	**18 213**
Households	12 949	-	-	12 949	17 613	(4 664)	136,0%	10 521	18 213
Payments for capital assets	**102 413**	**-**	**-**	**102 413**	**112 976**	**(10 563)**	**110,3%**	**130 571**	**145 039**
Machinery and equipment	102 413	-	-	102 413	112 569	(10 156)	109,9%	130 571	145 039
Software and other intangible assets				-	407	(407)	-	-	
Payment for financial assets				**-**	**438**	**(438)**	**-**	**-**	
Total	**7 978 352**	**-**	**-**	**7 978 352**	**7 998 877**	**(20 525)**	**100,3%**	**7 279 341**	**7 414 991**

Subprogramme: 4.2: TUBERCULOSIS HOSPITALS									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**360 922**	**-**	**-**	**360 922**	**318 819**	**42 103**	**88,3%**	**331 480**	**302 386**
Compensation of employees	301 957	-	-	301 957	272 870	29 087	90,4%	268 905	255 149
Goods and services	58 965	-	-	58 965	45 949	13 016	77,9%	62 575	47 237
Transfers and subsidies	**487**	**-**	**-**	**487**	**733**	**(246)**	**150,5%**	**441**	**1 124**
Households	487	-	-	487	733	(246)	150,5%	441	1 124
Payments for capital assets	**3 737**	**-**	**-**	**3 737**	**1 926**	**1 811**	**51,5%**	**1 885**	**1 955**
Machinery and equipment	3 737	-	-	3 737	1 926	1 811	51,5%	1 885	1 955
Payment for financial assets				**-**	**17**	**(17)**	**-**	**-**	**-**
Total	**365 146**	**-**	**-**	**365 146**	**321 495**	**43 651**	**88,0%**	**333 806**	**305 465**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 4.3: PSYCHIATRIC/MENTAL HOSPITAL									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**1 940 413**	**-**	**-**	**1 940 413**	**1 658 909**	**281 504**	**85,5%**	**1 572 077**	**1 516 164**
Compensation of employees	1 245 455	-	-	1 245 455	1 176 387	69 068	94,5%	1 025 955	1 038 062
Goods and services	694 958	-	-	694 958	482 522	212 436	69,4%	546 122	478 102
Transfers and subsidies	**3 008**	**-**	**-**	**3 008**	**4 717**	**(1 709)**	**156,8%**	**3 394**	**3 926**
Households	3 008	-	-	3 008	4 717	(1 709)	156,8%	3 394	3 926
Payments for capital assets	**10 387**	**-**	**-**	**10 387**	**5 855**	**4 532**	**56,4%**	**9 553**	**3 353**
Machinery and equipment	10 387	-	-	10 387	5 855	4 532	56,4%	9 553	3 353
Payment for financial assets				**-**	**47**	**(47)**	**-**	**-**	
Total	**1 953 808**	**-**	**-**	**1 953 808**	**1 669 528**	**284 280**	**85,4%**	**1 585 024**	**1 523 443**

Subprogramme: 4.4: DENTAL TRAINING HOSPITALS									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**642 315**	**-**	**-**	**642 315**	**587 391**	**54 924**	**91,4%**	**607 160**	**553 181**
Compensation of employees	576 058	-	-	576 058	538 438	37 620	93,5%	531 564	505 044
Goods and services	66 257	-	-	66 257	48 953	17 304	73,9%	75 596	48 137
Transfers and subsidies	**1 457**	**-**	**-**	**1 457**	**2 953**	**(1 496)**	**202,7%**	**1 586**	**2 275**
Households	1 457	-	-	1 457	2 953	(1 496)	202,7%	1 586	2 275
Payments for capital assets	**29 119**	**-**	**-**	**29 119**	**12 745**	**16 374**	**43,8%**	**24 721**	**8 223**
Machinery and equipment	29 119	-	-	29 119	12 745	16 374	43,8%	24 721	8 223
Payment for financial assets				**-**	**4**	**(4)**	**-**	**-**	
Total	**672 891**	**-**	**-**	**672 891**	**603 093**	**69 798**	**89,6%**	**633 467**	**563 679**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 4.5: OTHER SPECIALISED HOSPITALS									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**110 359**	**-**	**-**	**110 359**	**103 420**	**6 939**	**93,7%**	**107 380**	**96 343**
Compensation of employees	96 990	-	-	96 990	90 806	6 184	93,6%	92 079	85 822
Goods and services	13 369	-	-	13 369	12 614	755	94,4%	15 301	10 521
Transfers and subsidies	**179**	**-**	**-**	**179**	**155**	**24**	**86,6%**	**181**	**230**
Households	179	-	-	179	155	24	86,6%	181	230
Payments for capital assets	**1 163**	**-**	**-**	**1 163**	**642**	**521**	**55,2%**	**3 080**	**1 699**
Machinery and equipment	1 163	-	-	1 163	642	521	55,2%	3 080	1 699
Payment for financial assets				**-**	**4**	**(4)**	**-**	**-**	
Total	**111 701**	**-**	**-**	**111 701**	**104 221**	**7 480**	**93,3%**	**110 641**	**98 272**

Appropriation Statement
for the period ended 31 March 2022

Programme 5: CENTRAL HOSPITAL SERVICES	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1 **CENTRAL HOSPITALS**	16 137 117	-	(256 475)	15 880 642	14 966 947	913 695	94,2%	14 982 621	14 208 556
2 **PROVINCIAL TERTIARY HOSPITAL SERVICES**	4 855 190	-	(27 098)	4 828 092	5 412 196	(584 104)	112,1%	4 630 012	5 045 496
	20 992 307	**-**	**(283 573)**	**20 708 734**	**20 379 143**	**329 591**	**98,4%**	**19 612 633**	**19 254 052**
Economic classification									
Current payments	**19 598 189**	**-**	**(115 000)**	**19 483 189**	**19 505 923**	**(22 734)**	**100,1%**	**18 262 030**	**18 315 272**
Compensation of employees	13 925 418	-	-	13 925 418	13 476 463	448 955	96,8%	12 327 797	12 331 230
Salaries and wages	12 251 955	-	-	12 251 955	12 095 632	156 323	98,7%	10 501 331	11 025 105
Social contributions	1 673 463	-	-	1 673 463	1 380 831	292 632	82,5%	1 826 466	1 306 125
Goods and services	5 672 771	-	(115 000)	5 557 771	6 029 460	(471 689)	108,5%	5 934 233	5 984 042
Administrative fees	1 207	-	-	1 207	868	339	71,9%	619	1 586
Advertising	604	-	-	604	144	460	23,8%	704	447
Minor assets	33 863	(2 100)	-	31 763	6 401	25 362	20,2%	34 727	12 993
Audit costs: External	-	-	-	-	42	(42)	-	-	27
Catering: Departmental activities	77	-	-	77	34	43	44,2%	83	38
Communication (G&S)	15 941	-	-	15 941	14 638	1 303	91,8%	20 245	14 353
Computer services	20 100	-	-	20 100	3 854	16 246	19,2%	29 100	15 194
Consultants: Business and advisory services	329	-	-	329	120	209	36,5%	879	96
Laboratory services	1 067 252	8 246	(115 000)	960 498	821 134	139 364	85,5%	1 245 306	909 932
Legal services	-	-	-	-	2 912	(2 912)	-	-	9 365
Contractors	232 741	(8 000)	-	224 741	180 525	44 216	80,3%	196 735	150 695
Agency and support / outsourced services	139 429	313	-	139 742	127 851	11 891	91,5%	144 259	152 111
Fleet services (including government motor transport)	6 800	-	-	6 800	4 955	1 845	72,9%	7 900	3 981
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	210
Inventory: Food and food supplies	169 789	-	-	169 789	166 536	3 253	98,1%	165 570	126 711
Inventory: Fuel, oil and gas	102 962	-	-	102 962	70 546	32 416	68,5%	113 120	97 784
Inventory: Materials and supplies	16 676	-	-	16 676	16 159	517	96,9%	13 042	15 116
Inventory: Medical supplies	1 898 943	1 541	-	1 900 484	2 754 725	(854 241)	144,9%	2 058 641	2 764 621
Inventory: Medicine	920 148	-	-	920 148	779 551	140 597	84,7%	927 536	763 257
Inventory: Other supplies	57 237	-	-	57 237	37 479	19 758	65,5%	62 379	41 394

Appropriation Statement
for the period ended 31 March 2022

Programme 5: CENTRAL HOSPITAL SERVICES

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	351 618	-	-	351 618	319 083	32 535	90,7%	259 409	314 449
Consumable: Stationery, printing and office supplies	59 490	-	-	59 490	90 767	(31 277)	152,6%	80 487	62 297
Operating leases	50 396	-	-	50 396	45 351	5 045	90,0%	56 296	43 529
Property payments	516 284	-	-	516 284	580 562	(64 278)	112,5%	505 892	477 743
Transport provided: Departmental activity	260	-	-	260	173	87	66,5%	292	2
Travel and subsistence	1 315	-	-	1 315	788	527	59,9%	2 015	1 125
Training and development	2 510	-	-	2 510	386	2 124	15,4%	3 657	131
Operating payments	6 800	-	-	6 800	3 876	2 924	57,0%	5 340	4 855
Transfers and subsidies	**329 245**	**-**	**-**	**329 245**	**335 981**	**(6 736)**	**102,0%**	**366 215**	**369 149**
Non-profit institutions	282 000	-	-	282 000	282 000	-	100,0%	317 000	317 000
Households	47 245	-	-	47 245	53 981	(6 736)	114,3%	49 215	52 149
Social benefits	47 245	-	-	47 245	53 669	(6 424)	113,6%	49 215	51 712
Other transfers to households	-	-	-	-	312	(312)	-	-	437
Payments for capital assets	**1 064 873**	**-**	**(168 573)**	**896 300**	**536 807**	**359 493**	**59,9%**	**984 388**	**569 631**
Machinery and equipment	1 064 873	-	(168 573)	896 300	536 807	359 493	59,9%	984 388	569 631
Transport equipment	3 500	-	-	3 500	987	2 513	28,2%	3 700	1 544
Other machinery and equipment	1 061 373	-	(168 573)	892 800	535 820	356 980	60,0%	980 688	568 087
Payment for financial assets	**-**	**-**	**-**	**-**	**432**	**(432)**	**-**	**-**	**-**
	20 992 307	**-**	**(283 573)**	**20 708 734**	**20 379 143**	**329 591**	**98,4%**	**19 612 633**	**19 254 052**

Subprogramme: 5.1: CENTRAL HOSPITALS

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**14 959 226**	**-**	**(115 000)**	**14 844 226**	**14 186 560**	**657 666**	**95,6%**	**13 788 208**	**13 367 170**
Compensation of employees	10 649 598	-	-	10 649 598	10 251 661	397 937	96,3%	9 458 178	9 420 167
Goods and services	4 309 628	-	(115 000)	4 194 628	3 934 899	259 729	93,8%	4 330 030	3 947 003
Transfers and subsidies	**321 856**	**-**	**-**	**321 856**	**324 726**	**(2 870)**	**100,9%**	**357 335**	**360 209**
Non-profit institutions	282 000			282 000	282 000	-	100,0%	317 000	317 000
Households	39 856	-	-	39 856	42 726	(2 870)	107,2%	40 335	43 209
Payments for capital assets	**856 035**	**-**	**(141 475)**	**714 560**	**455 229**	**259 331**	**63,7%**	**837 078**	**481 177**
Machinery and equipment	856 035	-	(141 475)	714 560	455 229	259 331	63,7%	837 078	481 177
Payment for financial assets				**-**	**432**	**(432)**	**-**	**-**	
Total	**16 137 117**	**-**	**(256 475)**	**15 880 642**	**14 966 947**	**913 695**	**94,2%**	**14 982 621**	**14 208 556**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 5.2: PROVINCIAL TERTIARY HOSPITAL SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**4 638 963**	**-**	**-**	**4 638 963**	**5 319 363**	**(680 400)**	**114,7%**	**4 473 822**	**4 948 102**
Compensation of employees	3 275 820	-	-	3 275 820	3 224 802	51 018	98,4%	2 869 619	2 911 063
Goods and services	1 363 143	-	-	1 363 143	2 094 561	(731 418)	153,7%	1 604 203	2 037 039
Transfers and subsidies	**7 389**	**-**	**-**	**7 389**	**11 255**	**(3 866)**	**152,3%**	**8 880**	**8 940**
Households	7 389	-	-	7 389	11 255	(3 866)	152,3%	8 880	8 940
Payments for capital assets	**208 838**	**-**	**(27 098)**	**181 740**	**81 578**	**100 162**	**44,9%**	**147 310**	**88 454**
Machinery and equipment	208 838	-	(27 098)	181 740	81 578	100 162	44,9%	147 310	88 454
Total	**4 855 190**	**-**	**(27 098)**	**4 828 092**	**5 412 196**	**(584 104)**	**112,1%**	**4 630 012**	**5 045 496**

Appropriation Statement
for the period ended 31 March 2022

Programme 6: HEALTH SCIENCES AND TRAINING									
		2021/22						2020/21	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
1	**NURSE TRAINING COLLEGES**	626 247	-	-	626 247	515 496	110 751	82,3%	604 619	556 647
2	**EMS TRAINING COLLEGES**	42 435	-	-	42 435	37 357	5 078	88,0%	42 149	36 495
3	BURSARIES	452 190	-	(102 800)	349 390	78 178	271 212	22,4%	173 948	129 244
4	OTHER TRAINING	164 528	-	-	164 528	75 837	88 691	46,1%	80 552	64 824
		1 285 400	**-**	**(102 800)**	**1 182 600**	**706 868**	**475 732**	**59,8%**	**901 268**	**787 210**
Economic classification										
	Current payments	**759 155**	**-**	**-**	**759 155**	**573 526**	**185 629**	**75,5%**	**656 066**	**619 303**
	Compensation of employees	603 827	-	-	603 827	521 237	82 590	86,3%	565 899	556 097
	Salaries and wages	540 401	-	-	540 401	462 749	77 652	85,6%	499 974	491 551
	Social contributions	63 426	-	-	63 426	58 488	4 938	92,2%	65 925	64 546
	Goods and services	155 328	-	-	155 328	52 289	103 039	33,7%	90 167	63 206
	Administrative fees	1 613	-	-	1 613	1	1 612	0,1%	13	-
	Advertising	210	-	-	210	2	208	1,0%	62	1
	Minor assets	698	-	-	698	86	612	12,3%	691	1 335
	Bursaries: Employees	11 742	-	-	11 742	6 377	5 365	54,3%	10 960	8 949
	Catering: Departmental activities	950	-	-	950	176	774	18,5%	430	13
	Communication (G&S)	1 068	-	-	1 068	513	555	48,0%	1 303	373
	Computer services	406	-	-	406	81	325	20,0%	-	117
	Consultants: Business and advisory services	608	-	-	608	-	608	-	287	674
	Laboratory services	56	-	-	56	-	56	-	56	9
	Contractors	75 584	-	-	75 584	1 229	74 355	1,6%	3 468	2 393
	Agency and support / outsourced services	1 233	-	-	1 233	482	751	39,1%	(45)	730
	Fleet services (including government motor transport)	2 180	-	-	2 180	1 577	603	72,3%	2 783	2 353
	Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	73
	Inventory: Food and food supplies	276	-	-	276	149	127	54,0%	148	47
	Inventory: Fuel, oil and gas	254	-	-	254	250	4	98,4%	7	5
	Inventory: Learner and teacher support material	830	-	-	830	581	249	70,0%	1 732	1 041
	Inventory: Materials and supplies	1 294	-	-	1 294	1 626	(332)	125,7%	1 171	768

Appropriation Statement
for the period ended 31 March 2022

Programme 6: HEALTH SCIENCES AND TRAINING	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Medical supplies	872	-	-	872	1 089	(217)	124,9%	827	1 080
Inventory: Medicine	600	-	-	600	748	(148)	124,7%	550	537
Inventory: Other supplies	480	-	-	480	213	267	44,4%	1 243	821
Consumable supplies	4 100	-	-	4 100	3 412	688	83,2%	6 916	4 912
Consumable: Stationery, printing and office supplies	4 136	-	-	4 136	2 644	1 492	63,9%	3 145	2 283
Operating leases	6 531	-	-	6 531	7 443	(912)	114,0%	8 738	7 572
Property payments	20 026	-	-	20 026	17 633	2 393	88,1%	24 754	22 457
Travel and subsistence	10 504	-	-	10 504	1 327	9 177	12,6%	10 282	757
Training and development	8 243	-	-	8 243	4 511	3 732	54,7%	10 046	3 893
Operating payments	334	-	-	334	139	195	41,6%	100	13
Venues and facilities	500	-	-	500	-	500	-	500	-
Transfers and subsidies	**518 451**	**-**	**(102 800)**	**415 651**	**129 212**	**286 439**	**31,1%**	**237 674**	**159 908**
Departmental agencies and accounts	24 636	-	-	24 636	24 636	-	100,0%	23 352	23 352
Departmental agencies	24 636	-	-	24 636	24 636	-	100,0%	23 352	23 352
Higher education institutions	16 309	-	-	16 309	7 867	8 442	48,2%	15 459	12 871
Public corporations and private enterprises	-	-	-	-	-	-	-	-	318
Public corporations	-	-	-	-	-	-	-	-	318
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	30
Other transfers to public corporations	-	-	-	-	-	-	-	-	288
Households	477 506	-	(102 800)	374 706	96 709	277 997	25,8%	198 863	123 367
Social benefits	742	-	-	742	3 174	(2 432)	427,8%	1 622	2 235
Other transfers to households	476 764	-	(102 800)	373 964	93 535	280 429	25,0%	197 241	121 132
Payments for capital assets	**7 794**	**-**	**-**	**7 794**	**4 128**	**3 666**	**53,0%**	**7 525**	**7 996**
Machinery and equipment	7 794	-	-	7 794	4 128	3 666	53,0%	7 525	7 996
Transport equipment	1 631	-	-	1 631	741	890	45,4%	1 740	1 372
Other machinery and equipment	6 163	-	-	6 163	3 387	2 776	55,0%	5 785	6 624
Payment for financial assets	**-**	**-**	**-**	**-**	**2**	**(2)**	**-**	**3**	**3**
	1 285 400	**-**	**(102 800)**	**1 182 600**	**706 868**	**475 732**	**59,8%**	**901 268**	**787 210**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 6.1: NURSE TRAINING COLLEGES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**569 726**	**-**	**-**	**569 726**	**482 909**	**86 817**	**84,8%**	**549 835**	**540 297**
Compensation of employees	536 972	-	-	536 972	455 659	81 313	84,9%	509 463	507 704
Goods and services	32 754	-	-	32 754	27 250	5 504	83,2%	40 372	32 593
Transfers and subsidies	**52 325**	**-**	**-**	**52 325**	**31 545**	**20 780**	**60,3%**	**50 516**	**14 093**
Higher education institutions	16 309			16 309	7 867	8 442	48,2%	15 459	11 864
Households	36 016	-	-	36 016	23 678	12 338	65,7%	35 057	2 229
Payments for capital assets	**4 196**	**-**	**-**	**4 196**	**1 042**	**3 154**	**24,8%**	**4 268**	**2 257**
Machinery and equipment	4 196	-	-	4 196	1 042	3 154	24,8%	4 268	2 257
Total	**626 247**	**-**	**-**	**626 247**	**515 496**	**110 751**	**82,3%**	**604 619**	**556 647**

