



# ANNUAL REPORT 2023/24

PATIENT-CENTRED  
CLINICIAN-LED  
STAKEHOLDER DRIVEN

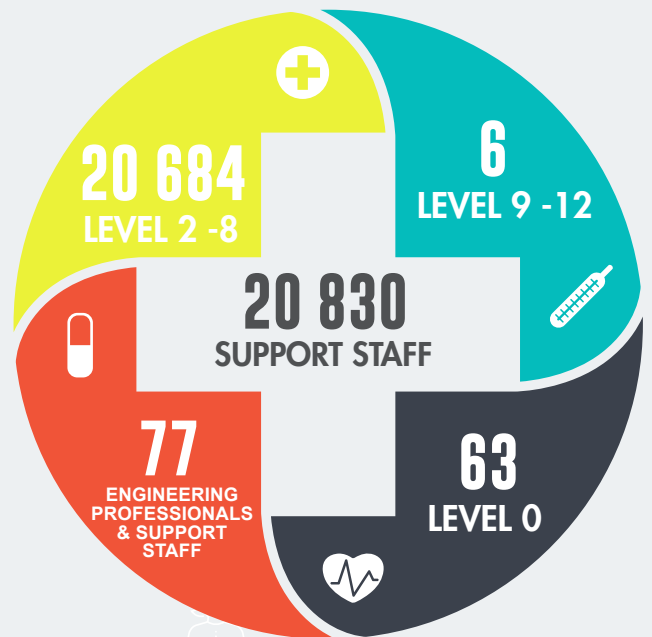
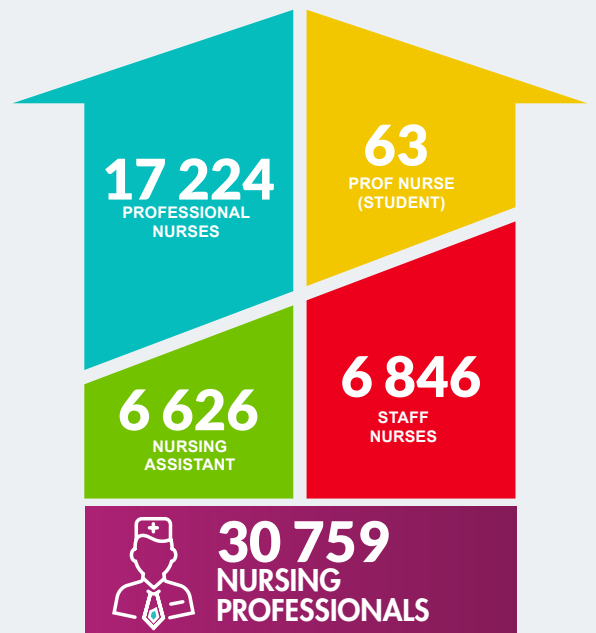


**GAUTENG PROVINCE**  
HEALTH  
REPUBLIC OF SOUTH AFRICA

**GGT2030**  
GROWING GAUTENG TOGETHER

# HUMAN RESOURCES FOR HEALTH

## TOTAL HEALTH WORKERS 79 028



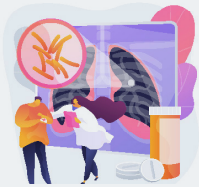
# A Snapshot of Health Services

**67 440**  
Hypertension visits  
by the clients on  
treatment



**13 902**  
New PHC clients  
treated for  
mental health  
disorders

**1 370 165**  
Patients enrolled on  
the Centralised Chronic  
Medicine Dispensing  
and Distribution  
(CCMDD)

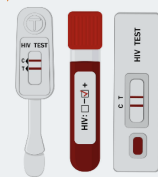


**23 147**  
Patients  
treated for  
TB

**1 265 161**  
HIV clients  
remain on  
treatment



**5 427 607**  
HIV tests done



**217 901**  
Children  
under 1 year  
immunised

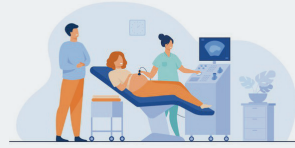


**82 519**  
Assistive devices  
provided to patients

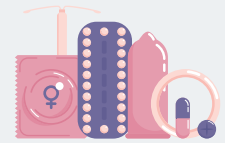


**39 918**  
Diabetic  
treatment  
visits

**213 103**  
Pregnant  
women received  
antenatal care  
services



**1 955 160**  
Women of  
reproductive age  
provided with  
contraceptives



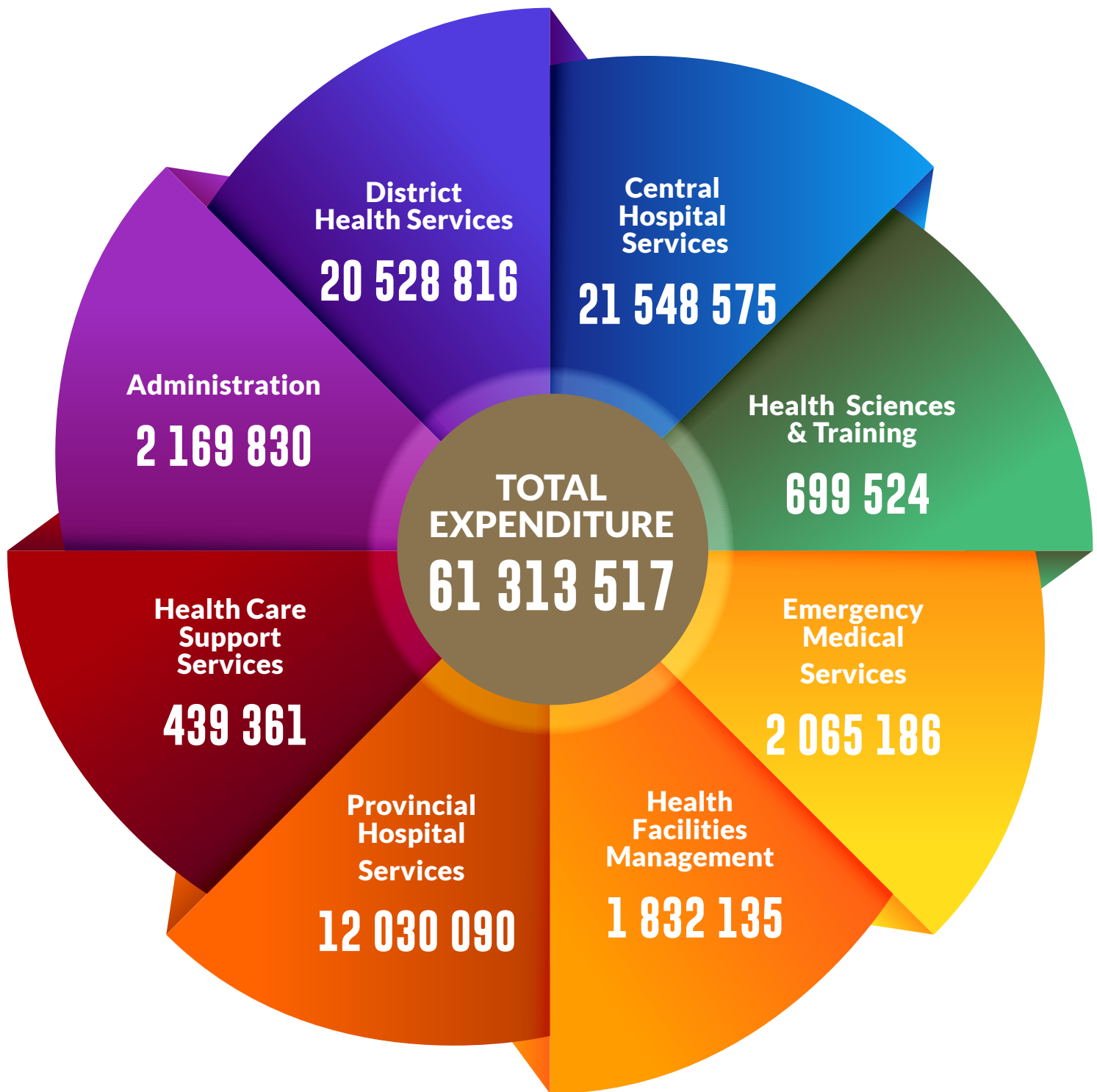
**165 217**  
Women screened  
for cervical  
cancer



# Financial Inputs

# Actual Expenditure

per programme (R'000)



**Gauteng Department of Health  
Annual Report  
Financial Year  
2023/2024**

PR 213/2024  
ISBN: 978-1-77997-142-5



# Contents

<b>A</b>	<b>PART A: GENERAL INFORMATION</b>	<b>3</b>
	1. General Information	4
	2. Abbreviations and Acronyms	6
	3. Foreword by the MEC for Health	9
	4. Report of the Accounting Officer	10
	5. Statement of Responsibility and Confirmation of Accuracy for the Annual Report	18
	6. Strategic Overview	19
	7. Legislative and other Mandates	20
	8. Entities Reporting to the MEC	20
	9. Organisational Structure	20
<b>B</b>	<b>PART B: PERFORMANCE INFORMATION</b>	<b>21</b>
	1. Auditor-General's Report: Pre-Determined Objectives	22
	2. Overview of Departmental Performance	22
	3. Achievement of Institutional Impacts and Outcomes	25
	4. Institutional Programme Performance Information	26
	4.1 Budget Programme 1: Administration	26
	4.2 Budget Programme 2: District Health Services	35
	4.3 Budget Programme 3: Emergency Medical Services	62
	4.4 Budget Programme 4: Provincial Hospital Services	69
	4.5 Budget Programme 5: Central Hospital Services	77
	4.6 Budget Programme 6: Health Sciences and Training (HST)	101
	4.7 Budget Programme 7: Health Care Support Services (HCSS)	103
	4.8 Budget Programme 8: Health Facilities Management (HFM)	106
	4.9 Transfer Payments	109
	4.10 Conditional Grants	110
	4.11 Donor Funds	116
	4.12 Capital Investment	128
<b>C</b>	<b>PART C: GOVERNANCE</b>	<b>135</b>
	1. Introduction	136
	2. Risk Management	136
	3. Fraud and Corruption	136
	4. Minimising Conflict Of Interest	138
	5. Code of Conduct	138
	6. Health, Safety and Environmental Issues	139
	7. Portfolio Committees	140
	8. SCOPA Resolutions	141
	9. Prior Modifications to Audit Reports	186
	10. Internal Control Unit	186
	11. Internal Audit and Audit Committees	186
	12. Audit Committee Report	187
	13. B-BBEE Compliance Performance Information	192
<b>D</b>	<b>PART D: HUMAN RESOURCES</b>	<b>193</b>
	1. Introduction	194
	2. Human Resources Oversight Statistics	194
<b>E</b>	<b>PART E: PFMA COMPLIANCE REPORT</b>	<b>215</b>
	1. Irregular, Fruitless & Wasteful, Unauthorised Expenditure & Material Losses	216
	2. Late and/or Non-Payment of Suppliers	220
	3. Supply Chain Management	220
<b>F</b>	<b>PART F: FINANCIAL INFORMATION</b>	<b>222</b>
	Auditor General Report	223
	Appropriation Statement	238
	Notes to the Appropriation Statement	257
	Statement of Financial Performance	260
	Statement of Financial Position	261
	Statement of Changes in Net Assets	262
	Cash Flow Statement	263
	Accounting Policies to the Annual Financial Statements	264
	Notes to the Annual Financial Statements	271
	Annexures to the Annual Financial Statements	290
<b>G</b>	<b>PART G: GAUTENG MEDICAL SUPPLIES DEPOT</b>	<b>310</b>
	General Information	311
	Report of the Accounting Officer	312
	Report of the Auditor General	318
	Annexure to the Auditor's Report	323
	Statement of Financial Position	326
	Statement of Financial Performance	327
	Statement of Changes in Net Assets	328
	Statement of Cash Flow	329
	Accounting Policies	330
	Notes to the Annual Financial Statements	338
	Report of the Audit Committee	352
	PFMA Compliance Report	356



# PART A

## General Information

# 1. General Information

## PHYSICAL ADDRESS:

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2001

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## SOCIAL MEDIA:



Gauteng Health Department



@gautenghealth



Gauteng Department of Health



**PAGES  
4-25**

## **ABOUT THE DEPARTMENT**

Information on the mandate, location and messages from the MEC and the Accounting Officer on performance of the department.

**PAGES  
26-34**

## **ADMINISTRATIVE**

A performance report outlining quality improvement, technology and the transformation agenda.

**PAGES  
35-61**

## **DISTRICT HEALTH SERVICES**

Performance of the priority health programmes' accessibility, treatment and support provided at primary health facilities, including re-engineering of the PHC system.

**PAGES  
62-100**

## **EMERGENCY MEDICAL AND HOSPITAL SERVICES**

Performance of the emergency medical services; efficiency of and quality initiatives by the various categories of hospitals including those providing specialised, tertiary and quaternary care.

**PAGES  
101 -134**

## **HEALTH CARE SUPPORT SERVICES OVERVIEW**

Overview of pharmaceutical, blood and supply chain, human resources capacity development initiatives and capital investments.

**PAGES  
135-360**

## **GOVERNANCE, HUMAN FINANCIAL & MEDICAL SUPPLY DEPOT**

Overview of Risk Management, Human Resources statistics overview, Financial Statements.

## 2. Abbreviations and Acronyms

A&E	Accidents and Emergency
ABT	Alternative Building Technology
ACLS	Advanced Cardiac Life Support
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AIDS	Acquired Immunodeficiency Syndrome
ALOS	Average length of stay
ANC	Antenatal Care
AO	Accounting Officer
APC	Adult Primary Care
APL	Accreditation of Prior Learning
APP	Annual Performance Plan
ART	Antiretroviral therapy
AYFS	Adolescent- and Youth-friendly Services
BBBEE	Broad-based Black Economic Empowerment
BAC	Bid Adjudication Committee
BCP	Business continuity planning
BEC	Bid Evaluation Committee
BLS HCP	Basic Life Support for Healthcare Providers
BoQ	Bill of Quantities
BUR	Bed utilisation rate
CCMDD	Central Chronic Medicine Dispensing and Distribution
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHAI	Clinton Health Access Initiative
CHC	Community health centre
CHOC	Childhood Cancer Foundation South Africa
CHW	Community Health Worker
CIO	Chief Information Officer
CMJAH	Charlotte Maxeke Johannesburg Academic Hospital
COIDA	Compensation for Occupational Injuries and Diseases Act
CQI	Continuous Quality Improvement
CRO	Chief Risk Officer
CTG	Cardiotocography
CToP	Choice of Termination of Pregnancy
DCST	District Clinical Specialist Team
DDG	Deputy Director-General
DID	Department of Infrastructure Development
DGMAH	Dr George Mukhari Academic Hospital
DM	District Manager
DoRA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DRP	Disaster Recovery Plan
DR-TB	Drug-resistant tuberculosis
DS-TB	Drug-sensitive tuberculosis
DSP	District Support Partners
ECC	Emergency Communication Centre
ECDC	Early Childhood Development Centre
EIS	Electronic Invoice Submission
EMC	Emergency Medical Care
EML	Essential Medicines List
EMS	Emergency Medical Services
EPWP	Expanded Public Works Programme

EU	European Union
FBU	Functional Business Unit
FY	Financial year
GCoN	Gauteng College of Nursing
GCRA	Gauteng City Region Academy
GDID	Gauteng Department of Infrastructure Development
GDoH	Gauteng Department of Health
GEAC	Gauteng Ethics Advisory Council
GeYoDi	Gender, Youth and Disability
GRAP	Generally Recognised Accounting Practice
GRV	Goods Received Voucher
GSET	Gauteng Scheduled Emergency Transport
HBB	Helping Babies to Breathe
HCSS	Health Care Support Services
HIS	Health Information System
HIVSS	HIV self-screening
HoD	Head of Department
HPRS	Health Patient Registration System
HPTD	Health Professions Training and Development
HPV	Human papillomavirus
HVAC	Heating, ventilation and air-conditioning
ICRM	Ideal Clinic Realisation and Maintenance
ICSM	Integrated Clinical Services Management
ICTS	Index Contact Testing Services
ICU	Intensive Care Unit
IFT	Inter-facility transfer
IMCI	Integrated Management of Childhood Illnesses
IPC	Infection Prevention and Control
ISHS	Integrated School Health Services
M&M Committee	Morbidity and Mortality Committee
MDR-TB	Multidrug-resistant tuberculosis
MEC	Member of the Executive Committee
MMR	Maternal mortality rate
MoU	Memorandum of understanding
MOU	Maternal/Midwife Obstetric Unit
MSD	Medical Supplies Depot
MTEF	Medium-term Expenditure Framework
NCD	Non-communicable disease
NDoH	National Department of Health
NHI	National Health Insurance
NICU	Neonatal Intensive Care Unit
NHIG	National Health Insurance Grant
NGO	Non-governmental organisation
NNV	Non-negotiable vital [element]
NPO	Non-profit organisation
NTSG	National Tertiary Services Grant
OHS	Occupational Health and Safety
OoP	Office of the Premier
OSD	Occupation Specific Dispensation
PACS	Picture Archiving and Communication System
PEC	Patient experience of care
PEP	Post-exposure prophylaxis
PFMA	Public Finance Management Act 1 of 1999
PHC	Primary Health Care
PICU	Paediatric Intensive Care Unit
PILIR	Policy and Procedure on Incapacity Leave and Ill-health Retirement

PMI	Patient Master Index
PNC	Postnatal Care
PO	Purchase Order
PoE	Portfolio of Evidence
PN	Professional Nurse
PPIP	Perinatal Problem Identification Programme
PPP	Public-private partnership
PPT	Push to talk
PRAAD	Policy on Reasonable Accommodation and Assistive Devices
Pre-XDR TB	Pre-extensively Drug-resistant Tuberculosis
PrEP	Pre-exposure prophylaxis
PSI	Patient Safety Incident / Incidence
QA	Quality assurance
RAF	Road Accident Fund
RIS	Radiology Information System
RMMCH	Rahima Moosa Mother and Child Hospital
RPL	Recognition of Prior Learning
RWOPS	Remunerative work outside the public service
S & T	Subsistence and Travel
SAC	Severity Assessment Code
SAM	Severe acute malnutrition
SBAH	Steve Biko Academic Hospital
SCM	Supply Chain Management
SCOA	Standard Chart of Accounts
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SIU	Special Investigating Unit
SLA	Service-level Agreement
SMS	Senior Management Services
SOP	Standard operating procedure
STI	Sexually transmitted infection
TB	Tuberculosis
TER	Township Economic Revitalisation
TIER.Net	Three Inter-linked Electronic Registers [for HIV and TB data]
TISH	Townships, informal settlements and hostels
TR	Treasury Regulation
UHC	Universal Health Coverage
UPFS	Uniform Patient Fees Schedule
VMD	Vendor Master Data
VTP	Vertical Transmission Prevention
WBOT	Ward-based Outreach Team
Wits CHRU	University of the Witwatersrand Clinical HIV Research Unit
Wits RHI	University of the Witwatersrand Reproductive Health and HIV Institute
XDR-TB	Extensively Drug-Resistant Tuberculosis



# 3. Foreword by the MEC

It is an honour to present the Gauteng Department of Health (GDoH) Annual Performance Report for the 2023/24 financial year, which concludes the sixth administration of the South African Government.

When we took office in the sixth administration, we maintained our commitment to being a responsive and value-based healthcare system, an aspiration which we pursued through an innovative and digitally enabled health system, strengthening public health education and health promotion. We did so whilst also ensuring a transformed healthcare system with improvements in the quality, safety and coverage of health services in particular at Primary Health Care (PHC) levels. The introduction of the elevated priorities at mid-term is a testament to our agility and level of commitment to being responsive, and helped to focus our policy direction on provision of PHC services in marginalised communities that had low coverage of healthcare services.

As regards the digital transformation, despite several challenges, we have commenced with the implementation of the Picture Archiving and Communication System at Dr George Mukhari Academic Hospital, which holds promise for improved access to radiological imaging services, thereby enhancing diagnostic capabilities across the entire healthcare cluster. The administrative component of the health information system is up and running across all our facilities, covering Patient Administration, Finance, Billing and Revenue. The Clinical Module implementation roll-out commenced at Charlotte Maxeke Johannesburg Academic and Mamelodi Hospitals. This system will help to address longstanding records management challenges and in minimising the risk of exposure related to litigation.

As we enter our transition year towards the 2030 development goals, our obligations towards reducing morbidity and mortality are also visible. In areas such as neonatal mortality, where the progress is slow, clinical technical improvement teams have been established, coupled with various clinical support initiatives to ensure focused improvement of the safety of users and providers.

I extend my deepest gratitude to the leadership and staff of the Gauteng Department of Health for their resilience despite fiscal constraints and challenging circumstances.

With sincere thanks



**Ms Nomantu Nkomo-Ralehoko**  
Executive Authority  
Gauteng MEC for Health and Wellness



**Ms Nomantu Nkomo- Ralehoko,**  
Gauteng MEC for Health and Wellness

*“We maintained our commitment to being a responsive and value-based healthcare system, an aspiration which we pursued through an innovative and digitally enabled health system, strengthening public health education and health promotion.”*

# 4. Report of the Accounting Officer

## 4.1 Overview of non-financial results of the Department

Throughout the financial year 2023/24, the Gauteng Department of Health (GDoH) strove to ensure the safety and wellbeing of its healthcare users and providers, which remains at the forefront of its mission. Despite facing various challenges, the Department has remained steadfast in its commitment to excellence, guaranteeing accessible and high-quality healthcare services for the populace. It is for this reason that over the course of this period, healthcare provisions have reached an impressive 19.2 million client visits. Further testament to pursuing quality accessible and equitable services, in line with the principles of Universal Health Coverage (UHC), the Department attained certification of 93% (13/14) of hospitals, 90% (9/10) of Community Health Centres (CHCs), and 68% (174/259) of clinics during the year under review.

In addition, initiatives have been implemented to ensure the readiness of GDoH facilities for the execution of National Health Insurance (NHI). Notably, 96% of facilities, totalling 357 out of 372, have achieved Ideal Clinic status. Moreover, 38 CHCs now offer round-the-clock emergency services to Gauteng residents. Preparations are under way to activate two additional facilities, namely Westbury and Florida Clinics, to extend 24-hour emergency care services to their respective communities. Ninety-eight percent of all complaints filed at our PHC facilities were successfully resolved within 25 working days; this is an increase of 0.4 percentage points from 97% achieved in the 2022/23 financial year, exemplifying the unwavering dedication of GDoH staff to seamlessly delivering high-quality healthcare services.

Clinically, there has been a notable 11-percentage point decrease in the maternal mortality ratio, dropping from 118.5/100 000 in 2022/23 to 107.3/100 000 in 2023/24. This significant improvement is credited to the establishment and fortification of the morbidity and mortality committee, alongside the successful implementation of health education programmes across various media platforms. Furthermore, the rate of deaths among children under 5 per live births remained steady at 1.9% in 2023/24, mirroring the figures from 2022/23. To address this, strategies such as cluster engagements have been devised to ensure prompt referrals for high-risk pregnancies and neonatal cases, as well as for children facing severe acute malnutrition, pneumonia, and other critical paediatric conditions. These proactive measures aim to mitigate mortality rates among children under 5 years old.

Despite commendable efforts, the percentage availability of essential and vital medicines at facilities saw a slight decline, with an average of 95% compared to the previous year's achievement of 96%. This dip has prompted the department to intensify its monitoring efforts, implementing weekly checks and imposing penalties and potential buy-outs against underperforming contractors to safeguard the prioritisation of medicine availability.



Mr Arnold Lesiba Malotana  
Head of Department

*“The Department has remained steadfast in its commitment to excellence, guaranteeing accessible and high-quality healthcare services for the populace. It is for this reason that over the course of this period, healthcare provisions have reached an impressive 19.2 million client visits.”*

The commitment of the GDoH to HIV prevention and management among residents remains unwavering. Over the course of this financial year, a total of 5 427 607 HIV tests were conducted, representing a 2% increase compared to the 5 312 638 tests administered in 2022/23. Among the 54 487 adult patients who underwent viral load testing, 67.7% (36 876 individuals) achieved viral suppression at 12 months.

As Non-Communicable Diseases (NCDs) continue to contribute to a rising proportion of mortality nationwide, efforts to address them, including outreach and screening programmes, have been intensified in Gauteng. Screening initiatives for hypertension and diabetes saw notable increases of 11% (from 5 351 493 tests in 2022/23 to 5 964 372 in 2023/24) and 15% (from 4 669 937 tests in 2022/23 to 5 391 805 in 2023/24), respectively. Additionally, the integration of mental health services into existing healthcare frameworks remains a priority for the Department. To date, there has been a commendable increase in the availability of beds dedicated to providing acute care for individuals with mental health challenges. This includes 9.5% (284 out of 3 005 beds) allocated for acutely ill mental healthcare users for a 72-hour assessment, representing a 1.9 percentage point increase in district hospitals, and 5.61% (256 out of 4 566 beds) designated for similar services, reflecting a 0.61 percentage point rise in regional hospitals.

As regards public prevention initiatives, the successful hosting of the World Diabetes Day on 14 November 2023, held at Khutsong Multipurpose Centre between Gauteng and North West Provinces with 1 500 participants, contributed to a noteworthy increase in screening coverage.

Through the intervention of the Executive Management, the Department was able to double its initial 38% financial disclosure to 66% for level 11/13 and OSD positions during the year under review.

In our relentless pursuit of operational efficiency and patient-centric care, the DablapMeds programme (previously known as Central Chronic Medicine Dispense and Distribution or CCMDD) continues to attract more users. This innovative initiative allows patients to collect their prescribed medications promptly upon notification, significantly reducing waiting times at healthcare facilities. The programme's impact continually results in increased enrolment of patients onto the programme.

Optimising our governance continues to be central to our pursuits. In this regard, efforts to ensure that the persistent accruals, staff shortages, and ever-increasing demands placed on the health system are addressed permanently, despite fiscal limitations.

On the training and development of healthcare professionals, a substantial cohort of 2 222 Nursing students embarked on their educational journey, representing a staggering increase of over 200% compared to the previous year's enrolment of 500 students in 2022/23. The drive for excellence extends to Emergency Medical Care as well, with 79 students enrolling in these critical programmes during the same period. This significant uptick in enrolment highlights a fervent commitment to nurturing and equipping the next generation of healthcare providers with the knowledge and skills necessary to meet the evolving demands of the medical landscape in Gauteng.

Regarding the modernisation of health system business processes, the Health Information System (HIS) has been implemented across 33 of the 40 CHCs and all 37 hospitals. This roll-out follows a two-phase approach. The first phase introduces the Patient Administration Module, encompassing patient administration, revenue management, billing, ICD10 coding, procedure coding, master data management, and finance. This phase has been completed in 33 CHCs in four districts and 37 hospitals, including academic institutions such as Chris Hani Baragwanath, Charlotte Maxeke, Dr George Mukhari, and Steve Biko Academic Hospitals. Phase Two involves implementing the clinical module, including clinical procedures, triaging, and diagnostics, across PHC centres and hospitals using the mobile solution e-Med. Implementation of the clinical module for piloting purposes occurred at Mamelodi Hospital during 2023/24. This system facilitates patient referrals between CHCs and hospitals, automating and digitally sharing information, thereby improving efficiency and co-ordination within the healthcare network for the benefit of communities served.

As regards governance and leadership, the Department has a constitutional obligation to ensure that it maintains effective, efficient, transparent risk management and internal control arrangements to meet its stated objectives. A robust risk management framework is central to the core business of the Department, which is the delivery of quality healthcare services. Our risk management implementation is an enterprise-wide Departmental plan across the entire organisation. This seeks to place responsibility and accountability for risk management at all levels of the Department. The Department's current risk-maturity level is developmental at corporate or head office level, but rudimentary and much in need of intervention at health facility level.

In this annual report, we set focus on improving not only the audit position of the Department, but also the performance thereof. To this extent, an acceleration of the reform measures has been instituted in supply chain management, compliance with all applicable

legislation, reduction of accruals and irregular expenditure to improve the Department's financial health, and better management of contingent liabilities through enhanced information communication technology ecosystem and its governance. The organisational structure development processes are at advanced stages, with service platform structure completed and the review of head office under way by the end of the financial year. Various Chief Executive Officer (CEO) positions, particularly at the central hospitals, have been filled.

## 4.2 Overview of the financial results of the Department:

### Departmental receipts

Departmental receipts	2023/2024			2022/2023		
	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	521 632	428 971	92 661	501 570	408 560	93 010
Transfers received	0	15	(15)	0	809	(809)
Fines, penalties and forfeits	78	155	(77)	75	38	37
Interest, dividends and rent on land	1 780	574	1 206	1710	711	999
Sale of capital assets	0	17 528	(17 528)	0	15 318	(15 318)
Financial transactions in assets and liabilities	38 943	44 962	(6 019)	37 445	82 672	(45 227)
<b>Total</b>	<b>562 433</b>	<b>492 205</b>	<b>70 228</b>	<b>540 800</b>	<b>508 107</b>	<b>32 693</b>

The Department budgeted to raise R562.4 million for 2023/24 and collected R492.2 million. This was made up of patient fees (R313.5 million: 63.7 per cent of the total) and other revenue (parking fees, sales of scrap, rental of space, accommodation, interest on staff debts and penalties), (R178.7 million: 36.3% of the total). The total revenue collected translates to 88% of the budget, or 12% below what was planned for.

The Department plans to implement an end-to-end Revenue Collection Solution in the 2024/25 financial year, which will enhance collections from Medical Schemes, the Compensation for Occupational Injuries and Diseases Act (COIDA), the Road Accident Fund (RAF), and other government departments. The Health Information System rolled out at all hospitals will also improve revenue collection processes.

### The factors contributing to the under-collection were:

- The RAF implemented a new directive on submission of claims which required submission of an accident report, witness statement, certified copies of identity documents by the South African Police Service and Power of Attorney, or an affidavit from the hospital which confirms that no other party will pay for the services rendered. Claims not meeting these requirements were rejected by the RAF.
- Later than anticipated implementation of Uniform Patient Fees Schedule (UPFS) tariffs for the 2023/24 financial period affected revenue collection.
- Unfavourable collection on Health Patient Fees from Road the RAF, Medical Schemes, Compensation Fund, and Limpopo and Mpumalanga Provinces contributed to the under-collection.

To ensure that more revenue is collected in the new financial year, the Department will implement a revenue enhancement strategy with specific focus on the following areas:

- Provinces: Enter into Memoranda of Understanding (MoUs) with provinces (Mpumalanga, North-West and Limpopo).
- Road Accident Fund: Engagement with the fund.
- Compensation Fund: Continuous engagements with the Fund in conjunction with the National Department of Health (NDoH) to accelerate payments made to the GDoH.
- Reduction of payment rejections.
- Utilising revenue-collection agencies for the submission of claims to external funders.



## Tariff policy

### Patient fee tariffs

The Department charges UPFS tariffs for patients using public hospitals. These tariffs are determined by a UPFS Steering Committee consisting of representatives of the NDOH 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 1 of 1999, and Sections 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 1 of 1999. Tariff adjustments are negotiated and agreed with employee organisations.

### Other tariffs

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

## Classification of Patients

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 classified into six categories based on statutory requirements: PG, HG, H0, H1, H2 and H3. Those in the H1, H2 and H3 categories pay discounted fees, which are expressed as a percentage of the fees payable by full-paying patients. Those in the PG and HG categories are exempted from paying fees due to specific statutorily based circumstances such as pregnancy and children younger than 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 1 July 1994)
- Free Primary Health Care services (Notice 1514 of 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-mortems (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, section 15).
- Persons with mental disorders (Mental Health Care Act 17 of 2002)

## Patient fees debt

Debt written off for the 2023/24 financial year amounted to R 42.7 million. Debts are written off in accordance with the Department's policy and after it has taken all reasonable steps to collect the debt owed. The debt categories written off include:

- 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.

## Programme expenditure

The Department spent 98.1% of the overall appropriated budget of R62.5 billion during the 2023/24 financial year. The percentage spent resulted in underspending of R1.1 billion for the year. Underspending largely ranged from non-compliance of non-profit institutions, delays in the delivery of committed medical and allied equipment, and reduced levels of student intake at institutions of higher learning.

Appropriation per programme	2023/24				2022/23			
	Final Appropriation	Actual Expenditure	% Spent	(Over/Under) Expenditure	Final Appropriation	Actual Expenditure	% Spent	(Over/Under) Expenditure
	R'000	R'000		R'000	R'000	R'000		R'000
Administration	2 187 933	2 169 830	99.2%	18 103	1 826 399	1 825 654	100.0%	745
District Health Services	20 692 662	20 528 816	99.2%	163 846	20 722 290	19 494 305	94.1%	1 227 985
Emergency Medical Services	2 065 435	2 065 186	100.0%	249	2 011 100	2 010 940	100.0%	160
Provincial Hospital Services	12 032 010	12 030 090	100.0%	1 920	11 144 958	11 082 427	99.4%	62 531
Central Hospital Services	22 221 463	21 548 575	97.0%	672 888	21 981 884	21 485 424	97.7%	496 460
Health Sciences And Training	1 012 981	699 524	69.1%	313 457	1 003 410	638 215	63.6%	365 195
Health Care Support Services	440 773	439 361	99.7%	1 412	437 466	437 303	100.0%	163
Health Facilities Management	1 849 103	1 832 135	99.1%	16 968	2 224 049	1 665 470	74.9%	558 579
<b>TOTAL</b>	<b>62 502 360</b>	<b>61 313 517</b>	<b>98.1%</b>	<b>1 188 843</b>	<b>61 351 556</b>	<b>58 639 738</b>	<b>95.6%</b>	<b>2 711 818</b>

## 4.3 Virements / roll-overs

The Department applied for year-end virements and shifts of funds to alleviate excess expenditure within and across the main divisions of a Vote (for example: Programmes). Virements of funds as initiated were from Programme 2: District Health Services; Programme 4: Provincial Hospital Services; Programme 5: Central Hospitals Services, Programme 6: Health Sciences and Training and Programme 7: Health Support Services to Programme 1: Administration to alleviate excess spending due to payment of medico-legal claims; Programme 3: Emergency Medical Services (EMS) to alleviate excess spending as a result of commitments made to procurement and recapitalisation of the EMS fleet.

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 2023/24 financial year. This roll-over application is related to goods and services for the Comprehensive HIV/AIDS Component and Compensation of Employees, Goods and Services and Machinery & Equipment for the National Health Insurance (Mental Health Component) funded in Programme 2: District Health Services. Roll-over applications for Programme 4: Provincial Hospital Services and Programme 5: Central Hospital Services are related to medical and allied equipment that was funded within the National Tertiary Services and Training Component grants.

The following table shows the roll-over applications per source of funding and economic class.

Funds	Standard Item	Budget
<b>National Tertiary Services Grant</b>	Goods and Services	21 811 426
	Machinery and Equipment	567 777 535
		<b>589 588 961</b>
<b>Training Component</b>	Machinery and Equipment	17 598 131
		<b>17 598 131</b>
<b>Health Component</b>	Compensation of Employees	4 147 979
	Goods and Services	538 438
	Machinery and Equipment	115 451
		<b>4 801 868</b>
<b>Comprehensive Hiv/Aids Component</b>	Goods and Services	148 982 107
		<b>148 982 107</b>
<b>Grand Total</b>		<b>760 971 067</b>

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

No unauthorised expenditure was incurred, which reflects effective oversight and timely virement application and approval.

Irregular expenditure for the year under review increased by R400 million from the R2.3 billion reported in the previous financial year to R2.7 billion for the year under review. The major contributor has been the extension of security contracts. In an effort to regularise the contracts and curb irregular expenditure, the Department completed the security tender processes by the end of the 2023/2024 financial year and awards occurred effective from 1 April 2024. Furthermore, determination tests were conducted for the year under review, and consequence management will be implemented in the upcoming financial year where applicable.

The Department incurred R17 million in fruitless and wasteful expenditure during the year under review. This consisted of interest paid on late settlements of medico-legal claims and Department of Infrastructure Development (DID) projects adjusting events.

#### 4.5 In cognisance of the fast-approaching national development aspirations, the Department will ensure that the following areas are pursued:

- Patient and staff experience-related catalytic projects
- Clinical Services Improvement aimed at curbing the disease burden of the province, particularly for NCDs, whilst still focusing on communicable disease investments
- Health infrastructure
- Universal Health Care coverage
- Operations management enhancements
- Health economy participation
- Governance and leadership

#### 4.6 Public-private partnerships

Over the last three financial years, the Department did not enter into any public-private partnerships (PPPs); however, for the 2024/25 financial year, the Department will actively seek to enter into such partnerships.

#### 4.7 Discontinued key activities / activities to be discontinued

There were no other discontinued activities during the year under review.

## 4.8 New or proposed key activities

In view of improving clinical services, massive infrastructure investments will be made.

- Recapitalisation of chillers, boilers and heating, ventilation and air-conditioning (HVAC) systems
- Exploring PPP opportunities: Realisation of 18 hospital programmes
- Exploring alternative energy sources such as solar and connecting CHB to alternative grid
- Alternative water sources
- Aggressive approach to maintenance of our facilities through rehabilitation and refurbishment
- Ensuring compliance with occupational health and safety (OHS) standards (facility upgrades)
- Increasing capacity by filling project management positions and Division of Revenue Act (DoRA) technical funded positions (internal process)
- Reinforcing provincialisation of Primary Health Care (PHC)

## 4.9 Supply Chain Management

There were no unsolicited bids during the year under review. The inconsistencies in the application of procurement policies are being addressed through guidelines from National Treasury and the Gauteng Provincial Treasury. The GDoH has reviewed the Departmental supply chain management (SCM) policy and aligned it with the new SCM guidelines issued by National Treasury and the Gauteng Provincial Treasury; however, gaps in the compliance environment are still evident in certain areas.

The Department is implementing various other measures to close gaps in the control environment, and this includes approval of SCM delegations, ongoing training sessions on SCM prescripts for SCM and non-SCM officials, and filling of senior management positions within the SCM Unit.

## 4.10 Gifts and donations received in kind from non-related parties

The following table reflects donations of movable assets for the year under review.

DONATIONS: MOVABLE ASSETS RECEIVED DURING THE 2023/24 FINANCIAL YEAR					
	INSTITUTION BENEFITED	CATEGORY	QUANTITY	VALUE PER CATEGORIES	TOTAL
1	Charlotte Maxeke Academic Hospital	Computer equipment	146	2 996 092.84	3 867 408.52
		Other machinery & equipment	1	871 315.68	
2	Chris Hani Baragwanath Academic Hospital	Computer equipment	4	88 550.00	183 005.38
		Furniture & office equipment	47	86 855.38	
		Other machinery & equipment	2	7 600.00	
3	Cullinan Care and Rehabilitation Hospital	Other machinery & equipment	2	4 498.00	4 498.00
4	Dr George Mukhari Academic Hospital	Furniture & office equipment	1	1 699.00	154 074.31
		Other machinery & equipment	19	152 375.31	
5	Ekurhuleni District Health Services	Other machinery & equipment	1	55 459.59	161 258.44
		Computer equipment	6	105 798.85	
6	Rahima Moosa Mother and Child Hospital	Furniture & other equipment	1	1 444.25	164 094.72
		Other machinery & equipment	10	162 650.47	
7	Tshwane District Services	Computer equipment	3	8 920.00	20 720.00
		Furniture & office equipment	27	11 800.00	
8	Tshwane District Hospital	Furniture & office equipment	2	6 920.00	6 920.00
9	Sizwe Tropical Decease Hospital	Other Machinery & Equipment	1	269 301.25	269 301.25
10	Sebokeng District Hospital	Other machinery & equipment	2	179 400.00	179 400.00
<b>GRAND TOTAL</b>			<b>275</b>		<b>5 010 680.62</b>



#### **4.11 Significant non-adjusting events after the reporting date**

On 15 May 2024, the National Health Insurance Bill (NHI) was signed into law. This legislation provides a framework aspiring to ensure that healthcare users access quality healthcare services without undue financial burden on their households. In addition, as part of optimising governance, the Department has set into motion the transfer of the multisectoral AIDS Unit to the Office of the Premier post the reporting period. This will enable effective co-ordination of HIV- and AIDS-related activities.

#### **4.12 Acknowledgement**

During the period under review, various healthcare personnel and administrative staff have worked tirelessly to ensure that we realise our set goals of being responsive to the communities we serve. Inspired by healthcare providers and users, we continue to strive to meet these goals and acknowledge that this is not possible without partnership with our health workers and healthcare providers.



**Mr Lesiba Arnold Malotana**  
Accounting Officer  
Gauteng Department of Health  
31 July 2024

# 5. Statement of Responsibility and Confirmation of Accuracy for 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 the 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 2024.

Yours faithfully



**Mr Lesiba Arnold Malotana**  
Accounting Officer  
Gauteng Department of Health  
31 May 2024

# 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

In working towards the achievement of its vision and mission, the Gauteng Department of Health subscribes to the following values, which are in line with the Batho-Pele Principles:

Value	Description
<b>H</b> Humane	We treat our patients, colleagues and stakeholders with respect and dignity in an equitable manner, whilst embracing diversity. We will display a sense of duty and service, and the passion to serve beyond the call of duty.
<b>E</b> Efficiency	We conduct our work in an efficient, effective and professional manner, to ensure we create highest quality and value for money.
<b>A</b> Accountability	We honour our commitments towards our employees and stakeholders in a responsible and reliable manner, taking ownership of our work and decisions.
<b>L</b> Loyalty	We will consistently seek to do the right thing as we believe in the organisation, where it is going and what must be done to get there. We care about the organisation, about its stakeholders and about its mission – we are working for something greater than just ourselves. We will remain true to the values of loyal service to the people.
<b>T</b> Transparency	We are open to scrutiny and will consult and inform stakeholders about the level and quality of public services they will receive so that they are aware of what to expect. We will ensure all citizens have equal access to the services to which they are entitled; and will providing more and better information about our services.
<b>H</b> Honesty	We conduct our business with integrity, in an honest, truthful, consistent and ethical manner, to ensure we foster trust among our employees, stakeholders.
<b>I</b> Innovation	We conduct our business in a way that focuses on cutting-edge, best in class and 'outside the box' approaches and solutions. We seek to listen to and understand the needs of our stakeholders, to inform us in creating new approaches to what we do.

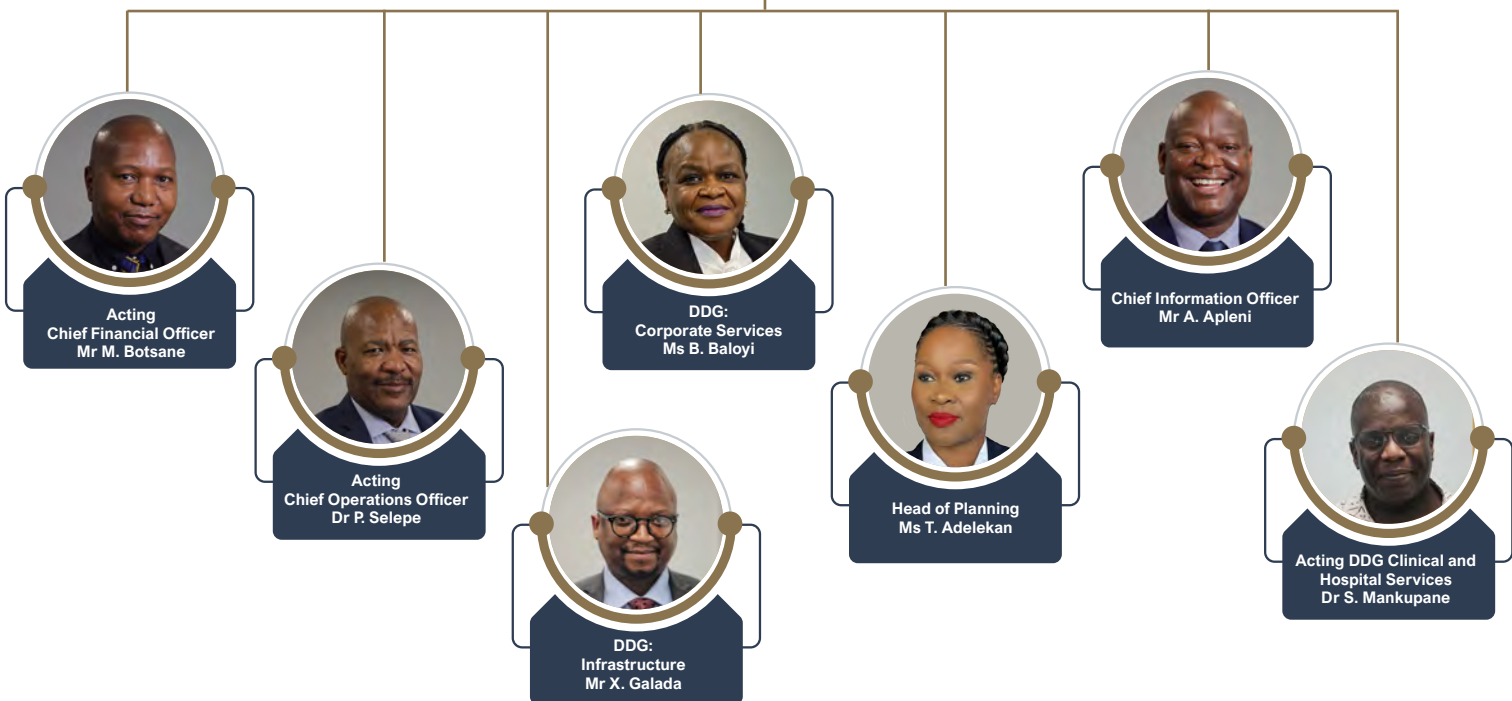
# 7. Legislative and other Mandates



**MEC for Health and Wellness**  
Ms Nomantu Nkomo-Ralehoko



**Head of Department**  
Mr L.A. Malotana





# PART B

## Performance Information



# PART B: PERFORMANCE INFORMATION

## 1. AUDITOR-GENERAL'S REPORT: PRE-DETERMINED OBJECTIVES

The Auditor General South Africa (AGSA) currently performs certain audit procedures on the 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 Pre-determined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 223 of the Report of the Auditor General, published as Part E: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1 Service delivery environment

Improving patients' experience of care; improving clinical services; strengthening governance and leadership, health promotion and literacy; and implementation of NHI remain the priorities that drive service delivery in the Department. Coupled with these six pillars are the 11 outcomes that the Department works to attain, as committed to in our Strategic Plan.

In 2023/24, the number of visits to outpatient departments across our hospitals increased by 0.2% to 5 312 580 from 5 300 083 in 2022/23.

Over 5 million HIV tests were carried out during the 2023/24 financial year, with 15 548 people testing positive for HIV among the 15–24-year age group. The number of patients on antiretroviral therapy (ART) remaining in care was 1 265 117, an increase of 49 143 from 1 215 974 in 2022/23.

The maternal mortality rate (MMR) was 107.3 per 100 000 live births; this was below the year's target of 116 per 100 000 live births. The target was not reached; maternal deaths declined by 9% during 2023/24 compared with 2022/23.

**Table 2.1.1: Integrated School Health Services, 2022/23 and 2023/24**

Type of school health service	2023/24	2022/23
School learner given deworming dose	57 685	49 877
School learner immunised	4 235	4 002
School learner overweight	3 515	3 797
School learner referred for eye care	8 562	8 133
School learner referred for hearing problems	1 197	2 000
School learner referred for oral health	16 785	17 278
School learner referred for speech problem	183	243
School learner referred for suspected TB	58	65
School learner underweight	1 032	779
Td dose at 12 years	14 107	13 891
Td dose at 6 years	15 210	16 602
School learner referred for mental health / psychosocial support	1 441	2 683
<b>Total</b>	<b>124 010</b>	<b>119 350</b>

Provision of Integrated School Health Services (ISHS) continued to identify health conditions that are barriers to learning, with a total of 124 010 learners being provided with various health services. This was an increase of 4% from the 119 350 served in 2022/23. The number of learners given deworming doses increased by 16% from 49 877 in 2022/23 to 57 685 in 2023/24. A total of 1 441 learners were referred for mental health or psychosocial support.

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

**Table 2.1.2: Assistive devices requested and issued in 2022/23 and 2023/24**

Devices	Requested		Number issued		Issue rate	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Hearing aids	6 955	7 347	6 236	6 032	89.7%	82.1%
Orthosis	29 636	28 495	28 182	27 444	95.1%	96.3%
Podiatry	5 711	7 080	5 493	7 280	96.2%	103.8%
Prostheses	1 376	2 444	769	1 416	55.9%	57.9%
Walking aids	n/a	n/a	37628	34 328	n/a	n/a
Wheelchairs	5 266	5 288	4 211	5 128	80%	97%
<b>Total</b>	<b>48 944</b>	<b>50 654</b>	<b>82 519</b>	<b>81 626</b>	<b>168.6%</b>	<b>161.1%</b>

The number of assistive devices indicated as requested declined by 3% from 50 654 in 2022/23 to 48 944 in 2023/24. This gives an apparent overall issue rate of 168.6%.

## 2.2 Service Delivery Improvement Plan

The Department has completed a Service Delivery Improvement Plan (SDIP). The following tables highlight the content of the plan and the achievements to date.

### Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Increase access to acute psychiatric beds	Mental healthcare users	28/100 000	28/100 000	1 920
Train non-specialist nurses and doctors working in 72-hour assessment units	Non-specialist nurses and doctors	792	468 trained nurses and doctors	792

### Batho Pele arrangements with beneficiaries (consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Consultation standards</b>	Inform families or caregivers	Families and caregivers were informed
<b>Courtesy/ professional standards by</b>	2 019	1 920
<b>Courtesy / working environment</b>	2 019	1 920
<b>Courtesy/ working environment</b>	2 019	1 920
<b>Virtual access standards</b>	2 019	1 920
<b>Physical access standards</b>	2 019	1 920
<b>Information standards</b>	Inform families or caregivers of all patient movements on admission, referral to other facilities, and on discharge.	When families or caregivers are present on admission of users they are provided with the relevant information.
<b>Openness &amp; transparency</b>	Ongoing sharing of information with the citizen on mental health services.	Families and caregivers were informed through Departmental communication channels.
<b>Value for money</b>	2 019	1 920
<b>Redress standards</b>	Inform families or caregivers of progress made within set timelines	1 920

Current/actual information tools	Desired information tools	Actual achievements
<p>The two items are part of the elevated priorities in the Department.</p> <p>A weekly reporting template from the office of the HoD is populated.</p> <p>Acute beds there is weekly update from the CEOs of the identified hospitals and</p>	Weekly reporting template from the office of the HoD.	Acute beds increased from 1 896 to 1 920 as of the end of Quarter 4.
Training: Districts report on a monthly basis and we receive their attendance registers.	Weekly reporting template from the office of the HoD.	Target of 468 was exceeded; a total of 792 generalist doctors and nurses were trained.

### Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
We receive and resolve complaints within 25 working days, as legislated, based on the availability of the complainant or family members. Sometimes the desired target date is not met due to unavailability of family members, and staff not capturing the information on time.	To receive and resolve complaints within 20 days so that they can be resolved more rapidly. We reserve the five working days to provide redress to the family.	We are achieving the 95% target; however, we are striving to achieve 100%.

## 2.3 Organisational environment

The GDoH has grappled with a series of challenges in recent years, resulting in a string of negative reports. One of the primary contributing factors to these challenges is the strained healthcare system, which is struggling to keep up with the demands of a rapidly growing population. This has led to an increased need for healthcare services, further exacerbating the situation.

With respect to stabilising the environment, a range of primary prevention healthcare programmes are now consistently rolled out in various locations among key initiatives. Complementing this is the institutionalisation of the 'I Serve With A Smile' campaign, a change management programme aimed at boosting staff morale and improving patient experience of care. All the aforementioned efforts are in alignment with Universal Health Care Coverage as instituted by NHI. The envisaged NHI reforms are premised on several key interrelated elements and whilst awaiting a comprehensive Masterplan that will guide all provinces, the GDoH is undertaking initiatives that are still necessary for UHC, with or without the passage of the NHI Bill. The Department is moving forward with the establishment of Functional Business Units (FBUs) in selected institutions as part of ushering in the NHI reforms. We have also sustained financial audit outcomes as testament to our commitment to improving governance and accountability. Efforts are being directed towards implementing the health information system and digitisation of records to improve non-financial audit outcomes.

Also, there is now stability at the top four central hospitals in the province following the appointment of CEOs and Heads of Department (HoDs). Recruitment processes for several strategic positions are also at advanced stages.

## 2.4 Key policy developments and legislative changes

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

### 3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Department's Strategic Plan was not revised, but amendments were made to indicators were appended to the Annual Performance Plan. The outcomes of strategic planning session interventions 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, 2023/24
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%	84%
		Patient Safety Incidence (PSI) closure rate	New	80%	87%
		Employee Satisfaction rate	54%	75%	65%
		Rand value of medico-legal claims	R8 billion	R22 billion	R13 billion
		EMS P1 rural response under 60 minutes rate	100%	100%	87.2%
		EMS P1 urban response under 30 minutes rate	100%	100%	52%
	Leadership and governance in the health sector enhanced to improve quality of care	Percentage of PHC facilities with functional clinic committees	80%	100%	39.4%
		Percentage of hospitals with functional Hospital Boards	94.6%	100%	94.1%
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	107.3 per 100 000 live births
		Neonatal death in facility rate	12 per 1 000 live births	<10 per 1 000 live births	14 per 1 000 live births
		Death under 5 years against live birth rate	32 per 1 000 live births	25 per 1 000 live births	1.9%
	Morbidity and premature mortality due to non-communicable diseases reduced by 10%	Malaria case fatality rate	1.40%	<1%	1.1%
		Clients 45 and older screened for hypertension	#	#	2 477 387
		Clients 45 and older screened for diabetes	#	#	3 007 763
	Morbidity and premature mortality due to communicable diseases reduced	ART adult remain on ART end of period	1 011 503	1 713 940	1 248 637
		ART child under 15 years remain on ART end of period	25 709	39 000	16 480
		All TB client death rate	6.90%	<4%	7.2%
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 completed capital infrastructure projects	#	100%	28%

## 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: In Office of the MEC: rendering of advisory, secretarial, and office support services; (including, administrative, public relations / communication and parliamentary support) 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

### PERFORMANCE OVERVIEW OF BUDGET PROGRAMMES

#### INFORMATION COMMUNICATION TECHNOLOGY AND HUMAN RESOURCES

The digitisation pilot project and queue management solution, which are critical for improving efficiencies and patient experiences of care are under way. Unstable connectivity remains a key challenge to accelerated implementation of a comprehensive Health Information System.

#### HUMAN RESOURCES

The Leadership, Management and Skills Development Sub-directorate plays an integral part in contributing strategically towards building human capital for high performance and enhancing service delivery to achieve the Human Resource Development Strategic Framework, by providing strategic leadership management and skills development programmes for senior, middle, emerging and foundational managers, including hospital CEOs, Facility Managers, supervisors, and all other employee levels to improve health system efficiency.

**The following programmes were offered in 2023/24 financial year: Quarters 1 to 4 (April 2023 – March 2024):**

- 316 Managers were trained on various Leadership and Management Development programmes such as The Albertina Sisulu Executive Leadership for Health, Foundation for Research and Evaluation training Programme (FRETTP), Leading Change for members of the Senior Management Services, Business Continuity Management, Media Workshop, Compulsory Induction Programme for Senior Managers, CIP Peer Learning Exchange for Senior Managers, and the Project Khaedu Service Delivery Programme and Policy Development.
- A total of 1 642 employees were trained on specialised programmes for improved Human Resources for Health (HRH), such as the Introduction to Strategic Human Resource Management, Code of Conduct and Ethics Training, ETDP: Curriculum Design / Learning Material (NQF 5), Moderator, Labour Relations Management Grievances and Disciplinary Procedures, Human Resource Policies, Recruitment and Selection processes, Policy and Procedure on Incapacity Leave and Ill-health Retirement (PILIR), Employment Equity Policy and Process, Policy on Reasonable Accommodation and Assistive Devices (PRAAD), and the Work Readiness Programme.



- In total, 349 employees trained on specialised programmes for improved Financial Management and Supply Chain Management, such as Finance for Non-Finance Managers, Financial Accounting and Budget Management, Supply Chain Management, SMS: Supply Chain Management process, Demand Management, Introduction to Financial Management and Budgeting, and Generally Recognised Accounting Practice (GRAP).
- In all, 1 617 staff members were trained on specialised training programmes related to Health Information System and Computer Literacy, such as HIS Train the Trainer Super-user and End-user Training, and Computer Skills on Basic, Intermediate and Advance Excel.
- A total of 202 newly appointed employees were trained on specialised programmes related to the GDoH Orientation and Induction Framework.
- In total, 2 867 employees were trained on the Code of Conduct and Ethics, Remunerative Work Outside Public Service (RWOPS), and Financial Disclosures for improved ethical behaviour and anti-corruption measures.
- In all, 2 663 employees were trained on Generic soft skills to improve customer experience of care, 'I Serve With A Smile' Change Enabler; AIDET Programme, Interview Skills, Office Management, Teamwork, Batho Pele Principles, Stress Management, Basic Communication Skills, Leave Management, Minute-taking and Report-writing, Time Management, Record-keeping, and Emotional Intelligence.

The overall total number of employees trained during Quarter 1 to Quarter 4 is 9 656.

A total of 9 656 men and women employed by the Department attended various capacity-building Programmes in Q1 to Q4:

Training Programme	Number of men trained	Number of women trained
Management and Leadership Development Programmes	95	221
Specialised programmes for improved Human Resources Management	493	1 149
Specialised programmes for improved Financial Management and Supply Chain Management	105	244
Specialised training programmes related to Health Information System and Computer Literacy	485	1 132
Orientation and Induction Framework	61	141
Code of Conduct and Ethics, RWOPS, Financial Disclosures	860	2 007
Generic soft skills to improve customer experience of care	799	1 864
<b>TOTAL TRAINED</b>	<b>2 898</b>	<b>6 758</b>

## Youth

The Department participated in the NASI iSPANI recruitment drive - the provincial strategy for job creation and empowerment of unemployed youth. This 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.

In the year under review, the Department also assisted student interns in support-service areas to complete their work-integrated learning programmes, which Technical Vocational Education and Training (TVET) colleges require them to complete in order to graduate.

### YOUTH INTERNSHIP AND LEARNERSHIP PROGRAMMES:

At the end of 2023/24, there are 1 018 unemployed youth participating in developmental programmes (internships and learnerships). Of this total, 713 are females and 305 are males.

The GDoH participates in the Tshepo 1 Million programme, which is the provincial strategy for job creation and empowerment of unemployed youth. To ensure that there is access to job opportunities, GDoH contributes to Tshepo 1 Million by ensuring that unemployed youth have access to internship and learnership programmes. These programmes create a platform for relevant work experience to enable youth in becoming employable in the labour market, and in some instances, for direct employment within the host site. The Department also assists student interns to complete their work-integrated learning programme - an academic requirement by TVET colleges for students to obtain a National Diploma in their field of study.

At the end of 2023/24, 719 youth participants had been placed in internship programmes and 299 were placed in learnership programmes. The total number of youth participants is 1 018.

### **People with disabilities (internships and learnerships)**

A total of 1 018 youth participants were placed in developmental programmes (internship and learnership) in 2023/24. Of the total number, three youth participants were persons living with disability.

### **Recruitment of people with disabilities**

As at the end of March 2024, the number of people with disabilities was 1 434 (2%).

The Department also embarked on a Disability Disclosure Campaign, and the number of staff who disclosed their disability status as at the end of March 2024 was 205, a slight increase as compared to Quarter 3.

It is important to note that when people with disabilities exit the service due to resignations, death, retirement, dismissals or transfer, the attrition offsets the gains achieved. Also, the growth in the recruitment of clinical staff decreases the proportion of people with disabilities.

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.

Table 4.1.1: PROGRAMME 1: ADMINISTRATION

PLANNING					REPORTING				
Outcome (as per SP 2020/21 to 2024/25)	Outputs	Output indicators	Audited/ Actual performance			Planned target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
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	13.2%	8.5% (R5 221 589,96 / R61 420 800,00)	33.8% (R2 066 392 010.88 / R6 113 242 096.15)	30% (30 000 000 / 100 000 000)	8% (R1 050 131 775, 51 / R13 369 694 449, 61)	(22%)	Target not achieved because the bulk of the Department's procurement is geared towards Original Equipment Manufacturers (OEMs), e.g. medical equipment, medical consumables, and pharmaceuticals.
Improved financial management	Increased economy of local communities including township businesses and SMIMES	Percentage of service providers invoices without dispute paid within 30 days	#	27.2% (32 936 / 121 113)	35% (53 850 / 154 076)	100% (399 197 / 399 197)	42% (60 836 / 146 058)	(58%)	Target not achieved due to insufficient monthly cash allocation versus the posted invoices, payment of previous year's accruals on the current year's budget, and the turnaround time on clearing exceptions (Work Cycles) by institutions, as there no adherence to working within 10 days. There was a slow pace in the creation of Purchase Orders and capturing of Goods Received Vouchers, GRVs are not being captured immediately after goods/services were received, the turnaround time for resolving issues/queries with suppliers takes more than 5 working days, and there were late submissions of invoices by suppliers.
Improved financial management	Unqualified audit opinion	Audit opinion of Provincial DoH	N/A	Unqualified	Unqualified	Unqualified	Unqualified	N/A	N/A

PLANNING						REPORTING			
Outcome (as per SP 2020/21 to 2024/25)	Outputs	Output indicators	Audited/ Actual performance			Planned target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Leadership and governance in the health sector enhanced to improve quality of care	Women employed in senior management positions increased	Percentage of women in senior management posts	#	44.1% (49/111)	47.1% (48/102)	50% (59/117)	41% (43/104)	(9%)	Target not achieved due to natural attrition, as some women leave the service through retirement and resignations. Males are appointed to senior management positions because women are shortlisted but they are not successful during the interviews.
Improved financial management	Unqualified audit opinion	Audit opinion of Provincial DoH	N/A	Unqualified	Unqualified	Unqualified	-	-	Outcome will be available once the Audit by AGSA has been completed in July 2024 and will be reported in the final Annual Report
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 regulations	85%	51.4% (19/37)	0% (0/37)	100% (37/37)	0% (0/37)	(100%)	Target not achieved as all hospitals were at 70% and above compliance level by the end of the 2023/24 financial year, using the GDoH OHS compliance assessment tool. Non-compliance can be attributed to infrastructure related matters, e.g. fire detection and suppression equipment; no certificates of occupation; and budget constraints.
	Contingent liability of medico-legal cases reduced by 50% over the MTEF	Rand value of medico-legal claims	R16.7 billion	R24 billion	R18.2 billion	R20bn	R13 billion	R7 billion	Target achieved and exceeded because the Department implemented mediation processes (Rule 41A: Mediation)) with clients and the archiving of dated matters on the medico-legal register (application of Rule 37B: Administrative archiving)) to reduce the exposure of the Department to medico-legal costs.

Outcome (as per SP 2020/21 to 2024/25)	Outputs	Output indicators	PLANNING			REPORTING			Reasons for deviations
			Audited/ Actual performance			Planned target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	
			2020/21	2021/22	2022/23				
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 Picture Archiving and Communication System (PACS)	0% (0/33)	0% (0/33)	0% (0/16)	100% (40/40)	0% (0/40)	(100%)	Target not achieved due to IT infrastructure not being ready for the implementation of PACS.
			12% (4/33)	18.2% (6/33)	82% (31/38)	100% (40/40)	82.5% (33/40)	(17.5%)	Target not achieved because 33 CHCs are implementing HIS and there were delays in implementing the clinical module due to budget constraints.
	Quality of patient information in health facilities improved	Percentage of hospitals with integrated health information systems	10% (4/37)	5.4% (2/37)	95% (35/37)	100% (37/37)	100% (37/37)	0%	Target achieved, as all hospitals implemented the four modules: Patient Administration, Finance, Billing, and Revenue. The clinical module was implemented only by Charlotte Maxeke, Johannesburg Academic, and Mamelodi Hospitals, because infrastructure was not ready.
			0%	0%	0% (0/11)	100% (11/11)	0% (0/11)	(100%)	Target not achieved. Project plan for implementation not concluded. The implementation of the system is integrated with queue management and there were delays in the billing and generation of the invoice which delayed finalisation of the project.



PLANNING				REPORTING					
Outcome (as per SP 2020/21 to 2024/25)	Outputs	Output indicators	Audited/ Actual performance			Planned target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Quality of health services in public health facilities improved	Reduce queues in health facilities	Number of hospitals implementing the Queue Management System	#	#	#	10	0	(10)	Target not achieved because Queue Management systems in hospitals are still manual. Currently pilot sites are CMJAH and Rahima Moosa Hospital. Training sessions for both hospitals are planned. SLA and Project Charter being finalised.

## *Strategies to overcome areas of underperformance*

### **SUPPLY CHAIN MANAGEMENT**

Provincial Supply Chain Management is embarking on a project to improve the Departmental achievement of Township Economy Revitalisation (TER) targets and there will be further engagements with the Department of Economic Development to guide and train township enterprises.

### **FINANCE**

The Department commits to daily processing of submitted supplier invoices within the Service-level Agreement (SLA) - five working days to improve on turnaround times – from the time of receipt of invoice to the payment run, and ensuring adherence to SLAs from creation of Purchase Orders (POs) to capturing of Goods Received Vouchers (GRVs) and submission of invoices until release of such payments. There will be exceptions in management of processing (e.g. approvals of sundry payments, invalid POs, a new PO required, price/quantity differences, and Vendor Master Data – VMD issues) through Web/Work Cycles. Institutions are to respond to Work Cycles within reasonable times and there will be monthly supplier reconciliations. The Department will further manage accruals through addressing the ageing of Invoices on Work Cycles, timeous preparation and submission of payment runs, reconciliations after each payment run, and attendance to exceptions.

### **HUMAN RESOURCES**

Women candidates will be targeted for senior management posts by end of the 2024/25 financial year.

### **OCCUPATIONAL HEALTH AND SAFETY (OHS)**

OHS compliance measures will be prioritised in Infrastructure Budgets in the 2024/25 financial year and integrated management systems with Legal Register requirements (ISO 45001; ISO 14001, ISO 9001) will be implemented in the 2024/25 financial year.

### **INFORMATION COMMUNICATION TECHNOLOGY**

#### **Percentage of CHCs implementing PACS**

SAP Health Information System integration with the Picture Archiving and Communication System (PACS) was completed on 6 February 2024. Implementation thereof at CHCs will commence in May 2024.