Subprogramme: 6.2: EMS TRAINING COLLEGES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**39 608**	**-**	**-**	**39 608**	**34 210**	**5 398**	**86,4%**	**39 362**	**30 863**
Compensation of employees	23 487	-	-	23 487	21 016	2 471	89,5%	23 201	15 206
Goods and services	16 121	-	-	16 121	13 194	2 927	81,8%	16 161	15 657
Transfers and subsidies	**42**	**-**	**-**	**42**	**59**	**(17)**	**140,5%**	**40**	**93**
Households	42	-	-	42	59	(17)	140,5%	40	93
Payments for capital assets	**2 785**	**-**	**-**	**2 785**	**3 086**	**(301)**	**110,8%**	**2 744**	**5 536**
Machinery and equipment	2 785	-	-	2 785	3 086	(301)	110,8%	2 744	5 536
Payment for financial assets				**-**	**2**	**(2)**	**-**	**3**	**3**
Total	**42 435**	**-**	**-**	**42 435**	**37 357**	**5 078**	**88,0%**	**42 149**	**36 495**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 6.3: BURSARIES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**10 742**	**-**	**-**	**10 742**	**5 300**	**5 442**	**49,3%**	**10 182**	**8 199**
Goods and services	10 742	-	-	10 742	5 300	5 442	49,3%	10 182	8 199
Transfers and subsidies	**441 448**	**-**	**(102 800)**	**338 648**	**72 878**	**265 770**	**21,5%**	**163 766**	**121 045**
Households	441 448	-	(102 800)	338 648	72 878	265 770	21,5%	163 766	121 045
Total	**452 190**	**-**	**(102 800)**	**349 390**	**78 178**	**271 212**	**22,4%**	**173 948**	**129 244**

Subprogramme: 6.4: OTHER TRAINING									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**139 079**	**-**	**-**	**139 079**	**51 107**	**87 972**	**36,7%**	**56 687**	**39 944**
Compensation of employees	43 368	-	-	43 368	44 562	(1 194)	102,8%	33 235	33 187
Goods and services	95 711	-	-	95 711	6 545	89 166	6,8%	23 452	6 757
Transfers and subsidies	**24 636**	**-**	**-**	**24 636**	**24 730**	**(94)**	**100,4%**	**23 352**	**24 677**
Departmental agencies and accounts	24 636	-	-	24 636	24 636	-	100,0%	23 352	23 352
Higher education institutions				-		-	-	-	1 007
Public corporations and private enterprises	-	-	-	-	-	-	-	-	318
Households	-	-	-	-	94	(94)	-	-	-
Payments for capital assets	**813**	**-**	**-**	**813**	**-**	**813**	**-**	**513**	**203**
Machinery and equipment	813	-	-	813	-	813	-	513	203
Total	**164 528**	**-**	**-**	**164 528**	**75 837**	**88 691**	**46,1%**	**80 552**	**64 824**

Appropriation Statement
for the period ended 31 March 2022

Programme 7: HEALTH CARE SUPPORT SERVICES										
		2021/22							2020/21	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
1	**LAUNDRIES**	306 948	-	-	306 948	315 450	(8 502)	102,8%	287 630	294 625
2	**FOOD SUPPLY SERVICES**	107 925	-	(21 000)	86 925	73 383	13 542	84,4%	103 633	94 219
3	MEDICINE TRADING ACCOUNT	1	-	-	1	-	1	-	1	-
		414 874	**-**	**(21 000)**	**393 874**	**388 833**	**5 041**	**98,7%**	**391 264**	**388 844**
Economic classification										
	Current payments	**411 430**	**-**	**(21 000)**	**390 430**	**386 858**	**3 572**	**99,1%**	**387 698**	**387 500**
	Compensation of employees	214 594	-	-	214 594	209 814	4 780	97,8%	201 182	201 582
	Salaries and wages	175 412	-	-	175 412	169 188	6 224	96,5%	163 999	162 430
	Social contributions	39 182	-	-	39 182	40 626	(1 444)	103,7%	37 183	39 152
	Goods and services	196 836	-	(21 000)	175 836	177 044	(1 208)	100,7%	186 516	185 918
	Minor assets	174	-	-	174	231	(57)	132,8%	162	72
	Communication (G&S)	463	-	-	463	337	126	72,8%	450	291
	Contractors	349	-	-	349	171	178	49,0%	243	662
	Agency and support / outsourced services	17	-	-	17	25	(8)	147,1%	127	22
	Fleet services (including government motor transport)	4 680	-	-	4 680	3 511	1 169	75,0%	4 098	3 491
	Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	247
	Inventory: Food and food supplies	25 259	-	-	25 259	16 951	8 308	67,1%	26 207	24 069
	Inventory: Fuel, oil and gas	37 990	-	(11 000)	26 990	24 466	2 524	90,6%	40 826	38 262
	Inventory: Materials and supplies	136	-	-	136	108	28	79,4%	153	48
	Inventory: Medical supplies	3 235	-	-	3 235	2 630	605	81,3%	4 408	4 139
	Inventory: Other supplies	5 225	-	-	5 225	6 498	(1 273)	124,4%	3 238	3 527

Appropriation Statement
for the period ended 31 March 2022

Programme 7: HEALTH CARE SUPPORT SERVICES	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	75 354	-	(10 000)	65 354	78 938	(13 584)	120,8%	69 294	72 288
Consumable: Stationery, printing and office supplies	485	-	-	485	523	(38)	107,8%	513	354
Operating leases	8 855	-	-	8 855	8 954	(99)	101,1%	6 456	7 682
Property payments	33 519	-	-	33 519	33 700	(181)	100,5%	28 218	28 855
Travel and subsistence	18	-	-	18	1	17	5,6%	28	14
Training and development	227	-	-	227	-	227	-	230	3
Operating payments	850	-	-	850	-	850	-	1 865	1 892
Transfers and subsidies	**479**	**-**	**-**	**479**	**682**	**(203)**	**142,4%**	**486**	**975**
Households	479	-	-	479	682	(203)	142,4%	486	975
Social benefits	479	-	-	479	682	(203)	142,4%	486	975
Payments for capital assets	**2 965**	**-**	**-**	**2 965**	**1 289**	**1 676**	**43,5%**	**3 080**	**369**
Machinery and equipment	2 965	-	-	2 965	239	2 726	8,1%	3 080	369
Transport equipment	-	-	-	-	-	-	-	446	-
Other machinery and equipment	2 965	-	-	2 965	239	2 726	8,1%	2 634	369
Heritage assets	-	-	-	-	1 050	(1 050)	-	-	-
Payment for financial assets	**-**	**-**	**-**	**-**	**4**	**(4)**	**-**	**-**	**-**
	414 874	**-**	**(21 000)**	**393 874**	**388 833**	**5 041**	**98,7%**	**391 264**	**388 844**

Subprogramme: 7.1: LAUNDRIES	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**305 104**	**-**	**-**	**305 104**	**313 700**	**(8 596)**	**102,8%**	**285 144**	**293 573**
Compensation of employees	185 026	-	-	185 026	181 934	3 092	98,3%	171 983	173 819
Goods and services	120 078	-	-	120 078	131 766	(11 688)	109,7%	113 161	119 754
Transfers and subsidies	**379**	**-**	**-**	**379**	**475**	**(96)**	**125,3%**	**386**	**893**
Households	379	-	-	379	475	(96)	125,3%	386	893
Payments for capital assets	**1 465**	**-**	**-**	**1 465**	**1 271**	**194**	**86,8%**	**2 100**	**159**
Machinery and equipment	1 465	-	-	1 465	221	1 244	15,1%	2 100	159
Heritage assets				-	1 050	(1 050)	-	-	
Payment for financial assets				**-**	**4**	**(4)**	**-**	**-**	
Total	**306 948**	**-**	**-**	**306 948**	**315 450**	**(8 502)**	**102,8%**	**287 630**	**294 625**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 7.2: FOOD SUPPLY SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**106 325**	**-**	**(21 000)**	**85 325**	**73 158**	**12 167**	**85,7%**	**102 553**	**93 927**
Compensation of employees	29 568	-	-	29 568	27 880	1 688	94,3%	29 199	27 763
Goods and services	76 757	-	(21 000)	55 757	45 278	10 479	81,2%	73 354	66 164
Transfers and subsidies	**100**	**-**	**-**	**100**	**207**	**(107)**	**207,0%**	**100**	**82**
Households	100	-	-	100	207	(107)	207,0%	100	82
Payments for capital assets	**1 500**	**-**	**-**	**1 500**	**18**	**1 482**	**1,2%**	**980**	**210**
Machinery and equipment	1 500	-	-	1 500	18	1 482	1,2%	980	210
Total	**107 925**	**-**	**(21 000)**	**86 925**	**73 383**	**13 542**	**84,4%**	**103 633**	**94 219**

Subprogramme: 7.3: MEDICINE TRADING ACCOUNT									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**1**	**-**	**-**	**1**	**-**	**1**	**-**	**1**	**-**
Goods and services	1	-	-	1	-	1	-	1	-
Total	**1**	**-**	**-**	**1**	**-**	**1**	**-**	**1**	**-**

Appropriation Statement
for the period ended 31 March 2022

Programme 8: HEALTH FACILITIES MANAGEMENT									
		2021/22						2020/21	
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
1	**COMMUNITY HEALTH FACILITIES**	393 184	-	-	393 184	311 696	81 488	79,3%	610 273	526 523
2	**EMERGENCY MEDICAL RESCUE SERVICES**	7 940	-	-	7 940	8 561	(621)	107,8%	23 702	19 933
3	DISTRICT HOSPITAL SERVICES	321 591	-	-	321 591	131 976	189 615	41,0%	690 144	631 525
4	PROVINCIAL HOSPITAL SERVICES	257 988	-	-	257 988	247 403	10 585	95,9%	388 450	353 929
5	CENTRAL HOSPITAL SERVICES	853 939	-	-	853 939	790 229	63 710	92,5%	1 503 984	1 520 597
6	OTHER FACILITIES	628 288	-	-	628 288	530 885	97 403	84,5%	1 025 680	988 850
		2 462 930	**-**	**-**	**2 462 930**	**2 020 750**	**442 180**	**82,0%**	**4 242 233**	**4 041 357**
Economic classification										
	Current payments	**1 065 412**	**-**	**-**	**1 065 412**	**1 255 478**	**(190 066)**	**117,8%**	**1 639 664**	**1 622 416**
	Compensation of employees	60 346	-	-	60 346	40 082	20 264	66,4%	48 998	40 352
	Salaries and wages	55 032	-	-	55 032	34 645	20 387	63,0%	44 577	35 140
	Social contributions	5 314	-	-	5 314	5 437	(123)	102,3%	4 421	5 212
	Goods and services	1 005 066	-	-	1 005 066	1 215 396	(210 330)	120,9%	1 590 666	1 582 064
	Advertising	383	-	-	383	-	383	-	500	-
	Minor assets	79	-	-	79	350	(271)	443,0%	200	72
	Catering: Departmental activities	31	-	-	31	3	28	9,7%	100	-
	Communication (G&S)	100	-	-	100	-	100	-	120	-
	Laboratory services	-	-	-	-	1 039	(1 039)	-	-	(4 525)
	Contractors	2 218	-	-	2 218	2 059	159	92,8%	3 596	3 371
	Fleet services (including government motor transport)	50	-	-	50	-	50	-	100	15
	Inventory: Food and food supplies	-	-	-	-	-	-	-	-	1
	Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	(72)
	Inventory: Materials and supplies	-	-	-	-	137	(137)	-	-	6
	Inventory: Medical supplies	-	-	-	-	508	(508)	-	-	(48)

Appropriation Statement
for the period ended 31 March 2022

Programme 8: HEALTH FACILITIES MANAGEMENT

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Medsas inventory interface	-	-	-	-	-	-	-	-	32
Inventory: Other supplies	-	-	-	-	1	(1)	-	-	-
Consumable supplies	1 300	-	-	1 300	254	1 046	19,5%	500	99
Consumable: Stationery, printing and office supplies	172	-	-	172	1	171	0,6%	300	17
Operating leases	74 871	-	-	74 871	126 140	(51 269)	168,5%	156 555	156 555
Property payments	924 723	-	-	924 723	1 084 539	(159 816)	117,3%	1 426 247	1 426 246
Travel and subsistence	448	-	-	448	320	128	71,4%	548	295
Training and development	641	-	-	641	45	596	7,0%	1 750	-
Operating payments	50	-	-	50	-	50	-	150	-
Transfers and subsidies	**36**	**-**	**-**	**36**	**36**	**-**	**100,0%**	**-**	**132**
Households	36	-	-	36	36	-	100,0%	-	132
Social benefits	36	-	-	36	36	-	100,0%	-	132
Payments for capital assets	**1 397 482**	**-**	**-**	**1 397 482**	**765 223**	**632 259**	**54,8%**	**2 602 569**	**2 418 809**
Buildings and other fixed structures	1 178 433	-	-	1 178 433	763 963	414 470	64,8%	2 601 069	2 418 620
Buildings	1 178 433	-	-	1 178 433	763 963	414 470	64,8%	2 601 069	2 418 620
Machinery and equipment	219 049	-	-	219 049	1 260	217 789	0,6%	1 500	189
Other machinery and equipment	219 049	-	-	219 049	1 260	217 789	0,6%	1 500	189
Payment for financial assets	**-**	**-**	**-**	**-**	**13**	**(13)**	**-**	**-**	**-**
	2 462 930	**-**	**-**	**2 462 930**	**2 020 750**	**442 180**	**82,0%**	**4 242 233**	**4 041 357**

Subprogramme: 8.1: COMMUNITY HEALTH FACILITIES

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	**174 144**	**-**	**-**	**174 144**	**191 233**	**(17 089)**	**109,8%**	**279 724**	**279 725**
Goods and services	174 144	-	-	174 144	191 233	(17 089)	109,8%	279 724	279 725
Payments for capital assets	**219 040**	**-**	**-**	**219 040**	**120 463**	**98 577**	**55,0%**	**330 549**	**246 798**
Buildings and other fixed structures	219 040	-	-	219 040	120 463	98 577	55,0%	330 549	246 798
Total	**393 184**	**-**	**-**	**393 184**	**311 696**	**81 488**	**79,3%**	**610 273**	**526 523**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 8.2: EMERGENCY MEDICAL RESCUE SERVICES

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**4 940**	**-**	**-**	**4 940**	**8 561**	**(3 621)**	**173,3%**	**19 902**	**19 933**
Goods and services	4 940	-	-	4 940	8 561	(3 621)	173,3%	19 902	19 933
Payments for capital assets	**3 000**	**-**	**-**	**3 000**	**-**	**3 000**	**-**	**3 800**	**-**
Buildings and other fixed structures	3 000	-	-	3 000	-	3 000	-	3 800	-
Total	**7 940**	**-**	**-**	**7 940**	**8 561**	**(621)**	**107,8%**	**23 702**	**19 933**

Subprogramme: 8.3: DISTRICT HOSPITAL SERVICES

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**95 768**	**-**	**-**	**95 768**	**100 530**	**(4 762)**	**105,0%**	**141 550**	**141 519**
Goods and services	95 768	-	-	95 768	100 530	(4 762)	105,0%	141 550	141 519
Payments for capital assets	**225 823**	**-**	**-**	**225 823**	**31 446**	**194 377**	**13,9%**	**548 594**	**490 006**
Buildings and other fixed structures	130 374	-	-	130 374	31 446	98 928	24,1%	548 594	490 006
Machinery and equipment	95 449	-	-	95 449	-	95 449	-	-	-
Total	**321 591**	**-**	**-**	**321 591**	**131 976**	**189 615**	**41,0%**	**690 144**	**631 525**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 8.4: PROVINCIAL HOSPITAL SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**201 670**	**-**	**-**	**201 670**	**247 403**	**(45 733)**	**122,7%**	**351 304**	**346 716**
Compensation of employees	-	-	-	-	-	-	-	-	10
Goods and services	201 670	-	-	201 670	247 403	(45 733)	122,7%	351 304	346 706
Payments for capital assets	**56 318**	**-**	**-**	**56 318**	**-**	**56 318**	**-**	**37 146**	**7 213**
Buildings and other fixed structures	56 318	-	-	56 318	-	56 318	-	37 146	7 213
Total	**257 988**	**-**	**-**	**257 988**	**247 403**	**10 585**	**95,9%**	**388 450**	**353 929**

Subprogramme: 8.5: CENTRAL HOSPITAL SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**322 100**	**-**	**-**	**322 100**	**433 940**	**(111 840)**	**134,7%**	**493 493**	**493 493**
Goods and services	322 100	-	-	322 100	433 940	(111 840)	134,7%	493 493	493 493
Payments for capital assets	**531 839**	**-**	**-**	**531 839**	**356 289**	**175 550**	**67,0%**	**1 010 491**	**1 027 104**
Buildings and other fixed structures	455 239	-	-	455 239	356 289	98 950	78,3%	1 010 491	1 027 104
Machinery and equipment	76 600	-	-	76 600	-	76 600	-	-	-
Total	**853 939**	**-**	**-**	**853 939**	**790 229**	**63 710**	**92,5%**	**1 503 984**	**1 520 597**

Appropriation Statement
for the period ended 31 March 2022

Subprogramme: 8.6: OTHER FACILITIES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**266 790**	**-**	**-**	**266 790**	**273 811**	**(7 021)**	**102,6%**	**353 691**	**341 030**
Compensation of employees	60 346	-	-	60 346	40 082	20 264	66,4%	48 998	40 342
Goods and services	206 444	-	-	206 444	233 729	(27 285)	113,2%	304 693	300 688
Transfers and subsidies	**36**	**-**	**-**	**36**	**36**	**-**	**100,0%**	**-**	**132**
Households	36	-	-	36	36	-	100,0%	-	132
Payments for capital assets	**361 462**	**-**	**-**	**361 462**	**257 025**	**104 437**	**71,1%**	**671 989**	**647 688**
Buildings and other fixed structures	314 462	-	-	314 462	255 765	58 697	81,3%	670 489	647 499
Machinery and equipment	47 000	-	-	47 000	1 260	45 740	2,7%	1 500	189
Payment for financial assets				**-**	**13**	**(13)**	**-**	**-**	
Total	**628 288**	**-**	**-**	**628 288**	**530 885**	**97 403**	**84,5%**	**1 025 680**	**988 850**

Notes to the Appropriation Statement
for the period ended 31 March 2022

Transfers and subsidies as per Appropriation Act after Virements:
Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-7) to the Annual Financial Statements.

1. Detail of specifically and exclusively appropriated amounts voted after Virements:

Detail of these transactions can be viewed in note 1 Annual Appropriation to the Annual Financial Statements.

2. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted after Virements:

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Administration	2 341 848	2 173 192	168 656	93
District Health Services	19 875 921	19 251 444	624 477	97
Emergency Medical Services	1 577 705	1 431 691	146 014	91
Provincial Hospital Services	11 081 898	10 697 214	384 684	97
Central Hospital Services	20 708 734	20 331 658	377 076	98
Health Sciences and Training	1 182 600	706 868	475 732	60
Health Care Support Services	393 874	388 833	5 041	99
Health facilities Management	2 462 930	2 068 235	394 695	84
TOTAL	**59 625 510**	**57 049 135**	**2 576 375**	**96**

Goods and Services underspent due to late receipt of invoices from consultants, reconciliation of laboratory services payments from facilities and delays in planned activities under contractors' item due to COVID-19 restrictions.

Underspending on Transfers to Municipalities is due to delay in the signing of SLA for HIV/AIDS programme which resulted in late receipt of claims from municipalities.

The underspending on Higher Education is due to the reduced number of enrolled students this financial year.

Underspending on NPIs due to crèches' not being fully operational under COVID-19 pandemic level 1 restrictions.

Underspending on Machinery and Equipment is due to SCM processes (probity audit); however, commitments were made and a roll-over of funds application has been made to Gauteng Treasury.