#### **Percentage of Forensic Pathology Management Information Systems implemented**

The integration of the Queue Management System has been completed and the invoice has been generated.

#### **Number of hospitals implementing the Queue Management System**

Currently, the pilot sites are Charlotte Maxeke Johannesburg Academic Hospital (CMJAH) and Rahima Moosa Hospital. The Department will implement a phased approach to the piloting of the remaining sites.

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

	2023/24				2022/23			
	Final	Actual Expenditure	% Spent	(Over/Under) Expenditure	Final Appropriation	Actual Expenditure	% Spent	(Over/Under) Expenditure
	R'000	R'000		R'000	R'000	R'000		R'000
ADMINISTRATION								
OFFICE OF THE MEC	27 865	20 922	75.1%	6 943	24 693	16 124	65.3%	8 569
MANAGEMENT	2 160 068	2 148 908	99.5%	11 160	1 801 706	1 809 530	100.4%	(7 824)
<b>TOTAL</b>	<b>2 187 933</b>	<b>2 169 830</b>	<b>99.2%</b>	<b>18 103</b>	<b>1 826 399</b>	<b>1 825 654</b>	<b>100.0%</b>	<b>745</b>

## 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 death.
- ix. **Hospital Care:** Coordination and management of District and Regional Hospitals.

### 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
- Maternal, neonatal, infant and child mortality reduced
- Quality of health services in public health facilities improved

## PROGRAMME PERFORMANCE OVERVIEW

### DISTRICT HEALTH MANAGEMENT AND PHC SERVICES

#### Johannesburg Health District

##### ***Significant achievements***

All Community Health Centres (CHCs) are providing sonar services for early diagnosis of abnormalities, twin pregnancy, and gestational age. Two hundred private service providers were contracted for immunisation and contraceptives stock. Private service providers for rendering of Choice on Termination of Pregnancy (CTOP) services were assessed and are awaiting designation by the MEC. The Red Strategy for underperforming facilities was implemented, and X-ray machines were installed at one CHC and one clinic. The University of the Witwatersrand's Oral Health Centre offered a Dental Technician for repairs of dental equipment at Alexandra CHC, and there were two visits conducted by the Phelophepa Health Care Train at Soweto Dube Station. Zola CHC was revamped by the Provincial Infrastructure Unit, and there were official openings of the Westbury Midwifery and Obstetric Unit (MOU) and the Forensic Unit at OR Tambo CHC. A Mr and Miss Adolescent- and Youth-friendly Services (AYFS) Contest and a Career Expo were held at Stretford Clinic.

##### ***Challenges***

There is a shortage of Midwifery and Neonatal Nursing Science Nurses (Advanced Midwives), and a shortage of hospitals offering second trimester CTOP. Programme co-ordinator posts were not available, and equipment maintenance is still a challenge. Support staff complements are augmented with Expanded Public Works Programme staff (EPWPs) without Matric; generators are not functional due to non-maintenance and there is a general lack of infrastructural maintenance.

#### **Gender, youth, disability (GeYoDi)**

##### **Disability:**

- Inclusion of people with disability in advertisements for posts.
- The number of youths recruited is 441 (EPWP)
- One person with disability (EPWP) was recruited.

##### ***Challenges***

There was a decline in the Ideal Clinic status of facilities as compared to the previous financial year due to financial constraints at the municipal clinics. There are delays in completion of the planned infrastructure projects for municipal Florida and Westbury Clinics, and space constraints prohibit expansion of the number of beds for patients mental healthcare needs.

#### Tshwane Health District

##### **Facility Management Unit**

##### ***Significant achievements***

A soft opening of the newly constructed Kekanastad Clinic was held in September 2023 and of Mandisa Shiceka Clinic in November 2023.

##### ***Challenges***

Budget constraints delay implementation of identified Capex and maintenance projects, and ageing infrastructure is affecting service delivery.



## **Occupational Health and Safety**

### ***Significant achievements***

There was an increase of the capacity of Occupational Medical Practitioners in the district and the roll-out of Occupational Medical Practitioner services to all District Hospitals. The OHS team received an award for outstanding achievement and an award for best-performing district.

### ***Challenges***

There is a lack of proper clinics facilities and a major shortage of staff and posts across all programmes in Tshwane District.

## **District Clinical Specialist Teams (DCST)**

### ***Significant achievements***

Umbiflow screening (i.e. using a sophisticated portable continuous wave Doppler with bi-directional indication of blood flow velocity in the umbilical cord) was implemented as part of the basic antenatal care service package in all antenatal clinics in sub-districts 5, 6, and 7 in Tshwane. The GDoH assisted with the procurement of ultrasound machines and trained clinicians in obstetric ultrasound at all CHCs in Tshwane, as well as in several larger clinics. A group of Emergency Obstetric Simulation Training champions for MOUs and district hospitals in Tshwane was established and trained, and the Tshwane Multi-stakeholder Paediatric HIV Working Group was formed to co-ordinate and monitor the care of infants and children living with HIV. Staff at all antenatal clinics were trained and supported in performing Oral Glucose Tolerance Tests when indicated for pregnant patients at PHC level, thereby reducing the need for hospital referrals for these tests. Training in Essential Steps in the Management of Obstetric Emergencies (ESMOE) and Basic Antenatal Care (BANC) Plus was conducted at least quarterly or more frequently, and all district hospitals and MOUs were supported in holding regular, high-quality Perinatal Morbidity and Mortality meetings to review the care provided to patients and to identify opportunities for improvement.

## **DISTRICT HOSPITALS**

### ***Significant achievements***

There was renovation of the Accident and Emergency (A&E) Unit, implementation of the SAP Health Information System, and launching of a staff Wellness Day at Jubilee Hospital.

### ***Challenges***

At Jubilee Hospital there were infrastructural challenges, mental healthcare users who are admitted outside designated areas, overflow of A&E patients awaiting beds, and staff shortages with high staff turnover.

### ***Gender, youth, disability (GeYoDi)***

#### **Disability:**

- Inclusion of people with disabilities in advertisement for posts.
- The number of youths recruited is 384 (EPWP).
- The number of people with disabilities recruited is 23 (EPWP).

## **HIV AND AIDS, STI AND TB CONTROL**

### ***Significant achievements***

A total of 5 427 607 HIV tests were administered during the 2023/24 financial year, increasing by 2% from 5 312 638 during 2021/22 to 5 427 607 during 2023/24, and exceeding the set 2023/24 target of 4 857 196 HIV tests done. The set annual target was achieved due to the expansion of HIV self-screening (HIVSS) and index contact testing modalities in all facilities, and community-based HIV testing services being conducted by 108 funded Non-Profit Organisations (NPOs) across all five districts. HIV testing campaigns were conducted during World AIDS Day and build-up activities, Condom Day, STI Month, and World Stop TB Day campaigns.

HIV tests done among the 15 to 24-year age group were at 1 389 499 during 2023/24, with the exclusion of HIV tests done among antenatal clients. Of the tests done among the 15-24-year group, 15 548 clients were found to be HIV-positive. The proportion of HIV-positive clients among this age group declined by 0.2 percentage points from 1.3% during 2022/23 to 1.1% during 2023/24. The HIV-positive rate among this age group, with the exclusion of antenatal clients, for 2023/24 is 1.1%; this is below the set annual target of 3% and was due to implementation of preventative programmes such as pre-exposure prophylaxis (PrEP).

### **Challenges**

The failure of clients remain in care rate was due to high loss to follow-up because of clients providing wrong addresses and relocating without proper referrals, suboptimal adherence to ART treatment which results in poor viral load suppression rates, increased death rate among TB and HIV co-infected clients due to complications from other medical conditions; and DR-TB patients failing to successfully complete treatment because of high lost to follow-up of clients and poor tracing of clients.

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

### **Significant achievements**

There were several significant achievements. The Department trained 53 Specialist Midwives in Limited Obstetric Ultrasound in the 2023/24 financial year. A total of 48 doctors, nurses and EMS practitioners trained on Emergency Triage Assessment and Treatment (ETAT) of children, and eight ETAT Master Trainers as well as 14 Integrated Management of Childhood Illnesses (IMCI) Facilitators were trained on the ETAT Module and the Childhood Cancer Foundation South Africa (CHOC) Early Identification of Childhood Cancers programme.

There was an increase in the number of fourth-year students from three universities placed at our health facilities for training, leaving more facilities assessed and accredited for student training (University of Pretoria – 26, Sefako Makgatho University of Health Sciences – 26, and North West University – 3).

A total of 1 057 Early Childhood Development Centres (ECDs) supporting 49 208 beneficiaries were funded for nutritious meals in 2023/24 (with a total budget of R79 million).

There was an increase in the first antenatal care visit before 20 weeks from 69.3% in 2022/23 to 69.9% in 2023/24. The maternal death ratio decreased from 118.5 per 100 000 live births to 107.5 per 100 000 live births in the current financial year.

There was an increase in maternal postnatal visits within six days post-delivery, from 78.3% in 2022/23 to 81.8% in 2023/24. There was an increase in the number of termination-of-pregnancy sites from 38 in 2022/23 to 43 in 2023/24. The number of teenage pregnancies decreased from 24 941 in 2022/23 to 19 841 in 2023/24.

There was an increase in capturing of Perinatal Problem Identification Programme (PPIP) data, from two Health Districts in 2022/23 to four Health Districts in 2023/24.

Implementation of the Child Problem Identification Programme increased from 11 hospitals in 2022/23 to 26 of the 27 hospitals admitting children in the province.

There was a decrease in diarrhoeal deaths from 126 in 2022/23 to 99 in 2023/24, in pneumonia deaths from 165 in 2022/23 to 147 in 2023/24, and in severe acute malnutrition cases from 128 in 2022/23 to 95 in 2023/24.

A total of 33 Health Facility Food Service Units that were assessed by the National Department of Health obtained more than the expected benchmark of 75%.

Seven vehicles for the Integrated School Health Programme were procured and handed over to all Health Districts.

There was an increase in screening of Grade 1 learners from 72 430 in 2022/23 to 75 744 in 2023/24, as well as an increase in screening of Grade 8 learners from 50 997 in 2022/23 to 53 214 in 2023/24.

## **Challenges**

Low patient-nurse and doctor ratios affected all health programmes. There was no appropriate patient and clinical electronic information registry, and incorrect target-setting for indicators in hospitals. No dedicated funding was available for maternal child health and nutrition, despite this being a priority. There was also a shortage of appropriate infrastructure and equipment, delayed adjudication of food contracts used in healthcare facilities, and lack of adequate hospitals performing second-trimester termination of pregnancy.

## **Gender, youth, disability (GeYoDi)**

### **Challenges**

There is a lack of infrastructure and technology to accommodate youth-friendly services.

## **PUBLIC HEALTH**

### **Significant achievements**

The 2023/24 target for malaria deaths was achieved because death audits were conducted for all malaria deaths reported in the province, in line with national guidelines, and the staff formed part of the team that reviewed and wrote the new Malaria National Strategic Plan. Malaria Case Management workshops will continue to be conducted as the need arises, and the Department will continue to commemorate Malaria Day as scheduled in the Health Calendar by conducting campaigns in the communities to raise awareness. The GDoH collaborated with Doctors Without Borders in translating malaria leaflets and posters into French so that Mozambiquan citizens could be accommodated, since this group contributes to 75% of malaria cases reported annually.

### **Challenges**

There are still issues in facilities of late presentation of patients, misdiagnosis of patients which leads to delays in treatment initiation, and cases not being thoroughly classified due to the inability of the Environmental Health Practitioners to investigate all cases reported, as well as staff shortages and an insufficient number of vehicles available to conduct the investigations.

**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 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Quality of health services in public health facilities improved	Positive experience of health care users improved	Patients experience of care satisfaction rate	92.5%	92.4%	83.8% (1 417 256 / 1 690 501)	92.4% (843 888 / 913 699)	85.7% (1 089 472 / 1 271 226)	(6.7%)	Target not achieved because responses from the Satisfaction Survey showed that access to care received more negative responses, affecting the results. Communication between clinicians and patients seems to be a challenge as there is lack of information and health education on prescribed treatment. Unavailability of medicines also severely affected the score in most facilities.
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)	86.9% (233/268)	83% (127/153)	95% (548/576)	85.2% (132/155)	(9.8%)	Target not achieved because 23 SAC 1 incident cases were not reported within 24 hours during 2023/24, due to unplanned network interruption; QA staff having no tools after hours to report, and lack of knowledge on SAC classification among the staff.
Quality of health services in public health facilities improved	All submitted complaints resolved within 25 working days	Patient Safety Incident (PSI) case closure rate	91.8% (235/256)	95.7% (331/346)	95.1% (235/247)	95% (300/316)	94.4% (237/251)	(0.6%)	Target not achieved because 11 PSI cases from Sediberg and Tshwane Districts were not closed due to the PSI case closure rate decreasing by 0.7 percentage points from 95.1% during 2022/23 to 94.4% during 2023/24. This was due to complex cases not being escalated to the next level for assistance, cases occurring towards the end of the month and overlapping to the following month, and failure to prioritise closure of cases immediately.
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% (707/744)	97.5% (998/1 024)	97.6% (1 234/1 264)	95% (712/748)	98% (1 359/1 387)	3%	Target achieved because resolution of complaints within 25 working days increased by 0.4 percentage points from 97.6% during 2022/23 to 98% during 2023/24. This was due to a significant number of clients who were accessible telephonically for redress.

PLANNING						REPORTING			
Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
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%	92.4% (341/369)	97.3% (358/368)	92% (338/368)	96% (357/372)	4%	Target achieved. The Department performed status determination in 361 clinics and were able to attain Ideal Clinic status in 357 clinics.
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% (298/372)	23.6% (87/369)	31.5% (116/368)	100% (368/368)	38.9% (145/373)	(61.1%)	Target not achieved. A total of 145 clinics had functional clinic committees, whilst 228 did not. Insufficient membership impacting on meeting quora.
Package of services available to the population with priority given to equity and most cost-effective services	All CHC'S provide 24-hour full service	Number of facilities providing 24-hour emergency services	34	36	38	40	38	(2)	Target not achieved, as there are delays in the activation of Westbury and Florida Clinics to operate as CHCs. In Westbury, engagement on the structure is complete. There were logistical challenges with the contractor at Florida Clinic which resulted in the termination of their service.

## *Strategies to overcome areas of underperformance*

### **Patient Experience of Care (PEC) satisfaction rate**

A recommendation to review the relevant PEC questionnaire on access to care has been sent to the National Department of Health via the Service Delivery Improvement Plan (SDIP). Enforcement letters have been issued to encourage Facility Managers to monitor stock availability and observe the schedule for ordering from the Main Depot.

### **Severity Assessment Code (SAC) 1 incident reported within 24 hours rate**

District QA Managers will be advised to allocate Ideal Clinic website credentials for managers working on weekends and to monitor compliance with reporting SAC 1 PSIs within 24 hours of occurrence.

### **Patient Safety Incident (PSI) case closure rate**

District Quality Assurance Managers will be advised to co-ordinate convening of ad hoc meetings to enhance closure of PSIs and prioritise PSIs that can be closed within a short timeline.

### **Percentage of PHC facilities with functional clinic committees**

The nomination of clinic members in the new financial year should be fast-tracked, as the term of office for Clinic Committee ended on 31 March 2024. New committees were established in the 2024/25 financial year.

### **Number of facilities providing 24-hour emergency services**

The operationalisation of Westbury Clinic was fast-tracked by the end of June 2024 and clients are advised to access Discoverers CHC after hours. At the Florida Clinic, the Department will monitor the progress of the appointed service provider, as the clinic is in the process of appointing a new contractor.



**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 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
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)	63 (29/46 034)	73.5 (33/44 888)	53.7 (24/44 700)	86.9* (36/41 425)	(33.2)	Target not achieved because maternal deaths increased by 9% from 33 deaths during 2022/23 to 36 during 2023/24; 36 deaths were recorded in nine District Hospitals. There were no deaths recorded at Heidelberg, Pretoria West and Tshwane District Hospitals. The leading drivers of maternal deaths were direct and indirect causes such as dilated septicaemia, haemorrhage stroke, organophosphate, poisoning, perforated viscus, heart failure, cardiac failure, pulmonary oedema, dilated cardiomyopathy, MDR-TB, postpartum psychosis, renal failure, hypovolemic shock, puerperal sepsis, pulmonary embolism, and hypovolemic shock due to an atonic uterus.
	Less children under 5 years dying from diarrheal diseases	Child under 5 years diarrhoea case fatality rate	2% (10/503)	1.1% (16/1 471)	1.3% (23/1 813)	2.2% (28/1 292)	0.8% (16/1 995)	1.4%	

PLANNING						REPORTING			
Outcome (as per SP 2020/21 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality reduced	Fewer children under 5 years dying from pneumonia	Child under 5 years pneumonia case fatality rate	1.8% (9/511)	0.91% (1/1 210)	0.6% (17/2 670)	1.3% (12/900)	0.6% (15/2 371)	0.7%	Target achieved. Eight of the 12 district hospitals recorded no pneumonia deaths. This was due to support from DCST and implementation of M&M Committee case review recommendations.
	Stunting among children reduced	Child under 5 years severe acute malnutrition case fatality rate	#	#	6.9% (28/407)	8% (24/300)	4.3% (12/281)	3.7%	Target achieved because the under 5 severe acute malnutrition case fatality rate decreased by 2.6 percentage points from 6.9% during 2022/23 to 4.3% during 2023/24. This was due to support from the DCST and implementation of M&M Committee case review recommendations.
Quality of health services in public health facilities improved	Number of children who die in health facilities reduced	Death under 5 years against live birth rate	0.74% (330/44 522)	0.88% (391/44 577)	0.8% (363/43 342)	0.7% (320/44 700)	0.7% (270/40 095)	0%	On target due to support from DCST and implementation of M&M Committee case review recommendations.
	Patients report positive experience of care	Patients experience of care satisfaction rate	90.2% (65 341 / 73 151)	89.6% (37 917 / 42 334)	82.7% (57 360 / 69 337)	90% (38 140 / 42 334)	85.7% (58 387 / 68 112)	(4.3%)	Target not achieved because of negative responses related to access to care and unavailability of medicines, which also severely affected the score in most facilities.
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)	83.3% (10/12)	33.3% (4/12)	100% (12/12)	75% (9/12)	(25%)	Target not achieved. Three of the 12 district hospitals: Bronkhorstspuit, Kopanong, and Tshwane, obtained an unsatisfactory status due to gaps in the non-negotiable vital elements (NNVs) which depends on the Emergency Trolley being stocked with medicines and equipment regularly.

PLANNING				REPORTING					
Outcome (as per SP 2020/21 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
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)	93.3% (499/535)	90.2% (312/346)	95.1% (548/576)	91.9% (272/296)	(3.2%)	Target not achieved because seven of the 12 District Hospitals namely Bertha Gxowa, Bheki Mlangeni, Bronkhorstspuit, Dr Yusuf Dadoo, Kopanong, Pretoria West and Tshwane District Hospitals, did not report all their SAC 1 incidents within 24 hours, due to delays in reporting and poor co-ordination of SAC1 PSIs.
Quality of health services in public health facilities improved	All submitted complaints resolved within 25 working days	Patient Safety Incident (PSI) case closure rate	74.4% (468/629)	92.9% (722/777)	95% (606/638)	93% (744/800)	94.5% (602/637)	1.5%	Target achieved due to continuous monitoring through the PSI Committee.
		Complaints resolution within 25 working days rate	92.2% (320/347)	97.7% (301/308)	98.8% (343/347)	95% (508/536)	97.4% (302/310)	2.4%	Target achieved due to timeous investigation of complaints and availability of complainants for redress meetings within the expected timelines.
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)	58.3% (7/12)	91.7% (11/12)	100% (12/12)	92% (11/12)	(8%)	Target not achieved. Carletonville Hospital Board was terminated due to non-compliance (because the membership could not quorate).
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 assessment)	5.6% (165 / 2 901)	7.4% (225 / 3 048)	7.6% (231 / 3 049)	8.6% (250 / 2 901)	9.5% (284 / 3 005)	0.9%	Target achieved as 284 usable beds were allocated for mental health care.

## ***Strategies to overcome areas of underperformance***

### **Maternal mortality in facility ratio**

Continue strengthening Morbidity and Mortality (M&M) Committee meetings, outreach supports to referring facilities

### **Patients experience of care satisfaction rate**

A recommendation to review the relevant PEC questionnaire on access to care has been sent to the National Department of Health via the SDIP. Enforcement letters have been issued to encourage Facility Managers to monitor stock availability and to observe the schedule for ordering from the Main Depot.

### **Ideal hospital status obtained rate**

Enforcement letters will be issued to the facilities via the Head of Department's office, and there will be continuous monitoring of the facility during self-assessment and quality improvement.

### **Patient Safety Incident (PSI) case closure rate**

Quality Assurance Managers are advised to co-ordinate convening of ad hoc meetings to enhance closure of PSIs and prioritise PSIs that can be closed within a short timeline.

### **Severity assessment code (SAC) 1 incident reported within 24 hours rate**

Quality Assurance Managers are advised to allocate Ideal Clinic website credentials for managers working on weekends and to monitor compliance with reporting SAC 1 PSIs within 24 hours of occurrence.

### **Percentage of hospitals with functional hospital boards**

The new board is appointed effective from 1 April 2024.

**Table 4.2.3: SUB-PROGRAMME 2.3: HIV AND AIDS, STI & TB CONTROL (ORIGINAL APP)**

PLANNING		REPORTING									
		Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations	Reasons for revisions to the outputs / output indicators / annual targets
Outcome (as per SP 2020/21-2024/25)			2020/21	2021/22	2022/23						
Morbidity and premature mortality due to communicable diseases reduced	People living with HIV are tested, initiated on treatment, and retained on care	ART adults remain in care rate (12 months)	#	#	63.7% (68 900 / 108 199)	90% (70 488 / 78 292)	64% (33 302 / 52 014)	(26%)	Target not achieved due to high loss to follow-up of patients who give wrong addresses, relocate without proper referrals, promised to return but did not, refused to be attended to by CHWs, and general unavailability.	Targets were amended due to budget cuts and cost-containment measures.	
		ART child remain in care rate (12 months)	#	#	64% (1 289 / 2 014)	90% (492/544)	69.3% (647/933)	(20.7%)	Target not achieved due to mothers or caregivers not honouring appointments and providing wrong addresses, relocating without proper referrals, refusal to be attended to by CHWs, unavailability, and non-disclosure challenges.	Targets were amended due to budget cuts and cost-containment measures.	
		ART Child viral load	66.7% (1 955 / 2 934)	64.6% (698 / 1 080)	58.8% (576/980)	90% (4 992 / 5 544)	36.3% (199/548)	(53.7%)	Target not achieved due to non-adherence to treatment and psychosocial problems which also affected non-disclosure, especially among older children.	Targets were amended due to budget cuts and cost-containment measures	

PLANNING		REPORTING					Reasons for deviations	Reasons for revisions to the outputs / output indicators / annual targets		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024			Actual achievement 2023/2024 until date of re-tabling	Deviation from planned target to actual achievement 2023/2024
			2020/21	2021/22	2022/23					
Morbidity and premature mortality due to communicable diseases reduced	TB cases are detected and successfully treated	All DS-TB client lost to follow-up rate	8.7% (2 736 / 31 366)	8.3% (1 853 / 22 327)	6.6% (1 460 / 22 017)	5.5% (1 928 / 34 800)	5.4% (799 / 14 732)	0.1%	Target achieved due to the implementation of patient appointment lists, weekly retrieval of TIER.Net line listing to identify the early missed appointment for WBOT to trace these patients; and there was coordination of tracing lists by TB Focal nurses for proper management and recording.	Targets were amended due to budget cuts and cost-containment measures.
		All DS-TB client Treatment Success Rate	83.5% (26 184 / 31 366)	82.1% (18 328 / 22 327)	84% (18 477 / 22 017)	90% (34 456 / 38 280)	76.1% (11 209 / 14 732)	(13.9%)	Target not achieved because of consistently high loss to follow-up and a high TB death rate.	Targets were amended due to budget cuts and cost-containment measures.
		All DS-TB client death rate	7.4% (2 312 / 31 366)	#	9.0% (1 988 / 22 017)	5.5% (1 916 / 34 800)	7.5% (1 098 / 14 732)	(2%)	Target not achieved because of late presentation by clients at health facilities and ART interruption among those patients who are co-infected.	Targets were amended due to budget cuts and cost-containment measures.



Table 4.2.4: SUB-PROGRAMME 2.3: HIV AND AIDS, STI & TB CONTROL (RE-TABLED APP)

PLANNING		REPORTING				Reasons for deviations			
Outcome (as per SP 2020/21 - 2024/25)	Outputs	Output indicators	Audited/ Actual performance		Planned annual target 2023/2024		Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	
			2020/21	2021/22	2022/23				
Morbidity and premature mortality due to communicable diseases reduced	People living with HIV are tested, initiated on treatment, and retained in care	HIV-positive 15-24 years (excl. ANC) rate	2.9% (22 715 / 795 984)	1.7% (20 735 / 1 217 412)	1.3% (17 233 / 1 301 056)	3% (67 000 / 2 226 036)	1.1% (15 548 / 1 389 499)	1.9%	Target achieved because the HIV positivity rate among the 15-24-year age group decreased by 0.2 percentage points from 1.3% during 2022/23 to 1.1% during 2023/24. This was due to implementation of preventative programmes such as pre-exposure prophylaxis (PrEP).
	HIV test positive under 5 years (NDoH)	HIV test positive around 18 months rate	#	#	#	0.75% (252 / 33 516)	0.2% (230/114 838)	0.55%	Target achieved due to implementation of the Vertical Transmission Prevention (VTP) programme for ANC clients tested positive to prevent parent-to-child transmission. Additionally, implementation of PrEP and post-exposure prophylaxis (PEP) for ANC and PNC clients tested HIV-negative, and of HIVSS and index contact testing to screen and test ANC clients' intimate partners to reduce the risks of HIV infection and re- infection, reduced the HIV positivity rate around 18 months.
	People living with HIV are tested, initiated on treatment, and retained in care	HIV test done -sum	4 355 221	5 014 704	5 312 638	4 857 196	5 427 607	570 411	Target achieved due to the expansion of HIVSS and index contact testing modalities in all facilities, and community HIV testing services by 108 funded NPOs across all 5 districts. HIV testing campaigns were conducted during World AIDS day and build-up activities, Condom Day, STI Month and World Stop TB Day campaigns.

PLANNING		REPORTING					Reasons for deviations		
		Outputs	Output indicators	Audited/ Actual performance				Planned annual target 2023/2024	Actual achievement 2023/2024
Outcome (as per SP 2020/21-2024/25)			2020/21	2021/22	2022/23				
	ART adult remain in care rate (12 months)		#	#	63.7% (68 900 / 108 199)	70% (47 488 / 68 292)	64.4% (65 937 / 102 404)	(5.6%)	Target not achieved due to high loss to follow-up of patients who give wrong addresses, relocate without proper referrals, do not answer when called telephonically/phone goes to voicemail when contacted, promise to return to facilities but do not, and unavailability of patients.
	ART child remain in care rate (12 months)		#	#	64% (1 289/2 014)	70% (384/548)	71.3% (1 279 / 1 794)	1.3%	Target achieved due to adherence to appointment dates and active tracing and tracking of missed appointments early.
	ART adult viral load suppressed rate (12 months)		88.1% (156 945 / 178 222)	90.8% (57 696 / 63 511)	90.1% (49 774 / 55 249)	95% (210 956/221 172)	67.7% (36 876 / 54 487)	(27.3%)	Target not achieved due to suboptimal adherence to treatment.
	ART Child viral load suppressed rate (12 months)		66.7% (1 955 / 2 934)	64.6% (698 / 1 080)	58.8% (576 / 980)	70% (3 380 / 4 828)	37% (390 / 1 053)	(33%)	Target not achieved due to poor adherence to treatment.

PLANNING		REPORTING				Reasons for deviations			
Outcome (as per SP 2020/21-2024/25)	Outputs	Output indicators	Audited/ Actual performance		Planned annual target 2023/2024		Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	
			2020/21	2021/22	2022/23				
Morbidity and premature mortality due to communicable diseases reduced	TB cases are detected and successfully treated	All DS-TB client lost to follow-up rate All DS-TB Client Treatment Success Rate	8.7% (2 736/31 366)	8.3% (1 853/22 327)	6.6% (1 460/22 017)	7% (1 984/29 900)	6.3% (1 927/30 630)	0.7%	Target achieved due to effective patients' education and counselling.
			83.5% (26 184 / 31 366)	82.1% (18 328 / 22 327)	84% (18 477 / 22 017)	75% (29 520 / 39 208)	75.6% (23 147 / 30 630)	0.6%	Target achieved due to TIER. Net data clean-up with the support of District Support Partners. Hospitals with high TB deaths were identified and there were continuous quality improvement activities developed through support visits; the District QI team will continue with the structured data clean-up activities.
		All DS-TB client death rate	7.4% (2 312 / 31 366)	#	9.0% (1 988 / 22 017)	7% (2 296 / 34 800)	7.2% (2 198 / 30 630)	(0.2%)	Target not achieved because patients die due to ART interruption, coupled with complications from other medical conditions, i.e. anaemia and stomatitis

PLANNING		REPORTING					Reasons for deviations		
		Outcome (as per SP 2020/21-2024/25)	Outputs	Output indicators	Audited/ Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024
2020/21	2021/22				2022/23				
Morbidity and premature mortality due to communicable diseases reduced	Rifampicin-resistant / Multidrug-resistant treatment success	Rifampicin-resistant / Multidrug-resistant treatment success rate	#	#	#	62% (472/764)	64.4% (426/661)	2.4%	Target achieved due to continuous support to the districts and facilities regarding compliance with SOPs and guidelines.
	TB rifampicin-resistant / Multidrug-resistant loss to follow-up	TB rifampicin-resistant / Multidrug-resistant loss to follow-up rate	#	#	#	16% (124/776)	18.2% (120/661)	(2.2%)	Target not achieved because patients are not found as phone calls go to voicemail, patients provide wrong addresses and phone numbers; and patients relocate without proper referrals.
	TB pre-XDR treatment success	TB pre-XDR treatment success rate	#	#	#	64% (28/44)	63.4% (26/41)	(0.6%)	Target not achieved due to mortality and patients being lost to follow-up.
	TB pre-XDR loss to follow-up	TB pre-XDR loss to follow-up rate	#	#	#	10% (4/40)	14.6% (6/41)	(4.6%)	Target not achieved as patients could not be traced.

## *Strategies to overcome areas of underperformance*

### **ART adult remain in care rate (12 months)**

The booking system and pre-retrieval of files prior to patients' appointments, and daily tracing of missed appointments on the same day will be strengthened, as will tracking and tracing of patients with late missed appointments and their referral to Ward-based Outreach Teams (WBOTs). Updating of patient contact details at every visit and transition of clinically stable patients to differentiated care modalities will also be strengthened.

### **ART Adult viral load suppressed rate (12 months)**

The treatment literacy strategy and education of patients on the importance of viral load collection and suppression will be implemented. Daily tracing of patients with missed appointments and issuing of patient appointment reminders will be undertaken. Results for Action from the eLABS weekly reports will be actioned. Eligible patients will be switched from Alluvia to a dolutegravir-containing regimen. A total of 5 845 healthcare workers have been trained on the new ART Guidelines and compliance with guideline implementation will be closely monitored.

### **ART Child viral load suppressed rate (12 months)**

The treatment literacy strategy and education of patients on the importance of viral load collection and suppression will be implemented. Daily tracing of patients with missed appointments and issuing of patient appointment reminders will be undertaken. Results for Action from the eLABS weekly report will be actioned. Eligible patients will be switched from Alluvia to a dolutegravir-containing regimen. A total of 5 845 healthcare workers have been trained on the new ART Guidelines and compliance with guideline implementation will be closely monitored.

### **All DS-TB client death rate**

A Continuous Quality Improvement (CQI) plan for TB was developed, which entails conducting TB mortality audits where causes of death are discussed for future prevention, thereby reducing the death rate. District HAST Managers and hospital-based clinical doctors conduct mortality meetings to discuss TB death cases for improved clinical management.

### **TB Rifampicin resistant / Multidrug - Resistant lost to follow-up rate**

The booking system will be revived, and patients missing their appointments will be closely monitored, along with early tracking and tracing, strengthening the track and tracing of patients who are lost to follow-up, enhanced adherence counselling, and daily and weekly retrieval of lost to follow-up lists.

### **TB Pre-XDR treatment success rate**

District M&M meetings will examine the clinical management of TB patients for targeted interventions and prevention of further TB deaths; quarterly TB Clinical committee meetings will be held to discuss TB mortality and morbidity. The Department will continue with TB mortality auditing, analysis for targeted interventions, implementation of recommendations according to mortality audits, and strengthening clinical governance at the facility level. The quarterly District TB Clinical Committee meetings and M&M meetings occur in all districts, and monthly facility support visits are conducted by the Provincial team to monitor TB management at high-volume facilities, especially hospitals.

### **TB Pre-XDR loss to follow up rate**

The booking system will be revived and patients missing their appointments will be closely monitored for early tracking and tracing. This will entail weekly retrieval of missed appointments line lists, strengthening the process of tracking and tracing of patients who are lost to follow-up, and strengthening adherence counselling. During the World Stop Tuberculosis Day workshop build-up activities (e.g. Traditional Health Practitioners and Men's Dialogues), the discussion revolved around interventions to reduce the loss to follow-up rate through assistance with tracing and linking patients back to care. Shorter treatment regimens have been implemented since September 2023.

**Table 4.2.5: 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 target annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
					2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child Mortality Reduced	Coverage of Family planning services increased	Couple year protection rate	45.3% (1 825 479 / 4 028 597)	37.8% (1 766 617 / 4 669 276)	28.6% (1 368 529 / 4 782 629)	43% (180 772 / 420 396)	39.9% (1 955 160 / 4 903 211)	(3.1%)	Target not achieved due to male sterilisation and other female sterilisation procedures not being recorded, and there is still low uptake of long-acting reversible contraceptives.		
	Teenage pregnancy managed at appropriate level of care	Delivery in 10 to 19 years in facility rate	8.9% (20 250 / 226 633)	9.1% (20 877 / 230 102)	9.6% (20 755 / 215 111)	10% (22 664 / 226 636)	≈ 10% (19 836 / 200 367)	≈ 0%	Target achieved. Youth deliveries under the supervision of skilled attendants increased by 0.4 percentage points from 9.6% during 2022/23 to 10% during 2023/24, due to the targeted high-risk population delivering under the supervision of skilled attendants.		
	Antenatal care visits before 20 weeks increased	Antenatal 1st visit before 20 weeks rate	63.3% (164 576 / 259 926)	66.8% (167 110 / 250 160)	69.2% (158 788 / 229 245)	70% (180 948 / 259 928)	≈ 70% (149 009 / 213 103)	≈ 0%	Target achieved because the proportion of clients who visited the facilities for their first antenatal care visit increased by 0.8 percentage points from 69.2% during 2022/23 to 70% during 2023/24. This was due to improved social mobilisation and health education across all media platforms.		
Institutional Maternal Mortality Ratio reduced	Maternal Mortality in facility ratio	Maternal Mortality in facility ratio	118.7 (294/247 755)	129.3 (309/238 933)	118.5 (265/223 653)	116 (278/238 749)	107.3* (223/207 872)	8.7	Target achieved. Maternal deaths declined by 15.8% from 265 deaths during 2022/23 to 223 deaths during 2023/24 due to improvement in social mobilisation and health education across all media platforms.		



PLANNING		REPORTING							
		Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024
2020/21	2021/22			2022/23					
Outcome (as per SP 2020/21-2024/25)	Improved management of neonates	Live birth under 2500g in facility rate	13% (31 005 / 238 749)	14% (32 010 / 229 179)	14.2% (30 333 / 214 128)	12.5% (29 844 / 238 748)	14.6% (29 017 / 199 342)	(2.1%)	Target not achieved. The proportion of live births with low birthweight increased by 0.4 percentage point from 14.2% during 2022/23 to 14.6% during 2023/24 due to the social determinants of health, especially maternal malnutrition.
	Postnatal care coverage increased	Mother postnatal visit within 6 days rate	75% (169 959 / 226 633)	74.7% (171 907 / 230 102)	78.3% (168 329 / 215 111)	80% (181 308 / 226 636)	≈ 80% (159 821 / 200 367)	≈ 0%	Target achieved because mother postnatal visits within 6 days rate increased by 1.7 percentage points from 78.3% during 2022.23 to 80% during 2023/24. This is because there was higher proportion of mothers' postnatal visits observed within the Johannesburg Health District.
	Neonatal death reduced	Neonatal death in facility rate	13.2 (3 161/238 749)	14.3 (3 283/229 179)	13.2 (2 833/214 128)	12 (2 865/238 749)	14 (2 794/199 342)	(2)	Target not achieved. The high neonatal death rate is due to neonates suffering from prematurity, infection, hypoxic ischaemic encephalopathy, and congenital abnormalities, among others.
	Infant PCR test positive under 5 years	Infant PCR test positive around 6 months rate	#	#	#	0.75% (252/33 516)	0.41% (72/17 704)	0.34%	Target achieved due to improvements in social mobilisation and health education across all media platforms.

PLANNING			REPORTING						
Outcome (as per SP 2020/21-2024/25)	Outputs	Output indicators	Audited / Actual performance		Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations	
			2020/21	2021/22					2022/23
Epidemics / occurrences of communicable diseases reduced		Immunisation under 1 year coverage	85% (217 717/255 530)	88% (232 031/263 761)	83.2% (217 901/261 993)	90% (235 176/261 312)	83.9% (218 388/260 391)	(6.1%)	Target not achieved due to vaccine hesitancy in some communities, missed appointments, and difficulty in tracing patients due to wrong addresses. Anecdotal data show challenges with patients crossing borders.
			77.8% (198 630 / 254 832)	83.2% (219 008 / 263 306)	84% (221 239 / 263 638)	92% (240 408 / 261 312)	81.2% (213 473 / 262 738)	(10.8%)	
Maternal, neonatal, infant and child Mortality Reduced	Child under 5 years mortality reduced	Child under 5 years diarrhoea case fatality rate	2.7% (70 / 2 603)	1.8% (102 / 5 521)	1.9% (130 / 7 023)	2.5% (64 / 2 604)	1.4% (105 / 7 360)	1.1%	Target achieved. The diarrhoea case fatality rate declined by 0.5 percentage points from 1.9% during 2022/23 to 1.4% during 2023/24 due to continuous implementation of IMCI.
			2.3% (98 / 4 269)	1.5% (98 / 6 634)	1.5% (168 / 11 006)	2.2% (96 / 4 268)	1.7% (145 / 8 744)	0.5%	
	Severely malnourished children managed per prescribed treatment protocols on care	Child under 5 years Severe acute malnutrition case fatality rate	#	#	6.6% (129 / 1 985)	7% (68 / 980)	6.4% (94 / 1 477)	0.6%	Target achieved, as SAM deaths decreased by 27.1% from 129 deaths during 2022/23 to 94 deaths during 2023/24. This was due to the continuous implementation of IMCI.

PLANNING		REPORTING							
		Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
2020/21	2021/22		2022/23						
Outcome (as per SP 2020/21-2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
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)	1.9% (4 293 / 229 179)	1.9% (3 972 / 14 128)	1.6% (3 688 / 230 416)	1.9% (3 834 / 199 342)	(0.3%)	Target not achieved, as 73% of the under-5 years deaths that occurred in facilities were neonatal deaths as a result of prematurity, infection, hypoxic ischaemic encephalopathy, and congenital abnormalities.
	Nutritional needs of children under 5 taken care of	Vitamin A dose 12-59 months coverage	47.5% (961 292 / 1010832*2)	57.1% (1 195 043 / 2 091 512)	64.8% (1 360 458 / 2 100 882)	55% (1 111 288 / 2 020 520)	65.1% (1 371 081 / 2 106 644)	10.1%	Target achieved, as Vitamin A dose at 12-59 months increased by 0.7% from 1 360 458 during 2022/23 to 1 371 081 during 2023/24, due to continued Vitamin A outreach conducted at Early Childhood Development Centres (ECDCs).
Morbidity and Premature mortality due to non-Communicable diseases reduced by 10%	School Grade 1 and 8 learners screened	School Grade 1 learners screened	17 922	54 561	72 430	50 000	76 308	26 308	Target was exceeded due to 26 308 additional Grade 1 children screened for various health conditions. Temporary staff comprising 35 Professional Nurses were employed for HPV vaccination to augment the available staff, and 24 Data Capturers relieved professional nurses from administrative work.
	School Grade 8 learners screened	School Grade 8 learners screened	4 944	35 305	50 997	25 000	58 152	33 152	Target was exceeded due to 33 152 additional Grade 8 children screened for various health conditions. Temporary staff comprising 35 Professional Nurses were employed for HPV vaccination to augment the available staff, and 24 Data Capturers relieved the PNs from administrative work.

## *Strategies to overcome areas of underperformance*

### **Couple Year Protection Rate**

Accelerate training and support visits targeting high-volume facilities on long-acting reversible contraceptives (LARC), and provide on-site mentorship on LARC by Maternal Neonatal and Women's Health Programme Managers and District Clinical Specialist Teams.

### **Live birth under 2500g in facility rate**

Early identification of infections, early referrals, and continuous management of infections will be pursued. BANC Plus training is continuously done. Management of Pre-term Labour Protocols and administration of steroids for lung maturity and MGSO4 for neuro protection, implementation of the High-Risk Outreach Programme and in-service training on Hypertension Management will be provided during ESMOE and during supervisory visits.

### **Neonatal death in facility rate**

ESMOE trainings will continue, as will drills on Helping Babies to Breathe (HBB), cardiocography (CTG) interpretation and partogram. We will support infection control measures, advocate for improvement of infrastructure, and support monthly perinatal review meetings in hospitals to identify gaps and follow up on action plans.

### **Immunisation under 1 year coverage and Measles 2nd dose coverage**

Daily checking of Road-to-Health Booklet (RtHB) of babies who miss their vaccinations and follow-up through tracing will be conducted. Monthly Child Health outreach campaigns will be run, including at Early Childhood Development Centres (ECDs). With the support of UNICEF South Africa, we will implement the Reach Every District (RED) initiative, and address communities who are hesitant to vaccinate their children.

### **Death under 5 years against live birth rate**

The issues associated with high neonatal deaths will be addressed, as they contribute more than 70% of the total under-5 years' deaths. This will entail conducting training on Helping Babies to Breathe (HBB), partogram and CTG interpretation and ensuring adherence to Infection Prevention and Control (IPC) Standards.

**Table 4.2.6: 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 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Morbidity and premature mortality due to non-communicable diseases reduced by 10%	Eliminate malaria by 2023	Malaria case fatality rate	1.2% (5 / 425)	1.4% (13 / 941)	1.1% (14 / 1 281)	2.3% (3 / 130)	1.1% (14 / 1 237)	1.2%	Target achieved. Case management training was conducted for clinicians as the need arose and when conducting audits on malaria deaths. On 4 May 2023, two case management trainings were conducted at the National Institute for Communicable Diseases (NICD) with 250 participants. On 15 March 2024, case management training was conducted at Sebokeng Hospital in Sedibeng with 60 participants (nurses and doctors) attending. Malaria Day was celebrated to raise awareness and educate communities about malaria, emphasising the importance of seeking medical attention early. On 25 April 2023, the Public Health Directorate commemorated World Malaria Day at Mphahlela Informal Settlement, West Rand District, by capacitating community members about the disease.

PLANNING					REPORTING				
Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	Audited / Actual performance		Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations	
			2020/21	2021/22					2022/23
Morbidity and premature mortality due to non-communicable diseases reduced by 10%	Diabetes prevalence managed	Normal haemoglobin A1c (HbA1c) test with result ≤8% rate	#	60% (175 345 / 292 623)	63.6% (223 470 / 351 623)	50% (880 000 / 1 760 000)	65% (246 780 / 376 928)	15%	Target achieved. The normal HbA1c test with results less than or equal to 8% increased by 1.4 percentage points from 63.6% during 2022/23 to 65% during 2023/24, due to compliance by clinicians with Diabetes Guidelines and Adult Primary Care (APC) 101 Guidelines. Clinicians' prompt monitoring and management of HbA1C played a crucial role in this achievement.
	Diabetes prevalence managed	Clients 18-44 years screened for diabetes	#	3 522 311	4 669 937	2 937 144	5 391 805	2 454 661	Target achieved. All patients in the age group entering the facility receive diabetic screening in accordance with the APC and ICSM policy standards.
	Hypertension prevalence managed	Clients 18-44 years screened for hypertension	#	4 175 071	5 351 493	1 753 992	5 964 372	4 210 380	Target achieved. All patients in the age group entering the facility receive hypertension screening in accordance with the APC and ICSM policy standards.
		Clients 45 and older screened for diabetes	#	1 983 685	2 606 812	1 980 000	3 007 763	1 027 763	Target achieved. All patients in the age group entering the facility receive diabetic screening in accordance with the APC and ICSM policy standards.
		Clients 45 and older screened for hypertension	#	1 791 027	2 250 623	1 760 000	2 477 387	717 387	Target achieved. All patients in the age group entering the facility receive hypertension screening in accordance with the APC and ICSM policy standards.



**Table 4.2.7: Budget Programme 2: District health services expenditure**

	2023/24				2022/23			
	Final Appropriation R'000	Actual Expenditure R'000	% Spent	(Over/Under) Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	% Spent	(Over/Under) Expenditure R'000
<b>DISTRICT HEALTH SERVICES</b>								
DISTRICT MANAGEMENT	1 065 116	1 392 916	130.8%	(327 800)	1 030 024	997 440	96.8%	32 584
COMMUNITY HEALTH CLINICS	2 941 341	2 757 133	93.7%	184 208	2 756 426	2 615 481	94.9%	140 945
COMMUNITY HEALTH CENTRES	2 500 321	2 416 620	96.7%	83 701	2 376 863	2 301 621	96.8%	75 242
COMMUNITY BASED SERVICES	3 010 846	3 055 370	101.5%	(44 524)	2 742 671	2 808 748	102.4%	(66 077)
HIV, AIDS	6 098 126	5 852 814	96.0%	245 312	6 886 474	6 056 338	87.9%	830 136
NUTRITION	64 290	63 859	99.3%	431	80 335	79 720	99.2%	615
CORONER SERVICES	325 668	302 197	92.8%	23 471	335 720	305 200	90.9%	30 520
DISTRICT HOSPITALS	4 686 954	4 687 907	100.0%	(953)	4 513 777	4 329 757	95.9%	184 020
<b>TOTAL</b>	<b>20 692 662</b>	<b>20 528 816</b>	<b>99.2%</b>	<b>163 846</b>	<b>20 722 290</b>	<b>19 494 305</b>	<b>94.1%</b>	<b>1 227 985</b>

## 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*

##### GSET (Gauteng Scheduled Emergency Transport)

- GSET was implemented in all areas of Gauteng: Johannesburg, Ekurhuleni, Tshwane, Sedibeng and West Rand. GSET offers a seamless route schedule, with fixed times and pick-up areas. GSET offered patients the benefits of choosing medical transportation in line with their appointments with specialists, and of no long waits for return trips. GSET also offered alternative medical transportation in areas with no public transport routes.
- The recruitment of 1 150 Emergency Medical Services Interns was undertaken to stimulate and increase a pool of candidates who are market-ready and to improve service delivery.
- Accreditation to present American Heart Association clinical programmes was obtained.
- Gauteng EMS personnel were deployed to KwaZulu-Natal to support with the floods rescue mission.

##### Special operations

- The following special operations were capacitated: Light Motor Vehicle Rescue, Aquatic Rescue, Mountain Rescue and Specialised Rescue Equipment and Skills.
- We invested in the following key equipment for advanced rescue capabilities: Technical rescue battery-operated equipment including hex breakers, core drills, right-angle drills, nail guns, battery-operated waterproof rescue combi-tools, the SKED basic rescue system, a thermal imaging camera, air quality/gas detectors, a 2-ton hydraulic hand pallet stacker, a 3-ton heavy-duty pallet jack, and two 10-metre pole-and-canvas tents equipped with field hospital accessories.
- Continuous training was conducted for the specialised SAPS Divers Unit along with operational deployment within Gauteng Province.

##### Major event management

The Department achieved successful management of the following national events:

- South African Air Force (SAAF) Air-show 2023
- 15th BRICS Summit
- AGOA Summit 2023
- Africa Aerospace and Defence Expo 2023
- Economic Freedom Front (EFF) 10th Anniversary Celebration
- Presidential Summit 2023

- African National Congress (ANC) Youth League Conference
- Rand Easter Show 2024

### **Major incidents**

The following major incidents were responded to and serviced by Gauteng Emergency Medical Services (EMS):

- Marshalltown fire
- Bree Street explosion
- Cholera outbreak in Tshwane, 2023
- Gas leak in Angelo Informal Settlement, 2023
- Sink-holes in West Rand

### **Fleet recapitalisation**

- Procurement of specialized resources: Ambulances (x179), Gauteng Scheduled Emergency Transportation (GSET) vehicles (x50), Violent Incident Ambulances (x5), Intensive Care Units (x105), Primary Response Vehicles (x48), Rescue (x8), Incident Command (x6), Logistics (x7), and Planned Patient Transport (x95).

### **Investment in smart technology**

The following enabling technology was procured for Gauteng EMS:

- BCX Smart Connect PABX solution (in progress)
- EKS Tracking Solution
- EKS on-board camera system
- Tokkie Push-to-talk Solution and hardware
- Script Data collection for asset verification (in progress)
- Script Data collection for EMS check-lists (in progress)

We have also reconfigured the Emergency Communication Centre (ECC) dispatchers' operational area to empower the operators to view and monitor their resources effectively. This involved provision of three screen configurations, higher-specification personal computers, new eye-safety displays, and ergonomic keyboards and computer mice.

### **Human capital**

- Human resource capacity was augmented with 259 clinical staff members (Basic Life Support, Intermediate Life Support, and Advanced Life Support personnel) to add to GSET and daily operations.
- The Internship programme was conducted for 1 150 registered Emergency Care Officers.

### **Human resource development**

A total of 629 employees from Operations and Support were trained on the Turning the Tide programme through the Gauteng City Region Academy (GCRA). The aim of this training was to refresh all employees on their purpose and role as public servants. We also provided refresher training for all new employees during their compulsory induction programme, so that they can offer the highest level of care.

### **Training at Lebone College of Emergency Care**

- American Heart Association accreditation as an independent Training Centre with Basic Life Support for Healthcare Providers (BLS HCP) and Advanced Cardiac Life Support (ACLS) was offered.
- Lebone College was upgraded, including structural repairs and repurposing a venue as a computer laboratory, moving of the library to a larger venue, developing a practical skills laboratory, and revamping of classrooms and student recreational areas.
- The college website and learner management system were developed.
- A formal governance structure was established in line with the Higher Education Act, consisting of a college council, senate, and sub-committees.

**Higher Certificate in Emergency Medical Care (ECA):**

- 2023: 26 graduates
- 2024: 40 students

**Diploma in Emergency Care:**

- 2023: 16 graduates
- 2024: 42 first-year students
- 2024: 31 second-year students

**Short Learning Programmes:**

Basic Life Support Refresher (BLS)	323
Intermediate Life Support Refresher (ILS)	26
Management of Obstetric Emergency (MOE)	447
Continuous Medical Education (CME)	1 358
Basic Life Support for Health Care Providers (BLS HCP / CPR for Professionals)	405
Advanced Cardiac Life Support (ACLS)	6
Advance First Aid	22
First Responder Training / (TISH)	3 216
Emergency Medical Dispatch (EMD)	100
Motor Vehicle Rescue (MVR)	30
MVR Refresher	17
High Angle 1 (HA)	30
Fire Search and Rescue (FSR)	15

*Challenges*

- Service-delivery protests had a negative impact on response times.
- Areas classified as hot zones / red zones required SAPS or Security Cluster escorts to violent incidents or classified areas when attending emergencies.
- Paramedic attacks and robberies made staff prone to taking temporary incapacity leave, which depletes operational strength.
- Limited capacity was available at health facilities to deal with high workloads, resulting in diversions, which in turn affected ambulance availability for other emergencies.
- There is a limited number of employees who have the prerequisite Matric results for entry into study for higher education qualifications. Options for non-qualifying employees are limited to Recognition of Prior Learning (RPL), which is capped at 10% per class.
- The Department's EMS budget was not sufficient to meet the increased workload demands and attending to the needs of growing informal and formal settlements within Gauteng Province.

**Table 4.3.1: PROGRAMME 3: EMERGENCY MEDICAL SERVICES**

Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	PLANNING				REPORTING		
			Audited / Actual performance			Planned target annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Co-ordinating health services across the care continuum, re-orientating the health system towards primary health care	EMS response time improved	EMS P1 urban response under 30 minutes rate	95.8% (7 570 / 7 903)	83% (10 450 / 12 594)	51.8% (4 959 / 9 573)	85% (6 852 / 8 060)	52% (2 316 / 4 484)	(33%)	Target not achieved due to service-delivery protests which delay response times; infra-structure and footprint limitations in districts; human resource shortages to optimise service-delivery requirements; paramedic attacks which affect operational capacity because of psychological injuries that prolong the staff member's return to operational duties; and non-availability of stretchers at facilities during patient handover.
			94.4 (1 18/125)	94.6% (106/112)	81.8% (117/143)	100% (300/300)	87.2% (68/78)	(12.8%)	

Outcome (as per SP 2020/21- 2024/25)	PLANNING					REPORTING			
	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
		EMS P1 urban inter-facility transfer (IFT) under 30 minutes rate	#	#	#	85% (1 532 / 1 812)	42.3% (1 568 / 3 710)	(42.7%)	Target not achieved because of service-delivery protests which delay response times; infra-structure and footprint limitations in districts; human resource shortages to optimise service-delivery requirements; paramedic attacks which affect operational capacity because of psychological injuries that prolong the staff member's return to operational duties; internal challenges at hospitals on turnaround times for ambulances, and high attrition of Advanced Life Support (ALS) paramedics.
		EMS P1 rural inter-facility transfer (IFT) under 60 minutes rate	#	#	#	100% (300/300)	60.8% (59/97)	(39.2%)	Target not achieved because of service-delivery protests which delay response times; infra-structure and footprint limitations in districts; human resource shortages to optimise service-delivery requirements; paramedic attacks which affect operational capacity because of psychological injuries that prolong the staff member's return to operational duties; internal challenges at hospitals on turnaround times for ambulances, and high attrition of Advanced Life Support (ALS) paramedics.



Outcome (as per SP 2020/21- 2024/25)	PLANNING				REPORTING				
	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
		EMS all calls with response under 60 minutes rate	#	#	#	98% (566 440 / 580 284)	75% (354 050 / 472 383)	(23%)	Target not achieved because of service-delivery protests which delay response times; infra-structure and footprint limitations in districts; human resource shortages to optimise service-delivery requirements; paramedic attacks which affect operational capacity because of psychological injuries that prolong the staff member's return to operational duties; internal challenges at hospitals on turnaround times for ambulances, and high attrition of Advanced Life Support (ALS) paramedics.

### *Strategies to overcome areas of underperformance*

Engagement with community leaders, Ward Councillors, SAPS, Community Policing Forums (CPFs) on the impact of service-delivery protests will be undertaken. The footprint of GSET will be expanded in areas with high call volumes. Heat Maps will be used to improve performance when protecting the poor during emergency responses, by analysing the resources of each base and capacitating staff through human resource recruitment. In addition, there is a need to make use of the live vehicle location Planned Patient Transport (PPT) function to access calls immediately and to determine the quickest and safest routes. We will also engage with respective Clinical Managers and hospital CEOs on ambulance turnaround times.

Planning is in place for procurement of Violent Incident ambulances with 4x4 capacity, Intensive Care Unit Ambulances, and Patient Transporters, along with recruitment of additional staff and opening of additional EMS stations to increase the footprint. The GSET model will be strengthened by expansion of resources (staff and vehicles) in areas of high demand, and investment in smart technology.

Table 4.3.2: Budget Programme 3: Emergency Medical Services Expenditure

EMERGENCY MEDICAL SERVICES	2023/24				2022/23			
	Final Appropriation R'000	Actual Expenditure R'000	% Spent	(Over/Under) Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	% Spent	(Over/Under) Expenditure R'000
EMERGENCY TRANSPORT	1 787 999	1 816 950	101.6%	(28 951)	1 717 919	1 792 977	104.4%	(75 058)
PLANNED PATIENT TRANSPORT	277 436	248 236	89.5%	29 200	293 181	217 963	74.3%	75 218
<b>TOTAL</b>	<b>2 065 435</b>	<b>2 065 186</b>	<b>100.0%</b>	<b>249</b>	<b>2 011 100</b>	<b>2 010 940</b>	<b>100.0%</b>	<b>160</b>

## 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 the current 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 standardised multi-drug resistant (MDR) protocols.

#### Psychiatric / Mental health 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 service points, 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
- Specialised Hospitals

#### *Significant achievements*

##### Edenvale Hospital

A Wellness Clinic was launched, a gym was opened for staff members, and a minor theatre was created which has served over 200 cases to date. The Speedy Q Queue Management System was implemented and was also adopted by sister hospitals.

## **Challenges**

Critical shortages of staff are worsened by recently implemented austerity measures, increased demand for services, limitations in infrastructure, personnel and health technology, and a high staff attrition rate, especially in the maternity section.

### **Gender, youth, disability (GeYoDi)**

#### **Disability:**

- Inclusion of people with disability in advertisements for posts.
- Number of youths recruited: 441 (EPWP)
- Number of people with disability: 1 (EPWP)

### **Leratong Regional Hospital**

#### **Significant achievements**

During the 2023/24 financial year, 1 195 cataract surgeries were performed at Leratong Regional Hospital (against a target of 1 200); a total of 2 929 glaucoma patients received treatment, and 172 diabetic laser procedures were performed. The hospital hosted 11 'cataract camps' where 676 surgeries were performed. Against a target of 3 000 optometry refractions, 4 185 procedures were performed. A Certificate of Excellence was awarded by the Office of the MEC for the hospital's surgical performance. In addition, 2 253 pairs of prescription glasses and 535 pairs of reading glasses were provided to patients.

Despite challenges experienced with its hospital theatre, Leratong Regional Hospital staff conducted 256 emergency Caesarean sections at Dr Yusuf Dadoo District Hospital (involving 221 C-sections, 12 evacuations, 16 ectopic pregnancies, repair of three third-degree tears and two cervical tears, one molar pregnancy and one emergency total abdominal hysterectomy), as well as three emergency C-Sections, plus 256 surgical interventions and 84 elective C-sections (done during calls at night) at Rahima Moosa Mother and Child Hospital.

## **Challenges**

Centralisation of infrastructure with lack of building mechanical and electrical maintenance has impeded operations. There is also a shortage of beds for patients with acute psychiatric disorders at the designated Psychiatric Unit, leading to patients being nursed in the Medical Ward which presents numerous difficulties. The poor and dilapidated infrastructure does not service standards, and there is also a lack of ICU and High Care beds. The freezing of an Administrator post has hampered efficient service delivery.

### **Gender, youth, disability (GeYoDi)**

- Disability: Inclusion of people with disability in advertisements for posts.
- Youth: Number of youths recruited: 254 (EPWP)

### **Sebokeng Hospital**

#### **Significant achievements**

The District Clinical Governance Team was formed, a Wound Clinic was established, the Psychiatric Occupational Therapy Unit for mental healthcare users was opened, and approval was granted for another Carte Blanche project for donation of a Paediatric Emergency Unit.

## **Challenges**

Infrastructural defects and inability to recruit and retain specialised clinical personnel has hampered service delivery.

### **Gender, youth, disability (GeYoDi)**

- Gender: Prioritisation for CSSD-registered companies to align with Youth, Disability and Women Month.
- Youth: Prioritisation of child-headed youth for COVID-19 contract posts; a significant number were appointed during this period.
- Disability: Inclusion of people with disability in the advert for posts. The 1.8% target rate of people with disabilities were appointed.
- Women in Executive Management was 50% achieved.

**Table 4.4.1: SUB-PROGRAMME 4.1: REGIONAL HOSPITALS**

Outcome (as per SP 2020/21 2024/25)	PLANNING					REPORTING			
	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality Reduced	Number of women who die in health facilities is reduced	[Number of] Maternal Mortality in facility	105	117	99	96	63	33	Target achieved. Maternal deaths declined by 36% from 99 during 2022/23 to 63 during 2023/24 due to implementation of Maternal & Mortality Committee meetings and DCST support.
	Death of children under 5 years from diarrheal diseases is reduced	Child under 5 years diarrhoea case fatality rate	2.7% (23/851)	1.6% (32/1 943)	1.8% (42/2 321)	2.3% (20/872)	1.6% (45/2 833)	0.7%	Target achieved. The diarrhoea case fatality rate declined by 0.2 percentage points from 1.8% during 2022/23 to 1.6% during 2023/24, due to the implementation of Maternal & Mortality Committee meetings and DCST support.
	Death of children under 5 years from pneumonia is reduced	Child under 5 years pneumonia case fatality rate	2% (34/1 667)	1.1% (29/2 734)	1.4% (62/4 506)	2.3% (64/2 752)	2.1% (79/3 734)	0.2%	Target achieved due to implementation of Maternal & Mortality Committee meetings and DCST support.
	Death of children under 5 years from severe acute malnutrition is reduced	Child under 5 years severe acute malnutrition case fatality rate	#	#	6.2% (51/820)	12% (48/400)	7.9% (52/656)	4.1%	Target achieved due to implementation of Maternal & Mortality Committee meetings and DCST support.
	Death of children under 5 years in health facilities is reduced	[Number of] Death in facility under 5 years	1 451	1 614	1 478	1 472	1 554	(82)	Target not achieved because 75% of the under 5-year deaths were due to neonatal deaths caused by congenital heart diseases, neonatal encephalopathy, prematurity, respiratory distress syndrome, neonatal sepsis, aspiration pneumonia, pneumonia, severe acute gastroenteritis (AGE), renal impairment, acute diarrhoea, sepsis and shock, severe hypoxic pneumonia, dysmorphism, and severe metabolic cyclosis.

PLANNING							REPORTING		
Outcome (as per SP 2020/21 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients' experience of care satisfaction rate	85.69% (53029 / 61 880)	84.2% (36160 / 42 936)	80.1% (76 815 / 95 880)	86% (53 320 / 62 000)	86% (66 312 / 76 923)	0%	On target. The patient experience of care satisfaction rate increased by 5.9 percentage points from 80.1% during 2022/23 to 86% during 2023/24.
	Hospitals are ready to deliver quality health care and obtain ideal status	Ideal Hospital status obtained rate	22.2% (2/9)	100% (9/9)	66.7% (6/9)	66.7% (6/9)	88.9% (8/9)	22.2%	Target achieved. All nine regional hospitals were assessed for ideal Hospital status between April 2023 and March 2024. Six hospitals: Edenvale, Far East Rand, Leratong, Mamelodi, Pholosong, Sebokeng, Tambo Memorial and Thelle Mogoerane Hospitals, obtained IH status, while Rahima Moosa obtained an unsatisfactory status due to Emergency Trolley not being stocked after use, emergency power supply not available, and a functional system not in place to supply piped oxygen to all clinical areas.
	Adverse events and incidents reported within 24 hours	Severity assessment code (SAC) 1 incident reported within 24 hours rate	74.1% (519/700)	88.6% (728/822)	88.8% (813/916)	95.1% (544/572)	92.7% (868/936)	(2.4%)	Target not achieved. No regional hospitals (except Mamelodi Hospital) reported all their SAC 1s within 24 hours. This was due to delays in reporting and poor co-ordination of SAC1 PSIs.
Patient safety incidents managed timeously	Patient safety incidents managed timeously	Patient Safety Incident (PSI) case closure rate	74% (917 / 1 242)	81% (1 212 / 1 497)	85.8% (1 688 / 1 968)	81.3% (1 220 / 1 500)	84.8% (1 713 / 2 021)	3.5%	Target achieved due to continuous training on management of PSIs that contributed in PSIs being closed within prescribed timelines. The number of PSIs closed thus improved by 1.5% from 1 688 during 2022/23 to 1 713 during 2023/24.
			#	97.1% (633/652)	96.8% (635/656)	95% (628/664)	95.7% (608/635)	0.7%	Target achieved due to timeous investigation of complainants and availability of complainants for redress meetings within the expected timelines.
All submitted complaints resolved within 25 working days		Complaints resolution within 25 working days rate							



PLANNING					REPORTING				
Outcome (as per SP 2020/21 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
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 assessment)	1.8% (82 / 4 547)	4.6% (207 / 4 505)	5% (232 / 4 597)	5% (228 / 4 547)	5.61% (256 / 4 566)	0.6%	Target achieved, as 256 usable beds were allocated for mental healthcare users.
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)	75% (6/8)	100% (9/9)	100% (9/9)	100% (9/9)	0%	Target achieved, as all regional hospitals had a functional hospital board.

### Strategies to overcome areas of underperformance

#### [Number of] Death in facility under 5 years

Issues associated with high numbers of neonatal death will be addressed, and management of neonates and children under 5 years old will be improved. Training on the Helping Babies to Breathe (HBB) programme, and portogram and cardiocography (CTG) interpretation will be conducted. Adherence to Infection Prevention and Control standards will be ensured.

#### Patients' experience of care satisfaction rate

The Department's recommendation for review of the relevant PEC questionnaire on access to care has been sent to the National Department of Health via the Service Delivery Improvement Plan. Enforcement letters have been sent to encourage Facility Managers to monitor stock availability and to observe the schedule for ordering stocks from the Main Depot.

#### Severity assessment code (SAC) 1 incident reported within 24 hours rate

Quality Assurance Managers are advised to allocate Ideal website credentials to managers working on weekends, and to monitor compliance of reporting SAC 1 PSIs within 24 hours of occurrence.