Notes to the Appropriation Statement

for the period ended 31 March 2022

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	35 560 828	35 463 853	96 975	100
Goods and services	18 976 168	17 872 343	1 103 825	94
Interest and rent on land	1148	1147	1	-
Transfers and subsidies	-	-		-
Provinces and municipalities	470 568	441 664	28 904	94
Departmental agencies and accounts	24 636	24 636	-	100
Higher education institutions	16 309	7 867	8 442	48
Non-profit institutions	660 868	630 635	30 233	95
Households	705 194	582 227	122 967	83
Payments for capital assets				
Buildings and other fixed structures	1 178 433	735 593	442 840	62
Machinery and equipment	2 031 358	1 287 091	744 267	63
Software and other intangible assets	-	407	(407)	-
Payments for financial assets	-	1 672	(1 672)	-
TOTAL	**59 625 510**	**57 049 135**	**2 576 375**	**96**

4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
HEALTH FACILITY REVIT GRANT	965 871	954 347	11 524	99
NATIONAL HEALTH INSURANCE GRANT	49 859	46 235	3 624	93
NATIONAL TERTIARY SERVICES GRANT	5 234 423	4 673 691	560 732	89
SOC SEC EPWP INCEN GRNT FOR PROV	25 005	24 783	222	99
HEALTH PROF TRAIN&DEV COMPONENT	1 027 554	991 227	36 327	96
HR CAPACITATION COMPONENT	473 508	449 969	23 539	95
EPWP INTERGRATED GRANT FOR PROV	2 218	2 059	159	93
HIV&AIDS COMPONENT	4 977 332	4 261 810	715 522	86
COVID-19 COMPONENT	353 002	39 229	313 773	11
TUBERCULOSIS COMPONENT	88 771	81 825	6 946	92
COMMUNITY OUTREACH SERVICE COMP	485 867	503 398	(17 531)	104
HUMAN PAPLVIRUS VACC COMPONENT	30 077	16 057	14 020	53
MENTAL HEALTH SERVICES COMPONENT	32 306	2 119	30 187	7
Total	**13 745 793**	**12 046 749**	**1 699 044**	**88**

Statement of Financial Performance
for the period ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	1	59 625 510	58 835 503
Departmental revenue	2	502 552	513 787
TOTAL REVENUE		**60 128 062**	**59 349 290**
EXPENDITURE			
Current expenditure			
Compensation of employees	4	35 463 852	31 474 850
Goods and services	5	17 872 341	20 099 256
Interest and rent on land	6	1 147	1 584
Total current expenditure		**53 337 340**	**51 575 690**
Transfers and subsidies			
Transfers and subsidies	8	1 687 030	1 787 311
Total transfers and subsidies		**1 687 030**	**1 787 311**
Expenditure for capital assets			
Tangible assets	9	2 022 686	4 349 350
Intangible assets		407	-
Total expenditure for capital assets		**2 023 093**	**4 349 350**
Payments for financial assets	7	1 672	26
TOTAL EXPENDITURE		**57 049 135**	**57 712 377**
SURPLUS FOR THE YEAR		**3 078 927**	**1 636 913**
Reconciliation of Net Surplus for the year			
Voted funds		**2 576 375**	**1 123 126**
Annual appropriation		877 331	598 093
Conditional grants		1 699 044	525 033
Departmental revenue		502 552	513 787
SURPLUS FOR THE YEAR		**3 078 927**	**1 636 913**

Statement of Financial Position

As at 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets		**3 030 450**	**1 419 023**
Unauthorised Expenditure	*10*	10 758	10 758
Cash and cash equivalents	*11*	2 981 127	1 387 193
Prepayments and advances			
Receivables	*12*	38 565	21 072
Non-current assets		**218 683**	**201 635**
Investments	*13*	54 000	54 000
Receivables	*12*	164 683	147 635
TOTAL ASSETS		**3 249 133**	**1 620 658**
LIABILITIES			
Current liabilities		**3 064 062**	**1 448 358**
Voted funds to be surrendered to the Revenue Fund	*14*	2 595 592	1 139 525
Departmental revenue to be surrendered to the Revenue Fund	*15*	67 407	88 387
Payables	*16*	401 063	220 446
TOTAL LIABILITIES		**3 064 062**	**1 448 358**
NET ASSETS		**185 071**	**172 300**
Represented by:			
Capitalisation reserve		54 000	54 000
Recoverable revenue		131 071	118 300
TOTAL		**185 071**	**172 300**

Statement of Changes in Net Assets

As at 31 March 2022

	2021/22 R'000	2020/21 R'000
Capitalisation Reserves		
Opening balance	54 000	54 000
Closing balance	**54 000**	**54 000**
Recoverable revenue		
Opening balance	118 300	106 720
Transfers:	**12 771**	**11 580**
Debts recovered	(2 496)	(286)
Debts raised	15 267	11 866
Closing balance	**131 071**	**118 300**
TOTAL	**185 071**	**172 300**

Cash Flow Statement
for the period ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**60 118 851**	**59 333 125**
Annual appropriated funds received	1.1	59 625 510	58 830 485
Departmental revenue received	2	493 036	502 242
Interest received	2.3	305	398
Net (increase)/decrease in working capital		163 124	111 386
Surrendered to Revenue Fund		(1 643 840)	(1 101 290)
Current payments		(53 336 193)	(51 574 106)
Interest paid	6	(1 147)	(1 584)
Payments for financial assets		(1 672)	(26)
Transfers and subsidies paid		(1 687 030)	(1 787 311)
Net cash flow available from operating activities	17	**3 612 093**	**4 980 194**
Payments for capital assets	9	(2 023 093)	(4 349 350)
Proceeds from sale of capital assets		9 211	11 147
Increase in non-current receivables		(17 048)	(29 412)
Net cash flows from investing activities		**(2 030 930)**	**(4 367 615)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net assets		12 771	11 580
Net cash flows from financing activities		**12 771**	**11 580**
Net increase/(decrease) in cash and cash equivalents		1 593 934	624 159
Cash and cash equivalents at beginning of period		1 387 193	763 034
Cash and cash equivalents at end of period	18	**2 981 127**	**1 387 193**

Policies to the Annual Financial Statements

for the period ended 31 March 2022

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	**Basis of preparation** The financial statements have been prepared in accordance with the Modified Cash Standard.
2	**Going concern** The financial statements have been prepared on a going concern basis.
3	**Presentation currency** Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	**Rounding** Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	**Foreign currency translation** Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	**Comparative information**
6.1	**Prior period comparative information** Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	**Current year comparison with budget** A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	**Revenue**
7.1	**Appropriated funds** Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	**Departmental revenue** Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

Policies to the Annual Financial Statements
for the period ended 31 March 2022

7.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy. The Department determines impairment according to the recoverability of debtors.
8	**Expenditure**
8.1	**Compensation of employees**
8.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	**Social contributions** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	**Other expenditure** Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	**Accruals and payables not recognised** Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	**Leases**
8.4.1	**Operating leases** Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements. Operating lease payments received are recognised as departmental revenue.
8.4.2	**Finance leases** Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest. Finance lease payments received are recognised as departmental revenue.

Policies to the Annual Financial Statements

for the period ended 31 March 2022

9	**Cash and cash equivalents** Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
10	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.
11	**Loans and receivables** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy. The Department determines impairment according to the recoverability of debtors.
12	**Investments** Investments are recognised in the statement of financial position at cost.
13	**Financial assets**
13.1	**Financial assets (not covered elsewhere)** A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
13.2	**Impairment of financial assets** Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
14	**Payables** Payables recognised in the statement of financial position are recognised at cost.
15	**Capital Assets**
15.1	**Immovable capital assets** Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
15.2	**Movable capital assets** Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

Policies to the Annual Financial Statements

for the period ended 31 March 2022

15.3	**Intangible assets** Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
15.4	**Project Costs: Work-in-progress** Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
16	**Provisions and Contingents**
16.1	**Provisions** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
16.2	**Contingent liabilities** Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.
16.3	**Contingent assets** Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
16.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
17	**Unauthorised expenditure** Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: • approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • Transferred to receivables for recovery. Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Policies to the Annual Financial Statements

for the period ended 31 March 2022

18	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
19	**Irregular expenditure** Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
20	**Changes in accounting estimates and errors** Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
21	**Events after the reporting date** Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
22	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/ Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
23	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
24	**Related party transactions** Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
25	**Inventories** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.

Policies to the Annual Financial Statements

for the period ended 31 March 2022

26	**Public-Private Partnerships** Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
27	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

Notes to the Annual Financial Statements

For the period ended 31 March 2022

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act and the Adjustments Appropriation Act for Provincial Departments:

	2021/22			2020/21		
PROGRAMME	Final Appropriation	Actual Funds Received	Funds not Requested/ Not Received	Final Appropriation	Appropriation received	Funds Not Received
	R'000	R'000	R'000	R'000	R'000	R'000
1. Administration	2 341 848	2 341 848	-	3 697 845	3 697 845	
2.District Health Services	19 875 921	19 875 921	-	18 366 611	18 366 613	(2)
3.Emergency Medical Services	1 577 705	1 577 705	-	1 681 370	1 681 370	
4.Provincial Hospital Services	11 081 898	11 081 898	-	9 942 279	9 942 279	
5.Central Hospitals	20 708 734	20 708 734	-	19 612 633	19 607 613	5 020
6. Health Science and Training	1 182 600	1 182 600	-	901 268	901 268	
7. HealthCare Support Services	393 874	393 874	-	391 264	391 264	
8.Health Facilities Management	2 462 930	2 462 930	-	4 242 233	4 242 233	
Total	**59 625 510**	**59 625 510**	-	**58 835 503**	**58 830 485**	**5 018**

1.2 Conditional grants

	2021/22		2020/21
	R'000		R'000
Total grants received	13 745 793		13 638 917
Total	**13 745 793**		**13 638 917**

2. Departmental Revenue

	Note	2021/22		2020/21
		R'000		R'000
Sales of goods and services other than capital assets	*2.1*	443 705		464 512
Fines, penalties and forfeits	*2.2*	26		20
Interest, dividends and rent on land	*2.3*	305		398
Sales of capital assets	*2.4*	9 211		11 147
Transactions in financial assets and liabilities	*2.5*	49 290		37 532
Transfer received	*2.6*	15		178
Departmental revenue collected		**502 552**		**513 787**

2.1 Sales of goods and services other than capital assets

	2021/22		2020/21
	R'000		R'000
Sales of goods and services produced by the Department	**442 359**		**463 202**
Sales by market establishment	37 950		36 061
Administrative fees	5 444		6 239
Other sales	398 965		420 902
Sales of scrap, waste and other used current goods	**1 346**		**1 310**
Total	**443 705**		**464 512**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

2.2 Fines, penalties and forfeits

	2021/22		2020/21
	R'000		R'000
Fines	25		20
Forfeits	1		-
Total	**26**		**20**

2.3 Interest, dividends and rent on land

	2021/22		2020/21
	R'000		R'000
Interest Charged	305		398
Total	**305**		**398**

2.4 Sale of Capital assets

	2021/22		2020/21
	R'000		R'000
Machinery and equipment	9 211		11 147
Total	**9 211**		**11 147**

2.5 Transactions in financial assets and liabilities

	2021/22		2020/21
	R'000		R'000
Receivables	12 210		11 481
Stale cheques written back	7		88
Other Receipts including Recoverable Revenue	37 073		25 963
Total	**49 290**		**37 532**

2.6 Transfers received

	2021/22		2020/21
	R'000		R'000
Other governmental units	15		178
Total	**15**		**178**

3. Donations received in kind

	2021/22		2020/21
	R'000		R'000
PPE items	107 450		587 702
Computer equipment	39 122		72 803
Pharmaceutical supplies	95 444		89 065
Total	**242 016**		**749 570**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

4. Compensation of Employees

4.1 Salaries and Wages

	2021/22		2020/21
	R'000		R'000
Basic salary	21 205 789		19 795 690
Performance award	128 173		158 481
Service Based	23 252		20 474
Compensative/circumstantial	3 838 201		3 570 851
Periodic payments	420 291		387 908
Other non-pensionable allowances	5 668 243		3 821 515
Total	**31 283 949**		**27 754 919**

4.2 Social Contributions

	2021/22		2020/21
	R'000		R'000
Employer contributions			
Pension	2 399 377		2 340 997
Medical	1 773 212		1 371 777
UIF	1 108		1 622
Bargaining council	6 186		5 529
Insurance	20		6
Total	**4 179 903**		**3 719 931**

Total compensation of employees	**35 463 852**		**31 474 850**
Average number of employees	86 183		80 864

Notes to the Annual Financial Statements
For the period ended 31 March 2022

5. Goods and services

	Note	2021/22		2020/21
		R'000		R'000
Administrative fees		21 024		11 946
Advertising		5 662		13 771
Minor assets	*5.1*	28 840		39 638
Bursaries (employees)		6 377		8 991
Catering		4 496		11 472
Communication		93 338		71 891
Computer services	*5.2*	244 566		271 750
Consultants: Business and advisory services		314 630		352 948
Laboratory services		2 326 077		2 874 612
Legal services		143 921		173 341
Contractors		400 364		302 337
Agency and support / outsourced services		322 978		294 126
Audit cost – external	*5.3*	25 786		25 489
Fleet services		186 377		181 897
Inventory	*5.4*	9 319 669		9 510 779
Consumables	*5.6*	1 326 949		2 635 550
Operating leases		345 056		439 940
Property payments	*5.7*	2 680 535		2 822 399
Rental and hiring		37 044		15 968
Transport provided as part of the Departmental activities		319		437
Travel and subsistence	*5.8*	18 973		14 883
Venues and facilities		2 133		786
Training and development		11 568		12 658
Other operating expenditure	*5.9*	5 659		11 647
Total		**17 872 341**		**20 099 256**

***Other operating expenditure**: Relates to resettlement costs, professional bodies membership, courier and laundry services.*
***Property Payments:** Relates to the maintenance and utility payments for health facilities.*
***Inventory**: Relates to purchases of medication and medical supplies.*
***Consumables**: Relates to payments for laboratory consumables.*
***Agency and support / outsourced services**: Relates to payments, amongst others, for medical waste removal, payments to nursing agencies and security services.*
***Legal Services** represent legal costs paid to the State Attorney.*

5.1 Minor assets

	2021/22		2020/21
	R'000		R'000
Tangible assets			
Machinery and equipment	28 840		39 638
Total	**28 840**		**39 638**

5.2 Computer services

	2021/22		2020/21
	R'000		R'000
External computer service providers	244 566		271 750
Total	**244 566**		**271 750**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

5.3 Audit cost – External

	2021/22		2020/21
	R'000		R'000
Regularity audits	25 786		25 489
Total	**25 786**		**25 489**

5.4 Inventory

		2021/22		2020/21
		R'000		R'000
Clothing material and accessories		3 912		11 217
Food and food supplies		391 859		317 670
Fuel, oil and gas		283 015		278 187
Learning, teaching and support material		581		1 041
Materials and supplies		43 993		43 542
Medical supplies		4 171 373		4 365 994
Medicine		4 324 148		4 381 040
Other supplies		100 788		112 088
Total		**9 319 669**		**9 510 779**

5.5 Other Suppliers

	2021/22		2020/21
	R'000		R'000
Other	100 788		112 088
Total	**100 788**		**112 088**

Other supplies consist of toiletries, plastics, paper and related items.

5.6 Consumables

	2021/22		2020/21
	R'000		R'000
Consumable supplies	**1 164 366**		**2 493 708**
Uniform and clothing	13 091		127 663
Building material and supplies	11 793		16 641
IT consumables	11 889		11 446
Other consumables	1 127 593		2 337 958
Stationery, printing and office supplies	162 583		141 842
Total	**1 326 949**		**2 635 550**

Other consumables: *Includes fuel supplies, gas supplies, laboratory consumables and medical kits, linen, groceries and cleaning detergents.*

5.7 Property payments

	2021/22		2020/21
	R'000		R'000
Municipal services	820 129		374 104
Property maintenance and repairs	1 157 137		1 263 344
Other	703 269		1 184 951
Total	**2 680 535**		**2 822 399**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

The amount disclosed under other includes security services, cleaning and payments of laundry services.

5.8 Travel and subsistence

	2021/22		2020/21
	R'000		R'000
Local	17 915		14 877
Foreign	1 058		6
Total	**18 973**		**14 883**

5.9 Other operating expenditure

	2021/22		2020/21
	R'000		R'000
Professional bodies, membership and subscription fees	268		155
Resettlement costs	486		666
Other	4 905		10 826
Total	**5 659**		**11 647**

6. Interest and rent on land

	2021/22		2020/21
	R'000		R'000
Interest paid	1 147		1 584
Total	**1 147**		**1 584**

7. Payments for financial assets

	2021/22		2020/21
	R'000		R'000
Debts written off	1 672		26
Total	**1 672**		**26**

7.1 Debts written off

	2021/22		2020/21
	R'000		R'000
Nature of debts written off			
Ex- employees and supplier debts written off	1 672		26
Total debt written off	**1 672**		**26**

This amount represents staff and supplier debts that was written off during the year. Debts were written off in accordance with the Department's policy and the Prescription Act. All possible measures were taken to ensure that all debt due to the Department is recovered.

Notes to the Annual Financial Statements
For the period ended 31 March 2022

8. Transfers and Subsidies

	Note	2021/22		2020/21
		R'000		R'000
Provinces and municipalities	*32*	441 595		520 489
Departmental agencies and accounts	*Annex 1B*	24 636		23 352
Higher education institutions	*Annex 1C*	7 867		12 871
Non-profit institutions	*Annex 1F*	630 704		602 710
Households	*Annex 1E*	582 228		627 889
Total		**1 687 030**		**1 787 311**

9. Expenditure for Capital Assets

	Note	2021/22		2020/21
		R'000		R'000
Tangible assets		**2 022 686**		**4 349 350**
Buildings and other fixed structures	*30*	735 592		2 351 645
Machinery and equipment	*28*	1 287 094		1 997 705
Intangible assets				
Software		407		-
Total		**2 023 093**		**4 349 350**

9.1 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds		Total
	R'000		R'000
Tangible assets	**2 022 686**		**2 022 686**
Buildings and other fixed structures	735 592		735 592
Machinery and equipment	1 287 094		1 287 094

Intangible assets	**407**		**407**
Software	407		407
Total	**2 023 093**		**2 023 093**

9.2 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds		Total
	R'000		R'000
Tangible assets	**4 349 350**		**4 349 350**
Buildings and other fixed structures	2 351 645		2 351 645
Machinery and equipment	1 997 705		1 997 705
Total	**4 349 350**		**4 349 350**

9.3 Finance Lease expenditure included in Expenditure for Capital Assets

	2021/22		2020/21
	R'000		R'000
Tangible assets			
Machinery and equipment	47 512		58 792
Total	**47 512**		**58 792**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

10. Unauthorised Expenditure

10.1 Reconciliation of unauthorised expenditure

		2021/22		2020/21
		R'000		R'000
Opening balance		10 758		10 758
Closing balance		**10 758**		**10 758**

11. Cash and cash equivalents

	2021/22		2020/21
	R'000		R'000
Consolidated Paymaster General Account	2 993 787		1 425 359
Cash receipts	550		33
Disbursements	(14 027)		(39 116)
Cash on hand	817		917
Total	**2 981 127**		**1 387 193**

12. Receivables

	Note	2021/22			2020/21		
		Current	Non-current	Total	current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	*12.1*	2 309	-	2 309	1 460	-	1 460
Recoverable expenditure	*12.2*	1 002	-	1 002	1 318	-	1 318
Staff debt	*12.3*	28 628	164 683	193 311	13 512	147 635	161 147
Other debtors	*12.4*	6 626	-	6 626	4 782	-	4 782
Total		**38 565**	**164 683**	**203 248**	**21 072**	**147 635**	**168 707**

12.1 Claims recoverable

	2021/22		2020/21
	R'000		R'000
Provincial Departments	2 309		1 460
Total	**2 309**		**1 460**

12.2 Recoverable expenditure (disallowance accounts)

	2021/22		2020/21
	R'000		R'000
Disallowance Damages & Losses	1 002		1 318
Total	**1 002**		**1 318**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

12.3 Staff Debt

	2021/22		2020/21
	R'000		R'000
Breach of Contract	94 611		88 335
Employees	18 177		12 193
Ex-employees	69 826		50 437
Suppliers	10 387		9 881
Fraud	8		15
Other	302		286
Total	**193 311**		**161 147**

12.4 Other Receivables

	2021/22		2020/21
	R'000		R'000
Private Telephone	57		6
Salary: Disallowance Account	23		23
Salary: Deduction Disallowance	48		75
Salary: Reversal Account	6 401		-
Salary Tax Debt	84		51
Salary: Medical	13		-
Salary: bargaining Council	-		4 627
Total	**6 626**		**4 782**

12.5 Impairment of receivables

	2021/22		2020/21
	R'000		R'000
Estimate of impairment of receivables	111 541		98 891
Total	**111 541**		**98 891**

13. Investments

	2021/22		2020/21
	R'000		R'000
Non-Current	54 000		54 000
Shares and other equity			
Investment in Medical Supplies Depot	54 000		54 000
Total	**54 000**		**54 000**

The investments amount represents the initial investment in Medical Supplies Depot, no further investment was made during the period.