**Table 4.4.2: SUB-PROGRAMME 4.2: SPECIALISED HOSPITALS**

PLANNING		REPORTING								
		Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
2020/21	2021/22			2022/23						
Outcome (as per SP 2020/21 - 2024/25)	Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	94.6% (6 326/6 683)	92.6% (4 840/5 226)	87.1% (11 964/13 737)	96% (6 304/6 600)	91% (17 572/19 403)	(5%)	Target not achieved because questions about 'access to care' received more negative responses, which affected the survey results. Communication between clinicians and patients seems to be a challenge, as there is lack of information and health education on prescribed treatment being provided.
		Hospitals ready to deliver quality health care	Ideal hospital status obtained rate	22.2% (2/9)	55.6% (5/9)	44.4% (4/9)	77.8% (7/9)	44.4% (4/9)	(33.4%)	Target not achieved. Nine specialised hospitals were assessed between April 2023 and March 2024 and four hospitals: Sizwe Tropical Hospital, Tara H Moross Centre Hospital, University of Pretoria (UP) Oral Centre and Sterkfontein Hospital obtained Ideal status. MEDUNSA Oral Centre, Tshwane Rehab, Cullinan Rehab Hospital and Weskoppies Hospital obtained unsatisfactory status. The reasons included gaps in the non-negotiable vital (NNV) elements, with the major issue being that the Emergency Trolley was not stocked with medicines and equipment. The Wits Oral Centre failed to complete its self-assessment within the scheduled period.
		Prompt response to adverse events	Severity assessment code (SAC) 1 incident reported within 24 hours rate	66.7% (12/18)	87.8% (36/41)	94.4% (34/36)	95% (76/80)	81% (34/42)	(11%)	Target not achieved because the SAC 1 incidents reported within 24 hours' rate declined by 13.4 percentage points from 94.4% during 2022/23 to 81% during 2023/24. This was due to delays in reporting and capturing of SAC 1 PSIs within 24 hours of occurrence.

PLANNING		REPORTING				Reasons for deviations		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output indicators	Audited / Actual performance		Planned annual target 2023/2024		Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024
			2020/21	2021/22	2022/23			
	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	92.5% (422/456)	98.4% (551/560)	97.2% (621/639)	95% (380/400)	98.9% (706/714)	3.9%
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	94.4% (84/89)	90.4% (66/73)	95% (76/80)	100% (90/90)	5%
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	#	#	#	100% (6/6)	100% (6/6)	0%

*Strategies to overcome areas of underperformance*

#### **Patients' experience of care satisfaction rate**

The Department's recommendation to review the relevant PEC questionnaire on access to care has been sent to the National Department of Health via the Service Delivery Improvement Plan. Enforcement letters have been issued to encourage Facility Managers to monitor stock availability and to observe the schedule for ordering stocks from the Main Depot.

#### **Ideal Hospital status obtained rate**

Enforcement letters will be issued to the facilities via the Head of Department's office, and continuous monitoring of the facility during self-assessment and quality improvement will be undertaken.

#### **Severity assessment code (SAC) 1 incident reported within 24 hours rate**

PSI meetings will be held regularly to improve reporting of SAC 1s.

**Table 4.4.3: Budget Programme 4: Provincial hospital services expenditure**

PROVINCIAL HOSPITAL SERVICES	2023/24				2022/23			
	Final Appropriation R'000	Actual Expenditure R'000	% Spent	(Over/Under) Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	% Spent	(Over/Under) Expenditure R'000
GENERAL HOSPITALS	8 901 051	8 961 823	100.7%	(60 772)	8 102 370	8 211 159	101.3%	(108 789)
TUBERCULOSIS HOSPITALS	391 360	422 302	107.9%	(30 942)	367 586	354 100	96.3%	13 486
PSYCHIATRIC/MENTAL HOSPITAL	1 951 126	1 876 140	96.2%	74 986	1 886 517	1 768 458	93.7%	118 059
DENTAL TRAINING HOSPITALS	671 628	644 392	95.9%	27 236	676 651	636 212	94.0%	40 439
OTHER SPECIALISED HOSPITALS	116 845	125 433	107.3%	(8 588)	111 834	112 498	100.6%	(664)
<b>TOTAL</b>	<b>12 032 010</b>	<b>12 030 090</b>	<b>100.0%</b>	<b>1 920</b>	<b>11 144 958</b>	<b>11 082 427</b>	<b>99.4%</b>	<b>62 531</b>

## 4.5 BUDGET PROGRAMME 5: CENTRAL HOSPITAL SERVICES

### 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

##### Charlotte Maxeke Johannesburg Academic Hospital (CMJAH)

#### *Significant achievements*

The clinical platform has been modernised, with the facility being in the early stages of implementing the Health Information System - Clinical Module. The Radiology Information System and Picture Archiving and Communication System (RIS/PACS) have been rolled out to all Gauteng facilities; with its implementation at CMJAH being complete, the facility is now working on issues of connectivity.

#### Cardiology

Through implementation of public-private partnerships, a less invasive catheter-based technique for replacing a diseased aortic value (TAVI) was instituted. The service helps to reduce long waiting lists for cardiac surgery and the poor outcomes of open-heart surgery in high-risk patients. In terms of solid organ transplant surgery, there was a gradual increase of transplants performed in the hospital, especially kidney transplants, with measures in place for liver transplants in the future. In collaboration with other central hospitals in the province, CMJAH is reviving and strengthening the transplant programme.

#### Cluster strengthening and collaboration

Outreach programmes have featured most clinical domains to improve training and development through skills transfer, research and sharing of resources, and enhance referral processes to improve health outcomes and patient experience. Cluster theatres were used to reduce waiting times for elective surgery, e.g. arthroplasty and minor neurosurgery.

## **Collaboration with North West Province**

A very strong collaboration between the facility and partners in North West Province was formed to undertake multiple teaching and learning activities, and to strengthen or commission new services. Implementation of the radiation oncology service was supported to improve access and equity, and the obstetrics and gynaecology service was strengthened at Potchefstroom and Klerksdorp/ Tshepong Complex. CMJAH recently performed its first open-heart surgery in collaboration with Klerksdorp Hospital.

### **Steve Biko Academic Hospital (SBAH)**

#### ***Significant achievements***

The facility reached its target for decreasing the number of mortalities due to severe acute malnutrition (SAM).

#### ***Challenges***

According to Statistics South Africa, Gauteng's specialised services for children aged 0 to 14 years amounts to 8 305 441, with 48% of these being central services provided at SBAH. There is a discrepancy in staff establishment between the Johannesburg and Pretoria circuits, with 32 specialists in Pretoria versus 115 specialists in Johannesburg. SBAH's referral centre accepts most of the Paediatric Intensive Care Unit (PICU) patients from Mpumalanga and 48% of those from Gauteng, including Tembisa in Ekurhuleni North. Most specialised services for Dr George Mukhari Hospital are also provided at SBAH.

Major contributors to risk include having a large Paediatric Cardiology Unit that drains Mpumalanga, Limpopo, and almost half of Gauteng, thereby increasing the mortality risk in our institutions due to complications. There was no Paediatric Intensive Care consultant during Quarter 4, and currently there is no High Care facility at SBAH, which heightens the risk for mortality in wards.

Inter-district and interprovincial ambulance and transfer services are often delayed, leading to the patient's referral in an unstable condition or too late for positive health outcomes.

The SBAH Neonatal Unit experienced significant overcrowding due to lack of physical space to ensure adequate infection control, including optimal spacing between treatment areas. Also, the patient-nursing staff ratio is suboptimal, which increases the risk of mortality due to hospital-acquired infections.

## **TERTIARY HOSPITALS**

### **Tembisa Hospital**

#### ***Significant achievements***

1. Targets for pneumonia, diarrhoea and under-5 case fatality were achieved through constant in-service training of staff, weekly mortality and morbidity reviews, and addressing of gaps in clinical management.
2. An additional 16 Kangaroo Mother Care beds were opened to enable more mothers staying in with their newborns, which reduces the average length of stay for pre-term newborns.
3. Junior staff are encouraged to attend academic symposia, webinars, and Accreditation of Prior Learning (APL) sessions to improve the quality of care.
4. In-house neonatal and paediatric resuscitation training is conducted on a regular basis to improve the critical care of patients.
5. The number of Registrars in training increased to nine, which supports better quality of care from trainee Registrars.
6. Two Medical Officers passed Fellowship of the College of Paediatricians of South Africa (FC Paed I) and two Medical Officers passed the Diploma in Child Health.
7. A qualified Neonatologist was appointed to improve the quality of neonatal care.



## Challenges

1. Extreme staff shortages with high in-patient loads:
  - a. The nurse-patient ratios are grossly inadequate, which leads to suboptimal patient care. The nature of the paediatric patient is such that most are totally dependent on nursing personnel for three-hourly feeds of neonates day and night, in neonatal wards and on general Paediatric wards where most admissions are infants. This results in increased average length of stay and challenges with optimal observation of in-patients.
  - b. Doctor-patient ratios are also grossly inadequate, which has a negative impact on patient care. Tembisa Hospital has one Medical Officer on call duty covering multiple areas: Accident and Emergency, Paediatric Intensive Care and High Care Wards, and general wards during after-hour services. This leads to delays in the care of P1 patients, in some cases leading to poor outcomes that include mortality or survival with significant morbidity.
2. With a high number of premature infants admitted at Tembisa Hospital, the unavailability of a Lodger Mother facility to admit breastfeeding mothers in our hospital with a high number of premature infants necessitates mothers travelling daily to the hospital to feed their babies; this has a negative impact on milk production for some mothers, and travelling is costly, which may contribute to sepsis in the unit.
3. Inadequate infrastructure with overcrowded wards leads to increased incidence of hospital-acquired infections.
4. The insufficient number of Critical Care beds (in both the NICU and PICU) leads to the death of patients who would have survived if more such beds were available for the community served by Tembisa Hospital.
5. There are constant challenges with inconsistent availability of consumables.

**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 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	[Number of] Maternal mortality in facility	109	106	86	88	86	2	Target achieved due to implementation of M&M Committee review meetings.
	Fewer children under 5 years dying from diarrhoeal diseases	Child under 5 years diarrhoea case fatality rate	3.1% (26 / 838)	2.8% (42 / 1 483)	2.4% (53 / 2 204)	2.8% (3 / 1 144)	1.9% (36 / 1 925)	0.9%	Target achieved. The case fatality due to diarrhoea decreased by 0.5 percentage points from 2.4% during 2022/23 to 1.9% during 2023/24 because of continuous review of all cases by the M&M Committee and implementation of interventions.
	Fewer children under 5 years dying from pneumonia	Child under 5 years pneumonia case fatality rate	2.7% (40 / 1 480)	2.5% (48 / 1 926)	2.3% (62 / 2 707)	2.9% (48 / 1 652)	2.1% (39 / 1 868)	0.8%	Target achieved due to a decrease by 37% from 62 pneumonia deaths during 2022/23 to 39 during 2023/24. This is because there was continuous review of all cases by the M&M Committee and implementation of interventions.
	Fewer children dying from malnutrition	Child under 5 years severe acute malnutrition case fatality rate	#	#	7.3% (37 / 504)	7.6% (32 / 420)	5.2% (21 / 407)	2.4%	Target achieved due to a decrease in SAM deaths by 43% from 37 deaths to 21 deaths after review of all SAM cases by the M&M Committee and implementation of interventions to avoid future deaths.

PLANNING						REPORTING			
Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality reduced	Number of children who die in health facilities reduced	[Number of] Death in facility under 5 years	1 646	1 495	1 558	1 732	1 431	301	Target achieved due to continuous review of all cases by the M&M Committee and implementation of interventions.
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	84% (81 424 / 96 892)	86.5% (24 694 / 28 538)	73.1% (93 563 / 128 032)	86.5% (24 694 / 28 538)	76% (139 082 / 182 938)	(10.5%)	Target not achieved because 'access to care' survey questions received more negative responses. Communication between clinicians and patients is a challenge, as there is lack of information and health education on prescribed treatment given to patients. Unavailability of medicines also severely affected the score in most facilities.

PLANNING						REPORTING			
Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Quality of health services in public health facilities improved	Hospitals ready to deliver quality health care	Ideal hospital status obtained rate	25% (1/4)	75% (3/4)	0% (0/4)	75% (3/4)	75% (3/4)	0%	Target achieved. All four Central Hospitals were assessed between April 2023 and March 2024 and of these, three hospitals, namely Charlotte Maxeke, Steve Biko and Dr George Mukhari Hospitals, received a satisfactory status.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	96.1% (618 / 643)	92.7% (656 / 708)	95.5% (504 / 528)	95.3% (671 / 704)	(0.2%)	Target not achieved due to complex complaints that required more time to investigate and involved more than one discipline.
	Prompt response to adverse events	Severity assessment code (SAC) 1 incident reported within 24 hours rate	95% (819 / 862)	93.4% (397 / 425)	97.2% (627 / 645)	95% (380 / 400)	97.3% (840 / 863)	2.3%	Target achieved because SAC 1 incidents reported within 24 hours' rate increased by 0.1 percentage points from 97.2% during 2022/23 to 97.3% during 2023/24. This was due to continuous training on management of PSIs that contributed to SAC 1 PSIs being reported within prescribed timelines.
Leadership and	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	67.2% (1 190 / 1 770)	78.8% (1 470 / 1 865)	84% (2 217 / 2 640)	80.5% (1 272 / 1 580)	93.7% (2 617 / 2 792)	13.2%	Target achieved. PSIs case closure rate increased by 9.7 percentage points from 84% during 2022/23 to 93.7% during 2023/24 due to continuous training on management of PSIs that contributed to PSIs being closed within prescribed timelines.
	Functional governance structure	Percentage of hospitals with functional hospital boards	75% (3/4)	100% (4/4)	100% (4/4)	100% (4/4)	100% (4/4)	0%	Target achieved; all Central Hospitals had a functional hospital board.

**Table 4.5.2: CHRIS HANI BARAGWANATH ACADEMIC HOSPITAL**

Outcome (as per SP 2020/21- 2024/25)	PLANNING					REPORTING			
	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	[Number of] Maternal mortality in facility	34	48	29	28	23	5	Target achieved with maternal deaths declining by 21% from 29 during 2022/23 to 23 during 2023/24. This is due to continuous monitoring and follow-up of M&M Committee meeting resolutions.
	Fewer children under 5 years dying from diarrheal diseases	Child under 5 years diarrhoea case fatality rate	8.4% (16/191)	6.3% (35/560)	3.4% (42/1 220)	1.9% (12/640)	2.6% (32/1 252)	(0.7%)	Target not achieved because very ill children do not arrive at the clinic/OPD on the day of referral and subsequently die due to severe bacterial infection and sepsis shock, among other causes. Caregivers also fail to recognise danger signs and severity of illness.
Maternal, neonatal, infant and child mortality reduced	Fewer children under 5 years dying from pneumonia	Child under 5 years' pneumonia case fatality rate	4.4% (11/252)	5.5% (28/507)	2.7% (19/714)	2% (4/200)	2.5% (19/755)	(0.5%)	Target not achieved due to late referral to tertiary level of care, as cases presented are in a critical stage.
	Fewer children dying from malnutrition	Child under 5 years severe acute malnutrition case fatality rate	#	#	11.6% (23/198)	16% (12/76)	6.4% (14/219)	9.6%	Target achieved due to the SAM case fatality decline by 5.2 percentage points from 11.6% during 2022/23 to 6.4% during 2023/24 because of continuous review of all cases by the M&M Committee and implementation of interventions.
Maternal, neonatal, infant and child mortality reduced	Number of children who die in health facilities reduced	[Number of] Death in facility under 5 years	676	693	655	552	573	(21)	Target not achieved because 77% of the under-5 deaths are neonatal deaths as a result of complex cases where under-5 deaths and neonates require functional ICU beds (resource limitation); and late referrals to tertiary levels of care.

Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	PLANNING				REPORTING			
			Audited / Actual performance				Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23	2023/2024				
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	83.7%	82.5% (8070/9778)	66% (15 789/24 027)	85% (31 500/37 000)	66% (35 678/53 686)	(19%)	Target not achieved because of poor performance in areas such as access to care, availability of medicines, waiting times, cleanliness, staff values and attitudes, and patient safety.	
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	95.9% (302/315)	87.3% (227/260)	95% (220/232)	92.2% (200/217)	(2.8%)	Target not achieved due to complex complaints that require more time to investigate and do consultations; and delays in some units in conducting investigations and providing reports.	
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)	82.1% (23/28)	97% (321/331)	95% (76/80)	97.7% (510/522)	2.7%	Target achieved because the SAC 1 incidents reported within 24 hours' rate increased by 0.7 percentage points from 97% during 2022/23 to 97.7% during 2023/24. This was due to prompt reporting and capturing of SAC 1 PSIs.	



PLANNING						REPORTING			
Outcome (as per SP 2020/21-2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
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)	87.6% (750 / 856)	88% (1 048 / 1 191)	95% (496 / 520)	96.8% (1 132 / 1 169)	1.8%	Target achieved due to an increase in PSI cases closed by 8% from 1 048 during 2022/23 to 1 132 during 2023/24. This was due to ad hoc meetings conducted to deal with the high number of PSIs.
	Hospitals ready to deliver quality health care	Ideal hospitals status obtained rate	#	#	0% (0/1)	100% (1/1)	0% (0/1)	(100%)	Target not achieved because the hospital obtained unsatisfactory status due to gaps in Non-Negotiable Vital elements, mainly the emergency trolley not being stocked with medicines and equipment, and oxygen not being available in the cylinder or below the minimum level.
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)	100% (1/1)	100% (1/1)	0%	Target achieved because the hospital had a functional hospital board.

Table 4.5.3: CHARLOTTE MAXEKE JOHANNESBURG ACADEMIC HOSPIT

PLANNING				REPORTING						
Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations	
			2020/21	2021/22	2022/23					
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	[Number of] Maternal mortality in facility	27	15	28	16	28	(12)	Target not achieved as maternal deaths remained at 28 during 2023/24 as compared to 2022/23. This is because very sick patients presented late to the hospital. Other unavoidable causes were hypovolaemic shock, acute cardiac failure, pulmonary embolism, cardiac arrest, bowel obstruction, puerperal sepsis and multi-organ failure. Most of the mothers who died were referred in advanced disease state. This, unfortunately, is an ongoing pattern. Furthermore, the chronic shortage of High Care and ICU beds means that even patients who might have had a different outcome died. A primary contributing factor is that five of the six regional hospitals that refer patients to CMJAH have staff establishment and capacity at the level of district hospitals.	
			4.1% (6/146)	3.4% (4/118)	2.1% (5/237)	4% (4/100)	1.8% (3/168)	2.2%		Target achieved as diarrhoea deaths decreased from five deaths during 2022/23 to three deaths during 2023/24 due to review of all cases by the M&M Committee and implementation of interventions.
			1.2% (3/256)	2.1% (2/96)	1.8% (4/227)	4% (16/452)	2.7% (7/257)	1.3%		Target achieved due to review of all cases by the M&M Committee and implementation of interventions.
Fewer children under 5 years dying from diarrhoeal diseases	Child under 5 years diarrhoea case fatality rate	4.1% (6/146)	3.4% (4/118)	2.1% (5/237)	4% (4/100)	1.8% (3/168)	2.2%	Target achieved as diarrhoea deaths decreased from five deaths during 2022/23 to three deaths during 2023/24 due to review of all cases by the M&M Committee and implementation of interventions.		
Fewer children under 5 years dying from pneumonia	Child under 5 years' pneumonia case fatality rate	1.2% (3/256)	2.1% (2/96)	1.8% (4/227)	4% (16/452)	2.7% (7/257)	1.3%	Target achieved due to review of all cases by the M&M Committee and implementation of interventions.		

PLANNING				REPORTING					
Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
	Fewer children dying from malnutrition	Child under 5 years severe acute malnutrition case fatality rate	#	#	0% (0/37)	5% (4/80)	14.3% (4/28)	(9.3%)	Target not achieved because the SAM case fatality rate increased by 14.3 percentage points from 0% during 2022/23 to 14.3% during 2023/24. The SAM cases included complicated hypoxaemia, respiratory distress, patient complicated with electrolyte derangement that resulted in seizures, and failure of the caregiver to recognise danger signs early.
	Number of children who die in health facilities reduced	[Number of] Death in facility under 5 years	323	278	325	552	307	245	Target achieved because the number of under 5 deaths declined by 5.5% from 325 during 2022/23 to 307 during 2023/24 and this was due to the review of all cases by the M&M Committee and implementation of interventions.
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients' experience of care satisfaction rate	77.6% (16 513 / 2 073)	N/A	70% (26 956 / 38 614)	80% (17 200 / 21 500)	73% (36 621 / 50 430)	(7%)	Target not achieved because of poor performance in areas such as access to care, availability of medicines, waiting times, and staff values and attitudes.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	92.6% (75/81)	90.8% (99/109)	95% (84/88)	86.3% (101/117)	(8.7%)	The target was not achieved as the rate of complaint resolution within 25 working days declined by 4.5 percentage points, dropping from 90.8% in 2022/23 to 86.3% in 2023/24. This was due to delays in investigations and report submissions by functional business units, as well as the complexity of some complaints that required more time and involved multiple disciplines.

Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	PLANNING				REPORTING		
			Audited / Actual performance		Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations	
			2020/21	2021/22					2022/23
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	53% (64/122)	88.5% (46/52)	96.4% (81/84)	95% (76/80)	96.4% (80/83)	1.4%	Target achieved due to the involvement of the Heads of Departments (HoDs) in the management of SAC1 PSIs.
Quality of health services in public health facilities improved	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	18.4% (75/408)	77.2% (166/215)	93% (388/417)	75% (156/208)	94.8% (435/459)	19.8%	Target achieved as the PSI cases closed increased by 12% from 388 during 2022/23 to 435 during 2023/24. This was due to the involvement of HoDs of units to enhance speedy 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	0% (0/1)	100% (1/1)	100% (1/1)	100% (1/1)	100% (1/1)	0%	Target achieved because the hospital had a functional hospital board.

**Table 4.5.4: STEVE BIKO ACADEMIC HOSPITAL**

PLANNING							REPORTING		
Outcome (as per SP 2020/21-2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	[Number of] Maternal mortality in facility	11	18	6	12	18	(6)	Target not achieved because of very sick patients presenting late to the hospitals. Other unavoidable causes of death were cardiac arrest, septic shock, spinal haematoma, respiratory disease, acute respiratory failure, and multi-organ failure.
Maternal, neonatal, infant and child mortality reduced	Fewer children under 5 years dying from diarrheal diseases	Child under 5 years diarrhoea case fatality rate	0 (0/208)	0.32% (1/312)	1.6% (3/183)	3% (4/128)	1.3% (1/77)	1.7%	Target achieved as the diarrhoea case fatality rate decreased by 0.3 percentage points from 3% during 2022/23 to 1.3% during 2023/24, due to review of all cases by the M&M Committee and implementation of interventions.
	Fewer children under 5 years dying from pneumonia	Child under 5 years' pneumonia case fatality rate	2.3% (14/604)	1.8% (12/659)	3.5% (28/800)	2.9% (16/552)	3.6% (10/279)	(0.7%)	Target not achieved because the pneumonia case fatality rate increased by 0.1 percentage points from 3.5% during 2022/23 to 3.6% 2023/24. Deaths were due to multi-organ failure, septicaemia, respiratory failure, Trisomy 21, severe parainfluenza bronchiolitis and ventilator-associated pneumonia, chronic lung disease, and severe pneumonia pneumocystis.

PLANNING							REPORTING		
Outcome (as per SP 2020/21 - 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality reduced	Fewer children dying from malnutrition	Child under 5 years severe acute malnutrition case fatality rate	#	#	5.6% (10/177)	3.8% (8/212)	2.4% (3/126)	1.4%	Target achieved due to review of all cases by the M&M Committee and implementation of interventions.
	Number of children who die in health facilities reduced	[Number of] Death in facility under 5 years	236	233	259	160	250	(90)	Target not achieved because 60% of the under 5 deaths were neonatal deaths as a result of asphyxia, infections, foetal/congenital abnormalities, sepsis, and delay in diagnosis of pneumothorax. In addition, the Neonatal Unit had significant overcrowding due to lack of physical space to ensure adequate infection control and optimal spacing in between treatment areas.
Quality of health services in public health facilities improved	Patients report positive experience of care All submitted complaints resolved within 25 working days	Patients' experience of care satisfaction rate Complaints resolution within 25 working days rate	91.1% (27 126 / 29 756)	92.6% (8 475 / 9 156)	75% (27 698 / 37 158)	93% (28 000 / 30 000)	83% (31 235 / 37 645)	(10%)	Target not achieved because of poor performance in areas such as access to care, availability of medicines and waiting times.
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	#	95.1% (97/102)	95.6%	95% (84/88)	100% (122/122)	5%	Target achieved as all complaints were resolved within 25 working days.
			85.7% (12/14)	76.5% (52/68)	99.3%	95% (76/80)	94.6% (141/149)	(0.4%)	Target not achieved. SAC 1 incidents reported within 24 hours' rate declined by 4.7 percentage points from 99.3% 2022/23 to 94.6% 2023/24, due to delayed reporting of SAC 1 PSIs by the wards.

PLANNING						REPORTING			
Outcome (as per SP 2020/21-2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Quality of health services in public health facilities improved	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	17.8% (42/236)	31.1% (106/341)	53.5%	75% (180/240)	80.3% (444/553)	5.3%	Target achieved because the PSI closure rate increased by 26.8 percentage points from 53.5% during 2022/23 to 80.3% during 2023/24. This was due to conducting ad hoc meetings to enhance closure of PSIs that could not be accommodated in the scheduled PSIs Committee meetings.
Quality of health services in public health facilities improved	Hospitals ready to deliver quality health care	Ideal Hospital status obtained rate	#	#	0% (0/1)	100% (1/1)	100% (1/1)	0%	Target achieved because the hospital obtained an excellent status, as the Non-Negotiable Vital elements were achieved.
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)	100% (1/1)	100% (1/1)	0%	Target achieved because the hospital had a functional hospital board.



**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 2023/2024	Actual	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	[Number of] Maternal mortality in facility	37	25	23	32	17	15	Target achieved as maternal deaths decreased by 26% from 23 during 2022/23 to 17 during 2023/24 due to continuous monitoring and follow-up of M&M Committee meeting resolutions.
Maternal, neonatal, infant and child mortality reduced	Fewer children under 5 years dying from diarrheal diseases	Child under 5 years diarrhoea case fatality rate	1.4% (4/293)	0.41% (2/493)	0.53% (3/564)	2.4% (12/504)	0% (0/428)	2.4%	Target achieved because diarrhoea deaths declined from three deaths during 2022/23 to no deaths during 2023/24. This was because of continuous monitoring and follow-up of M&M Committee meeting resolutions.
	Fewer children under 5 years dying from pneumonia	Child under 5 years' pneumonia case fatality rate	3.3% (12/368)	0.9% (6/664)	1.1% (11/966)	2.5% (12/480)	0.52% (3/577)	1.98%	Target achieved. Pneumonia deaths decreased by 72.7% from 11 deaths during 2022/23 to three deaths during 2023/24 because of continuous monitoring and follow-up of M&M Committee meeting resolutions.

PLANNING							REPORTING		
Outcome (as per SP 2020/21- 2024/25)	Outputs	Output Indicators	Audited/ Actual performance			Planned Annual Target 2023/2024	Actual	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality reduced	Fewer children dying from malnutrition	Child under 5 years severe acute malnutrition case fatality	#	#	4.3% (4/92)	10% (8/80)	0% (0/34)	10%	Target achieved as no deaths due to SAM was reported during 2023/24 because of continuous monitoring and follow-up of M&M Committee meeting resolutions.
	Number of children who die in health facilities reduced	[Number of] Death in facility under 5 years	411	291	319	420	301	119	Target achieved due to implementation of M&M Committee case reviews.
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients' experience of care satisfaction rate	75.5% (8 575 / 11 354)	87.7% (8 420 / 9 601)	82% (23 120 / 28 233)	85% (8 500 / 10 000)	86% (35 548 / 41 177)	1%	Target achieved because the PEC satisfaction rate increased by 4 percentage points from 82% during 2022/23 to 86% during 2023/24. The hospital achieved on four PEC domains: cleanliness, patient safety, staff values and attitudes, and waiting times.
	Hospitals ready to deliver quality health care	Ideal Hospital status obtained rate	0%	100% (1/1)	0% (0/1)	100% (1/1)	100% (1/1)	0%	Target achieved because the hospital obtained an excellent status, as the Non-Negotiable Vital elements were achieved.
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	97.5% (664/681)	99.6% (276/277)	95.3% (82/86)	98% (776/792)	100% (109/109)	2%	Target achieved because SAC 1 incidents reported within 24 hours' rate increased by 4.7 percentage points from 95.3% during 2022/23 to 100% during 2023/24; this was due to prompt reporting and capturing of SAC1 PSIs.

PLANNING							REPORTING		
Outcome (as per SP 2020/21- 2024/25)	Outputs	Output Indicators	Audited/ Actual performance			Planned Annual Target 2023/2024	Actual	Deviation from planned target to Actual Achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Quality of health services in public health facilities improved	Incidence of harm managed and reduced	Patient Safety Incident (PSI) case closure rate	96.9% (690/712)	98.9% (448/453)	99.4% (496/499)	75% (640/850)	99.2% (606/611)	24.2%	Target achieved. PSI cases closed increased by 22% from 496 cases closed during 2022/23 to 606 cases closed during 2023/24; this was due to continuous proceedings of the PSIs Committee.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	99.3% (144/145)	98.5% (201/204)	95% (160/168)	100% (248/248)	5%	Target achieved as all complaints were resolved within 25 working days.
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)	100% (1/1)	100% (1/1)	0%	Target achieved because the hospital had a functional hospital board.

## *Strategies to overcome areas of underperformance*

### **CHRIS HANI BARAGWANATH ACADEMIC HOSPITAL**

#### **Child under 5 years diarrhoea case fatality rate**

Health education will be strengthened at the Primary Health Care level before the child experiences complications.

#### **[Number of] Death in facility under 5 years**

Health education on unhealthy habits will be strengthened, as will early booking and ensuring that the recommended bed space is achieved in line with the Ideal Hospital requirements.

#### **Patients experience of care satisfaction rate**

The Department's recommendation to review the relevant PEC questionnaire on access to care has been sent to the National Department of Health via the Service Delivery Improvement Plan. Enforcement letters have been issued to encourage Facility Managers to monitor stock availability and to observe the schedule for ordering stocks from the Main Depot.

#### **Complaints resolution within 25 working days rate**

Letters of non-compliance will be submitted to the hospital CEO to assist the Quality Assurance Office in addressing the non-commitment of managers (including clinical managers) to assist with the investigation of complaints and thereby avoid delays that lead to poor performance.

#### **Ideal Hospital status obtained rate**

An enforcement letter will be issued to the facility via the HoD's office. There will be continuous monitoring of the facility during self-assessment and quality improvement implementation, including timeous procurement of Emergency Trolley items by the facility and daily monitoring of the Emergency Trolley replenishment of items by units.

### **CHARLOTTE MAXEKE JOHANNESBURG ACADEMIC HOSPITAL**

#### **[Number of] Maternal Mortality in facility**

Strengthening of M&M Committee meetings will continue, and outreach support will be provided to referring facilities. District offices will also strengthen feeder clinics and hospitals. The number of Heads of Clinical Units will be increased to improve supervision and training of staff.

#### **Child under 5 years severe acute malnutrition case fatality rate**

Community health education and awareness will be strengthened through Ward-based Outreach Teams. Early referral from district health facilities will be promoted

#### **Patients' experience of care satisfaction rate**

The Department's recommendation to review the relevant PEC questionnaire on access to care has been sent to the National Department of Health via the Service Delivery Improvement Plan. Enforcement letters have been issued to encourage Facility Managers to monitor stock availability and to observe the schedule for ordering from the Main Depot.

#### **Complaints resolution within 25 working days rate**

Letters of non-compliance will be submitted to the CEO to assist the Quality Assurance Office in addressing the non-commitment of managers (including clinical managers) to assist with the investigation of the complaints, thereby avoiding delays that lead to poor performance.

### **STEVE BIKO ACADEMIC HOSPITAL**

#### **[Number of] Maternal Mortality in facility**

There is a need to tackle sexual reproductive health matters at PHC level, including increasing young women's access to contraceptives. There is an increase of infections during pregnancy within the cluster, which also indicates late presentation and the need to protect pregnant women. At tertiary/central level, complications that

were due to late presentation by the patient or delayed recognition by clinicians must be addressed. Enhanced and consistent cluster support remains a pivotal role of Steve Biko Hospital.

### **Child under 5 years' pneumonia case fatality rate**

Strengthening of M&M Committee meetings will continue, and outreach support will be rendered to referring facilities.

### **[Number of] Death under 5 years against live birth**

Cluster engagement will be undertaken to address timely referrals of high-risk pregnancies, neonatal deaths, as well as children with SAM/pneumonia and other acute paediatric conditions.

### **Patients experience of care satisfaction rate**

The Department's recommendation to review the relevant PEC questionnaire on access to care has been sent to the National Department of Health via the Service Delivery Improvement Plan. Enforcement letters have been issued to encourage Facility Managers to monitor stock availability and to observe the schedule for ordering from the Main Depot.

### **Severity assessment code (SAC) 1 incident reported within 24 hours' rate**

Quality Managers are to maintain monitoring of investigation of PSIs and convening of PSI Committees to close PSIs.

**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 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Maternal, neonatal, infant and child mortality reduced	Number of women who die in health facilities reduced	[Number of] Maternal mortality in facility	42	53	37	52	31	21	Target achieved because maternal deaths decreased by 16% from 37 deaths during 2022/23 to 31 deaths during 2023/24. This was due to continuous monitoring and follow-up of M&M Committee meeting resolutions.
			2.7% (11/411)	1.9% (12/624)	1.8% (12/685)	2.4% (16/668)	1.3% (8/607)	1.1%	
Maternal, neonatal, infant and child mortality reduced	Fewer children under 5 years dying from diarrhoeal diseases	Child under 5 years diarrhoea case fatality rate	2.5% (15/611)	1.3% (10/764)	2.4% (27/1 123)	1.5% (12/800)	1.6% (12/771)	(0.1%)	Target achieved. Diarrhoea deaths declined by 33% from 12 deaths during 2022/23 to eight deaths during 2023/24 because of continuous monitoring and follow-up of M&M Committee meeting resolutions.
			2.5% (15/611)	1.3% (10/764)	2.4% (27/1 123)	1.5% (12/800)	1.6% (12/771)	(0.1%)	
Maternal, neonatal, infant and child mortality reduced	Fewer children under 5 years dying from pneumonia	Child under 5 years' pneumonia case fatality rate	#	#	5.1% (13/254)	7% (12/168)	6.8% (9/133)	0.2%	Target not achieved due to late presentation and other conditions such as aspiration pneumonia, severe COVID-19 pneumonia, sepsis, RVD, multi-lobar pneumonia, and bronchopneumonia.
			#	#	5.1% (13/254)	7% (12/168)	6.8% (9/133)	0.2%	
Maternal, neonatal, infant and child mortality reduced	Number of children who die in health facilities reduced	[Number of] Death in facility under 5 years	481	524	536	560	542	18	Target achieved due to continuous monitoring and follow-up of M&M Committee meeting resolutions.
			481	524	536	560	542	18	

Outcome (as per SP 2020/21- 2024/25)	PLANNING					REPORTING			
	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
Quality of health services in public health facilities improved	Patients report positive experience of care	Patients experience of care satisfaction rate	83.9% (23 824 / 28 389)	90.6% (15 496 / 17 098)	74.4% (35 802 / 48 152)	90.6% (15 496 / 17 098)	75% (39 215 / 51 943)	(15.6%)	Target not achieved because 'access to care' survey questions received more negative responses. Communication between clinicians and patients is a challenge, as there is lack of information and health education on prescribed treatment given to patients. Unavailability of medicines, cleanliness, values and attitudes and waiting times also severely affected the score in most facilities.
	Hospitals ready to deliver quality health care	Ideal Hospital status obtained rate	33.3% (1/3)	66.6% (2/3)	33.3% (1/3)	100% (3/3)	33% (1/3)	(67%)	Target not achieved. All three tertiary hospitals were assessed, with Helen Joseph Hospital obtaining Ideal Hospital status, whilst Tembisa and Kalafong Hospitals obtained unsatisfactory status due to the Emergency Trolley not being stocked with medicines and equipment.
	All submitted complaints resolved within 25 working days	Complaints resolution within 25 working days rate	#	84% (442/526)	91.5% (314/343)	95% (380/400)	86.6% (175/202)	(8.4%)	Target not achieved because the complaints resolution rate declined by 4.9 percentage points from 91.5% during 2022/23 to 86.6% during 2023/24. This was due to delays by managers in investigating complaints and conducting redress meetings; also, some complaints are complex requiring more time to investigate and exceeding the prescribed timeframe.



PLANNING					REPORTING				
Outcome (as per SP 2020/21- 2024/25)	Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
			2020/21	2021/22	2022/23				
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	64.1% (270/421)	67.6% (477/706)	77% (312/405)	95% (380/400)	79.5% (283/356)	(15.5%)	Target not achieved due to patients' absconding, wards not reporting incidents within stipulated timelines, and adverse events being discovered late.
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)	76.5% (1 712 / 2 237)	82.6% (981 / 1 187)	80% (752 / 940)	66.4% (603 / 908)	(13.6%)	Target not achieved because the PSI case closure rate declined by 16.2 percentage points from 82.6% during 2022/23 to 66.4% during 2023/24. This was due to the inability to close PSIs on time by not prioritising cases to close and not escalating complex cases to Head Office in time to be assisted.
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)	100% (3/3)	67% (2/3)	(33%)	Target not achieved due to the Helen Joseph Hospital Board being terminated because of non-compliance.

## Strategies to overcome areas of underperformance

### Child under 5 years' pneumonia case fatality rate

M&M Committee meetings will continue to be strengthened, as will cluster support activities.

### Patients experience of care satisfaction rate

The Department's recommendation to review the relevant PEC questionnaire on access to care has been sent to the National Department of Health via the Service Delivery Improvement Plan. Enforcement letters have been issued to encourage Facility Managers to monitor stock availability and to observe the schedule for ordering from the Main Depot.

### Ideal Hospital status obtained rate

An enforcement letter will be issued to the facility via the HoD's office, and there will be continuous monitoring of the facility during self-assessment and quality improvement, timeous procurement of Emergency Trolley items by the facility, and daily monitoring of Emergency Trolley replenishment of items by units.

### Complaints resolution within 25 working days rate

Letters of non-compliance will be submitted to the CEO to assist the Quality Assurance Office in addressing the non-commitment of managers (including clinical managers) to assist with the investigation of complaints, thereby avoiding delays that lead to poor performance.

### Severity assessment code (SAC) 1 incident reported within 24 hours' rate

Quality Assurance Managers are advised to allocate Ideal website credentials for managers working on weekends, and to monitor compliance with reporting SAC 1 PSIs within 24 hours of occurrence.

### Patient Safety Incident (PSI) case closure rate

Quality Assurance Managers are advised to co-ordinate convening of ad hoc meetings to enhance closure of PSIs and prioritise PSIs that can be closed within a short timeline.

### Percentage of Hospitals with functional hospital boards

The new board was appointed with effect from 1 April 2024.

**Table 4.5.7: Budget Programme 5: Central Hospital Services Expenditure**

CENTRAL HOSPITAL SERVICES	2023/24				2022/23			
	Final Appropriation	Actual Expenditure	% Spent	(Over/Under)	Final	Actual	% Spent	(Over/Under)
	R'000	R'000		R'000	R'000	R'000		R'000
CENTRAL HOSPITAL SERVICES	17 135 862	16 533 635	96.5%	602 227	16 918 512	15 803 846	93.4%	1 114 666
PROVINCIAL TERTIARY HOSPITAL SERVICES	5 085 601	5 014 940	98.6%	70 661	5 063 372	5 681 578	112.2%	(618 206)
<b>TOTAL</b>	<b>22 221 463</b>	<b>21 548 575</b>	<b>97.0%</b>	<b>672 888</b>	<b>21 981 884</b>	<b>21 485 424</b>	<b>97.7%</b>	<b>496 460</b>

## 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 postgraduate level. The 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*

#### **Employee satisfaction and training enrolment:**

Employee satisfaction increased by 2 percentage points, from 63% in 2022/23 to 65% in 2023/24, reflecting improved workplace conditions. Additionally, the target for Nursing student enrolment was surpassed, with 2 222 students being enrolled across all years of the Nursing programme, which exceeded the planned target of 800. Furthermore, the enrolment targets for the Higher Certificate and Diploma in Emergency Medical Care (EMC) at Lebone College were successfully achieved.

#### *Challenges*

#### **Sustaining improvements and managing enrolment:**

Despite the progress, sustaining the improved employee satisfaction rate requires ongoing efforts towards workplace enhancements. Managing the large influx of Nursing and EMC students poses logistical challenges, necessitating sufficient budget resources, facilities and staff to maintain the quality of education and training.



## 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;
- 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*

Enrolment in the Central Chronic Medicine Dispensing and Distribution (CCMDD) programme rose by 14.5%, from 1 196 422 patients in 2022/23 to 1 370 165 in 2023/24. The expanded Essential Medicines List (EML) and the decongestion policy allowing clinically stable patients to collect prescriptions from external pick-up points contributed to this growth.

#### *Challenges*

The decline in Vital Medicine Availability is caused by poor supplier performance, poor inventory management, delayed payments to suppliers, and complications associated with the renewal of eight transversal contracts.

**Table 4.7.1: PROGRAMME 7: HEALTH CARE SUPPORT SERVICES**

Outcome (as per SP 2020/21- 2024/25)		PLANNING					REPORTING			
		Outputs	Output indicators	Audited / Actual performance			Planned annual target 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
				2020/21	2021/22	2022/23				
Quality of health services in public health facilities improved	Vital medical products and equipment available at health facilities	Percentage of vital medicine availability at health facilities	97% (428/441)	96% (424/441)	97.2%	96% (424/440)	95% (418/440)	(1%)	Target not achieved because the percentage of vital medicine availability at health facilities declined by 2.2 percentage points from 97.2% during 2022/23 to 95% during 2023/24. This was due to poor supplier performance, poor inventory management at institutions, and suppliers not paid within 30 days. In addition, eight transversal contracts were renewed in the financial year and many items were replaced by alternatives.	
	Essential medical products and equipment available at health facilities	Percentage of essential medicine availability at health facilities	95% (528/556)	96% (424/441)	95.2%	96% (536/556)	94% (523/556)	(2%)	Target not achieved because the percentage of vital medicine availability at health facilities declined by 1.2 percentage points from 95.2% during 2022/23 to 94% during 2023/24. This was due to poor supplier performance, poor inventory management at institutions, and suppliers not paid within 30 days. In addition, eight transversal contracts were renewed in the financial year and many items were replaced by alternatives.	
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)	1 022 840	1 085 232	1 196 422	1 200 000	1 370 165	170 165	Target achieved because 173 743 clients were enrolled on the CCMDD programme during 2023/24, increasing the enrolment rate by 14.5% from 1 196 422 during 2022/23 to 1 370 165 during 2023/24. The EML formulary list was increased for the CCMDD programme, enabling more patients to be enrolled. The decongestion policy was enforced at healthcare facilities for clinically stable patients so that they can collect their chronic prescription at an external pick-up point.	

Strategies to overcome areas of underperformance

### Percentage vital and essential medicine availability at health facilities

Weekly monitoring of medicine availability is conducted using the National Surveillance Database. Penalties are instituted, as is buy-out against contracts for poor supplier performance, and there is timely escalation of out-of-stock items to the National Department of Health for intervention.

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

	2023/24			2022/23		
	Final appropriation R'000	Actual expenditure R'000	(Over)/Under expenditure R'000	Final appropriation R'000	Actual expenditure R'000	(Over-)/under- expenditure R'000
HEALTH CARE SUPPORT SERVICES						
LAUNDRIES	340 755	342 863	(2 108)	322 894	335 217	(12 323)
FOOD SUPPLY SERVICES	100 017	96 498	3 519	114 571	102 086	12 485
MEDICINE TRADING ACCOUNT	1	0	1	1	0	1
<b>TOTAL</b>	<b>440 773</b>	<b>439 361</b>	<b>1 412</b>	<b>437 466</b>	<b>437 303</b>	<b>163</b>



## 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:

Financing and Delivery of Infrastructure projects improved

#### ***Significant achievements***

The programme significantly improved healthcare infrastructure by enhancing financing and delivery. Achievements include constructing, refurbishing, upgrading, and maintaining community health centres, Primary Health Care clinics, EMS facilities, district, provincial/regional, specialised, tertiary, and central hospitals, as well as forensic pathology facilities and nursing colleges.

#### ***Challenges***

Challenges included project delays due to administrative issues, budget constraints impacting project completion, inconsistent contractor performance, and resource allocation difficulties between new projects and existing facility maintenance. Strategies to address these include better project management, optimised budget allocation, stricter contractor monitoring, and prioritising critical maintenance needs.

**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 2023/2024	Actual achievement 2023/2024	Deviation from planned target to actual	Reasons for deviations
			2020/21	2021/22	2022/23				
Financing and Delivery of Infrastructure projects improved	Refurbished and maintained health facilities	Percentage of Health facilities with completed capital infrastructure projects	N/A	0% (0/32)	0% (0/32)	21.9% (7/32)	25% (8/32)	3.1%	Target achieved with the following infrastructure projects completed: CMJAH, Helen Joseph and Chris Hani Baragwanath Psychiatric Wards; Discoverers CHC refurbishment; Kopanong Hospital, Chris Hani Baragwanath Hospital: 500 ICU beds, Dr George Mukhari Hospital: 300 ICU beds, and Jubilee Hospital: 300 ICU beds
	Functional PHC facilities	Number of new Primary Health Centres completed	#	1	1	11	1	(10)	Target not achieved. Only Kekanastad Clinic was opened during the 2023/24 financial year. Contracts for Khutsong South and Mayibuye Clinics were terminated due to poor performance, and six clinics were handed over: Kekana Gardens Clinic, Greenspark Clinic, Sebokeng zone 17 Clinic, Dewagendsdrift Clinic, Finetown Clinic and Philip Moyo MOU; three more clinics/CDCs are at practical completion stage: Kekanastad Clinic, Mandisa Shiceka CDC and Boikhutsong CDC.

**Number of new Primary Health Care centres completed**

Projects for which contracts have been terminated (Khutsong South and Mayibuye Clinics) will be re-awarded.

**Table 4.8.2: Budget Programme 8: Health Facilities Management Expenditure**

HEALTH FACILITIES MANAGEMENT	2023/24				2022/23			
	Final	Actual	% Spent	(Over/Under)	Final	Actual	% Spent	(Over/Under)
	R'000	Expenditure R'000		Expenditure R'000	R'000	Expenditure R'000		Expenditure R'000
COMMUNITY HEALTH FACILITIES	275 150	240 213	87.3%	34 937	386 053	291 880	75.6%	94 173
EMERGENCY MEDICAL RESCUE SERVICES	9 061	8 791	97.0%	270	24 600	7 426	30.2%	17 174
DISTRICT HOSPITAL SERVICES	218 426	220 962	101.2%	(2 536)	191 237	97 826	51.2%	93 411
PROVINCIAL HOSPITAL SERVICES	396 086	375 881	94.9%	20 205	332 058	284 268	85.6%	47 790
CENTRAL HOSPITAL SERVICES	494 510	535 988	108.4%	(41 478)	678 289	512 981	75.6%	165 308
OTHER FACILITIES	455 870	450 300	98.8%	5 570	6 11 812	471 089	77.0%	140 723
<b>TOTAL</b>	<b>1 849 103</b>	<b>1 832 135</b>	<b>99.1%</b>	<b>16 968</b>	<b>2 224 049</b>	<b>1 665 470</b>	<b>74.9%</b>	<b>558 579</b>

## 4.9 TRANSFER PAYMENTS

Transfer payments to all organisations other than public entities

The following table shows the transfer payments budgeted for in the period 1 April 2022 to 31 March 2023.

**Table 4.9.1: Transfer payments to all organisations other than public entities, 2023/24**

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. 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	410 278	410 278	N/A
Local Government	Municipalities	HIV/AIDS	Yes	102 202	102 202	N/A
Health and Welfare SETA	Departmental agencies and accounts	Learnership	Yes	26 955	26 955	N/A
Universities	Higher Education institutions	Training of health professionals	Yes	10 844	569	The underspending is due to a reduced student intake at the University.
Mental Health	Non-profit Institutions	Psychiatric community-based services	Yes	246 539	212 894	The NPOs had claimed for a lower number of users than the number approved for subsidy.
Nutrition	Crèches	Nutrition supplements to crèches	Yes	75 290	63 756	The under-spending is due to the lower number of ECDs contracted.
HIV/AIDS	Non-profit institutions	Primary Health Care	Yes	116 694	112 464	The under-spending is due to termination of a contract based on the supplier's non-compliance.
Witkoppen CHC	Community Health centre	Primary Health Care	Yes	17 113	16 352	The under-spending is due to less medication procured for the entire financial year.
Specialised services	Non-profit institutions	Rehabilitation		2 082	2 400	The overspending is due to the increased number of clients attended, as opposed to the targeted number contracted because of the high demand for the service.
Nelson Mandela Children's Hospital	Non-profit institution	Paediatric services	Yes	315 000	315 000	N/A
Household	Leave gratuities, claims against the State, injury on duty, and bursaries to non-employees	Service benefits and households	Yes	466 332	867 707	The overspending is due to increased payment of leave gratuities and medico-legal claims.

**Table 4.9.2: Transfer payments which were budgeted for in the period 1 April 2023 to 31 March 2024, but no transfer payments were 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
N/A				

## 4.10 CONDITIONAL GRANTS

### 4.10.1 Conditional grants and earmarked funds paid

The following tables describe each of the conditional grants and the earmarked funds paid by the Department.

#### Conditional Grant 1: National Tertiary Services Grant (NTSG)

Department / Municipality to whom the grant has been transferred	Of the total NTSG budget, 6% or R315 million has been transferred to Nelson Mandela Children's Hospital.	
Purpose of the grant	Ensure the provision of tertiary health services in South Africa Compensate tertiary facilities for additional costs associated with the provision of these services	
Expected outputs of the grant	NTSG - service outputs 2023/24	Targets as per SLA 2023/24
	Day-patient separations - Total	394 048
	In-patient days - Total	2 547 416
	In-patient separations - Total	31 618
	Out-patient first attendance	888 832
	Out-patient follow-up attendance	1 697 216
Actual outputs achieved	NTSG - service outputs 2023/24	Measured outputs (funded)
	Day-patient separations - Total	415 422
	In-patient days - Total	2 668 607
	In-patient separations - Total	319 369
	Out-patient first attendance	831 888
	Out-patient follow up attendance	1 761 355
Amount per amended DoRA (R'000)	R5 214 912	
Amount transferred (R'000)	R5 214 912	
Reasons if amount as per DoRA not		
Amount spent by the Department / Municipality (R'000)	R4 625 167	
Reasons for the funds unspent by the entity	Most of machinery and equipment contract were awarded towards the third quarter, and the procurement started in the fourth quarter. This process delayed the delivery and payment of machinery and equipment to the value of R590 million. However, a roll-over application was submitted to Treasury.	
Monitoring mechanism by the transferring department	Monthly and quarterly review of expenditures against the budget. Monthly meetings with the receiving institutions.	

### Conditional Grant 2: National Health Insurance Grant

Department / Municipality to whom the grant has been transferred	Gauteng Department of Health
Purpose of the grant	To expand healthcare service benefits through the strategic purchasing of services from healthcare providers
Expected outputs of the grant	Number of health professionals contracted (total by discipline) Percentage increase in the number of clients of all ages seen at ambulatory (non-in-patient) services for mental health conditions Percentage reduction in the backlog of forensic mental observations Number of patients seen per type of cancer Percentage reduction in oncology treatment including radiation oncology backlog
Actual outputs achieved	
Amount per amended DoRA(R'000)	R92 947
Amount transferred (R'000)	R92 947
Reasons if amount as per DoRA not transferred	
Amount spent by the Department / Municipality (R'000)	R84 475
Reasons for the funds unspent by the entity	The underspending is mainly under Mental Health, due to an inability to attract Psychiatrists and Psychologists from the private sector because of low public-sector hourly rates compared to private sector. Furthermore, the claims for March 2024 will be processed in the new financial year – April 2024. However, the Department submitted a roll-over application amounting to R4 million.
Monitoring mechanism by the transferring department	Monthly and quarterly review of expenditures against the budget. Monthly meetings are held with the beneficiary institutions.

### Conditional Grant 3: Statutory Human Resource and Training Grant

Department / Municipality to whom the grant has been transferred	
Purpose of the grant	The objective of the SHR Component funding is to appoint statutory positions within the health sector to ensure systematic realisation of the Human Resources for Health strategy and the phasing-in of National Health Insurance.  The objective of the Health Professions Training and Development (HPTD) Component is to support provinces to fund service costs associated with clinical training and supervision of Health Science trainees on the public service platforms.
Expected outputs of the grant	
Actual outputs achieved	
Amount per amended DoRA	R1 898 991
Amount transferred (R'000)	R1 898 991
Reasons if amount as per DoRA not transferred	
Amount spent by the Department / Municipality (R'000)	R1 881 313
Reasons for the funds unspent by the entity	Most of machinery and equipment contract were awarded towards the third quarter, and the procurement started in the fourth quarter. This process delayed the delivery and payment of machinery and equipment. The Department is in the process of applying for a roll-over to the tune of R17.6 million for funds committed and not paid in the 2023/24 financial year.
Monitoring mechanism by the transferring department	Monthly variance reports, quarterly reports and annual performance evaluation reports.

**Conditional Grant 5: District Health Programme Grant: Comprehensive HIV/AIDS Component**

Department / Municipality to whom the grant has been transferred	Gauteng Department of Health
Purpose of the grant	<p>To enable the health sector to develop and implement an effective response to HIV/AIDS.</p> <p>Prevention and protection of health workers from exposure to hazards in the workplace.</p> <p>To enable the health sector to develop and implement an effective response to TB.</p>
Expected outputs of the grant	<p>Improved co-ordination and collaboration in implementation of the HIV/AIDS Programme between national and provincial government.</p> <p>Improved quality of the HIV/AIDS response through provision of access to prevention, treatment, care and support services.</p> <p>Improved co-ordination and collaboration in the TB response between national and provincial governments.</p> <p>Improved quality of TB (including drug resistant-TB) services including access to prevention, screening, testing, treatment and adherence monitoring and support. Increased access to STI and HIV prevention and treatment services.</p> <p>Improved access to quality STI and HIV prevention, treatment and care services at community and facility level, and referral for relevant services for key and vulnerable populations.</p> <p>Procuring and transporting condoms and lubricants to primary distribution sites (PDS).</p> <p>Procuring and delivering condom dispensers</p> <p>Continuously distributing condoms and lubricants to health facilities, non-medical sites, businesses, the private sector, etc.</p>
Actual outputs achieved	<p>There has been a significant reduction seen in the 15–24-year age group, with 2.9% in 2020, to 1.2% in 2023 (DHIS, April 2024). We initiated 109 397 individuals on PrEP with 100% facility coverage. We expanded PEP services to 243 healthcare facilities (66% coverage from the start of 2023) – 6 575 individuals initiated on PEP. About 81 931 males were treated for medically unexplained symptoms (MUS). We reached 569 key population (KP) hotspots with HIV prevention and treatment services, and 136 026 individuals among key populations were reached with HIV prevention and treatment services.</p> <p>Achievement of 110% (4 886 092 / 5 398 175) HIV tests done against target with an endeavour to detect HIV early and link clients to treatment and prevention strategies.</p> <p>The antiretroviral therapy (ART) Programme achieved an outcome on the number of patients on ART remaining in care at the end of the financial year of 1 265 161 against the set target of 1 225 176 (103%) through active tracing and tracking of all patients who missed their appointments on the same date, actioning of all missed appointments line list, and referral to WBOTs for tracing. The achieved target is also attributed to the districts, sub-districts and facilities implementing the Operation Phuthuma Nerve Centre activities, developing improvement plans to increase retention in care, and closely monitoring the activities for improvement.</p> <p>The Prevention Programme has enhanced distribution of female condoms, resulting in the province meeting its annual target allocation, with four districts — Tshwane, Ekurhuleni, Sedibeng, and West Rand — exceeding their targets significantly. A total of 8 467 116 female condoms were distributed, surpassing the target of 6 860 613. Conversely, there was a decline in the distribution of male condoms, leading to the province achieving only 59% of its annual target allocation. A total of 122 178 543 male condoms were distributed, falling short of the target of 205 477 068.</p>



	<p>The Vertical Transmission Prevention Programme initiated approximately 11 708 out of 11 743 ANC clients eligible for ART initiation (99.7%); 33 063 infants were tested around 10 weeks against a target of 37 536. Cross-boundary issues, loss to follow-up and data management remain as persistent challenges. The infant PCR test around 10 weeks rate is 0.3% and the infant PCR test around 6 months is 0.4% (both against a target of 0.75%); the HIV positivity rate at 18 months is 0.2% against a target of 2%.</p> <p>The DS-TB Programme reached 435 370 TB tests using Gene-Xpert against the set target of 404 793 through improved implementation of the Targeted Universal TB Testing Standard Operating Procedure (SOP), as guided by the National TB Control Programme. Provision of additional support by Global Fund Sub-Recipients allocated in the two districts where digital X-rays are allocated to detect TB among clients who can produce sputum. TB testing through digital X-ray was conducted for asymptomatic clients, as indicated in the National TB Prevalence Survey. TB notification of 30 148 clients was detected during this financial year.</p> <p>DR-TB: A new regimen was introduced in September 2023 that assists patients in taking treatment for a short duration and fewer drugs, which will result in their adherence to treatment.</p>
Amount per amended DoRA	4 992 147
Amount transferred (R'000)	4 992 147
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the Department / Municipality (R'000)	4 827 030
Reasons for the funds unspent by the entity	This component has spent 96.7% of the allocated budget. The underspending is mainly attributed to non-payment of National Health Laboratory Services (NHLS) invoices for the month of February and March 2024 amounting to R164 474. The Department will apply for roll-over in the amount of R148 982.
Monitoring mechanism by the transferring department	Monthly variance expenditure reports and In-year Monitoring (IYM) reports are compiled and submitted to the National Department of Health and Provincial Treasury. Quarterly, mid-year and annual review meetings conducted by the NDoH.

#### Conditional Grant 6: District Health Component

Department / Municipality to whom the grant has been transferred	Gauteng Department of Health
Purpose of the grant	<p>To ensure provision of quality community outreach services through WBOTs by ensuring that Community Health Workers receive remuneration, tools of trade, and training in line with their scope of work.</p> <p>To enable the health sector to prevent cervical cancer by making HPV vaccinations available to Grade 5 schoolgirls in all public and special schools, and progressive integration of HPV into the Integrated School Health Programme.</p>
Expected outputs of the grant	<p>Increased access to HPV vaccines for Grade 5 schoolgirls in all public and special schools:</p> <p>Improved access to quality primary care services at community level, with a focus on preventive and promotive care, screening for health conditions, and referral for relevant services.</p>

<b>Actual outputs achieved</b>	<p><b>Community Outreach Services (COS) Programme:</b> The target for household visits has been exceeded through usage of Community Health Workers in an effort to improve the quality of PHC services at community level.</p> <p><b>Human papillomavirus HPV (Programme):</b></p> <ul style="list-style-type: none"> <li>• Access to HPV vaccine coverage has been increased through administration of first, second and catch doses within public and special primary schools.</li> <li>• During September to October 2023, 1 492 out of 1 492 (100%) primary and special schools were reached, and 74 359 / 87 910 (84.6%) Grade 5 girl learners were vaccinated with HPV 2nd doses.</li> <li>• During February to March 2024, 1 431 out of 1 492 (96%) of public and special primary schools were reached, and 70 140 / 85 985 (82%) Grade 5 girl learners were vaccinated with HPV 1st doses.</li> <li>• The Department has procured seven 4X2 Isuzu vans which were handed over to Health Districts.</li> <li>• 35 Temporary Professional Nurses were employed to augment the available ISHP Teams, and 24 temporary Data Capturers were employed to assist with HPV administrative functions during provision of 1st and 2nd doses.</li> </ul>
<b>Amount per amended DoRA</b>	534 928
<b>Amount transferred (R'000)</b>	534 928
<b>Reasons if amount as per DoRA not</b>	N/A
<b>Amount spent by the Department / Municipality (R'000)</b>	551 062
<b>Reasons for the funds unspent by the entity</b>	This Component has spent 103.0% of the allocated budget.
<b>Monitoring mechanism by the transferring department</b>	Monthly variance expenditure and In-year Monitoring (IYM) reports are compiled and submitted to the National Department of Health and Provincial Treasury. Quarterly, mid-year and annual review meetings conducted by the NDoH are attended.

#### Conditional Grant 7: Health Facility Revitalisation Grant

<b>Department which transferred the grant</b>	Gauteng Department of Health
<b>Purpose of the grant</b>	<p>To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health, including health technology, organisational development systems, and quality assurance.</p> <p>To enhance capacity to deliver health infrastructure.</p>
<b>Expected outputs of the grant</b>	Funding maintenance activities for tertiary and academic hospitals and related projects, which include construction of clinics and community health centres, and major refurbishing of hospitals. Main refurbishment projects include the Chris Hani Baragwanath Emergency Critical repairs and completion of the Helen Joseph Hospital Nurses Residence. Key Capex projects include the Johannesburg Forensic Pathology Laboratory Services, and Randfontein CHC and Tshwane Clinics.
<b>Actual outputs achieved</b>	The beneficiary hospitals were maintained and the projects were implemented, with clinic projects achieving practical completion.
<b>Amount per amended DoRA</b>	R 1 047 736
<b>Amount received (R'000)</b>	R 1 047 736
<b>Reasons if amount as per DoRA was not received</b>	None
<b>Amount spent by the Department (R'000)</b>	R 1 042 245
<b>Reasons for the funds unspent by the entity</b>	N/A – The whole budget was spent.
<b>Reasons for deviations on performance</b>	N/A
<b>Measures taken to improve performance</b>	The Implementing Agent was urged to demand catch-up plans from service providers where necessary, and to expedite certificates from Municipalities.

<b>Monitoring mechanism by the receiving department</b>	Monthly variance expenditure and In-year Monitoring (IYM) reports are compiled and submitted to the National Department of Health and Provincial Treasury. Quarterly, mid-year and annual review meetings conducted by the NDoH are attended.
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#### **Conditional Grant 8: Expanded Public Works Programme (EPWP) Integrated Grant for the province**

<b>Department who transferred the grant</b>	Gauteng Department of Health
<b>Purpose of the grant</b>	To improve service delivery by strengthening and expanding Social Sector programmes that have employment potential for poverty alleviation.
<b>Expected outputs of the grant</b>	Creation of employment using the labour-intensive delivery method, in compliance with Expanded Public Works Programme (EPWP) guidelines.
<b>Actual outputs achieved</b>	44 EPWP beneficiaries were employed.
<b>Amount per amended DoRA</b>	R 1 779
<b>Amount received (R'000)</b>	R 1 779
<b>Reasons if amount as per DoRA was not received</b>	None
<b>Amount spent by the Department (R'000)</b>	R 1 779
<b>Reasons for the funds unspent by the entity</b>	The process was hampered by a delay in the signing of the contract by Legal Services, which has to vet the contracts.
<b>Reasons for deviations on performance</b>	The target of employing 2 100 EPWP beneficiaries is not practical, as the stipulated minimum stipend of R3 500 for the given budget yields a maximum of 44 employees.
<b>Measures taken to improve performance</b>	The signing of contracts is to be expedited.
<b>Monitoring mechanism by the receiving department</b>	Monthly and quarterly reports are compiled and submitted.

## 4.11 DONOR FUNDS

### 4.11.1 Donor funds received

During the year under review, the Department received donations of R5 million in assets from various donors. These donors included, but were not limited to: Lomaen Medical (Pty) Ltd., Anova Health Institute, Bravo Brands, Ukwakha Biz (Pty) Ltd., The Star Foundation, International Collaborations University Hospital, Rainbows and Smiles, the University of the Witwatersrand Reproductive Health and HIV Institute, the University of the Witwatersrand Clinical HIV Research Unit, the Clinton Health Access Initiative, Baria Holdings CC, JUSA Relief, the University of Pretoria, the Facility Maintenance Unit, Old Mutual Foundation, the Smile Foundation, and the Solidarity Response Fund.