14. Voted funds to be surrendered to the Revenue Fund

	2021/22		2020/21
	R'000		R'000
Opening balance	1 139 525		588 709
Transfer from statement of financial performance	2 576 375		1 123 126
Voted Funds not received/ not requested	-		(5 018)
Paid during the year	(1 120 308)		(567 292)
Closing balance	**2 595 592**		**1 139 525**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

15. Departmental revenue to be surrendered to the Revenue Fund

	2021/22		2020/21
	R'000		R'000
Opening balance	88 387		108 598
Transfer from Statement of Financial Performance	502 552		513 787
Paid during the year	(523 532)		(533 998)
Closing balance	**67 407**		**88 387**

16. Payables – current

	Note	2021/22		2020/21
		R'000		R'000
Amounts owing to other entities (Medical Supplies Depot)		177 688		191 124
Other payables	*16.1*	223 375		29 322
Total		**401 063**		**220 446**

16.1 Other payables

	2021/22		2020/21
	R'000		R'000
Salary: ACB Recalls	202 336		1 852
Sal: Finance Other Institutions	420		-
Others	1 679		3 949
Salary :Income Tax	6 598		19 722
Salary: Pension Fund	328		738
Housing loan Guarantees	1		1
Sal: Bargaining Council	10		35
Medical Aid	-		330
Telephone Control Account	-		2 695
Sal: Housing	12 003		-
Total	**223 375**		**29 322**

17. Net cash flow available from operating activities

	2021/22		2020/21
	R'000		R'000
Net surplus/(deficit) as per Statement of Financial Performance	3 078 927		1 636 913
Add back noncash/cash movements not deemed operating activities	533 166		3 343 281
Increase in receivables	(17 493)		4 009
Decrease in prepayments and advances	-		30
(Increase)/decrease in Payables – Current	180 617		107 347
Proceeds from sale of capital assets	(9 211)		(11 147)
Expenditure on capital assets	2 023 093		4 349 350
Surrenders to Revenue Fund	(1 643 840)		(1 101 290)
Surrenders to Revenue Fund	-		(5 018)
Net cash flow generated by operating activities	**3 612 093**		**4 980 194**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

18. Reconciliation of cash and cash equivalents for cash flow purposes

	2021/22		2020/21
	R'000		R'000
Consolidated Paymaster General account	2 993 787		1 425 359
Cash receipts	550		33
Disbursement	(14 027)		(39 116)
Cash on hand	817		917
Total	**2 981 127**		**1 387 193**

19. Contingent liabilities

	Note	2021/22		2020/21
		R'000		R'000
Liable to				
Claims against the Department	*Annex 3B*	24 030 018		24 494 229
Intergovernmental payables (unconfirmed balances)	*Annex 5*	404 985		499 216
Total		**24 435 003**		**24 993 445**

20. Commitments

	2021/22		2020/21
	R'000		R'000
Capital commitments			
Building and Other Fixed structure	657 857		1 397 252
Machinery and Equipment	318 899		820 569
Total	**976 756**		**2 217 821**

21. Accruals and Payables not recognised

21.1 Accruals

			2021/22		2020/21
			R'000		R'000
Listed by economic classification	**30 Days**	**30+ Days**	**Total**		**Total**
Goods and services	160 702	553 385	714 087		764 635
Capital assets	19 052	54 648	73 700		148 565
Total	**179 754**	**608 033**	**787 787**		**913 200**

Listed by programme level		2021/22		2020/21
		R'000		R'000
Administration		429 616		372 498
District Health Services		37 173		126 204
Emergency Medical Services		552		47 858
Provincial Hospital Services		220 442		201 385
Central Hospital Services		84 137		155 503
Health Training and Sciences		2 713		2 002
Health Care Support Services		3 051		7 750
Health Facilities Management		10 103		-
Total		**787 787**		**913 200**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

21.2 Payables not recognised

Listed by economic classification	30 Days	30+ Days	2021/22 R'000		2020/21 R'000
Goods and services	1 814 126	3 368 772	5 182 898		3 882 158
Transfers and subsidies	-	-	-		16
Capital assets	247 497	103 936	351 433		241 170
Total	**2 061 623**	**3 472 708**	**5 534 331**		**4 123 344**

Listed by programme level	2021/22 R'000		2020/21 R'000
Administration	2 733 720		2 392 345
District Health Services	476 486		381 881
Emergency Medical Services	139 613		8 784
Provincial Hospital Services	1 208 094		600 994
Central Hospital Services	719 094		601 491
Health Training and Sciences	5 795		6 564
Health Care Support Services	32 710		32 662
Health Facilities Management	218 819		98 623
Total	**5 534 331**		**4 123 344**

	2021/22 R'000		2020/21 R'000
Confirmed balances with other Departments	172 885		32 228
Confirmed balances with other government entities	982 048		966 070
Total	**1 154 933**		**998 298**

22. Employee benefits

	2021/22 R'000		2020/21 R'000
Leave entitlement	1 377 304		1 370 798
Service bonus	750 608		733 613
Performance awards	157 836		382 563
Capped leave commitments	243 135		286 474
Long Service Award	47 547		25 779
Total	**2 576 430**		**2 799 227**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

23. Lease Commitments

23.1 Operating leases

2021/22	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	48 154	91 216	139 370
Later than 1 year and not later than 5 years	52 006	93 611	145 617
later than 5 years	-	1 108	1 108
Total lease commitments	**100 160**	**185 935**	**286 095**

2020/21	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	44 587	72 622	117 209
Later than 1 year and not later than 5 years	100 160	91 910	192 070
Total lease commitments	**144 747**	**164 532**	**309 279**

23.2 Finance leases

2021/22	Machinery and equipment R'000	Total R'000
Not later than 1 year	20 165	20 165
Later than 1 year and not later than 5 years	8 276	8 276
Later than five years	-	-
Total lease commitments	**28 441**	**28 441**

2020/21	Machinery and equipment R'000	Total R'000
Not later than 1 year	36 329	36 329
Later than 1 year and not later than 5 years	15 918	15 918
Later than five years	6	6
Total lease commitments	**52 253**	**52 253**

24. Accrued Departmental revenue

	2021/22 R'000		2020/21 R'000
Sales of goods and services other than capital assets	3 758 656		3 046 285
Total	**3 758 656**		**3 046 285**

24.1 Analysis of Accrued Departmental revenue

	2021/22 R'000		2020/21 R'000
Opening balance	3 046 285		2 383 532
Less: amounts received	(347 273)		(339 777)
Add: amounts recorded	1 441 432		1 307 294
Less: amounts written-off/reversed as irrecoverable	(381 788)		(304 764)
Closing balance	**3 758 656**		**3 046 285**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

24.2 Accrued Department revenue written off

	2021/22		2020/21
Nature of losses	**R'000**		**R'000**
Patient Debts written off	381 788		304 764
Total	**381 788**		**304 764**

24.3 Impairment of accrued Departmental revenue

	2021/22		2020/21
	R'000		**R'000**
Estimate of impairment of accrued Departmental revenue	3 195 452		2 474 952
Total	**3 195 452**		**2 474 952**

25. Irregular Expenditure

25.1 Reconciliation of irregular expenditure

	2021/22		2020/21
	R'000		**R'000**
Opening balance	19 791 433		15 869 639
Add: Irregular expenditure – relating to prior year	331 420		133 801
Add: Irregular expenditure – relating to current year	2 239 407		3 787 993
Less: prior year condoned	(49 461)		-
Closing balance	**22 312 799**		**19 791 433**

Analysis of closing balance

Current year	2 239 407		3 787 993
Prior years	20 073 392		16 003 440
Total	**22 312 799**		**19 791 433**

25.2 Details of irregular expenditure – added current year

INCIDENT	DISCIPLINARY STEPS	R'000
Covid - 19	Under investigation by the SIU	202 082
Expired Contracts	Under Internal Investigation	1 895 462
Procurement process not followed	Under Internal Investigation	120 902
Sundry Payments	Under Internal Investigation	6 958
BAC Deviations	Under Internal Investigation	17 413
Mental Health	Under Internal Investigation	323 223
PTA Dental Laboratories	Under Internal Investigation	856
Medical supplies Depot	Under Internal Investigation	3 931
Total		**2 570 827**

Details of Irregular expenditure condoned

Incident	Condoned by		R'000
SAICA appointment	Treasury		(49 461)
Total			**(49 461)**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

26. Fruitless and wasteful expenditure

26.1 Reconciliation of fruitless and wasteful expenditure

	2021/22		2020/21
	R'000		R'000
Opening balance	233 951		9 353
Fruitless and wasteful expenditure – relating to current year	17 017		224 598
Closing balance	**250 968**		**233 951**

26.2 Analysis of Current year's (relating to current and prior years) fruitless and wasteful expenditure

Incident	Disciplinary steps taken/ criminal proceedings	2021/22 R'000
Interest Paid on overdue accounts	Under investigation	1 147
PPE Overcharges	Under investigation	15 870
Total		**17 017**

27. Related party transactions

	2021/22		2020/21
Payments made	R'000		R'000
Goods and services	4 519 254		4 450 511
Total	**4 519 254**		**4 450 511**

	2021/22		2020/21
Year end balances arising from payments	R'000		R'000
Payables to related parties	933 585		924 769
Total	**933 585**		**924 769**

Medical Supplies Depot is a related party to the Department, falling under the control of one MEC with the Department. MSD supplies medicine to the Department.

28. Key Management Personnel

	No. of Individuals	2021/22		2020/21
		R'000		R'000
Political Office Bearers (MEC)	1	2 000		1 658
Level 15 to 16	9	12 991		17 204
Level 14	27	35 389		39 311
Family members of key management personnel	4	762		629
Total		**51 142**		**58 802**

Key management include all staff members who drive the strategy of the department.
The CFO was seconded from Infrastructure Development and was paid by DID.

Notes to the Annual Financial Statements
For the period ended 31 March 2022

29. MOVABLE TANGIBLE CAPITAL ASSETS

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE PERIOD ENDED 31 MARCH 2022

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**10 010 807**	**1 209 105**	(100 019)	**11 119 893**
Transport assets	1 368 534	247 907	(2 688)	1 613 753
Computer equipment	312 351	58 934	(4 287)	366 998
Furniture and office equipment	180 090	18 745	(1 279)	197 556
Other machinery and equipment	8 149 832	883 519	(91 765)	8 941 586
TOTAL MOVABLE TANGIBLE	**10 010 807**	**1 209 105**	**(100 019)**	**11 119 893**

Movable assets under investigation

Machinery and equipment	698	5 309
Assets under investigation consist of Assets at Anglo Gold Ashante and Charlotte Maxeke Hospital.		

29.1 MOVEMENT FOR 2020/21

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE PERIOD ENDED 31 MARCH 2021

	Opening balance	Prior Period Error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	**8 046 554**	**5 102**	**2 090 367**	**(131 216)**	**10 010 807**
Transport assets	965 838	-	466 542	(63 846)	1 368 534
Computer equipment	278 349	-	38 458	(4 456)	312 351
Furniture and office equipment	166 144	-	15 607	(1 661)	180 090
Other machinery and equipment	6 636 223	5 102	1 569 760	(61 253)	8 149 832
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**8 046 554**	**5 102**	**2 090 367**	**(131 216)**	**10 010 807**

Prior Period Error

Relating to 2021/22(affecting the opening balance. Asset register review and clean up	5 102

29.2 MINOR ASSETS

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE PERIOD ENDED AS AT 31 MARCH 2022

	Machinery and equipment	Total
	R'000	R'000
Opening balance	740 660	740 660
Additions	23 388	23 388
Disposals	(15 592)	(15 592)
TOTAL MINOR ASSETS	**748 456**	**748 456**

	Machinery and equipment	Total
Number of minor assets at cost	592 998	592 998
TOTAL MINOR ASSETS	**592 998**	**592 998**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE PERIOD ENDED AS AT 31 MARCH 2021

	Machinery and equipment	Total
	R'000	R'000
Opening balance	**698 742**	**698 742**
Additions	51 363	51 363
Disposals	(9 445)	(9 445)
TOTAL MINOR ASSETS	**740 660**	**740 660**

Number of Minor Assets	609 728

29.3 MOVABLE ASSETS WRITTEN OFF FOR THE PERIOD ENDED 31 MARCH 2022

	Machinery and equipment	Total
	R'000	R'000
Assets written off	124	124
TOTAL MOVABLE ASSETS	**124**	**124**

30. INTANGIBLE CAPITAL ASSETS

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE PERIOD ENDED 31 MARCH 2022

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	54 254	407	-	54 661
TOTAL INTANGIBLE CAPITAL ASSETS	**54 254**	**407**	**-**	**54 661**

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE PERIOD ENDED 31 MARCH 2021

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	55 617	-	(1 363)	54 254
TOTAL INTANGIBLE CAPITAL ASSETS	**55 617**	**-**	**(1 363)**	**54 254**

31. TANGIBLE CAPITAL ASSETS

MOVEMENT IN THE IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE PERIOD ENDED 31 MARCH 2022

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**1 173 312**	**1 284 087**	**-**	**2 457 399**
Other fixed structures	1 173 312	1 284 087	-	2 457 399
Total immovable tangible capital assets	**1 173 312**	**1 284 087**	**-**	**2 457 399**

Notes to the Annual Financial Statements
For the period ended 31 March 2022

MOVEMENT IN THE IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE PERIOD ENDED 31 MARCH 2021

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**3 445 495**	**(10 766)**	**471 430**	**(2 732 847)**	**1 173 312**
Other fixed structures	3 445 495	(10 766)	471 430	(2 732 847)	1 173 312
Total immovable tangible capital assets	**3 445 495**	**(10 766)**	**471 430**	**(2 732 847)**	**1 173 312**

Nature of the prior year period error
The prior period error of R10 766 relates to the adjustment made to Southrand Hospital and Jubilee projects that were removed from the Immovable Asse Register after a clean up exercise was performed, and these projects could not be verified.

31.1 CAPITAL WORK-IN-PROGRESS

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022

		Opening balance 1 April 2021	Current Year WIP	Ready for use/ (Assets to the AR)/ Contracts terminated	Closing balance 31 March 2022
		R'000	R'000	R'000	R'000
Buildings and other fixed structures		3 204 728	719 935	(1 767 438)	2 157 225
Machinery and Equipment					
TOTAL		**3 204 728**	**719 935**	**(1 767 438)**	**2 157 225**

Included in the terminated contracts is an amount of R499 Million for terminated Anglo lease.

PAYABLES NOT RECOGNISED RELATING TO CAPITAL WIP

	2021/22	2020/21
	R'000	R'000
Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress]	41 067	134 340
	41 067	**134 340**

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2021

		Opening balance 1 April 2020	Prior Period Error	Current Year WIP	Ready for use (Assets to the AR)	Closing balance 31 March 2021
		R'000		R'000	R'000	R'000
Buildings and other fixed structures		1 324 515	-	1 946 996	(66 783)	3 204 728
TOTAL		**1 324 515**	**-**	**1 946 996**	**(66 783)**	**3 204 728**

32. Prior Year Error

	Note	Amount before error correction	Prior Period error	Restated Amount
	24	R'000	R'000	R'000
Accrued Revenue		2 620 763	425 522	3 046 285
Net Effect		**2 620 763**	**425 522**	**3 046 285**

The Department reviewed the Debtors' book and determined that Prior year Financial Statements were understated due to overstatement of Debt Write offs in 2019/20. The Note had to be adjusted to present a fair position of the Debtors.

33. Covid 19 Response Expenditure

		2021/22		2020/21
		R'000		R'000
COVID 19 Response Expenditure				
Compensation of employees		1 987 330		735 059
Goods and services		750 948		3 067 072
Transfers and subsidies		500		128
Expenditure for capital assets		529 359		2 165 126
Total		**3 268 137**		**5 967 385**

34. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF DEPARTMENT	GRANT ALLOCATION				SPENT				2020/21	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA	Total Available	Amount received by Department	Amount spent by Department	Under / (Overspending)	% of available funds spent by	Division of Revenue Act	Amount spent by Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
HEALTH FACILITY REVIT GRANT	965 871	-	-	965 871	965 871	954 347	11 524	99%	968 210	968 435
NATIONAL HEALTH INSURANCE GRANT	49 859	-	-	49 859	49 859	46 235	3 624	93%	53 674	44 393
NATIONAL TERTIARY SERVICES GRANT	4 878 070	356 353	-	5 234 423	5 234 423	4 673 691	560 732	89%	5 144 483	4 776 790
SOC SEC EPWP INCEN GRNT FOR PROV	25 005	-	-	25 005	25 005	24 783	222	99%	30 524	30 153
HEALTH PROF TRAIN&DEV COMPONENT	982 551	45 003	-	1 027 554	1 027 554	991 227	.36 327	96%	1 095 020	1 046 082
HR CAPACITATION COMPONENT	360 211	-	113 297	473 508	473 508	449 969	23 539	95%	300 254	305 215
EPWP INTERGRATED GRANT FOR PROV	2 292	259	-	2551	2 218	2 059	492	93%	2 196	2 196
HIV&AIDS COMPONENT	4 977 332	-	-	4 977 332	4 977 332	4 261 810	715 522	86%	4 605 694	4 605 692

NAME OF DEPARTMENT	GRANT ALLOCATION				SPENT				2020/21	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA	Total Available	Amount received by Department	Amount spent by Department	Under / (Overspending)	% of available funds spent by	Division of Revenue Act	Amount spent by Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
COVID-19 COMPONENT	353 002	-	-	353 002	353 002	39 229	313 773	11%	744 481	744 481
TUBERCULOSIS COMPONENT	88 771	-	-	88 771	88 771	81 825	6 946	92%	89 062	89 325
COMMUNITY OUTREACH SERVICE COMP	481 374	4 493	-	485 867	485 867	503 398	(17 531)	104%	458 896	360 328
HUMAN PAPLVIRUS VACC COMPONENT	30 077	-	-	30 077	30 077	16 057	14 020	53%	30 427	29 815
MENTAL HEALTH SERVICE COMPONENT	25 246	-	7 060	32 306	32 306	2 119	30 187	7%	-	-
COVID-19 DISASTER RESPONSE GRANT	-	-	-	-	-	-	-	-	115 996	115 997
Total	**13 219 661**	**406 108**	**120 357**	**13 746 126**	**13 745 793**	**12 046 749**	**1 699 377**	**88%**	**13 638 917**	**13 118 902**

35. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2021/22			2020/21	
	GRANT ALLOCATION				
NAME OF MUNICIPALITY	DoRA and other transfers	Total Available	Actual Transfer	Division of Revenue Act	Actual Transfer
	R'000	R'000	R'000	R'000	R'000
City of Johannesburg Metro	181 633	181 633	181 633	171 584	171 584
City of Tshwane Metro	83 237	83 237	58 845	79 145	79 145
Ekurhuleni Metro	182 880	182 880	182 880	247 389	247 389
West Rand District Council	11 364	11 364	11 364	11 223	11 223
Sedibeng District Council	11 454	11 454	6 872	11 148	11 148
TOTAL	**470 568**	**470 568**	**441 594**	**520 489**	**520 489**

Annexures to the Annual Financial Statements

For the period ended 31 March 2022

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES (Unaudited Annexure)

	GRANT ALLOCATION		TRANSFER	SPENT		2020/21	
NAME OF MUNICIPALITY	DoRA and other transfers	Total Available	Actual Transfer	Amount received by municipality	Amount spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Primary Health Care							
Category A							
City of Johannesburg Metro	153 601	153 601	153 601	153,601	153,601	144 091	144 091
City of Tshwane Metro	58 845	58 845	58 845	58,845	58,845	55 118	55 118
Ekurhuleni Metro	164 702	164 702	164 702	164,702	164,702	154 360	154 360
HIV AND AIDS							
Category A							
City of Johannesburg Metro	28 032	28 032	28 032	28 032	28 032	27 493	27 493
City of Tshwane Metro	24 392	24 392	-	-	-	24 027	24 027
Ekurhuleni Metro	18 178	18 178	18 178	18 178	18 178	18 109	18 109

Annexures to the Annual Financial Statements

For the period ended 31 March 2022

NAME OF MUNICIPALITY	GRANT ALLOCATION		TRANSFER	SPENT		2020/21	
	DoRA and other transfers	Total Available	Actual Transfer	Amount received by municipality	Amount spent by municipality	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Category B							
West Rand District Council	11 364	11 364	11 364	11 364	11 364	11 223	11 223
Sedibeng District Council	11 454	11 454	6 872	6 872	6 872	11 148	11 148
Category C							
City of Ekurhuleni Metro	-	-	-	-	-	74 920	74 920
TOTAL	**470 568**	**470 568**	**441 594**	**441 594**	**441 594**	**520 489**	**520 489**

Annexures to the Annual Financial Statements

For the period ended 31 March 2022

ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

	TRANSFER ALLOCATION		TRANSFER		2020/21
DEPARTMENTAL AGENCY/ ACCOUNT	Adjusted Appropriation	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	100 %	R'000
Health and Welfare Seta (HW-SETA)	24 636	24 636	24 636		23 352
Total	**24 636**	**24 636**	**24 636**		**23 352**

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

	TRANSFER ALLOCATION		TRANSFER			2020/21
NAME OF HIGHER EDUCATION INSTITUTION	Adjusted Appropriation	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	%	R'000
University of Witwatersrand	1 916	1 916	1 328	588	44%	2 380
University of Johannesburg	6 096	6 096	2 667	3 429	129%	4 412
Sefako Makgatho Health Science University	3 405	3 405	1 843	1 562	85%	2 451
University of Pretoria	4 892	4 892	2 029	2 863	141%	3 628
TOTAL	**16 309**	**16 309**	**7 867**	**8 442**		**12 871**

ANNEXURE 1D
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

	TRANSFER ALLOCATION		EXPENDITURE		2020/2021
NON-PROFIT INSTITUTIONS	Adjusted Appropriation Act R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	Final Appropriation R'000
Transfers				-	
Mental Health NPI	226 997	226 997	193 693	85%	186 164
HIV/AIDS NPI	110 429	110 429	85 942	78%	86 362
Nutrition	68 814	68 814	49 495	72%	4 591
Witkoppen Clinic	15 641	15 641	19 574	125%	8 593
Specialised Services NPI	1 987	1 987	-	0%	-
Nelson Mandela Children Hospital	282 000	282 000	282 000	100%	317 000
Total	**705 868**	**705 868**	**630 704**		**602 710**

Annexures to the Annual Financial Statements

For the period ended 31 March 2022

ANNEXURE 1E
STATEMENT OF TRANSFERS TO HOUSEHOLDS

	TRANSFER ALLOCATION		EXPENDITURE		2020/21
HOUSEHOLDS	Adjusted Appropriation Act R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Final Appropriation R'000
Transfers			-		
Household Employee Benefit: Injury on Duty	8 274	8 274	1 309	16%	1 289
Household Employee Benefit: Leave Gratuity	98 156	98 156	117 687	120%	112 969
Household Bursaries: (non-employee)	476 764	476 764	93 535	20%	121 505
Household Claims against State (Cash)			369 697	-	392 126
H/H Donations &Gifts (Cash)				-	-
TOTAL	**583 194**	**583 194**	**582 228**	**-**	**627 889**

Annexures to the Annual Financial Statements
For the period ended 31 March 2022

ANNEXURE 1 F-
STATEMENT OF GIFTS DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF THE DONOR	NATURE OF GIFT DONATION OR SPONSORSHIP	2021/22 R'000	2020/21 R'000
Received in Kind	Various Items	107 450	587 702
Various Donors	Computer Equipment	39 122	72 803
	Pharmaceuticals	95 444	89 065
TOTAL		**242 016**	**749 570**

Annexures to the Annual Financial Statements

For the period ended 31 March 2022

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

Nature of Liability	Opening Balance 1 April 2021 R'000	Liabilities incurred during the year R'000	Liabilities paid/cancelled/ reduced during the year R'000	Closing Balance 31 March 2022 R'000
Claims against the Department			-	
Medico – Legal matters	21 877 868	974 803	1 509 092	21 343 579
Civil Claims	1 194 054	68 744		1 262 798
Vehicle Liability	12 990	1 334		14 324
Premature termination of contracts	1 394 317	-		1 394 317
Medical legal to Mediation	15 000	-		15 000
TOTAL	**24 494 229**	**1 044 881**	**1 509 092**	**24 030 018**

Annexures to the Annual Financial Statements

For the period ended 31 March 2022

ANNEXURE 4
CLAIMS RECOVERABLE

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
GOVERNMENT ENTITY	**31/03/2022**	**31/03/2021**	**31/03/2022**	**31/03/2021**	**31/03/2022**	**31/03/2021**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
DEPARTMENTS						
Mpumalanga: Department of Health (C5)	-	-	336	291	336	291
Western Cape: Department of Health (U3)	-	-	342	198	342	198
Free State Department of Health (V5)	-	-	252	229	252	229
Northwest Health (3Y)	-	-	1007	698	1 007	698
KZN Department of Health (3K)	-	-	249	118	249	118
Limpopo Province Education (P8)	-	-	26	26	26	26
KZN PROV GOV Education (2K)	-	-	34	34	**34**	34
Mpumalanga Department of Health & Social Services(Patient fees)	-	-	1 647	5 071	1 647	5 071
Eastern Cape	-	-	43	43	43	43
Department of Correctional Services (Patient fees)	-	-	25 417	22 302	25 417	22 302
South African Police Services (Patient fees)	-	-	28 875	24 955	28 875	24 955
Limpopo Department of Health and Social Development (Patient fees)	-	-	68	3 662	68	3 662
Northwest Department of Health and Social Development (Patient fees)	-	-	18 240	29 731	18 240	29 731
SA National Defence Force (Patient fees)	-	-	2 199	3 114	2 199	3 114
National Department of Justice (Patient Fees)		-	16 943	4 696	16 943	4 696
Gauteng Emergency Medical Services (Special event fees)	22	-	432	689	432	689
Eastern Cape: Department of Health (D2)	-	-	24	-	24	-
Gauteng Infrastructure Development (1G)	-	-		-		-
Limpopo Department of Health and Social Development (P4)	-	-	23	-	23	-
Limpopo Department of Health and Social Development (P4)	-	-		-		-
Office of the Chief Justice (82)	-	-	22	-	22	-
Department of High Education and Training (63)	46	-		-	46	-
Total	**68**	**-**	**96 179**	**95 857**	**96 225**	**95 857**

Annexures to the Annual Financial Statements

For the period ended 31 March 2022

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
GOVERNMENT ENTITY	**31/03/2022**	**31/03/2021**	**31/03/2022**	**31/03/2021**	**31/03/2022**	**31/03/2021**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
DEPARTMENTS						
Current						
Gauteng Office of the Premier (G6)	1 569	843	-	-	1 569	843
National treasury	3	-	-	-	3	-
e- Government	32 017	-	-	-	31 601	-
Gauteng Office of the Premier (G6) Department		31	-	-		31
Gauteng Treasury		30	-	-		30
Department of Justice Legal Claims	104 016	17 445	374 767	497 674	478 783	515 119
Department of Justice Salary Claims	21	-	-	-	21	-
Statistics S.A		40	-	-		40
National Department of Public Works	14 426	4 195	-	-	14 426	4195
Department of education	124	-	-		124	
Eastern Cape Department of Health (D2)	19	39			19	39
Department of Infrastructure	17 813	8 503	-	-	17 813	8503
North West Department of Health	522	257		-	522	257
Western Cape Department of Health	185	-		-	185	-
Limpopo Department of Health (Q7)	122	213		-	122	213
Department of Water & Sanitation	-	139		-		139
National department of health	95	-		-	95	-
KwaZulu Natal Department of Health	918	553		-	918	553

Annexures to the Annual Financial Statements

For the period ended 31 March 2022

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
GOVERNMENT ENTITY	**31/03/2022**	**31/03/2021**	**31/03/2022**	**31/03/2021**	**31/03/2022**	**31/03/2021**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
DEPARTMENTS						
Office of the Chief Justice	4				4	
Mpumalanga Department of Education	210				210	
Eastern Cape Social Development	40				40	
Department of Public Works & Roads North West	65				65	
Department of Higher Education	87				87	
Free state department of health	629				629	
Subtotal	**172 885**	**32 288**	**374 767**	**497 674**	**547 652**	**529 962**
OTHER GOVERNMENT ENTITY						
Current						
Medical Supplies Depot	933 585	924 769	-	-	933 585	924 769
Gauteng Department of Transport G-Fleet (K8)	38 402	39 556	3 559	1 542	41 961	41 098
Special Investigate Unit	10 061	1 745	26 659	-	36 720	1 745
Subtotal	**982 048**	**966 070**	**30 218**	**1 542**	**1 012 266**	**967 612**
TOTAL INTERGOVERNMENTAL PAYABLES	**1 154 933**	**998 358**	**404 985**	**499 216**	**1559 918**	**1 497 574**

Annexures to the Annual Financial Statements
For the period ended 31 March 2022

ANNEXURE 6
INVENTORIES

Inventories	Note	2021/22		2020/21
		R'000		R'000
Opening balance		1 156 695		1 915 465
Add/(Less): Adjustments to prior year balance		9 319 669		9 510 779
(Less): Issues		(5 526 959)		(4 598 782)
Add/(Less): Received current not paid (Paid current year received prior year)		(3 362 566)		(5 670 768)
Closing balance		**1 586 838**		**1 156 695**

Annexures to the Annual Financial Statements
For the period ended 31 March 2022

ANNEXURE 7
Movement in Capital Work-in-Progress

MOVEMENT IN CAPITAL WORK-IN-PROGRESS For the period ended 31 March 2022				
	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES			-	
Other fixed structures	3 204 728	719 936	(1 767 438)	2 157 226
TOTAL	**3 204 728**	**719 936**	**(1 767 438)**	**2 157 226**

MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Prior period errors	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES		-			
Other fixed structures	1 324 515		1 946 996	(66 783)	3 204 728
TOTAL	**1 324 515**		**1 946 996**	**(66 783)**	**3 204 728**

Annexures to the Annual Financial Statements

For the period ended 31 March 2022

ANNEXURE 11
COVID 19 RESPONSE EXPENDITURE PER QUARTER AND IN TOTAL

Expenditure per economic classification	2021/22					2020/21
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	**422 885**	**507 764**	**523 617**	**533 064**	**1 987 330**	**735 059**
Goods and services	**219 766**	**111 533**	**263 290**	**156 359**	**750 948**	**3 067 072**
advertising	-	-	73	176	249	11,830
minor assets	810	1,035	(351)	2	1,496	4,680
training an development	-	-	-	-	-	7,336
communication	-	-	14	-	14	279
laboratory services	32,880	(9,456)	1,324	(469)	24,279	435,835
contractors	-	-	-	-	-	449
agency&suprt/outsourced services	8,399	8,031	30,893	28,107	75,430	3,364
inv:materials & supplies	18	94	338	-	450	25,499
inv:medical supplies	7,033	(1,105)	11,809	6,245	23,982	156,192
inv: medicine	-	-	-	-	-	35,033
inv:other supplies	149	-	-	107	256	89,266
cons supplies	159,811	104,246	163,196	121,560	548,813	1,494,242
cons:sta,print&off sup	367	34	803	(68)	1,136	404,257
operating leases	-	-	45,561	-	45,561	196,846
property payments	42	-	-	17	59	114,391
travel and subsistence	-	-	43	4	47	58,372
rental & hiring	10,055	8,786	7,976	348	27,165	19,122
inv:cloth mat&accessories	34	-	1,440	330	1,804	10,060
inv:food & food supplies	36	-	171	-	207	18
inv:chems,fuel,oil,gas,wood	132	(132)	-	-	-	-

Transfers and subsidies	**69**	**178**	**142**	**111**	**500**	**128**
h/h:employee social benefits	69	178	142	111	500	128
Expenditure for capital assets	**169 116**	**123 110**	**9 898**	**277 235**	**529 359**	**2 165 126**
buildings & other fix struct total	162 279	61 553	8 540	31 792	264 164	1 760 937
machinery and equipment total	6 837	61 557	1 358	195 443	265 195	404 188
TOTAL COVID 19 RESPONSE EXPENDITURE	**811 836**	**742 585**	**796 947**	**916 769**	**3 268 137**	**5 967 384**

PART F

GAUTENG MEDICAL SUPPLIES DEPOT (MSD)

General Information

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	The rendering of pharmaceutical services by making essential medicines available atall different levels of healthcare in the Gauteng Provincial Administration in an efficient and effective manner.
ACCOUNTING OFFICER	Dr. N. Nolutshungu
REGISTERED OFFICE	35 Plunkett Avenue Hurst Hill Johannesburg Gauteng 2092
BUSINESS ADDRESS	35 Plunkett Avenue Hurst Hill Johannesburg Gauteng 2092
POSTAL ADDRESS	Private Bag X2 Auckland Park Johannesburg 2006
CONTROLLING ENTITY	Gauteng Department of Health
BANKERS	First National Bank of South Africa
AUDITOR	The Auditor-General of South Africa
CONTACT NUMBER	+27 11 628 9000

Report of the Accounting Officer

1. Introduction

The Accounting Officer of the Gauteng Department of Health hereby submits the annual report for the Gauteng Medical Supplies Depot to the Executive Authority of the Gauteng Department of Health and the Gauteng Provincial Legislature of the Republic of South Africa.

During 2021 and 2022, the President announced different levels of lockdown measures at different times. Various sets of regulations, circulars and instructions were issued, making it impossible to continue with normal working processes. However, during this time the entity continued to operate. In accordance with the issued regulations, staff and client numbers were limited and health safety measures introduced.

2. Performance against predetermined objectives

The Strategic Plan of the Gauteng Department of Health was used as the basis for developing the entity's Annual Performance Plan. This approach ensured that the entity's predetermined objectives are clearly aligned with the department's strategic outcomes. For the year under review, the entity was aligned to five of the department's outcomes. Each had one or more MSD Outputs and Indicators which were reported on quarterly and/or annually.

With the exception of three indicators (Percentage of Service Providers' Invoices without disputes paid within 30 days; Percentage of Senior and Middle Management Staff Trained on Lean Management; and Percentage of Health Facilities ordering electronically), the entity achieved its indicators. The entity is still using the legacy system (MEDSAS) which has long reached the end of its useful life. The system presented many challenges throughout the year including unplanned downtimes which caused delays in paying service providers.

GMSD has been consistently working hard to achieve its delegated mandate of making medicines available to all Gauteng health facilities. Despite the challenges presented by the pandemic, it managed to improve its customer experience and will continue to grow in line with its mandate of being a medicines procurement hub of the GDoH.

Table 1: MSD actual performance against MSD output indicators

MSD Output	Output Indicators	Target 2020/21	Target 2021/22	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Actual	Annual Actual Achievement 2020/21	Annual Actual 2021/22	Comments	Action Plans
Outcome 4: Package of services available to the population is expanded with priority given to equity and most cost-effective services											
Distribution of essential medicines to healthcare facilities as per schedule.	Percentage of orders satisfied in full within one working day as per delivery schedule	80%	80%	87%	89%	90%	86%	80%	88%	Target achieved	Continue to impose penalties and do buy-outs against contracted non-performing suppliers Continue to follow up on orders with suppliers daily.
Effective distribution of essential medicines to healthcare facilities	Percentage of orders delivered as per delivery schedule	95%	95%	95%	96%	98%	96%	New indicator	96%	Target achieved	Continue monitoring indicator to ensure timely delivery of medicines to health care facilities.
Value for money in the provision of essential medicines	Percentage of expired stock	<2.00%	<2.00%	0.00%	0.04%	0.06%	0.13%	0.40%	0.24%	Target achieved	Continued stock rotation by shelf marshals at the warehouse. Only receive short-dated stock from suppliers with a stock protection letter.
Outcome 5: Quality of health services in public health facilities improved											
Timely testing of medicines by the laboratory	Percentage of medicines tested within 2 working days	95%	95%	100%	100%	100%	100%	98%	100%	Target achieved	Continue with timely testing of samples to ensure safety of all products received at the depot.

MSD Output	Output Indicators	Target 2020/21	Target 2021/22	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Actual	Annual Actual Achievement 2020/21	Annual Actual 2021/22	Comments	Action Plans
Management trained on lean Management	Percentage of senior and middle management staff trained on Lean Management	New indicator	40%	N/A	17%	0%	13%	New indicator	30%	Target not achieved	Plan and train all MSD managers on Lean Management.
Availability of EML medicines improved	Percentage availability of essential medicines at the Medical Supplies Depot (MSD)	90%	90%	95%	95%	95%	93%	89%	95%	Target achieved	Continue to impose penalties or do buy-outs against contracted non-performing suppliers Continue to follow up on orders with suppliers daily.
	Percentage of medicines delivered directly from suppliers to healthcare facilities	70%	70%	79%	78%	79%	78%	79%	79%	Target achieved	Continuous monitoring and update item list for direct deliveries.
Outcome 6: Leadership and Governance in the health sector enhanced to improve quality of care											
To improved staff morale at the depot	Percentage of staff turnover	<5%	<5%	N/A	N/A	N/A	1%	1%	1%	Target achieved	Continue monitoring indicator at the entity to ensure always remain within the target.
Woman in management level (level 9 and above)	Percentage of women in management posts (level 9 and above)	New indicator	50%	N/A	N/A	N/A	56%	New indicator	56%	Target achieved	Continue monitoring indicator at the entity to ensure always remain within the target.

MSD Output	Output Indicators	Target 2020/21	Target 2021/22	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Actual	Annual Actual Achievement 2020/21	Annual Actual 2021/22	Comments	Action Plans
PWD employed	Percentage of PWD employed at MSD	New indicator	1%	N/A	N/A	N/A	2%	New indicator	2%	Target achieved	Continue monitoring indicator at the entity to ensure always remain within the target.
Grievances processed within 90 days	Percentage of grievances processed at MSD within 90 days	New indicator	90%	100%	100%	N/A	N/A	New indicator	100%	Target achieved	Continue monitoring indicator at the entity to ensure always remain within the target.
8. Robust and effective health information systems to automate business processes and improve evidence-based decision-making											
Fully functional ordering system	Percentage of health facilities ordering electronically	New indicator	84% (100/119)	N/A	N/A	N/A	77% (92/119)	New indicator	77% (92/119)	Target achieved	Facilities encouraged to work with their ITC departments and SITA to install Remote Demander Module.
9. Improved financial management											
Sound governance and an effective and efficient organisation	Audit opinion of MSD	Unqualified audit opinion.	Unqualified audit opinion.	-	-	-		Unqualified audit opinion	-		
Sound governance and an effective and efficient organisation	Percentage of service providers' invoices without dispute paid within 30 days	New indicator	>90%	56%	82%	95%	79%	New indicator	79%	Target not achieved. Migration of GPG bank accounts to a new bank. Unplanned system downtimes.	Implementation of a new system.