#### Donor Fund 1:

Name of donor	Lomaen Medical (Pty) Ltd
Full amount of the funding	Lomaen Medical (Pty) Ltd donated assets (two Fujifilm Drypix Edge medical imagers) to the value of R179 400.00
Period of the commitment	None
Purpose of the funding	Two Fujifilm Drypix Edge medical imagers to be used in the hospital's X-ray Department.
Expected outputs	This equipment helps the X-ray Department to provide patients with good-quality radiology diagnostics and related treatment.
Actual outputs achieved	Patients receive accurate diagnostics and appropriate treatment.
Amount received in current period (R'000)	R179 400.00 worth of assets donated by Lomaen Medical (Pty) Ltd.
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	Lomaen Medical (Pty) Ltd
Full amount of the funding	Lomaen Medical (Pty) Ltd donated assets (two Fujifilm Drypix Edge printers) to the value of R80 000.00 to Sedibeng Hospital.
Period of the commitment	None
Purpose of the funding	Two Fujifilm Drypix Edge printers to be used in the hospital's X-ray Department.
Expected outputs	This equipment helps the X-ray Department to provide patients with good-quality radiology diagnostics and related treatment.
Actual outputs achieved	Patients receive accurate diagnostics and appropriate treatment.
Amount received in current period (R'000)	R80 000.00 worth of assets donated by Lomaen Medical (Pty) Ltd.
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	Anova Health Institute
Full amount of the funding	Anova Health Institute donated assets (four Dell Vostro i7 laptop computers) to the value of R88 550.00 to Chris Hani Baragwanath Academic Hospital.
Period of the commitment	None
Purpose of the funding	These laptops are to be used by the hospital's HAST Department.
Expected outputs	The equipment supports provision of quality health services to patients.
Actual outputs achieved	Improved quality and efficiency of health services rendered to patients
Amount received in current period (R'000)	R88 550.00 worth of assets donated by Anova Health Institute.
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	Bravo Brands
Full amount of the funding	Bravo Brands donated assets (24 single beds) to the value of R43 243.00 to Chris Hani Baragwanath Academic Hospital.
Period of the commitment	None
Purpose of the funding	24 single beds to be used by the Paediatric Surgical Sleep-over Facility.
Expected outputs	These beds enable the parents or caregivers of paediatric patients undergoing surgery to be present at the facility as family support, often for prolonged periods of time.
Actual outputs achieved	Family support for surgical paediatric patients by their parents or caregivers is ensured through on-site accommodation.
Amount received in current period (R'000)	R43 243.00 worth of assets were donated by Bravo Brands.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 5.0**

Name of donor	Ukwakha Biz (Pty) Ltd
Full amount of the funding	Ukwakha Biz (Pty) Ltd donated assets to the value of R3 800.00 (one Etonesonic 40" LED TV) to Chris Hani Baragwanath Academic Hospital.
Period of the commitment	None
Purpose of the funding	This Smart TV set will be used by the hospital's Cardiology Unit.
Expected outputs	This equipment assists Cardiology Unit to provide better assistance to patients.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R3 800.00 worth of assets donated by Ukwakha Biz (Pty) Ltd.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 5.1**

Name of donor	Ukwakha Biz (Pty) Ltd
Full amount of the funding	Ukwakha Biz (Pty) Ltd donated two pedestal 18" fans (non-asset) to the value of R1 100.00 to Chris Hani Baragwanath Academic Hospital.
Period of the commitment	None
Purpose of the funding	The two fans are to be used by the hospital's Cardiology Unit.
Expected outputs	This equipment supports the Cardiology Unit in providing better assistance to patients.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R1 100.00 worth of assets donated by Ukwakha Biz (Pty) Ltd.
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	The Star Foundation
Full amount of the funding	The Star Foundation donated assets to the value of R3 973.00 (one kitchen table) to Chris Hani Baragwanath Academic Hospital.
Period of the commitment	None
Purpose of the funding	The table is to be used by the PSAW of Chris Hani Baragwanath Academic Hospital
Expected outputs	This furniture item will assist PSAW Chris Hani Baragwanath Academic Hospital staff in their work.
Actual outputs achieved	Improvement of the staff kitchen.
Amount received in current period (R'000)	R3 973.00 worth of assets donated by The Star Foundation.
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	International Collaborations: University Hospital
Full amount of the funding	International Collaborations: University Hospital donated assets to the value of R124 800.00 (four patient monitors) to the Dr George Mukhari Hospital.
Period of the commitment	None
Purpose of the funding	The monitors will be used in the hospital's Accidents & Emergency Unit.
Expected outputs	This equipment supports the A&E Unit to provide improved patient care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R124 800.00 worth of assets donated by International Collaborations: University Hospital.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 7.1**

Name of donor	International Collaborations: University Hospital
Full amount of the funding	donated assets (04 x DESKS) to the value of R14 400.00 (four desks) to Dr George Mukhari Hospital.
Period of the commitment	None
Purpose of the funding	The desks will be used in the hospital's Accidents & Emergency Unit.
Expected outputs	This furniture assists A&E staff in providing improved patient care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R14 400.00 worth of assets donated by International Collaborations: University Hospital.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 8.0**

Name of donor	Rainbows and Smiles
Full amount of the funding	Rainbows and Smiles donated assets to the value of R1 699.00 (one Russell Hobbs electric microwave oven) to Dr George Mukhari Hospital.
Period of the commitment	None
Purpose of the funding	The microwave oven will be used in the hospital's Paediatric Oncology Unit.
Expected outputs	This equipment will assist the Unit staff to provide better patient care.
Actual outputs achieved	Improved service delivery.
Amount received in current period (R'000)	R1 699.00 worth of assets donated by Rainbows and Smiles.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 8.1**

Name of donor	Rainbows and Smiles
Full amount of the funding	Rainbows and Smiles donated one Mellerware Sandwich Maker (non-asset) to the value of R399.00 to Dr George Mukhari Hospital.
Period of the commitment	None
Purpose of the funding	This appliance will be used in the hospital's Paediatric Oncology Unit.
Expected outputs	This equipment will assist the Unit staff to provide better patient care.
Actual outputs achieved	Improved service delivery.
Amount received in current period (R'000)	R399.00 worth of assets donated by Rainbows and Smiles.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None



**Donor Fund 8.2**

Name of donor	Rainbows and Smiles
Full amount of the funding	Rainbow and Smiles donated 14 coffee mugs (non-assets) to the value of R155.94 to Dr George Mukhari Hospital.
Period of the commitment	None
Purpose of the funding	These items will be used in the hospital's Paediatric Oncology Unit.
Expected outputs	This equipment will assist the Unit staff to provide better patient care.
Actual outputs achieved	Improved service delivery,
Amount received in current period (R'000)	R155.94 worth of assets donated by Rainbows and Smiles.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 8.3**

Name of donor	Rainbows and Smiles
Full amount of the funding	Rainbow and Smiles donated two Addis Microwave Covers (non-assets) to the value of R39.98 to Dr George Mukhari Hospital.
Period of the commitment	None
Purpose of the funding	These items will be used in the hospital's Paediatric Oncology Unit.
Expected outputs	This equipment will assist the Unit staff to provide better patient care.
Actual outputs achieved	Improved service delivery.
Amount received in current period (R'000)	R39.98 worth of assets donated by Rainbows and Smiles.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 8.4**

Name of donor	Rainbows and Smiles
Full amount of the funding	Rainbow and Smiles donated assets to the value of R2 926.75 (one 250kg BMI Physician Scale, including a calibration certificate) to Dr George Mukhari Hospital.
Period of the commitment	None
Purpose of the funding	This equipment will be used in the hospital's Paediatric Oncology Unit.
Expected outputs	This scale assists staff in monitoring patients for better health outcomes.
Actual outputs achieved	Improved service delivery.
Amount received in current period (R'000)	R2 926.75 worth of assets donated by Rainbows and Smiles.
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 9.0**

Name of donor	University of the Witwatersrand Reproductive Health and HIV Institute (Wits RHI)
Full amount of the funding	WITS RHI donated assets to the value of R22 796.00 (four laptop computers) Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	The four laptop PCs will be used for service delivery in the hospital.
Expected outputs	Improved efficiency of health service delivery.
Actual outputs achieved	Improved service delivery.
Amount received in current period (R'000)	R22 796.00 worth of assets donated by Wits RHI.
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None



**Donor Fund 9.1**

Name of donor	University of the Witwatersrand Reproductive Health and HIV Institute (Wits RHI)
Full amount of the funding	Wits RHI donated assets (three Tablets) to the value of R7 194.00 to Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	This equipment will be used for service delivery in the hospital.
Expected outputs	The tablets will enhance the staff's ability to provide efficient health services.
Actual outputs achieved	Improved service delivery.
Amount received in current period (R'000)	R7 194.00 worth of assets donated by Wits RHI.
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	University of the Witwatersrand Clinical HIV Research Unit (Wits CHRU)
Full amount of the funding	Wits CHRU donated assets (01 x AUDIOBOOTH) to the value of R269 301.25 (one audio-booth) to Sizwe Tropical Disease Hospital.
Period of the commitment	None
Purpose of the funding	The audio-booth will be used for patient care in the hospital.
Expected outputs	This equipment supports hospital staff in the provision of patients' care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R269 301.25 worth of assets donated by Wits CHRU.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 11.0**

Name of donor	The Clinton Health Access Initiative (CHAI)
Full amount of the funding	CHAI donated assets (one thermal ablation kit) to the value of R32 448.10 to the Rahima Moosa Mother and Child Hospital.
Period of the commitment	None
Purpose of the funding	This equipment provides patients with increased access to treatment for pre-cancerous conditions.
Expected outputs	Use of the kit strengthens the calibre of outreach services.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R32 448.10 worth of assets donated by CHAI.
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 11.1**

Name of donor	The Clinton Health Access Initiative (CHAI)
Full amount of the funding	CHAI donated consumables (one Electrosurgical Unit and accessory – non-asset) to the value of R26 100.00 to Rahima Moosa Mother and Child Hospital.
Period of the commitment	None
Purpose of the funding	These consumables provide patients with increased access to treatment for pre-cancerous conditions.
Expected outputs	Use of these consumables strengthens the calibre of outreach services.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R26 100.00 worth of assets donated by CHAI.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 11.2**

Name of donor	The Clinton Health Access Initiative (CHAI)
Full amount of the funding	CHAI donated consumables (one Disposable Surgical Pencil and accessories) to the value of R4 197.60 to Rahima Moosa Mother and Child Hospital.
Period of the commitment	None
Purpose of the funding	These consumables provide patients with increased access to treatment for pre-cancerous conditions.
Expected outputs	Availability of these consumables assists staff with service delivery.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R4 197.60. worth of assets donated by CHAI.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 11.3**

Name of donor	The Clinton Health Access Initiative (CHAI)
Full amount of the funding	CHAI donated assets to the value of R5 999.00 (one refridgerator) to Rahima Moosa Mother and Child Hospital.
Period of the commitment	None
Purpose of the funding	This appliance will be used in the hospital's Emergency Department.
Expected outputs	Efficient cold-chain storage.
Actual outputs achieved	Improved patients care.
Amount received in current period (R'000)	R5 999.00 worth of assets donated by CHAI.
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	Baria Holdings CC
Full amount of the funding	Baria Holdings CC donated assets to the value of R40 995.20 (one HP ZBook 17 mobile workstation) to Rahima Moosa Mother and Child Hospital.
Period of the commitment	None
Purpose of the funding	This equipment will be used in the hospital's Emergency Department.
Expected outputs	This equipment assists staff to provide efficient service delivery.
Actual outputs achieved	Improved service delivery,
Amount received in current period (R'000)	R40 995.20 worth of assets donated by Baria Holdings CC.
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 13.0**

Name of donor	JUSA Relief donated BED ELECTRICAL to RAHIMA MOOSA HOSPITAL
Full amount of the funding	JUSA Relief donated assets (three electrical beds) to the value of R57 642.57 to Rahima Moosa Mother and Child Hospital.
Period of the commitment	None
Purpose of the funding	These beds will be used for patient care in the hospital's Labour Ward.
Expected outputs	These assets enhance the quality of patient care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R57 642.57 worth of assets donated by JUSA Relief.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 13.1**

Name of donor	JUSA Relief
Full amount of the funding	JUSA Relief donated assets (10 reclining chairs) to the value of R42 149.80 to Rahima Moosa Mother and Child Hospital.
Period of the commitment	None
Purpose of the funding	This furniture will be used for patient care in the hospital's Labour Ward.
Expected outputs	These chairs will facilitate enhanced quality of care for patients in labour.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R42 149.80 worth of assets donated by JUSA Relief.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 13.2**

Name of donor	JUSA Relief
Full amount of the funding	JUSA RELIEF donated assets (three stretcher beds) to the value of R22 123.80 to Rahima Moosa Mother and Child Hospital.
Period of the commitment	None
Purpose of the funding	These beds will be used for patient care in the hospital's Labour Ward.
Expected outputs	Enhanced quality of care for patients in labour.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R22 123.80 worth of assets donated by JUSA Relief.
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 14.0**

Name of donor	Facility Maintenance Unit
Full amount of the funding	The Facility Maintenance Unit donated assets (one four-plate gas stove) to the value of R1 599.99 to the Cullinan Care and Rehabilitation Centre.
Period of the commitment	None
Purpose of the funding	This appliance will be used in the centre's Food Service Unit.
Expected outputs	The stove will assist staff in food service delivery.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R1 599.99 worth of assets donated by the Facility Maintenance Unit.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 14.1**

Name of donor	Facility Maintenance Unit
Full amount of the funding	The Facility Maintenance Unit donated assets (one Samsun Microwave oven) to the value of R2 899.00 to the Cullinan Care and Rehabilitation Centre.
Period of the commitment	None
Purpose of the funding	This appliance will be used in the Centre's Food Service Unit.
Expected outputs	The microwave oven will assist staff in food service delivery.
Actual outputs achieved	Improved patient care,
Amount received in current period (R'000)	R1 999.00 worth of assets donated by the Facility Maintenance Unit.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 14.2**

Name of donor	Facility Maintenance Unit
Full amount of the funding	The Facility Maintenance Unit donated assets (one Hart HQ 50-litre saucepan, one Logik 501 stainless steel urn, one Cadac 2-metre LP hose, Arcos cooks' knives; Spectra spray paint) to the value of R6 274.98 to the Cullinan Care and Rehabilitation Centre.
Period of the commitment	None
Purpose of the funding	These items will be used in the centre's Food Service Unit.
Expected outputs	Efficient food service delivery.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R6 274.98 worth of assets donated by the Facility Maintenance Unit.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 15:**

Name of donor	University of Pretoria
Full amount of the funding	The University of Pretoria donated assets (15 typists' chairs) to the value of R3 000.00 to Tshwane District Health Services.
Period of the commitment	None
Purpose of the funding	The chairs will be used for service delivery by Tshwane District Health Services.
Expected outputs	This furniture assists the institution to deliver health services.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R3 000.00 worth of assets donated by the University of Pretoria.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 16:**

Name of donor	University of Pretoria
Full amount of the funding	The University of Pretoria donated assets (five desks) to the value of R5 000.00 to Tshwane District Health Services.
Period of the commitment	None
Purpose of the funding	These desks will be used for service delivery by Tshwane District Health Services.
Expected outputs	This furniture assists the institution to deliver health services.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R5 000.00 worth of assets donated by the University of Pretoria.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 17.0**

Name of donor	University of Pretoria
Full amount of the funding	The University of Pretoria donated assets (five swivel chairs) to the value of R1 000.00 to Tshwane District Health Services.
Period of the commitment	None
Purpose of the funding	The chairs will be used for service delivery by Tshwane District Health Services.
Expected outputs	This furniture assists the institution in service delivery.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R1 000.00 worth of assets donated by the University of Pretoria.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 17.1**

Name of donor	University of Pretoria
Full amount of the funding	The University of Pretoria donated assets (one computer set) to the value of R2 000.00 to Tshwane District Health Services.
Period of the commitment	None
Purpose of the funding	This equipment will be used for service delivery by Tshwane District Health Services.
Expected outputs	The computer set assists the institution in service delivery.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R2 000.00 worth of assets donated by the University of Pretoria.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 17.2**

Name of donor	University of Pretoria
Full amount of the funding	The University of Pretoria donated assets (three cabinets) to the value of R3 000.00 to Tshwane District Health Services.
Period of the commitment	None
Purpose of the funding	The cabinets will be used for service delivery by Tshwane District Health Services.
Expected outputs	This furniture assists the institution in service delivery.
Actual outputs achieved	Improved patient care,
Amount received in current period (R'000)	R3 000.00 worth of assets donated by the University of Pretoria
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 18.0**

Name of donor	Old Mutual Foundation donated Wooden Benches to Charlotte Maxeke Academic Hospital
Full amount of the funding	Old Mutual Foundation donated assets (70 wooden benches) to the value of R214 683.50 to Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	The benches will be used for patient care in the hospital.
Expected outputs	This furniture assists in providing better care for patients.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R214 683.50 of assets donated by Old Mutual Foundation.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 18.1**

Name of donor	Old Mutual Foundation
Full amount of the funding	Old Mutual Foundation donated assets (50 recliner chairs) to the value of R173 000.00 to Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	These chairs will be used for patient care in the hospital.
Expected outputs	This furniture assists in providing better patient services.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R173 000.00 of assets donated by Old Mutual Foundation
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 18.2**

Name of donor	Old Mutual Foundation
Full amount of the funding	Old Mutual Foundation donated assets (15 water-dispenser stations) to the value of R31 998.75 to Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	The water-dispenser stations will be used for patient care in the hospital.
Expected outputs	These installations assist in providing better patient care.
Actual outputs achieved	Improved patient care,
Amount received in current period (R'000)	R31 998.75 of assets donated by Old Mutual Foundation.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 18.3**

Name of donor	Old Mutual Foundation and Social Investment donated laptops to Charlotte Maxeke Academic Hospital
Full amount of the funding	Old Mutual Foundation and Social Investment donated assets (10 X Laptops) to the value of R62 000.00
Period of the commitment	None
Purpose of the funding	Laptops to be used for patientcare in the hospital
Expected outputs	Laptops to assist patient for better healthcare
Actual outputs achieved	Improved patientcare
Amount received in current period (R'000)	R62 000.00 of assets donated by OLD MUTUAL FOUNDATION AND SOCIAL INVESTMENT
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 19:**

Name of donor	The Smile Foundation
Full amount of the funding	SMILE FOUNDATION donated assets (one Zeiss microscope) to the value of R871 315.68 to Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	The microscope will be used for patient care in the hospital.
Expected outputs	This equipment assists in the provision of better health care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R871 315.68 of assets donated by the Smile Foundation.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 20.0**

Name of donor	Solidarity Response Fund
Full amount of the funding	The Solidarity Response Fund donated assets (one multi-filtrate acute therapy system) to the value of R291 525.00 to Charlotte Maxeke Hospital.
Period of the commitment	None
Purpose of the funding	This equipment will be used for patient care in the hospital.
Expected outputs	The multi-filtrate acute therapy system will support good patient care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R291 525.00 of assets donated by the Solidarity Response Fund.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None



**Donor Fund 20.1**

Name of donor	Solidarity Response Fund
Full amount of the funding	The Solidarity Response Fund donated assets (one heart unit) to the value of R83 791.39 to Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	The heart unit will be used for patient care in the hospital.
Expected outputs	The equipment supports good patient care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R83 791.39 of assets donated by the Solidarity Response Fund.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 20.2**

Name of donor	Solidarity Response Fund
Full amount of the funding	The Solidarity Response Fund donated assets (one Sprinter Cart XL for extracorporeal support) to the value of R53 141.43 to Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	This equipment will be used for patient care in the hospital.
Expected outputs	Use of this equipment supports good patient care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R53 141.43 of assets donated by the Solidarity Response Fund.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 20.3**

Name of donor	Solidarity Response Fund
Full amount of the funding	The Solidarity Response Fund donated assets (one Sechrist Air/Oxygen Blender) to the value of R39 023.61 to Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	This equipment will be used for patient care in the hospital.
Expected outputs	Use of this equipment supports good patient care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R39 023.61 of assets donated by the Solidarity Response Fund.
Amount spent by the department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None

**Donor Fund 20.4**

Name of donor	Solidarity Response Fund
Full amount of the funding	The Solidarity Response Fund donated assets (one Cardiohelp system) to the value of R2 060 366.21 to Charlotte Maxeke Academic Hospital.
Period of the commitment	None
Purpose of the funding	The system will be used for advanced cardiopulmonary support in the hospital.
Expected outputs	Use of this equipment supports good patient care.
Actual outputs achieved	Improved patient care.
Amount received in current period (R'000)	R2 060 366.21 of assets donated by the Solidarity Response Fund.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	None
Monitoring mechanism by the donor	None



**Donor Fund 21:**

Name of donor	Bravo Brands
Full amount of the funding	Bravo Brands donated assets (24 single beds) to the value of R43 243.00 to Chris Hani Baragwanath Academic Hospital.
Period of the commitment	None
Purpose of the funding	The beds will be used for service delivery in the hospital.
Expected outputs	This furniture assists with providing good patient care.
Actual outputs achieved	Improved service delivery.
Amount received in current period (R'000)	R43 243.00 worth of assets donated by Bravo Brands.
Amount spent by the Department (R'000)	None
Reasons for the funds unspent	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
<b>Mandisa Shiceka Clinic – convert to CDC (NHI)</b>	Convert clinic to CDC	5 October 2017	28 February 2023	Practical completion	City of Tshwane (CoT) additional parking	CoT is requested to issue an Occupation Certificate with conditions that the upgrade work will continue whilst the facility is functional.
<b>Phillip Moyo CHC</b>	Refurbishment and additions	27 May 2014	31 March 2023	Handed over	-	-
<b>Boikhuksong CDC</b>	New clinic	1 April 2015	30 November 23	Practical completion	-	-
<b>Finetown Clinic – new build</b>	New clinic	31 May 2013	31 October 2022	Handed over	-	-
<b>Kekanastad</b>	New clinic	1 April 2012	28 February 2023	Practical completion	-	-
<b>Sebokeng Zone 17 Clinic</b>	New clinic	20 October 2017	30 November 2022	Handed over	-	-
<b>Boitumelo Clinic</b>	New clinic	9 March 2020	TBC	2%	The contract has been terminated.	GDoH is reviewing the design due to additional needs (Dental Services).
<b>Helen Joseph Hospital Nurses Residence</b>	Upgrading and renovations of Nurses' Residence	20 August 2018	24 June 2023	Practical completion	Occupation Certificate	-
<b>Johannesburg Forensic Pathology Laboratories</b>	New Forensic Pathology Laboratory	8 November 2018	31 June 2024	89% (construction)	Expediting of payment to contractor	Top-up tranche for 1 <sup>st</sup> quarter
<b>Mayibuye Clinic</b>	New clinic	30 April 2023	30 April 2024	Re-tender	New contractor to be awarded.	-
<b>Randfontein (Mohlakeng) CHC</b>	New CHC	31 October 2018	30 June 2024	Construction 72%	The contractor is experiencing cash-flow challenges.	GIDID to de-scope the electro-mechanical work and expedite through term contractor.

Name of project	Brief description of project	Start date	End date	Current status	Challenges	Requests for intervention
<b>Chris Hani Baragwanath Academic Hospital</b>	Refurbishment and upgrading of the Neonatal and Labour Ward section, doctors' and nurse's residence and services.	31 May 2011	31 March 2024	98% construction	New demands (fire compliance) by City of Johannesburg (CoJ)	DID addressing the variance
<b>Khutsong South Ext2 Clinic New Clinic</b>	Construction of new clinic	30 April 2024	30 April 2025	Construction 88%	None	None
<b>NEW EERSTERUST CLINIC</b>	Eersterust upgrade and additions buildings and other	1 April 2025	31 November 2026	Feasibility	None	None

**Table 4.12.2: Progress made on the maintenance of infrastructure**

Maintenance category	Final appropriation (R'000)	Expenditure (R'000)	% spent against budget
Maintenance and repairs	1 125 009	1 241 375	110%
Electro-mechanical	112 872	56 610	50%
EPWP	1 779	1 779	100%
Total	1 239 660	1 299 764	105%

**Maintenance projects – 2023/24**

The main maintenance allocation in 2023/24 was R1 030 billion. This was adjusted upwards to R1 125 billion, of which R1.2 billion was spent. In 2023/24, 37 hospitals and 372 clinics were maintained. In 2024/25, 37 hospitals and 372 clinics 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 implemented at a specific facility, it is still considered as one project.

**Table 4.12.3: Maintenance projects – 2023/24**

DoH Project Number (IRM)	Project name	2023/24 Main budget	2023/24 Adjusted budget	Actual expenditure to date for this financial year
31011196	11 Diagonal Street – planned, statutory and preventative maintenance	R2 000 000	R0	R0
31009236	45 Commissioner Street – planned, statutory and preventative maintenance	R4 853 000	R2 300 000	R155 388
81	Ann Latsky Nursing College Maintenance - Planned, statutory and preventative maintenance	R2 000 000	R2 000 000	R916 181
175	Auckland Park Medical Supply Depot – planned, statutory and preventative maintenance	R5 000 000	R4 000 000	R3 639 266
85	Bertha Gxowa Hospital – statutory planned and preventative maintenance	R10 000 000	R24 000 000	R29 499 171
6793065	Bheki Mlangeni Hospital – planned, statutory and preventative maintenance	R6 000 000	R8 000 000	R7 132 598
87	Bona Lesedi Nursing College Maintenance – planned, statutory and preventative maintenance	R5 200 000	R5 000 000	R6 946 526
31007928	Bronkhorstspuit EMS Station – planned, statutory and preventative maintenance	R0	R0	R0
30309699	Bronkhorstspuit Forensic Mortuary – planned, statutory and preventative maintenance	R1 200 000	R200 000	R24 433
30309930	Bronkhorstspuit Hospital – planned, statutory and preventative maintenance	R8 493 000	R7 493 000	R4 146 874
88	Carletonville FPS Mortuary – planned, statutory and preventative maintenance	R1 820 000	R1 000 000	R894 509
89	Carletonville Hospital – planned, statutory and preventative maintenance	R9 000 000	R9 000 000	R6 559 141
31011730	CCTV maintenance	R15 000 000	R13 000 000	R12 150 227
30309693	Charlotte Maxeke EMS – planned, statutory and preventative maintenance	R0	R0	R0
93	Charlotte Maxeke Hospital – planned, statutory and preventative maintenance	R58 440 000	R58 440 000	R76 765 478
31011729	Charlotte Maxeke Johannesburg Academic Hospital: remedial work for fire and occupation compliance	R154 000 000	R0	R0
95	Chris Hani Baragwanath Academic Hospital maintenance – planned, statutory and preventative maintenance	R61 328 000	R61 328 000	R121 607 476

DoH Project Number (IRM)	Project name	2023/24 Main budget	2023/24 Adjusted budget	Actual expenditure to date for this financial year
97	Chris Hani Laundry Maintenance – planned, statutory and preventative maintenance	R6 000 000	R1 000 000	R990 258
30309441	Chris Hani Nursing College – planned, statutory and preventative maintenance	R3 500 000	R2 000 000	R518 964
6792275	Cullinan Care and Rehabilitation Centre – maintenance	R10 000 000	R5 500 000	R6 329 437
30309695	Cullinan EMS – planned, statutory and preventative maintenance	R0	R0	R0
30309697	Diepkloof Forensic Mortuary – planned, statutory and preventative maintenance	R2 500 000	R2 500 000	R3 960 498
107	Dr George Mukhari Hospital – planned, statutory and preventative maintenance	R90 000 000	R52 000 000	R60 845 580
108	Dr Yusuf Dadoo Hospital – planned, statutory and preventative maintenance	R10 000 000	R10 000 000	R9 088 691
110	Dunswart Provincial Laundry – planned, statutory and preventative maintenance	R10 000 000	R10 000 000	R12 179 616
255	Edenvale Hospital – planned, statutory and preventative maintenance	R13 163 000	R10 000 000	R13 032 742
31010596	Edenvale Laundry – maintenance	R5 000 000	R2 500 000	R1 851 866
114	Ekurhuleni District CHCs – planned, statutory and preventative maintenance	R10 000 000	R10 000 000	R15 089 440
117	Ekurhuleni District Clinics – planned, statutory and preventative maintenance	R12 000 000	R11 000 000	R11 233 958
178	Ekurhuleni District EMS – planned, statutory and preventative maintenance	R1 500 000	R1 000 000	R493 235
121	Ekurhuleni District Office (including Pharmacies and EMS) – planned, statutory and preventative maintenance	R1 000 000	R2 500 000	R9 109 171
30309931	Emergency Repairs – maintenance	R15 000 000	R40 000 000	R34 256 142
31011461	Employee Wellness Centres	R250 000	R10 000	R0
256	Far East Rand Hospital – planned, statutory and preventative maintenance	R15 332 000	R15 332 000	R21 560 945
30309694	Fochville EMS – maintenance	R0	R0	R0
134	Ga-Rankuwa Forensic Mortuary – planned, statutory and preventative maintenance	R5 000 000	R1 500 000	R1 898 985
135	Ga-Rankuwa Nursing College – planned, statutory and preventative maintenance	R3 200 000	R500 000	R6 389 064
30309698	Germiston Forensic Mortuary - planned, statutory ,and preventative maintenance	R2 000 000	R3 000 000	R3 665 391
30309700	Heidelberg Forensic Mortuary – planned, statutory and preventative maintenance	R1 320 000	R1 100 000	R818 261
147	Heidelberg Hospital Maintenance – planned, statutory and preventative maintenance	R9 000 000	R9 000 000	R13 163 249
257	Helen Joseph Hospital Maintenance – planned, statutory and preventative maintenance	R20 000 000	R35 385 000	R73 834 954
187	Helen Joseph Hospital Maintenance – planned, statutory and preventative maintenance HFRG	R0	R29 615 000	R0
242	Horticulture Services – maintenance	R5 000 000	R600 000	R0
6	Johannesburg District EMS – maintenance and repairs	R2 000 000	R0	R0
149	Johannesburg District CHCs Maintenance – planned, statutory and preventative maintenance	R15 000 000	R15 000 000	R20 348 460

DoH Project Number (IRM)	Project name	2023/24 Main budget	2023/24 Adjusted budget	Actual expenditure to date for this financial year
151	Johannesburg District Clinics Maintenance – planned, statutory and preventative maintenance	R15 000 000	R11 500 000	R14 645 559
154	Johannesburg District Office Maintenance – planned, statutory and preventative maintenance	R607 000	R100 000	R68 780
30309701	Johannesburg Forensic Mortuary – planned, statutory and preventative maintenance	R54 500 000	R2 000 000	R3 059 909
4664	Johannesburg Provincial Laundry Maintenance – planned, statutory and preventative maintenance	R7 000 000	R5 500 000	R4 798 375
159	Jubilee Hospital Maintenance – planned, statutory and preventative maintenance	R12 093 000	R18 000 000	R20 648 506
258	Kalafong Hospital Maintenance – planned, statutory and preventative maintenance	R20 000 000	R30 949 000	R36 528 382
163/1	Kopanong Hospital Maintenance – planned, statutory and preventative maintenance	R12 000 000	R20 000 000	R30 310 853
166	Lebone College of Emergency Care Maintenance – planned, statutory and preventative maintenance	R6 066 000	R8 800 000	R2 102 060
294	Lebone EMS College Maintenance	R2 500 000	R1 000 000	R7 927 440
31011450	Lenasia Hospital – planned, statutory and preventative maintenance	R3 000 000	R3 000 000	R4 110 634
259/1	Leratong Hospital Maintenance – planned, statutory and preventative maintenance	R22 900 000	R44 000 000	R36 481 707
171	Masakhane Cookfreeze – planned statutory and preventative maintenance	R4 000 000	R3 000 000	R1 149 558
173	Masakhane Laundry – planned, statutory and preventative maintenance	R13 000 000	R5 000 000	R5 540 212
241	Material inventory	R5 000 000	R2 485 000	R54 790
31011462	Medical Interns accommodation – planned, statutory and preventative maintenance of accommodation at various hospitals for healthcare professionals	R250 000	R10 000	R0
260	MEDUNSA Oral Health Centre Hospital – planned, statutory and preventative maintenance	R6 500 000	R4 815 000	R4 386 169
184	New Mamelodi Hospital – planned, statutory and preventative maintenance	R17 000 000	R19 000 000	R20 108 727
186	Nicolhouse – planned, statutory and preventative maintenance	R8 800 000	R5 000 000	R7 434 410
243/2	Nursing Colleges – Accreditation Compliance	R5 000 000	R0	R0
188	Odi Hospital – planned, statutory and preventative maintenance	R10 600 000	R8 500 000	R9 012 181
190	Old Germiston Hospital Maintenance – planned, statutory and preventative maintenance	R2 500 000	R1 450 000	R328 985
192	Old Mamelodi Hospital Maintenance – planned, statutory and preventative maintenance	R0	R0	R0
266	Pholosong Hospital Maintenance – planned, statutory and preventative maintenance	R16 000 000	R27 000 000	R38 895 517
30309702	Pretoria Forensic Mortuary – planned, statutory and preventative maintenance	R3 500 000	R792 000	R2 428 864
31008657	Pretoria Oral & Dental – planned, statutory and preventative maintenance	R2 000 000	R1 800 000	R2 540 909

DoH Project Number (IRM)	Project name	2023/24 Main budget	2023/24 Adjusted budget	Actual expenditure to date for this financial year
199	Pretoria West Hospital Maintenance – planned, statutory and preventative maintenance	R10 000 000	R40 000 000	R40 595 244
201	Radio Communication System – planned, statutory and preventative maintenance	R0	R0	R0
268	Rahima Moosa Mother and Child Hospital – planned, statutory and preventative maintenance	R20 000 000	R15 436 889	R28 481 985
101	Rahima Moosa Nursing College Maintenance – planned, statutory and preventative maintenance	R2 000 000	R500 000	R543 910
30309703	Roodepoort Forensic Mortuary – planned, statutory and preventative maintenance	R2 000 000	R1 100 000	R970 546
300	SG Lourens Nursing College Maintenance - planned, statutory and preventative maintenance	R0	R0	R0
30309696	Sebokeng EMS – planned, statutory and preventative maintenance (cancelled)	R0	R0	R0
737	Sebokeng Forensic Mortuary – planned, statutory and preventative maintenance	R1 607 000	R2 500 000	R1 701 495
270	Sebokeng Hospital – planned, statutory and preventative maintenance	R21 051 000	R22 000 000	R31 376 602
213	Sedibeng District CHCs – planned, statutory and preventative maintenance	R7 500 000	R15 000 000	R14 394 464
215	Sedibeng District Clinics Maintenance – planned, statutory and preventative maintenance	R10 000 000	R20 000 000	R18 746 097
7	Sedibeng District EMS – maintenance and repairs	R1 320 000	R0	R0
220	Sedibeng District Office (including Pharmacies) – planned, statutory and preventative maintenance	R1 107 000	R960 000	R902 084
271	Sizwe Tropical Diseases Hospital – planned, statutory and preventative maintenance	R10 000 000	R5 000 000	R2 263 016
4651	South Rand Hospital – planned, statutory and preventative maintenance	R10 000 000	R7 200 000	R9 164 056
30309690	Springs Forensic Mortuary – planned, statutory and preventative maintenance	R2 000 000	R1 800 000	R2 095 987
275	Sterkfontein Hospital – planned, statutory and preventative maintenance	R23 500 000	R36 000 000	R23 180 765
229	Steve Biko Academic Hospital – planned, statutory and preventative maintenance	R66 381 000	R62 000 000	R55 398 149
277	Tambo Memorial Hospital – planned, statutory and preventative maintenance	R14 000 000	R30 000 000	R19 151 951
279	Tara H Moross Hospital – planned, statutory and preventative maintenance	R8 000 000	R7 000 000	R8 274 799
281	Tembisa Hospital – planned, statutory and preventative maintenance	R24 397 000	R21 500 000	R26 688 045
4640	Thelle Mogwerane – planned, statutory and preventative maintenance	R40 000 000	R39 000 000	R39 785 970
234	TMI boiler-house – planned, statutory and preventative maintenance	R0	R340 000	R278 796
20	Tshwane District EMS	R3 600 000	R150 000	R370 011



DoH Project Number (IRM)	Project name	2023/24 Main budget	2023/24 Adjusted budget	Actual expenditure to date for this financial year
236	Tshwane District CHCs Maintenance – planned, statutory and preventative maintenance	R10 000 000	R12 000 000	R18 841 934
238	Tshwane District Clinics – planned, statutory and preventative maintenance	R10 265 000	R18 000 000	R20 705 521
4658	Tshwane District Hospital Maintenance – planned, statutory and preventative maintenance	R10 000 000	R15 000 000	R19 324 740
243	Tshwane District Office (Pharmacies and EMS) – maintenance	R1 464 000	R400 000	R929 431
6792272	Tshwane Rehabilitation Centre – planned, statutory and preventative maintenance	R10 000 000	R6 000 000	R4 929 593
301	Utilisation of EPWP grant	R1 971 000	R1 779 000	R1 779 000
288	Weskoppies Hospital – planned, statutory and preventative maintenance	R30 000 000	R36 000 000	R32 682 893
246	West Rand District CHCs Maintenance – planned, statutory and preventative maintenance	R8 000 000	R3 500 000	R2 717 024
248	West Rand District Clinics Maintenance – planned, statutory and preventative maintenance	R10 265 000	R10 265 000	R13 246 101
23	West Rand District EMS	R500 000	R11 000	R0
6793146	West Rand District Office (Pharmacies and EMS) – maintenance	R5 000 000	R1 000 000	R1 512 000



# 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. The public and users of Departmental healthcare services want assurance that it has good governance structures in place to effectively, efficiently, and economically utilise the public resources allocated to it. In this report, we outline corporate arrangement elements that underpin our ability to manage risks and implementation of new regulatory changes.