New indicator = Indicator that was not reported in the last financial year (2020/21)

Gauteng Medical Supplies Depot

Report of the Accounting Officer

for the year ended 31 March 2022

3. Financial Performance

Spending trends on major accounts are outlined in Table 2.

The entity does not receive allocation of funds as promulgated in the Division of Revenue Act; it sustains itself by charging a levy of 5% from the medicines budget of the Gauteng Department of Health.

Despite the national lockdown, the entity continued to improve its financial management to ensure that it delivers on its mandate. Despite computer system challenges, management of the entity are committed to ensure that all obligations are settled within the regulated time of 30 days.

Table 2: Spending Trends

Description	31 March 2022 R	Variance from prior year	31 March 2021 R	Variance from prior year	31 March 2020 R	Variance from prior year	31 March 2019 R
Revenue	4 530 550 622	(8.99%)	4 977 808 597	13.81%	4 373 490 282	6.98%	4 088 067 270
Cost of sales	4 314 807 041	(8.99%)	4 740 861 445	13.81%	4 165 422 611	6.98%	3 893 397 373
Expenditure: Personnel	87 081 685	6.84%	81 503 210	0.99%	80 706 118	12.50%	71 738 604
Expenditure: General	58 986 400	(0.08%)	59 036 515	7.15%	55 095 257	77.80%	30 985 761
Net Surplus	114 934 374	(25.77%)	154 844 599	11.92%	138 356 885	8.49%	127 529 262

The entity's budget depends on the budgeted amount for medicines from the GDoH of which 5% is levied for the operations of the entity. The entity's spending is driven by the demand for medicines from the facilities; during the reporting year, this demand decreased.

Our spending is driven by the demand of medicines from the facilities, demand for medicines from health facilities decreased during the reporting year.

4. Utilisation of donor funds

The entity did not receive donor funds during the reporting year; the donations below were warehoused by the entity on behalf of the GDoH. The entity does not receive economic benefit; it is a conduit for hospitals and its role is to warehouse and distribute medicines to various facilities on behalf of the GDoH. The donations below are accounted for by the GDoH.

Table 3: Donated stock

ICN	Item description	Donation funded by	Donation delivered by	Quatity received	Item Price	Value
181879045	Delamanid 50 Mg - 48'S Tablets	Global Fund to Fight Aids, Tuberculosis and Malaria (Global Fund)	Mylan (Pty) Ltd	4 184	R1 361,06	R5 694 675,04
181871869	Rifapentine 150mg 24 Tablets	Global Fund	Sanofi-Aventis South Africa (Pty) Ltd	26 500	R109,40	R2 899 100,00
181896258	Bedaquilin 100mg 188 Tablets	Global Fund	Janssen Pharmaceutica (Pty) Ltd T/A Janssen-Cilag	235	R5 400,00	R1 269 000,00
181931183	Mebendazole Tablets 500mg 150'S	World Health Organisation	Janssen Pharmaceutica (Pty) Ltd T/A Janssen-Cilag	12043	R664,38	R8 001 128,34
181837506	Emtricitabine And Tenofovir Disoproxil Fumarate Tablets 200mg And 300mg;30'S	Global Fund	Mylan (Pty) Ltd	208 995	R58,32	R12 188 588,40

Gauteng Medical Supplies Depot

Report of the Accounting Officer

for the period ended 31 March 2022

ICN	Item description	Donation funded by	Donation delivered by	Quatity received	Item Price	Value
181837506	Emtricitabine And Tenofovir Disoproxil Fumarate Tablets 200mg And 300mg;30'S	Global Fund	Mylan (Pty) Ltd	16 920	R62,55	R1 058 346,00
	Logtac Temperature Monitoring Devices	World Health Organisation	World Health Organisation	180	R603,70	R108 666,00
	Oraquick Test Kits	Star Project	Armada St (Pty) Ltd	9 008	R65,29	R588 132,32
	Inst Hiv Test	Star Project	Lechoba Medical Technologies	7 078	R79,03	R559 374,34
181936065	Dolutegravir; 50mg; Tablet; 30 Tablets	Global Fund	Aurobindo Pharma (Pty) Ltd	22 533	R55,43	R1 249 004,19
222001076	Dolutegravir,Lamivudine, Tenofovir Tablet (Option 2);50mg;300mg;300mg Tablet;90'S	Global Fund	Emcure Pharmaceuticals Sa (Pty) Ltd	2 660	R310,00	R824 690,88
222000208	Dolutegravir,Lamivudine, Tenofovir Tablet (Option 2);50mg;300mg;300mg Tablet;28/30'S	Global Fund	Emcure Pharmaceuticals Sa (Pty) Ltd	325 483	R106,00	R34 501 172,45
		Global Fund	Mylan (Pty) Ltd	89 070	R89,02	R7 928 996,28
		Global Fund	Aurobindo Pharma (Pty) Ltd	85 789	R108,00	R9 265 253,94
		Global Fund	Hetero Drugs South Africa (Pty) Ltd	89 070	R104,50	R9 307 797,25
			Total			**R95 443 925,43**

5. Corporate governance arrangements

The entity has a risk management unit which is assisted by the risk management unit of the department. The entity submits its quarterly performance reports to the shared audit committee and Gauteng Provincial Treasury as additional assurance providers.

6. Prior modifications to audit reports

There were no prior modifications to the entity's audit reports.

7. Events after the Reporting date

There were no events to report by the entity after the reporting date.

8. Exemptions and deviations received from the National Treasury

The entity did not receive any deviations from National Treasury or Gauteng Provincial Treasury (GPT).

9. Investigation

No investigations were conducted for MSD for the year ended 31 March 2021.

10. Other

The entity incurs costs related to price increases not recovered from demanders. This is mainly attributable to back-dated approvals of contract price increases by the Gauteng Department of Finance.

Gauteng Medical Supplies Depot

Report of the Accounting Officer

for the year ended 31 March 2022

11. Acknowledgement and Appreciation

Management would like to acknowledge the enormous contributions made to the entity by all our stakeholders including our employees who work tirelessly to ensure that the entity achieves its mandate of procuring, storing and distributing medicines for all healthcare facilities under the Gauteng Department of Health; the Gauteng Department of Health; Gauteng Provincial Treasury; and other organs of state. Our sincere appreciation also goes to our valued suppliers, especially those who have been supplying us with medicines as per contractual lead times at all times to ensure that we always have medicines to supply to our healthcare facilities.

12. Conclusion

Despite the challenges faced by the country and the world, management is pleased to report that it has successfully delivered on its mandate. The entity has strengthened its relationships with its stakeholders; medicine is delivered within scheduled timeframes; and, despite challenges of unplanned system downtimes, we do our best to pay all undisputed invoices within 30 days.

13. Approval and sign off

Ms. Z. Rhemtula
Acting CEO: MSD
31 July 2022

Report of the Auditor General

Report of the auditor-general to Gauteng Provincial legislature on Gauteng Medical Supplies Depot

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Gauteng Medical Supplies Depot set out on pages 319 to 345, which comprise the statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Gauteng Medical Supplies Depot as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the trading entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Restatement of corresponding figures

7. As disclosed in note 23 to the financial statements, the corresponding figures for 31 March 2021 were restated as a result of an error in the financial statements of the trading entity at, and for the year ended, 31 March 2022.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the accounting officer is responsible for assessing the trading entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the trading entity or to cease operations, or has no realistic alternative but to do so.

Gauteng Medical Supplies Depot
Report of the Auditor General
for the year ended 31 March 2022

Auditor-general's responsibilities for the audit of the financial statements

10. My 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 my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected outcome presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

13. My procedures address the usefulness and reliability of the reported performance information, which must be based on the trading entity's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the trading entity enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected outcome presented in the trading entity's annual performance report for the year ended 31 March 2022:

Outcome	Pages in the annual performance report
Outcome 5: Quality of health services in public health facilities improved	308 – 309

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

16. I did not identify any material findings on the usefulness and reliability of the reported performance information for this outcome:
    - Outcome 5: Quality of health services in public health facilities improved

Gauteng Medical Supplies Depot

Report of the Auditor General

for the year ended 31 March 2022

Report on the audit of compliance with legislation

Introduction and scope

17. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the trading entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
18. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

19. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(b) of the PFMA. Material misstatements of trade payables and commitments identified by the auditors in the submitted financial statement were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Expenditure management

20. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R6 028 260, as disclosed in note 20 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with supply chain management regulation on contract extension.

Consequence management

21. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular and fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into irregular and fruitless and wasteful expenditure.

22. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against the officials who had incurred or permitted irregular expenditure in prior years, as required by section 38(1)(h)(iii) of the PFMA.

23. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against some of the officials who had incurred or permitted fruitless and wasteful expenditure in prior years, as required by section 38(1)(h)(iii) of the PFMA.

Procurement and contract management

24. Goods and services of a transaction value above R500 000 were procured without inviting competitive bids and deviations were approved by the accounting officer but it was practical to invite competitive bids, as required by treasury regulation 16A6.1 and paragraph 3.4.1 of Practice Note 8 of 2007/2008 and TR 16A6.4. Similar non-compliance was also reported in the prior year.

Other information

25. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, audit committee's report. The other information does not include the financial statements, the auditor's report and the selected outcome presented in the annual performance report that have been specifically reported in this auditor's report.

Gauteng Medical Supplies Depot

Report of the Auditor General

for the year ended 31 March 2022

26. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

27. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected outcome presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

28. When I do receive and read the report of the accounting officer, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

29. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion, the findings on the annual financial statements and the findings on compliance with legislation included in this report.

30. The accounting officer did not exercise oversight responsibility to investigate identified instances of irregular and fruitless and wasteful expenditure and ensure that consequence management is instituted against liable officials. Furthermore, accounting officer did not take disciplinary steps against liable officials who permitted irregular and fruitless and wasteful expenditure following the recommendations made in the nexus forensic investigation report.

31. The accounting officer did not exercise adequate oversight responsibility regarding financial reporting and compliance with laws and regulations and implementation of consequence management for poor performance and transgressions.

32. Senior management did not ensure that adequate controls were in place over the preparation of accurate and complete financial reporting and there was inadequate review of reports which resulted in material audit findings. In addition, action plans that were developed were not monitored regularly by management to ensure that they have been adequately implemented.

Auditor - General

Johannesburg
31 July 2022

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Gauteng Medical Supplies Depot
Report of the Auditor General
for the year ended 31 March 2022

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected outcome and on the trading entity's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I 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 my 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 trading entity's internal control
   - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
   - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Gauteng Medical Supplies Depot to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a trading entity to cease operating as a going concern
   - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Gauteng Medical Supplies Depot

Statement of Financial Position

as at the 31 March 2022

Amounts in Rand		2022	2021*
ASSETS			
Current Assets			
Inventories	2	**308 213 088**	297 116 549
Trade and other receivables from exchange transactions	3	**934 364 347**	925 227 860
Cash and cash equivalents	5	**236 041 948**	175 795 910
		1 478 619 383	1 398 140 319
Non-Current Assets			
Property, plant and equipment *	4	**6 024 351**	7 675 886
		6 024 351	7 675 886
Total Assets		**1 484 643 734**	1 405 816 205
LIABILITIES			
Current Liabilities			
Trade and other payables from exchange transactions	6	**376 259 950**	413 242 373
Provisions	7	**6 441 629**	5 787 833
Finance lease obligations	8	**325 466**	280 359
		383 027 045	419 310 565
Non-Current Liabilities			
Financial lease obligations	8	**499 139**	322 463
		499 139	322 463
Total Liabilities		**383 526 184**	419 633 028
Net Assets		**1 101 117 550**	986 183 177
Contributed Capital	9	**104 376 790**	104 376 790
Accumulated surplus *		**996 740 760**	881 806 387
Total Net Assets		**1 101 117 550**	986 183 177

***Restated**

Gauteng Medical Supplies Depot

Statement of Financial Performance

for the year ended 31 March 2022

Amounts in Rand	Note	2022	2021*
REVENUE			
Revenue from exchange transactions			
Sale of Goods	10	**4 530 550 622**	4 977 808 597
Finance income	10	**2 135 111**	2 455 159
Other income	11	**137 483**	172 415
TOTAL REVENUE FROM EXCHANGE TRANSACTIONS		**4 532 823 216**	4 980 436 171
Revenue from non-exchange transactions			
Penalties	12	**11 333 966**	26 683 403
Services in - kind	12	**31 634 318**	29 126 195
TOTAL REVENUE FROM NON - EXCHANGE TRANSACTIONS		**42 968 284**	55 809 598
TOTAL REVENUE		**4 575 791 500**	5 036 245 769
EXPENSES			
Employee related costs	13	**(87 081 685)**	(81 503 210)
Depreciation *	4	**(2 692 238)**	(3 830 326)
Finance costs - finance leases		**(260 311)**	(205 787)
Cost of goods sold		**(4 314 807 041)**	(4 740 861 445)
Distribution costs		**(7 735 250)**	(7 317 400)
Operational costs	14	**(48 252 269)**	(47 590 441)
TOTAL EXPENSES		**(4 460 828 794)**	(4 881 308 609)
OTHER LOSSES			
Loss on disposal of assets	16	**(28 332)**	(92 561)
SURPLUS FOR THE PERIOD		**114 934 374**	154 844 599

*** Restated (refer to note 24)**

Gauteng Medical Supplies Depot

Statement of Changes in Net Assets

for the year ended 31 March 2022

Amounts in Rand	Contributed Capital	Accumulated Surplus	Total
Balance at 31 March 2020	**104 376 790**	**726 961 788**	**831 338 578**
Surplus for the year*	-	154 844 599	154 844 599
Balance at 31 March 2021	**104 376 790**	**881 806 387**	**986 183 177**
Surplus for the year	-	**114 934 374**	**114 934 374**
Balance at 31 March 2022	**104 376 790**	**996 740 760**	**1 101 117 550**

***Restated**

Gauteng Medical Supplies Depot

Statement of Cash Flows

for the year ended 31 March 2022

Amounts in Rand	Note	2022	2021*
Cash flows from operating activities			
Receipts			
Sale of goods and services		**4 532 748 101**	4 478 677 377
Finance income		**2 135 111**	2 455 159
Other receipts	11	**137 483**	172 415
Total receipts		**4 535 020 695**	4 481 304 951
Payments			
Compensation of employees		**(86 154 549)**	(80 965 948)
Goods and services		**(4 387 512 544)**	(4 816 292 817)
Finance costs		**(260 311)**	(205 787)
Total payments		**(4 473 927 404)**	(4 897 464 552)
Net cash generated / (utilised) from operating activities	16	**61 093 291**	(416 159 601)
Cash flows from investing activities			
Purchase of property, plant and equipment	4	**(569 110)**	(638 022)
Net cash outflow from investing activities		**(569 110)**	(638 022)
Cash flows from financing activities			
Repayment of finance lease liability		**(278 143)**	(357 364)
Net cash outflow from financing activities		**(278 143)**	(357 364)
Increase / (decrease) in cash and cash equivalents		**60 246 038**	(417 154 987)
Cash and cash equivalents at the beginning of the year		**175 795 910**	592 950 897
Cash and cash equivalents at the end of the year	5	**236 041 948**	175 795 910

***Restated**

Gauteng Medical Supplies Depot
Accounting Policies
for the year ended 31 March 2022

1.1 Basis of preparation

These financial statements were prepared in accordance with the Standards of Generally RecognisedAccounting Practices (GRAP) issued by the Accounting Standards Board in accordance with the Public Finance Management Act, 1999 (Act No.1 of 1999) as amended by the Public Finance Management Amendment Act (Act No. 29 of 1999).

1.2 Presentation currency

The financial statements are presented in South African Rand, which is the functional currency of theentity.

1.3 Rounding

Unless otherwise stated, all financial figures have been rounded to the nearest Rand (R).

1.4 Going concern assumption

The annual financial statements were prepared on a going concern basis, which assumes that theentity will continue to operate as a going concern for at least the next 12 months.

1.5 Comparative information

Prior year comparatives

Where necessary, comparative figures have been reclassified to conform to changes in presentation inthe current year.

1.6 Significant judgements and estimates

The use of judgment, estimates and assumptions is inherent to the process of preparing annual financial statements. These judgements, estimates and assumptions affect the amounts presented inthe annual financial statements. Uncertainties about these estimates and assumptions could result inoutcomes that require a material adjustment to the carrying amount of the relevant asset or liability infuture periods.

Provisions

Provisions are recognised in the financial statements when there is a present obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliableestimate on the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

Gauteng Medical Supplies Depot
Accounting Policies
for the year ended 31 March 2022

1.6 Significant judgements and estimates (Continued)

Depreciation and amortization

Depreciation and amortisation recognised on property, plant and equipment is determined with reference to the useful lives and residual values of the underlying items. The useful lives and residual values of assets are based on management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, expected future use and the entity's expectations about the availability of finance to replace the asset at the end of its useful life. In evaluating the how, the condition, and use of the asset inform the useful life and residual value. Management considers the impact of technology and minimum service requirements of the assets.

1.7 Financial instruments

Initial recognition

The entity recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, the entity becomes a party to the contractual provisions of the instrument. This is achieved through the application of trade date accounting.

Upon initial recognition the entity classifies financial instruments or their component parts as financial liabilities or financial assets in conformity with the substance of the contractual arrangement and to the extent that the instrument satisfies the definitions of a financial liability or a financial asset, in accordance with the standards of GRAP on Financial instruments - GRAP 104.

Trade and other receivables

Trade and other receivables are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition and subsequently stated at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost using the effective interest rate method.

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks.

Trade and other payables

Trade payables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition and are subsequently measured at amortised cost using the effective interest rate method.

Gauteng Medical Supplies Depot
Accounting Policies
for the year ended 31 March 2022

1.7 Financial instruments (Continued)

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measuredat fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impairedor through the amortisation process.

Off-setting

The entity does not offset financial assets and financial liabilities in the Statement of Financial Positionunless a legal right of set-off exists and the parties intend to settle on a net basis.

Impairments

All financial assets measured at amortised cost are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financialasset or group of financial assets is impaired.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carryingamount and the present value of estimated future cash flows (excluding future credit losses that havenot been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through theuse of an allowance account. The amount of the loss is recognised in surplus or deficit.

1.8 Inventories

Initial recognition and measurement

Inventories are initially recognised at cost. Cost refers to the purchase price, plus taxes, transport costsand any other costs in bringing the inventories to their current location and condition.

Subsequent measurement

Inventories is measured at the lower of cost and the net realisable value. Inventories are stated on a weighted average cost basis with the same cost formula being used for all inventories having a similarnature and use at the entity.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values. The amount of any reversal of anywrite-down of inventories arising from an increase in net realisable value is recognised as a reductionof inventories recognised as an expense in the period in which the reversal occurs.

Derecognition

The carrying amount of inventories is recognised as an expense in the period that the inventory wassold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

Gauteng Medical Supplies Depot
Accounting Policies
for the year ended 31 March 2022

1.9 Property, plant and equipment

Initial recognition and measurement

The cost of an item of property, plant and equipment is the purchase price and other costs directly attributable to bring the asset to the location and condition necessary for it to be capable of operatingin the manner intended by the entity. Trade discounts and rebates are deducted in arriving at the costat which the asset is recognised. The cost also includes the estimated costs of dismantling and removing the asset.

Items of property, plant and equipment are initially recognised as assets on acquisition date and areinitially recorded at cost where acquired through exchange transactions. However, when items of property, plant and equipment are acquired through non-exchange transactions, those items are initially measured at their fair values as at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the wholeasset and that have different useful lives are depreciated separately. The depreciable amount is determined after taking into account an assets' residual value, where applicable.

The assets' residual values, useful lives and depreciation methods are reviewed when there is anindicator that useful lives or depreciation has changed and adjusted prospectively, if appropriate.

The annual depreciation rates are based on the following estimated asset useful lives:

Asset classification	Average useful lives (Years)
Fixtures and fittings	4 - 15
Plant and equipment	2 - 25
Office furniture	2 - 27
Computer equipment	2 - 23
Cellphones & Accessories	2
Leased assets	3 - 6

Gauteng Medical Supplies Depot
Accounting Policies
for the year ended 31 March 2022

1.9 Property, plant and equipment (Continued)

Impairment

The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the recoverableamount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance inthe period that the impairment is identified.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal ofthe impairment is recognised in the Statement of Financial Performance.

Derecognition

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined asthe difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.10 Leases

The entity as a lessee in an operating lease

Assets subject to operating leases, i.e. those leases where substantially all of the risks and rewards ofownership are not transferred to the lessee through the lease, are not recognised in the Statement of Financial Position. The operating lease expense is recognised over the course of the lease arrangement.

The lease expense recognised for operating leases is charged to the Statement of Financial Performance on a straight-line basis over the term of the relevant lease. To the extent that the straight-lined lease payments differ from the actual lease payments the difference is recognised in the Statement of Financial Position as either lease payments in advance (operating lease asset) or lease payments payable (operating lease liability) as the case may be. This resulting asset or liability is measured as the undiscounted difference between the straight-line lease payments and the contractual lease payments.

The operating lease liability is derecognised when the entity's obligation to settle the liability is extinguished. The operating lease asset is derecognised when the entity no longer anticipates economic benefits to flow from the asset.

The entity as lessee in a finance lease

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the entity through the lease agreement. Assets subject to finance leases are recognised in the Statement of Financial Position at the inception of the lease, as isthe corresponding finance lease liability.

Assets subject to a finance lease, as recognised in the Statement of Financial Position, are measured (at initial recognition) at the lower of the fair value of the assets and the present value of the future minimum lease payments. Subsequent to initial recognition these capitalised assets are depreciated over the contract term.

The finance lease liability recognised at initial recognition is measured at the present value of the future minimum lease payments. Subsequent to initial recognition this liability is carried at amortised cost, with the lease payments being set off against the capital and accrued interest. The allocation ofthe lease payments between the capital and interest portion of the liability is effected through the application of the effective interest method.

Gauteng Medical Supplies Depot
Accounting Policies
for the year ended 31 March 2022

1.10 Leases (continued)

The entity as a lessee in a finance lease (continued)

The finance charges resulting from the finance lease are expensed, through the Statement of Financial Performance, as they accrue. The finance cost accrual is determined using the effective interest method.

The finance lease liabilities are derecognised when the entity's obligation to settle the liability is extinguished.

The assets capitalised under the finance lease are derecognised when the entity no longer expects any economic benefits or service potential to flow from the asset.

1.11 Contributed Capital

The purpose of this reserve is to ensure that there are sufficient cash resources to fund the working capital requirements of the entity.

Contributed capital consists of the following items:
- Cash received from the Gauteng Department of Health; and
- Transfers from accumulated surplus based on Treasury approval in terms of Treasury Regulations.

1.12 Revenue from exchange transactions

Sale of Goods is recognised by the entity for goods sold, the value of which approximates the consideration received or receivable, excluding indirect taxes, rebates and discounts.

Finance income

Bank interest is recognised on a time - proportioned basis using the effective interest method.

1.13 Revenue from non-exchange transactions- Penalties, gifts, donations, including goods in-kind.

Penalties , gifts and donations , including goods in kind , shall be recognised as income in the period they are received provided that all the following conditions have been satisfied:

- The amounts of all penalties , donations, gifts, and goods - in- kind can be measured reliably;
- There is an existing signed contract with supplier that includes a paragraph on penalties ; and
- It is probable that the economic benefits comprising of the penalty , gift, donations and goods in kind will flow to the entity

With regards to donations received relating to pharmaceutical medicines ,Gauteng Medical Supplies Depot does not account for the economic benefit received in the Statement of Financial Performance, as the depot is considered to be only a conduit between the National Department of Health (NDoH) and the various institutions within the Gauteng Department of Health(GDoH).

Gauteng Medical Supplies Depot
Accounting Policies
for the year ended 31 March 2022

1.14 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

(a) this Act (PFMA);

(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or

(c) any provincial legislation providing for procurement procedures in that provincial government. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as an expense in the Statement of Financial Performance.

Irregular expenditure is disclosed in the notes to the financial statements and removed from the note when it iseither condoned by the relevant authority or transferred to receivables when it is deemed to be recoverable.

1.15 Fruitless and wasteful expenditure

Fruitless and Wasteful expenditure is defined as expenditure that was made in vain and would have beenavoided had reasonable care been exercised , therefore:

- It must be recovered from responsible official (a debtor account should be raised) ; or
- Written off (if responsibility cannot be determined).

Such expenditure is treated as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance. Due to nature of business at the entity (where expired stock and stock breakages is inherent to its business), expired and stock breakages will only be recognised as fruitless and wasteful expenditure if their total value is higher than 2% of average stock holding. Qualitative consideration would also be considered to disclose fruitless and wasteful expenditure.

Recovery of Irregular and fruitless and wasteful expenditure

The recovery of Irregular, fruitless and wasteful expenditure is based on legislated procedures, and is recognised when the recovery thereof from the responsible officials is probable. The recovery of irregular, fruitless and wasteful expenditure is treated as other income.

1.16 Employee Benefits

Short term employee benefits encompasses all those benefits that become payable in the short term, i.e. within a financial year or within 12 months after the financial year. Therefore, short term employee benefits include remuneration, compensated absences and bonuses.

Short term employee benefits are recognised in the Statement of Financial Performance as services that are rendered, except for non-accumulating benefits, which are recognised when the specific event occurs. These short-term employee benefits are measured at their undiscounted costs in the period the employee renders the related service or the specific event occurs.

Retirement benefit costs

The entity provides retirement benefits for its employees through a defined contribution plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when money is paid to the fund. No provision is disclosed for retirement benefits in the financial statements as the obligation and plan assets is the responsibility of the multi-employer Government Employee Pension Fund reporting under the control of National Treasury.

Gauteng Medical Supplies Depot
Accounting Policies
for the year ended 31 March 2022

1.17 Events after reporting date

Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amounts recognised in the financial statements to reflect adjusting events afterthe reporting date once the event occurred.

The entity will disclose the nature of the event and estimate its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.18 Related Parties

The Entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the Gauteng Provincial sphere of government are considered to be related parties.

Only transactions with related parties that are not at arm's length or not in the ordinary course of business are disclosed.

Key Management Personnel

Key Management Personnel includes all persons having the authority and responsibility for planning, directing and controlling the activities of the entity. This includes:

- The senior management team of the entity, including the chief executive officer, thepharmaceutical services director and the director of finance and administration.

1.19 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the entity will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.

1.20 Standards, amendments to standards and interpretations issued not yet effective.

The following Standards of GRAP and / or amendments thereto have been issued by the Accounting Standards Board, but will only become effective in future periods or have not been given an effective date by the Minister of Finance. The entity has not early-adopted any of these new Standards or amendments thereto, but has referred to them for guidance in the development of accounting policies in accordance with GRAP 3 as read with Directive 5:

Standard name and number	Effective date(if applicable)	Expected impact
GRAP 104 - Financial Instruments	*Approved and not yet effective*	*It is expected that there will be no significant impact on the impairment of financial assets.*
GRAP 25 - Employee benefits	*Approved and not yet effective*	*It is expected that there will be no significant impact on accounting for employee benefits.*

Gauteng Medical Supplies Depot

Notes to the Annual Financial Statements

for the year ended 31 March 2022

	Amounts in Rand	2022	2021
2	**INVENTORIES**		
	Medicine	**307 551 890**	296 301 136
	Consumable stores	**661 198**	815 412
	Total Inventories	**308 213 088**	**297 116 549**
	The amount of inventories recognised as an expense during the year amounted to R 4 316 471 064 (March 2021: R 4 744 840 474) and details thereof are as follows:		
	Cost of goods sold	**4 314 807 041**	4 740 861 445
	Inventory utilised in consumable stores	**1 361 577**	2 651 800
	Inventory written off	**302 446**	1 327 229
	Total inventory recognised as an expense	**4 316 471 064**	**4 744 840 474**
	The entity uses the weighted average cost method.		
3	**TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS**		
	Gross Balances		
	Trade receivables - Gauteng Department of Health	**933 584 549**	924 769 164
	Other receivables	**779 798**	458 696
	Total Trade and other receivables	**934 364 347**	**925 227 860**
	As at 31 March 2022, the ageing of trade and other receivables from exchange transactions that weredue but not impaired is as follows:		
	< 30 days	**561 795 236**	686 080 858
	> 30 days	**372 569 111**	239 146 802
	Total	**934 364 347**	**925 227 660**

4. PROPERTY, PLANT AND EQUIPMENT

Amounts in Rand	2022			2021*		
	Cost	Accumulated depreciation	Carrying valueat end of the year	Cost	Accumulated depreciation*	Carrying value at end of the year
Owned assets						
Computer equipment	6 566 372	(4 765 119)	1 801 253	6 841 519	(4 042 802)	2 798 717
Cellphones & Accessories	111 545	(17 114)	94 432	83 704	(62 434)	21 270
Fixtures and fittings	39 000	(10 763)	28 237	39 000	(1 013)	37 987
Office furniture*	5 605 973	(5 255 510)	350 463	5 602 978	(5 241 068)	361 910
Plant and equipment	21 905 032	(18 850 238)	3 054 794	22 662 717	(18 749 579)	3 913 138
	34 227 923	(28 898 744)	5 329 179	35 229 918	(28 096 896)	7 133 022
Leased Assets						
Motor vehicles - G-Fleet	1 084 525	(451 919)	632 606	1 084 500	(734 924)	349 576
Office equipment	405 371	(342 806)	62 565	405 371	(212 082)	193 289
Leased Assets	1 489 896	(794 725)	695 171	1 489 871	(947 006)	542 865
Total	35 717 819	(29 693 469)	6 024 350	36 719 789	(29 043 902)	7 675 887

Note:

Included in the entity's fixed asset register are items of Office furniture and in particular shelving as at 31 March 2022 with zero-rand book value. Management assesses at each reporting dateif there is a need to revise the useful lives at year-end as required by GRAP 17, paragraph .56. The outcome of the assessment revealed that there was no need to revise the useful lives of assets other than shelving. The revision of the useful lives relating to shelving was not performed due to the impractical and complex nature of these assets. Management intends to seek services of an expert to deal with this matter in the new year.

In terms of GRAP 17 paragraph 88, the entity spent R1 524 895 (2021: R365 400) on maintenance and repairs of assets. This amount was not capitalised to the cost of assets.

2022- Reconciliation of Property, Plant & Equipment

Owned assets	Carrying value at beginning of the year	Correction of prior period error	Additions	Disposals	Accumulated depreciation on Disposals	Depreciation	Carrying value at end of the year
Computer equipment	2 798 717	-	125 514	(400 661)	394 066	(1 116 383)	1 801 253
Cellphones & Accessories	21 270	-	111 545	(83 704)	83 301	(37 981)	94 432
Fixtures and fittings	37 987	-	-	-	-	(9 750)	28 237
Office furniture	361 910	-	301 383	(298 388)	284 563	(299 005)	350 463
Plant and equipment	3 913 138	-	30 666	(788 351)	780 841	(881 500)	3 054 794
	7 133 022	**-**	**569 109**	(1 571 104)	1 542 771	**(2 344 619)**	**5 329 179**
Leased Assets							
Motor vehicles - G-Fleet	349 576	-	499 925	(499 900)	499 900	(216 895)	632 606
Office equipment	193 289	-	-	-	-	(130 724)	62 565
	542 865	-	499 925	(499 900)	499 900	(347 619)	695 171
Total	**7 675 887**	**-**	**1 069 034**	(2 071 004)	2 042 671	**(2 692 238)**	**6 024 350**

Notes to the Annual Financial Statements

for the year ended 31 March 2022

2021 - Reconciliation of Property, Plant & Equipment

	Carrying value at beginning of the year	Correction of Prior Period error	Additions	Disposals	Accumulated depreciation on Disposals	Depreciation *	Carrying value at end of the year
Owned assets							
Computer equipment	3 936 870	-	184 975	(1 164 903)	1 139 165	(1 297 390)	2 798 717
Cellphones & Accessories	63 372	-	-	-	-	(42 102)	21 270
Fixtures and fittings	742	-	39 001	(10 624)	10 568	(1 700)	37 987
Office furniture	677 248	-	380 703	(351 921)	337 797	(681 917)	361 910
Plant and equipment	5 362 286	-	33 343	(1 044 002)	991 352	(1 429 841)	3 913 138
	10 040 518	-	638 022	(2 571 450)	2 478 882	(3 452 950)	7 133 022
Leased Assets							
Motor vehicles - G-Fleet	598 237	-	-	-	-	(248 661)	349 576
Office equipment	241 806	-	80 198	-	-	(128 715)	193 289
	840 043	-	80 198	-	-	(377 376)	542 865
Total	10 880 561	-	718 220	(2 571 450)	2 478 882	(3 830 326)	7 675 887

Note:

Included in the entity's fixed asset register are items of Office furniture and in particular shelving as at 31 March 2021 with zero-rand book value. Management assesses at each reporting dateif there is a need to revise the useful lives at year-end as required by GRAP 17, paragraph .56. The outcome of the assessment revealed that there was no need to revise the useful lives of assets other than shelving. The revision of the useful lives relating to shelving was not performed due to the impractical and complex nature especially given the COVID-19 conditions.

Management intends to seek services of an expert to deal with this matter in the new year.

In terms of GRAP 17 paragraph 88, the entity spent R365 400 (2020: R219 301) on maintenance and repairs of assets. This amount was not capitalised to the cost of assets.

Gauteng Medical Supplies Depot

Notes to the Annual Financial Statements

for the year ended 31 March 2022

Amounts in Rand	2022	2021
CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consists of:		
Bank balance	**236 036 948**	175 790 910
Petty cash	**5 000**	5 000
Total Cash and cash equivalents	**236 041 948**	175 795 910

Cash and cash equivalents earn interest at floating rates based on daily bank deposit rates. The finance income is recognised in the Statement of Financial Performance.

No cash and cash equivalents were pledged as security at 31 March 2022

The entity had the following bank accounts at 31 March 2022:

FNB Cheque Account	**236 036 948**	175 790 910

6. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables from exchange transactions	**371 832 587**	409 412 240
Service bonus accrual*	**2 178 003**	2 324 937
Other accruals	**2 249 360**	1 505 196
Total Trade and other payables	**376 259 950**	413 242 373

At 31 March 2022, the ageing of trade payables was as follows:

< 30 days	**325 358 177**	363 243 483
> 30 days	**50 901 773**	46 168 757
Total	**376 259 950**	409 412 240

*Service bonus is accrued and the calculation is based on the employee's gross salary. It is normally paid out in the employee's birthday month.

Gauteng Medical Supplies Depot

Notes to the Annual Financial Statements

for the year ended 31 March 2022

	Amounts in Rand	2022	2021
7	**PROVISIONS**		
	Provision for Performance Bonus*	**-**	667 936
	Provision for Leave pay**	**6 441 629**	5 119 897
	Total	**6 441 629**	5 787 833
	Reconciliation of Provision for Performance Bonus:		
	Balance at the beginning of the year	**667 936**	799 057
	Amount utilised	**(49 948)**	(167 964)
	Unused amount reversed	**(617 988)**	(631 093)
	Amount raised	**-**	667 936
	Balance at the end of the period	**-**	667 936
	Reconciliation of Provision for Leave:		
	Balance at the beginning of the year	**5 119 897**	4 153 090
	Amount paid during the year	**(354 453)**	(288 585)
	Unused amount reversed	**(4 765 444)**	(3 864 505)
	Amount raised during the year	**6 441 629**	5 119 897
	Balance at the end of the period	**6 441 629**	5 119 897

*** Performance bonus**

Provision for performance bonus is based on assessment of employees' performance for the year and according to the entity's policy. However, for the year under review the provision was not made as guided by the DPSA circular No.1 of 2019, which states that the provision for performance bonus for 2021/2022 financial year must beallocated at a maximum of 0% of the remuneration budget.

**** Leave**

Provision for leave pay is a liability as a result of employees accumulated leave days balances at the reporting date using the current salary rates. The amount is uncertain as some of the leave balances will be forfeited if notused within 6 months after the end of leave cycle.

Gauteng Medical Supplies Depot

Notes to the Annual Financial Statements

for the year ended 31 March 2022

	Amounts in Rand	2022	2021
8	**FINANCE LEASE OBLIGATIONS**		
	Minimum lease payments		
	Within 1 year	**620 025**	396 969
	Within the 2nd to 5th year inclusive	**832 369**	400 894
		1 452 394	797 863
	Less: Future finance charges	**(627 789)**	(195 039)
	Present value of lease obligations	**824 605**	602 824
	The present value of lease obligations can be analysed as follows:		
	Within 1 year	**325 466**	280 359
	Within the 2nd to 5th year inclusive	**499 139**	322 464
		824 605	602 823
	Disclosed as:		
	Current liabilities	**325 466**	280 359
	Non-Current Liabilities	**499 139**	322 464
		824 605	602 823

The finance lease obligations at 31 March 2022 was in respect of photocopier machines and motor vehicles. The average interest rates is 16 % for photocopiers and 28% for motor vehicles.

Gauteng Medical Supplies Depot
Notes to the Annual Financial Statements
for the year ended 31 March 2022

	Amounts in Rand	2022	2021
9	**CONTRIBUTED CAPITAL**		
	Cash received from Gauteng Department of Health*	**54 000 000**	54 000 000
	Transfers from accumulated surplus**	**50 376 790**	50 376 790
	Total Contributed capital	**104 376 790**	104 376 790

* The Gauteng Department of Health contributed capital this amount to the entity to fund its working capital requirements.

** Transfers from accumulated surplus to increase contributed capital occurred in 2007 (R 26 000 000) and in 2009 (R 24 376 790) after treasury approval was obtained.

10	**REVENUE FROM EXCHANGE TRANSACTIONS - REVENUE**		
	Rendering of goods*	**4 530 550 622**	4 977 808 597
	Finance income**	**2 135 111**	2 455 159
	Total Income	**4 532 685 733**	4 980 263 756

* The Medical Supplies Depot renders pharmaceutical services to all different levels of healthcare in the Gauteng Provincial Administration. The different levels of healthcare are primary healthcare facilities, district hospitals, regional hospitals, tertiary and academic hospitals.

** The Depot earns interest at floating rates based on daily bank deposit rates.

11	**REVENUE FROM EXCHANGE TRANSACTIONS - OTHER INCOME**		
	Parking fees	**83 720**	86 400
	Commission fees	**44 763**	44 215
	Other income	**9 000**	41 800
	Total Other income	**137 483**	172 415

12	**REVENUE FROM NON-EXCHANGE TRANSACTIONS**		
	Penalties*	**11 333 966**	26 683 402
	Late delivery penalties	**3 642 443**	8 748 619
	Buy-Out charges	**7 691 523**	17 934 783
	Services in kind	**31 634 318**	29 126 195
	CEO Remuneration**	**927 136**	693 619
	Rent land and buildings***	**30 707 182**	28 432 576
	Total Revenue from Non-Exchange	**42 968 284**	55 809 597

* The Medical Supplies Depot charges two kinds of penalties in terms of the General Conditions of Contract (GCC) as follows:

a) Late delivery penalties – These are time-based penalties against suppliers on delayed deliveries taking into consideration the applicable lead-times, among other things.

b) Temporary incapacity penalties – These are penalties charged against contracted suppliers who fail to meet an order placed in their favour, hence bought outside of the contracted supplier. The difference in prices between the contracted and the non-contracted suppliers is borne by the contracted supplier in the form of penalty.

** CEO Remuneration - (refer to note 17)

*** Rent land and buildings - (refer to note 17)

Gauteng Medical Supplies Depot

Notes to the Annual Financial Statements

for the year ended 31 March 2022

Amounts in Rand	2022	2021
EMPLOYEE RELATED COSTS		
Basic salary	**51 957 578**	54 588 710
Long service award	**130 783**	43 594
Qualification bonus	**112 340**	17 370
Overtime	**1 242 162**	1 082 875
Standby allowance	**141 232**	108 770
Housing allowance	**3 151 396**	3 168 002
Non-pensionable salary	**6 260 438**	3 153 870
Service bonus	**4 302 003**	4 336 441
Acting allowance	**246 573**	-
Bargaining council	**18 968**	18 340
Performance bonus (reversal of prior year provision)	**(568 040)**	835 901
Medical aid contributions	**5 131 178**	4 823 895
Travel claims	**140 307**	91 911
Leave	**6 918 689**	1 433 069
Intern salaries	**-**	51 225
Pension fund contributions	**6 968 942**	7 055 618
Service in- kind : CEO remuneration	**927 136**	693 619
Total	**87 081 685**	81 503 210

Defined contribution plan

The entity provides retirement benefits for its employees through a defined contribution plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributionsto the fund are expensed when money is paid to the fund. No provision is disclosed for retirement benefits in the financial statements as the obligation and plan assets is the responsibility of the multi-employer Government Employee Pension Fund reporting under the control of National Treasury.

Surplus / deficit for the year		
Contribution payable for the year	**6 754 485**	7 096 532
Contributions paid	**6 968 942**	7 055 618
Surplus / (deficit)	**214 457**	(40 914)

Gauteng Medical Supplies Depot
Notes to the Annual Financial Statements
for the year ended 31 March 2022

Amounts in Rand	2022	2021
14 OPERATIONAL COSTS		
Rental and hiring	**712 240**	437 508
Repairs and maintenance	**1 524 895**	1 055 590
Communication	**361 918**	229 428
Stationery and printing	**977 550**	800 364
SITA computer services	**2 921 419**	2 560 301
Audit fees	**624 493**	551 793
External training	**115 719**	22 213
Inventory written off*	**302 446**	1 327 229
Cleaning services	**1 983 185**	1 698 794
Professional accounting and other advisory services	**1 795 592**	1 294 390
Security services	**3 557 799**	4 019 025
Medical supplies	**91 237**	993 676
External computer services	**37 257**	726 896
Toiletries	**-**	268 589
Fuel, oil and lubricants	**16 488**	442 137
Gardening services	**208 619**	148 054
Water, electricity and sanitation	**885 108**	856 371
Service in kind: Rent land and building	**30 707 182**	28 432 576
Other operational costs	**1 429 122**	1 725 507
Total	**48 252 269**	47 590 441

* Inventory written off relates to expired and broken stock that was written off during the period under review.

15 OPERATING LEASE

Minimum lease payments due		
Within 1 year	**215 636**	151 493
Within 2 to 5 years inclusive	**10 260**	44 298
Total	**225 896**	195 791

The lease agreements are not renewable at the end of the lease terms. The operating leases are in respect of office equipment and plant and equipment. There is no escalation clause in all operating leases as at 31 March 2022 and thus no straight-lining adjustment was required.

16 NET CASH GENERATED FROM OPERATIONS

Surplus for the period	**114 934 374**	154 844 599
Adjustment for:		
Depreciation on property, plant and equipment	**2 692 238**	3 830 326
Net movement in provisions	**653 796**	835 686
Scrapping of property, plant and equipment	**28 332**	92 561
Inventory written off	**302 446**	1 327 229
Operating surplus before changes in working capital	**118 611 186**	160 930 401
Movement in working capital		
Increase in inventories	**(11 398 985)**	(143 236 946)
Decrease / (increase) in trade and other receivables	**(9 136 487)**	(525 814 623)
(Decrease) / increase in trade and other payables	**(36 982 423)**	91 961 567
Net increase in working capital	**(57 517 895)**	(577 090 002)
Net cash generated from operating activities	**61 093 291**	(416 159 601)

Gauteng Medical Supplies Depot

Notes to the Annual Financial Statements

for the year ended 31 March 2022

17 RELATED PARTIES

Relationships

Controlling entity - Gauteng Department of Health

The Medical Supplies Depot is a trading entity under the control of the MEC of Gauteng Department of Health. All transactions with the Department of Health are considered to be related party transactions andare not at arm's length.

Related party balances

Amounts included in trade receivables regarding related parties:

Amounts in Rand	**2022**	2021
Gauteng Department of Health	**933 584 549**	924 769 164

Related party transactions

Amounts included in revenue regarding related parties:		
Gauteng Department of Health	**4 530 550 622**	4 977 808 597

REMUNERATION OF KEY MANAGEMENT

The entity's key management personnel are the following:

- Chief Executive Officer
- Director : Pharmaceutical Services
- Director : Finance and Administration

Gauteng Medical Supplies Depot

Notes to the Annual Financial Statements

for the year ended 31 March 2022

17 RELATED PARTIES (Continued)

2022

	Acting Chief Executive Officer: Mr. D Malele	*Acting Chief Executive Officer: Ms. Z Rhemtula*	*Acting Director Pharmaceutical Services: Mr. S Langa*	*Director Finance and Administration: Mr. X Mahleza*	*Total*
Salary	**234 890**	**698 888**	**682 411**	**751 228**	**2 367 417**
Bonuses and performance payments	**-**	**-**	**61 701**	**62 602**	**124 303**
Allowances	**44 527**	**131 897**	**162 400**	**150 734**	**489 558**
Pension Contribution	**30 537**	**94 194**	**88 712**	**97 659**	**311 102**
Total	**309 954**	**924 979**	**995 224**	**1 062 223**	**3 292 380**

2021

	Director Pharmaceutical Services: Mr. D Malele	*Acting Chief Executive Officer: Ms. Z Rhemtula*	*ADirector Finance and Administration: Mr. X Mahleza*	*Acting Director Pharmaceutical Services: Mr. S Langa*	*Total*
Salary	939 561	-	740 128	678 709	2 358 398
Bonuses and performance payments	78 297	-	61 677	61 701	201 675
Allowance	178 109	-	162 414	146 084	486 607
Pension Contribution	122 144	-	96 217	88 232	306 593
Total	1 318 111	-	1 060 436	974 726	3 353 273

Service in-kind

In the current financial year, the Gauteng Department of Health and other related parties, rendered the services listed below at no cost tothe entity:

- Corporate Services (Including Human Resources, Risk management, Finance, and IT services). Gauteng Audit Services also provided internal audit services at no cost to the entity.
- The value of these services could not be reliably estimated.
- During the current financial year, the entity had two acting Chief Executive Officers with the following remuneration:
- Ms. Z Rhemthula's salary was paid by the Gauteng Department of Health (July - present) R 924 979 (2021: Nil)
- The late Mr. D. Malele who was the fulltime Depot Manager and Acting CEO for a period of 1 month. His acting allowance amounted toR 2 157 (2021: R 346 752) was paid by the Gauteng Department of Health.

The entity utilises Land and Buildings for free provided by the Gauteng Department of Infrastructure and Development (GDID). The marketrelated value of rent for similar properties in Auckland Park, Johannesburg is estimated at R 30 707 182 for the year ended 31 March 2022

Gauteng Medical Supplies Depot

Notes to the Annual Financial Statements

for the year ended 31 March 2022

18 FINANCIAL RISK MANAGEMENT

General

The main risks faced by the trading entity are interest rate risk, credit risks, currency risks and liquidity risks. The Depot has developed a comprehensive risk strategy in terms of Treasury Regulation 3.2 in order to monitor and control these risks. The risk management process relating to each of these risks is discussed under the headings below.

Interest rate risk

The entity is not exposed to significant interest rate risk as there is no internal funding other than cash and finance leases. The following table set out the carrying amount, by maturity, of the entity's financial instruments exposed to interest rate risk:

Amounts in Rand

2022	Within 1 year	Within 2 - 5 years	Total
Finance lease obligations	325 466	499 139	**824 605**
Trade payables	371 832 587	-	**371 832 587**
2021	**Within 1 year**	**Within 2 - 5 years**	**Total**
Finance lease obligations	280 359	322 463	602 822
Trade payables	409 412 240	-	409 412 240

The entity's financial instruments are linked to the South African prime interest rate.

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant of the entity's surplus before taxation:

Amounts in Rand	Increase in interest rate by:	Effects on surplus
2022		
Finance lease obligations	**1%**	**8 246**
Trade payables	**1%**	**3 718 326**
2021		
Finance lease obligations	1%	6 028
Trade payables	1%	4 094 122

Gauteng Medical Supplies Depot
Notes to the Annual Financial Statements
for the year ended 31 March 2022

18 FINANCIAL RISK MANAGEMENT (continued)

Credit Risk

Financial assets, which potentially subject the Entity to the risk of non-performance by counter parties, consist mainly of cash and accounts receivable, consisting of trade receivables and staff debtors. Trade accounts receivable consist of a small consumer base. The Entity limits its treasury counter-party exposure by only dealingwith well-established financial institutions approved by National Treasury. Trade debtors – The Gauteng Department of Health is effectively the only client of the Entity, although deliveries occur to various health institutions.
Credit risk with regards to receivables is managed as follows:

Trade debtors – A monthly claim is compiled of all issues from the Entity to health institutions and those issued inthe form of direct deliveries (DDV). This claim is normally paid within a month by Central Office, as the Entity follows-up strongly on all outstanding monies to ensure that there is money available to release a weekly run ofpayments to suppliers.

Staff debtors – Section 17, 30 and 38 of the Public Service Act indicate that any overpayment or wrongly granted remuneration to staff irrespective of whose fault it is may be recovered from the employee. There are built-in control measures in Persal to limit overpayments and adjustments have a three-tier approval process. The employee applies or provides approved documents, a practitioner records the transaction on Persal, a senior reviews the transaction on Persal and a third person is required to approve the transaction. With death, retirement or resignation there is a prescribed debt form that needs to be completed and is forwarded with the pension withdrawal form (Z102) to the Department of Finance where the staff debt is recovered before payment to the employee or employee beneficiaries occur. Where the debt recovered is inadequate the Department of Finance's debt recovery section recovers outstanding monies.

Financial assets exposed to credit risk at the reporting date were as follows:

Amounts in Rand	2022	2021
Trade and other receivables (less than 3 months)	**933 584 549**	924 769 164
Cash and cash equivalents (less than 3 months)	**236 041 948**	175 795 910

Liquidity Risk

The Entity maintains a large amount of inventory , the maximum turnover period for the inventory kept however isthree months.

Liquidity risk is managed as follows:

Proper stock management processes are in place where stock ordered based on economic order quantities.
The turnover period of stock kept at the depot is three months. On a monthly basis the entity identifies slow moving items and a communication is sent to health facilities with an inventory list of the items as a reminder thatthe stock is available.

Currency Risk

The Entity does not transact with any supplier or customer outside the South African borders and this risk is therefore not directly applicable. However, this risk arises as suppliers purchase raw material from internationalsuppliers, which is subject to foreign exchange rate fluctuations. Suppliers therefore request, through an application to National Treasury for a price adjustment based on the fluctuation of foreign exchange rates.

Gauteng Medical Supplies Depot

Notes to the Annual Financial Statements

for the year ended 31 March 2022

Amounts in Rand	2022	2021

19 FRUITLESS AND WASTEFUL EXPENDITURE

Reconciliation of fruitless and wasteful expenditure:

Opening Balance	**30 713 299**	30 713 299
Current year fruitless and wasteful expenditure	**-**	-
Closing Balance	**30 713 299**	30 713 299

Broken and expired stock is only recorded as fruitless and wasteful expenditure if it exceeds 2% of the average inventory on hand. Accordingly, management assessed this expenditure, which was found to be less than 2%.

Management has referred this expenditure to the risk management and internal control unit (Central Office) for investigations.

20 IRREGULAR EXPENDITURE *

Reconciliation of irregular expenditure:

Opening Balance	**1 443 414 288**	1 395 557 014
Current year Irregular expenditure **	**6 028 260**	5 664 086
Prior year Irregular expenditure identified in the current year***	**-**	42 193 188
Closing Balance	**1 449 442 548**	1 443 414 288

Action taken by management regarding irregular expenditure

*****Current year irregular expenditure***

There are three (3) contracts that accounted for the current year irregular expenditure:

- Cleaning services	**-**	1 584 636
- Security services	**-**	3 944 765
- Pest control and Gardening services	**-**	15 960
- Distribution services	**1 722 390**	-
- Waste removal services	**-**	1 498
- Sita Specialise Computer Services	**2 018 273**	-
- Purchse of goods	**243 765**	117 228
- *Nexus report	**2 043 832**	
	6 028 260	5 664 086

* Sourced from Nexus forensic investigation report

Management has referred the Irregular expenditure cases to the risk management and internal control unit (CentralOffice) for investigations.

***Restated**

Gauteng Medical Supplies Depot

Report of the Audit Committee

for the year ended 31 March 2022

	Amounts in Rand	2022	2021
21	**COMPARATIVES**		
	There were changes to the prior year presentation and disclosure.		
22	**CHANGE IN ESTIMATE**		
	Property, Plant & Equipment original useful lives have been reassessed as per table below in the beginning of thecurrent financial period to reflect the actual pattern service potential derived from the assets. Depreciation is to be calculated on a straight line basis for the remaining useful lives		
	The change in the useful lives of the assets had the following impact on depreciation		
	Computer Equipment	**129 559**	(6 863)
	Office Furniture	**119 997**	(330 992)
	Plant & Equipment	**485 366**	249 737
	Leased Assets	**(10 648)**	-
		724 274	(88 118)
23	**PRIOR PERIOD ERROR**		
23.1	**Irregular expenditure**		
	Distribution Services was erroneously included as part of irregular expenditure in the 2020/2021 financial year. Thisresulted in the overstatement of irregular expenditure by R1 479 650.		
	The effect of the restatement in the disclosure notes to the financial statements is as follows:		
	Decrease in Irregular Expenditure		1 479 650
23.2	**Commitments**		
	The entity prepares its financial statements on the GRAP Accounting framework as per paragraph 1.1 on page 7of these financial statements and as such there is no requirement to disclose operational and pharmaceutical commitments, which amounted to R 657 333 077. The effects of the restatement in the disclosure note to the financial statements is Nil.		
24	**EVENTS AFTER REPORTING DATE**		
	There were no events after reporting dates.		

Gauteng Medical Supplies Depot

Report of the Audit Committee

for the year ended 31 March 2022

Report of the Audit Committee – Cluster 03

We are pleased to present our report for the financial year ended 31 March 2022.

Audit Committee and Attendance

The Audit Committee consists of the external Members listed hereunder and is required to meet a minimum of at least two times per annum as per provisions of the Public Finance Management Act (PFMA). In terms of the approved Terms of Reference (GPG Audit Committee Charter), five meetings were held during the current year, i.e. three meetings to consider the Quarterly Performance Reporting (financial and non-financial) and two meetings to review and discuss the Annual Financial Statements, the Annual Performance Report, the Annual report of the Depot and the Auditor-General of South Africa's (AGSA) Audit and Management Reports.

The Audit Committee wishes to acknowledge the commitment and support of Honourable MECs (past and present), Provincial Accountant-General and team, Director-General of the Department of Health and team, AGSA staff, management and CEO and staff of the depot. The political and administrative leadership instability in the depot played ultimate and big role towards and improved and positive financial and non-financial performance.

Non-Executive Members

Name of Member	Number of Meetings attended
Mr. Stanley Ngobeni (Chairperson)	05
Ms. Lungelwa Sonqishe	05
Ms. Shelmadene Petzer	05

Executive Members

In terms of the GPG Audit Committee Charter, officials listed hereunder are obliged to attend meetings of the Audit Committee:

Compulsory Attendees	Number of Meetings attended
Ms. Zuleka Rhemtula (Acting CEO)	04
Mr. B Baloyi (Acting CEO)	01
Mr. Xolani Mahleza (Director: Finance)	05
Ms. Lee-ann Doorasamy (Chief Risk Officer)	05
Mr. Kweyama Velile (Chief Audit Executive)	05

The Audit Committee noted that the Accounting Officer attended all the scheduled Audit Committee meetings. Therefore, the Audit Committee is satisfied that the Depot adhered to the provisions of the GPG Audit Committee Charter in relation to ensuring that there is proper representation by the Accounting Officer.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control (including IT control)

Based on the results of the formal documented review of the design, implementation and effectiveness of the depot's system of internal controls conducted by the internal audit, Office of the Provincial Accountant-General (PAG) and Auditor-General of South Africa (AGSA) during the financial year ended 31 March 2022, and in addition, considering information and explanations given by management plus discussions held with the external auditor on the results of their audit.

Gauteng Medical Supplies Depot
Report of the Audit Committee
for the year ended 31 March 2022

The Audit Committee concluded that the depot's system of internal financial controls is generally effective with the exception of the issues related to the IT systems which are outdated and lack adequate controls. There are also issues relating to the premises occupied by the Depot and its appropriateness to provide adequate safe keeping of the inventory.

The committee expressed concern over the review of the financial statements prior to submission for external audit which requires improvement.
The committee has continuously requested that the Depot and the Department of Health resolve their interdependencies in order to ensure that the Depot can function effectively and address matters that are impacted by the department especially as concerns the continuous occurrence of irregular expenditure. This matter should be attended to without further delay.

Internal Audit

Audit committee concluded that internal audit performance and effectiveness is somewhat satisfactory:
- Reviewed and approved the annual Internal Audit plans and evaluated the independence, effectiveness and performance of the internal audit function;
- Considered the reports of the Internal Auditors on the depot's systems of internal control;
- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;
- Reviewed issues raised by external quality assurance reviewer performed on the internal audit unit. Internal Audit was assessed to be Generally Conformant with the International Standards for Professional Practice of Internal Auditing.

- Internal audit is however urged to improve co-ordination with the external auditors that considers the content of the annual audit plan and the nature timing and extent of audits which enable the use of the internal audit work by the external auditors

Risk Management

The Audit committee reviewed the depot's policies on risk management and strategy (including IT Governance) and monitored the implementation of risk management policy and strategy and concluded that depot's risk management maturity level is not satisfactorily and requires urgent attention especially as concerns its interdependencies on the Department

Combined assurance

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that these were not adequate to address all significant risks facing the depot , thus the Audit Committee recommends the finalisation and the full implementation of the Combined assurance framework/strategy.

The quality of quarterly reports submitted in terms of the PFMA and the Division of Revenue Act

Based on the quarterly review of in-year monitoring systems and reports, the Audit Committee is satisfied with that the in-year reports were generally accurate , useful and relaible

Combined assurance

The Audit committee reviewed the plans and reports of the external and internal auditors and other assurance providers including management and concluded that the department should fully implement of Combined assurance framework.

Notes

Notes

GAUTENG PROVINCE
HEALTH
REPUBLIC OF SOUTH AFRICA

45 Commissioner Street, Johannesburg, 2000
Private Bag X085, Marshalltown, 2107
Tel: +27 355 3000 | Fax: +27 11 355 3811
Web: www.gauteng.gov.za
Hotline: 08600 11000

PR254/2022
ISBN: 978-0-621-50602-0