## 2. RISK MANAGEMENT

The Department recognises that risk management is a valuable management tool which improves and assists managers in minimising any negative impacts and optimising opportunities emanating from our operating environment. Our approach to risk management is based on established governance processes and relies on individual responsibility and collective oversight, supported by comprehensive reporting.

### 2.1 Risk management governance

The Department has in place an approved Risk Management Framework, Strategy and Risk Management Implementation Plan which guides the risk management process. Our Risk Management Committee (RMC) provides oversight of the organisation's risks and its control environment. In improving its risk management capability, we have finalised the recruitment of an independent person as Chairperson of the RMC, who advises the Accounting Officer (AO) on measures to ensure that he or she discharges his or her responsibility to provide effective, efficient, and transparent systems of fraud and risk management and internal controls. The RMC provides the HoD with reports on a quarterly basis, with recommendations for improvement in identified areas.

### 2.2 Risk assessment

Acknowledging the complex and changing risk environment, continuous risk assessments are conducted to identify any emerging risks that could prevent the Department from achieving its objectives and outcomes. Risks are prioritised based on their likelihood and impact (inherently and residually), and additional mitigations are agreed upon to reduce risks to acceptable levels. The Department regularly re-evaluates its risk processes to ensure continuous improvement and to identify new and emerging risks.

### 2.3 Assurance on risk

During the reporting year, through the RMC and the Audit Committee, assurance was provided by the first line of defence, which is management in the Department. The second line of defence consists of Risk Management, Internal Control, and the Chief Financial Officer, and the third line of defence comprises Gauteng Audit Services (GAS), the Auditor-General of South Africa (AGSA), and the Audit Committee. Highlighting key risk areas and the results of the risk assessments enables the Department to identify risks which require additional assurance by risk owners. Despite the challenging environment in which the Department operates, we have been able to reduce the residual risk ratings for some of the strategic risks. However, much work still has to be done to strengthen the control environment, especially regarding 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, also on a quarterly basis. Managers are held accountable for areas of concern. A fraud risk assessment is conducted on an annual basis with assistance from the Office the Premier (OoP). Both the RMC and the Audit Committee oversee implementation of the Department's Fraud Prevention Plan.

The following table 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 conflicts of interest
<b>SCM procurement process abuse</b>	Review and implementation of GDoH Supply Chain Management (SCM) policy
	Initiate the vetting process of CEOs of institutions and SCM officials (Phase 1)
	Appoint SCM Risk Officers at all health facilities
<b>Recruitment irregularities including nepotism</b>	Monitor and enforce HRM policies
	Advertisement of posts
	Pre-employment screening
	Vetting of all potential new staff
<b>Unauthorised RWOP</b>	Review and implement the RWOP policy in line with DPSA guidelines
<b>Financial impropriety and doing business with organs of State</b>	Lifestyle audit
	Conduct education and awareness on financial disclosures
	Capacitate health institutions with dedicated Ethics Officers
<b>Irregular awarding of bursaries</b>	Develop and implement the standard operating procedure (SOP) on bursary awards informed by national qualifying criteria
	Appoint a Bursary Adjudication and Selection Committee
<b>Unauthorised access to systems</b>	Conduct user awareness and training on information security policies
	Clean-up of all inactive system users
<b>Unauthorised disclosure of privileged and confidential information to third parties</b>	Officials to sign a confidentiality clause during appointment and annually
	Develop and implement GDoH Communications policy
<b>Submission of inflated claims by service providers</b>	Budget-holders to pay all invoices through the electronic invoicing system (e-Invoice)
	Develop and implement checklist (signed payment certificate)
<b>Duplication of litigation claims</b>	Develop and implement an SOP on litigation claims
	Establish a Litigation Committee for assessment and approval of litigation cases

### **Whistle-blowing: the need for officials to make confidential disclosure about suspected 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 Ethics Hotline (0800 111 633), SMS call-back (49017), gpeethics@behonest.co.za, and other relevant platforms, including internal channels and/or walk-ins.
- The Investigation Unit keeps a register in which all reported cases are confidentially recorded and monitored.
- The province is in the final stage of development of a Gauteng-wide whistle-blowing policy which is just short of ratification by the Gauteng Ethics Advisory Council (GEAC).

### **Reporting of cases and action taken**

- Cases are reported through the HoD, the Chief Risk Officer (CRO), the Public Service Commission (PSC), the Provincial Forensic Audit Unit, and walk-ins.
- Investigations are commissioned by the Provincial Forensic Audit team if they are received through reports from whistle-blowers or third parties.
- Internal investigations are instituted by the HoD.
- Due to the capacity of the unit, complex investigations are referred to and conducted by the Provincial Forensic Audit Investigations Unit, while minor cases are dealt with by the Investigations Unit in the Department.
- When an investigation is concluded, reports are presented to the HoD for review and further management of the findings and recommendations proceeds.
- Recommendations from internal and external stakeholders are reviewed by the HoD for approval for implementation.

### **Cases reported**

During the financial year under review, the Department received seven reported cases, of which six were completed and referred to the relevant stakeholders for implementation of recommendations within the Department. Three cases were closed at lead stage due to insufficient information and five were referred to the Office of the Premier for further management.



## 4. MINIMISING CONFLICT OF INTEREST

### 4.1 Ethics Culture/Risk Assessment

The Department is currently conducting an ethics culture/risk assessment, the purpose of which is to determine the following:

- Ethical behaviour risk: As observed by the employees
- Ethics culture: The perception of ethical culture within the GDoH
- Ethics management risk: Whether staff are aware/unaware of management interventions.

The results of the survey will be used as a tool to strengthen ethics awareness, and the programme content for related workshops, discussions or talks on ethical behaviour. It will serve as a guide to employees' expectations regarding organisational ethical behaviour; embracing ethics opportunities; determining ethics standards; and reducing conflicts of interest.

The survey has been conducted online to provide the privacy needed by the survey respondents.

### 4.2 Business with organs of state

During 2023/24, the HoD issued a Memorandum to all CEOs to instruct (in writing) all employees registered on the Central Supplier Database who intend to conduct business with organs of State to de-register themselves immediately. The recently released Directive on Conducting Business with Organs of State which was issued in 2016/17 has been updated, with the new directive closing the gaps on identified ethical lapses with regard to officials who are doing business with organs of State.

Officials conducting business with organs of State remains a challenge within the GDoH. Although statistics reported in 2023/24 revealed that the number of such officials has decreased over the past four financial years, the value attached to the business conducted has increased substantially over this period, but realised a 97% decrease in 2023/24 reporting. In line with the Ministerial Directive, CEOs and District Managers (DMs) were issued with letters explaining why disciplinary measures should not be instituted against them for 16 of their employees who were found to have conducted business with the State.

### 4.3 Remunerative work outside the public service (RWOPS)

Currently, a total of 678 officials were identified as being non-compliant with the RWOPS policy. As a result, the HoD had written a Circular letter to CEOs and DMs to ensure that each and every one must provide an explanation as to why these officials have not complied with the policy. Where a good reason cannot be provided, the CEO and DM must initiate a disciplinary process, as legislation and regulation have been either violated or not complied with.

## 5. CODE OF CONDUCT

- a) Compliance with the Code of Conduct:** As part of improving ethics and integrity in the Department, we are addressing the frequent breach of the Code of Conduct, notably around non-compliance with Chapter 9 and 10 public institutions as defined by the Constitution. In the case of such breaches, serious sanctions are meted out in line with the disciplinary procedure. For violation of 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 fora are dealt with by using the Department's Disciplinary Code where there is clear non-compliance.
- c) Ethical conduct:** The Department has to ensure that all health facilities are capacitated with dedicated Ethics Officers; currently this is an add-on function and does not receive the attention it requires.
- 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 by all Departmental employees to ensure compliance, failing which the disciplinary process is invoked to correct the deviation.

## 6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

### The Chief Directorate Occupational Health and Safety

The purpose of the Chief Directorate is to implement the existing legislative and policy framework (all laws, regulations, policies, norms and standards) as determined by competent authorities in the form of the Department of Employment and Labour (OHS Act and Regulations, and ISO 45001, and the Occupational Health and Safety Standards of the Office of Health Standards and Compliance OHSC; the Department of Environmental Affairs (National Environmental Management Act and related legislation, and the ISO 9001 Standard on Environmental Management), the Department of Public Service and Administration's Employee Health and Wellness Strategic Framework for the Public Service, and the ISO Standard on Quality Management (ISO 9001).

During the 2023/24 financial year, the GDoH elevated the issues of compliance with OHS Act and Regulations, and the expansion of infrastructure for OHS and Wellness Centres in Kopanong Hospital and Thelle Mogoerane Hospital. The Department established an OHS checklist, workshopped this with facilities, and achieved a compliance level of 70% and above on the compliance tool. Most of the areas of non-compliance relate to fire detection and suppression equipment in most GDoH hospitals. This is testament that almost all GDoH facilities were designed without the required fire detection and suppression equipment almost 50 years ago, and in some cases, 100 years ago. The GDoH is now making a business case for more resources to refurbish and rehabilitate existing infrastructure to reach optimal compliance levels and certification of GDoH facilities.

Furthermore, the Department participated in consultations on the OHS Bill, which is about to be signed by the President of the Republic as the new OHS Act. In this regard, the GDoH prepared itself to fulfil two emerging requirements in line with the anticipated OHS Act (which is currently still a Bill to be signed off as an Act). These are that there should be more competent persons (doctors, nurses, occupational hygienists, safety engineers, ergonomists, environmental impact assessors, epidemiologists, etc.), and that there should be management systems in place for OHS. In this regard, the GDoH trained 48 Standards Champions and Internal Auditors to implement an integrated management system, as required by three ISO standards: 45001, OHS, ISO 14001, Environmental Management, and ISO 9001, Quality Management. This includes the OHS-related standards of the Office of Health Standards and Compliance. This was in line with GDoH policy statements in the form of successive commitments expressed in the Executive Authority's budget vote speeches during the six government administrations. Baseline assessments were conducted in four central hospitals, and implementation of the management systems as required by these standards will be incorporated for the next financial year and the South African government's seventh administration, as OHS will remain a priority.

The GDoH continues with training a further 48 officials to be exposure scientists and further upskilling of occupational hygienists at the technician and specialist level. The GDoH also mobilised financial resources to create posts for the appointment of more competent persons in various categories: occupational medical specialists, occupational medical practitioners, occupational nurse practitioners, occupational hygienists, safety engineers, environmental impact assessment practitioners, occupational epidemiologists, ergonomists, project managers, clinical psychologists, employee value proposition practitioners (industrial psychologists), and lay counsellors. These cadres will play advisory roles on matters of occupational health and safety and environmental management services.

Another category of GDoH officials were trained on ergonomics, in partnership with Rhodes University. These incumbents will assess the risks associated with musculoskeletal disease, which accounts for most of the short-term and long-term incapacity among GDoH employees. The necessary changes in procuring the right equipment and technology, furniture, and other work processes will be influenced by this newly introduced skill.

The 31 OHS and Wellness Centres in GDoH facilities constitute infrastructure where OHS services such as occupational medical surveillance, primary health care, and care for occupational injuries and diseases will be rendered for GDoH employees and for other employers beyond the Department. This will be undertaken to increase revenue in the fiscally constrained environment anticipated during the seventh government administration.

Furthermore, environmental management services to ensure sustainable water and energy will be rendered as part of the 'green building' framework and 'green health facility' initiatives. These will also include the land-use classification that will enable the issuing of certificates of occupancy for almost all GDoH facilities.

The implementation of quality management system, appointment of OHS practitioners and specialists, training of specialist fire-fighters and First Aid marshals, expansion of OHS and Wellness infrastructure, are all new interventions which are planned to improve the GDoH OHS and Wellness and Environmental Management systems.

## **7. PORTFOLIO COMMITTEES**

Provide commentary on the following:

- The dates of the meeting
- Matters raised by the Portfolio Committee and how has the Department addressed these matters



## 8. SCOPA RESOLUTIONS

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				Resolved (Yes/No)																																																																																																				
Resolution No.	Subject	Details	Response by the Department																																																																																																					
1	Restatement of corresponding figures	SCOPA has noted that the corresponding figures for 31 March 2022 were restated in the new financial year because of errors in the financial statements of the Department at, and for the year ended, 31 March 2023. The MEC must provide details of these errors.	<p><b>The Department continuously reviews the secondary financial information to ensure compliance with accounting standards. The Department restated the balances on contingent liabilities, immovable asset and intangible assets.</b></p> <ul style="list-style-type: none"> <li><b>Contingent liabilities:</b> The Department removed letters of demand that were previously included as part of the contingent liabilities. The Department is engaging the Office of the State Attorney to verify the contingent liabilities register.</li> <li><b>Immovable assets and intangible assets:</b> The Department corrected the accounting classification of projects that were included as capital but were in effect maintenance projects. Monthly reconciliations are being performed to prevent recurrence.</li> </ul>	Yes																																																																																																				
2	Irregular expenditure	SCOPA has noted that the amount of R22 312 799 000 relating to the previous years' irregular expenditure was not investigated nor condoned. The MEC must provide details of reasons for the Department not to have investigated or condoned the R22 312 799 000 irregular expenditure relating to prior years, i.e. before 1 April 2022.	<table border="1"> <thead> <tr> <th>Financial Year</th> <th>TOTAL (R'000)</th> <th>Treatment (determination/ investigation)</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>Opening balance</td> <td>3 417 647</td> <td></td> <td></td> </tr> <tr> <td>Prior years'</td> <td>656 183</td> <td></td> <td></td> </tr> <tr> <td>COVID-19 expenditure</td> <td>2 695 590</td> <td>Yes</td> <td></td> </tr> <tr> <td>Security contracts</td> <td>4 221 602</td> <td>No</td> <td>The treatment of the IE was not done over the years and the non-compliance persisted over this period.</td> </tr> <tr> <td>Consignment stock</td> <td>3 356 814</td> <td>No</td> <td>Tolerable risk</td> </tr> <tr> <td>Contravention of 16A</td> <td>1 117 659</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>Over-expenditure on COE</td> <td>1 589 678</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>Infrastructure irregularities</td> <td>119 809</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>Mental Health</td> <td>1 041 954</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>Unsolicited bids</td> <td>825 055</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>Contract extensions</td> <td>1 193 981</td> <td>No</td> <td>Tolerable risk</td> </tr> <tr> <td>Ex post facto payments</td> <td>127 783</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>Sundry payments</td> <td>602 467</td> <td>Confirm detail / breakdown</td> <td>Financial misconduct</td> </tr> <tr> <td>Conditional grants</td> <td>236 909</td> <td>Break down</td> <td>Financial misconduct</td> </tr> <tr> <td>Outsourced Nursing Agency</td> <td>725 860</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>V BLOCK</td> <td>491 491</td> <td>Yes</td> <td>Financial misconduct</td> </tr> <tr> <td>SCM processes not followed</td> <td>2 564 177</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>SAICA</td> <td>49 461</td> <td>Condoned</td> <td>Financial misconduct</td> </tr> <tr> <td>Ambulance and helicopter</td> <td>30 544</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>Overtime exceeding 30%</td> <td>117 772</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>Institute of People Management</td> <td>13 554</td> <td>Condoned</td> <td>Financial misconduct</td> </tr> <tr> <td>SA Board People Practice</td> <td>14 416</td> <td>Condoned</td> <td>Financial misconduct</td> </tr> <tr> <td>PSC findings</td> <td>3 963</td> <td>No</td> <td>Financial misconduct</td> </tr> <tr> <td>Closing balance</td> <td>22 469 318</td> <td></td> <td></td> </tr> </tbody> </table>	Financial Year	TOTAL (R'000)	Treatment (determination/ investigation)	Comment	Opening balance	3 417 647			Prior years'	656 183			COVID-19 expenditure	2 695 590	Yes		Security contracts	4 221 602	No	The treatment of the IE was not done over the years and the non-compliance persisted over this period.	Consignment stock	3 356 814	No	Tolerable risk	Contravention of 16A	1 117 659	No	Financial misconduct	Over-expenditure on COE	1 589 678	No	Financial misconduct	Infrastructure irregularities	119 809	No	Financial misconduct	Mental Health	1 041 954	No	Financial misconduct	Unsolicited bids	825 055	No	Financial misconduct	Contract extensions	1 193 981	No	Tolerable risk	Ex post facto payments	127 783	No	Financial misconduct	Sundry payments	602 467	Confirm detail / breakdown	Financial misconduct	Conditional grants	236 909	Break down	Financial misconduct	Outsourced Nursing Agency	725 860	No	Financial misconduct	V BLOCK	491 491	Yes	Financial misconduct	SCM processes not followed	2 564 177	No	Financial misconduct	SAICA	49 461	Condoned	Financial misconduct	Ambulance and helicopter	30 544	No	Financial misconduct	Overtime exceeding 30%	117 772	No	Financial misconduct	Institute of People Management	13 554	Condoned	Financial misconduct	SA Board People Practice	14 416	Condoned	Financial misconduct	PSC findings	3 963	No	Financial misconduct	Closing balance	22 469 318			No
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Prior years'	656 183																																																																																																							
COVID-19 expenditure	2 695 590	Yes																																																																																																						
Security contracts	4 221 602	No	The treatment of the IE was not done over the years and the non-compliance persisted over this period.																																																																																																					
Consignment stock	3 356 814	No	Tolerable risk																																																																																																					
Contravention of 16A	1 117 659	No	Financial misconduct																																																																																																					
Over-expenditure on COE	1 589 678	No	Financial misconduct																																																																																																					
Infrastructure irregularities	119 809	No	Financial misconduct																																																																																																					
Mental Health	1 041 954	No	Financial misconduct																																																																																																					
Unsolicited bids	825 055	No	Financial misconduct																																																																																																					
Contract extensions	1 193 981	No	Tolerable risk																																																																																																					
Ex post facto payments	127 783	No	Financial misconduct																																																																																																					
Sundry payments	602 467	Confirm detail / breakdown	Financial misconduct																																																																																																					
Conditional grants	236 909	Break down	Financial misconduct																																																																																																					
Outsourced Nursing Agency	725 860	No	Financial misconduct																																																																																																					
V BLOCK	491 491	Yes	Financial misconduct																																																																																																					
SCM processes not followed	2 564 177	No	Financial misconduct																																																																																																					
SAICA	49 461	Condoned	Financial misconduct																																																																																																					
Ambulance and helicopter	30 544	No	Financial misconduct																																																																																																					
Overtime exceeding 30%	117 772	No	Financial misconduct																																																																																																					
Institute of People Management	13 554	Condoned	Financial misconduct																																																																																																					
SA Board People Practice	14 416	Condoned	Financial misconduct																																																																																																					
PSC findings	3 963	No	Financial misconduct																																																																																																					
Closing balance	22 469 318																																																																																																							

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH □ AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
	<b>Continued</b>		<p>The principle of irregular expenditure asserts that for a department to incur irregular expenditure, the non-compliance must be linked to a financial transaction; even though a transaction or event may trigger irregular expenditure, a department will record it only when payment for the non-compliance is made. A corrected non-compliance prior to any payment being made will not result in any irregular expenditure.</p> <p>Among the major reasons why the Department has neither investigated nor applied for the condonation of the irregular expenditure that had been incurred over the years (as broken down in Table 1 above) are:</p> <ul style="list-style-type: none"> <li>The recognition and treatment of irregular expenditure in several instances was not done and this non-compliance was allowed to recur over the financial years, i.e. the awarding security contract, which will be a tolerable risk, was first identified as irregular in 2018 at an irregular award figure of R679 066 million. However, this was not treated and was allowed over the years to balloon to R4.2 billion. Determination tests are performed on the security contract transactions on an annual basis. The condonation application was not approved by the Provincial Supply Management Committee, and an application for approval will be submitted once the contract has been awarded. It is anticipated that this will be complete in February 2024.</li> <li>The Department has formed an Irregular Expenditure Committee comprising the following units: <ol style="list-style-type: none"> <li>Internal Control</li> <li>Risk and Investigation Management</li> <li>SCM</li> <li>Finance</li> </ol> This is necessary, as the control environment around expenditure management requires a multi-pronged approach in dealing with financial misconduct.</li> </ul>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH □ AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)																																																						
3	Contingent liabilities	<p>3.1 SCOPA notes that the Department has incurred liabilities amounting to R1 349 122 000 in the 2022/23 FY. The MEC must provide details of the following claims against the Department.</p> <p>3.1.1 R1 281 351 324.00 on medico-legal matters</p>	<p>This figure relates to 131 medico-legal claims brought against the Department in the 2022/23 financial year, amounting to R1 281 351 324.00.</p> <p><b>Breakdown of medico-legal claims:</b></p> <table border="1"> <thead> <tr> <th>Typology</th> <th>Nr of Claims</th> <th>Value of Claims</th> </tr> </thead> <tbody> <tr> <td>Obstetrics &amp; Gynaecology</td> <td>65</td> <td>R 857 613 178.00</td> </tr> <tr> <td>Surgical</td> <td>43</td> <td>R 251 551 400.00</td> </tr> <tr> <td>Nursing</td> <td>14</td> <td>R 92 822 600.00</td> </tr> <tr> <td>Eye Operation</td> <td>1</td> <td>R 39 000 000.00</td> </tr> <tr> <td>Abdominal Peritonitis</td> <td>5</td> <td>R 23 079 901.00</td> </tr> <tr> <td>Incorrect Diagnose</td> <td>1</td> <td>R 9 001 000.00</td> </tr> <tr> <td>Orthopaedics</td> <td>1</td> <td>R 4 783 245.00</td> </tr> <tr> <td>Cerebral Palsy</td> <td>1</td> <td>R 3 500 000.00</td> </tr> <tr> <td><b>Total</b></td> <td><b>131</b></td> <td><b>R 1 281 351 324.00</b></td> </tr> </tbody> </table> <p><b>Top 5 hospitals by claim amount:</b></p> <table border="1"> <thead> <tr> <th>Nr</th> <th>Locality (Hospital / Clinic)</th> <th>Nr of Claims</th> <th>Value of Claims</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Chris Hani Baragwanath Hospital</td> <td>26</td> <td>R 214 172 161.00</td> </tr> <tr> <td>2</td> <td>Sebokeng Hospital</td> <td>8</td> <td>R 166 707 913.00</td> </tr> <tr> <td>3</td> <td>Thelle Mogoerane Hospital</td> <td>5</td> <td>R 81 381 000.00</td> </tr> <tr> <td>4</td> <td>Pholosong Hospital</td> <td>2</td> <td>R 61 150 000.00</td> </tr> <tr> <td>5</td> <td>Tambo Memorial Hospital</td> <td>8</td> <td>R 52 015 400.00</td> </tr> </tbody> </table>	Typology	Nr of Claims	Value of Claims	Obstetrics & Gynaecology	65	R 857 613 178.00	Surgical	43	R 251 551 400.00	Nursing	14	R 92 822 600.00	Eye Operation	1	R 39 000 000.00	Abdominal Peritonitis	5	R 23 079 901.00	Incorrect Diagnose	1	R 9 001 000.00	Orthopaedics	1	R 4 783 245.00	Cerebral Palsy	1	R 3 500 000.00	<b>Total</b>	<b>131</b>	<b>R 1 281 351 324.00</b>	Nr	Locality (Hospital / Clinic)	Nr of Claims	Value of Claims	1	Chris Hani Baragwanath Hospital	26	R 214 172 161.00	2	Sebokeng Hospital	8	R 166 707 913.00	3	Thelle Mogoerane Hospital	5	R 81 381 000.00	4	Pholosong Hospital	2	R 61 150 000.00	5	Tambo Memorial Hospital	8	R 52 015 400.00	No
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	3.1.2	R65 599 000 on civil claims	This figure relates to 72 civil claims brought against the Department in the 2022/23 financial year, amounting to R65 598 798.92.																																																							
	3.1.3	R2 172 000 on vehicle liability	The Department has received 38 EMS vehicle liabilities in the 2022/23 financial year, amounting to R2 172 032.22.																																																							

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
3.2	SCOPA notes that the closing balance on contingent liabilities of the Department by 31 March 2023 was R18 152 738 000. The MEC must provide a plan to settle the following contingent liabilities.	3.2.1 R17 144 731 000 of medico-legal matters  3.2.2 R991 511 000 of civil claims  3.2.3 R16 496 000 of vehicle liability	This figure relates to 1 714 medical negligence claims brought against the Department. Some of these matters will be referred to mediation, and the others will be removed from the Contingent Liability Register through the application of Rule 37B (administrative archiving). The Department will further settle these claims by pleading the 'public health care' defence.  This figure is in respect of 121 civil claims. The Department will: <ul style="list-style-type: none"> <li>• settle some these claims through mediation, and</li> <li>• remove dormant matters through application of Rule 37(B).</li> </ul> The Department is reconciling a list of vehicle liabilities and will be removing those matters that have been finalised.	Yes
3.3	The MEC must submit a plan for the Department to minimise contingent liabilities.		The following strategies has been employed to ensure a reduction of the contingent liability: <ol style="list-style-type: none"> <li>Implementation of Rule 41A (Mediation)</li> <li>Intervention from Clinical Care / Clinical Services</li> <li>Pleading the public health care defence.</li> <li>Application of Rule 37(B) (Administrative Archiving).</li> </ol>	Yes
4	Material losses – accrued Departmental revenue:  SCOPA notes that the Department has written off patient debt amounting to R3 088 243 000 in the 2022/23 FY. The MEC must provide details for writing off this patient debt.	4.1 Provide details for writing off the R3 088 243 000 for patient debt in the 2022/23 FY  4.2 Provide plans to minimise writing off of patient debts in the future	<b>The prescribed irrecoverable patient fees debt has been written off for the following reasons:</b> <ul style="list-style-type: none"> <li>• The patient fees debt amounts to more than R500 for more than three years, and in accordance with Prescription Act 68 of 1969, as amended, the debt is prescribed or expires after three years if it is not recoverable.</li> <li>• Patient fees debt that amounts to less than R500 for more than 90 days is not followed up because is uneconomical, as stipulated in the Department's Circular Number 27 of 2020.</li> <li>• Medical Schemes patient fees debt that persists for more than 120 days becomes state and is irrecoverable, as set out in the Medical Scheme Act 131 of 1998.</li> </ul>	No
			<ul style="list-style-type: none"> <li>• Timeous discharge and billing of patients by all hospitals.</li> <li>• Aggressive debt collection from debtors, State organs and medical schemes.</li> <li>• Utilisation of confirmation offices at hospitals.</li> <li>• Utilising revenue-collection agencies for the submission of claims to external funders.</li> </ul>	

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
5	Material impairments – accrued Departmental revenue: SCOPA notes material loss of R1 862 272 000 resulting from impairment of accrued Departmental revenue in the 2022/23 FY. The MEC must	5.1 Provide reasons for undertaking the impairment of accrued Departmental revenue which resulted in R1 862 272 000 material loss.	<p><b>Causes:</b></p> <ul style="list-style-type: none"> <li>The significant amount for impairment relates to Road Accident Fund claims (41.52% of total debt) and foreign patients (44% of the total debt).</li> <li>Road Accident Fund rejects lots of claims:</li> <li>RAF issued a communiqué dated 29 July 2021 stipulating that the following document should be submitted for each claim lodged: <ul style="list-style-type: none"> <li>Officer's Accident Report (OAR): This is a risk, as not all passengers report the accident.</li> <li>Witness statements (not internal): It is difficult to obtain witness statements.</li> </ul> </li> <li>Foreign patients are not providing reliable contact information, which makes tracing difficult.</li> </ul>	No
		5.2 Provide plans for the Department to minimise impairments.	<p><b>Mitigation plans:</b></p> <ul style="list-style-type: none"> <li>Timeous discharge and billing of patients by all hospitals.</li> <li>Utilising revenue-collection agencies for submission of claims to external funders.</li> <li>Aggressive debt collection: sending confirmation letters to all departments and provinces; claims are submitted monthly to debtors; holding meetings with funders.</li> <li>Enter into MoUs with Provinces.</li> <li>Focusing on revenue collection from the RAF and the Compensation Fund.</li> <li>Focusing on reducing claim rejections.</li> <li>Patient Information Verification System at the frontline to assist with correct classification.</li> </ul>	Yes
6	Underspending of the vote: SCOPA notes that the Department has disclosed that it materially underspent the budget by R1 227 988 000 on Programme 2: District Health Services. The MEC must	6.1 Provide reasons for the Department having underspent by R1 227 988 000 on Programme 2: District Health Services in the 2022/23 FY.	<ul style="list-style-type: none"> <li>Underspending was incurred due to late receipt of invoices and claims that are subjected to a verification process.</li> <li>There were shortages of both male and female condoms, as the new contract started only in February 2022 and suppliers did not have any stock; they began to deliver partial quantities in August 2022.</li> <li>The GP contract for VMHC ended in June 2022 and only partners were conducting services in mandated districts.</li> <li>There was a reduction in the price of ART medication from R120.00 to R80.00.</li> </ul>	Yes
		6.2 Provide details of the impact of underspending on service delivery	<ul style="list-style-type: none"> <li>Primary health care may not be achieved optimally since medication and medical equipment budgeted for could not be paid in the 2022/23 financial year.</li> <li>Shortages of male and female condoms for distribution would impair the prevention of HIV and other STIs.</li> <li>With only District Support Partners conducting services in mandated districts, set targets would not be reached.</li> </ul>	No

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
		6.3 Provide plans to minimise underspending.	<ul style="list-style-type: none"> <li>Misallocations are to be monitored daily to ensure alignment of expenditure with the budget.</li> <li>The Department applied for and received preliminary approval for the roll-over of funds.</li> <li>Historical data (on the previous year's performance) will be analysed to understand the demand for condoms in the target population. This can help in accurately estimating the required quantity and distribution points.</li> <li>Collaboration with NGOs: The Province will increase partnership with non-governmental and community-based organisations that distribute condoms to increase uptake and procure more condoms. <ul style="list-style-type: none"> <li>Community engagement: Communities will be engaged during campaigns run in townships, informal settlements, and hostels (TISH) to raise awareness about the importance of condom use. This will help to increase demand and ensure that condoms are readily available.</li> </ul> </li> </ul> <p><b>VOLUNTARY MEDICAL MALE CIRCUMCISION</b></p> <ul style="list-style-type: none"> <li>All available VMMC modalities, such as the RT35 contract, which provides this service in fixed DoH facilities, will be implemented.</li> <li>The Province is in the process of appointing district VMMC teams to ensure continuity of services when funded service providers run out of funds.</li> <li>Public awareness (TISH) campaigns will be conducted to educate communities about the benefits of VMMC in reducing the risk of HIV transmission.</li> <li>Healthcare providers will be well informed about the importance of VMMC and its benefits for public health.</li> <li>Regular reviews on budget performance will be conducted, and areas where overspending or underspending occurs will be identified by compiling monthly variance reports.</li> </ul>	<b>No</b>
<b>7</b>	<b>Net surplus for the year: SCOPA has noted that the Department recorded a net surplus of R3 219 925 000. The MEC must provide details of what led to the listed amounts being surplus for the year.</b>		<p>The surplus consists of the R2 711 816 000 underspending on the voted funds and conditional grants. The R508 109 000 is the revenue collected by the Department that must be surrendered to the Revenue Fund. Budget monitoring control measures have been put in place to prevent underspending through in-year monitoring reports, submission of variance reports on conditional grants, and quarterly reviews of budget and expenditure performance.</p>	<b>Yes</b>
		7.1 R937 000 000 annual appropriation	<p>Underspending incurred due to late receipt of invoices and claims that are subjected to a verification process. Furthermore, underspending was incurred as a result of reduced number of students enrolled for the academic year, and there were delays in the submission of non-profit institutions' claims.</p> <p>A claim for the South African Cuban Doctor Programme from National Department of Health was received and subjected to reconciliation and review, and could not be processed for payment at year-end. Slow construction progress of projects and contractors abandoning sites also contributed to underspending.</p>	<b>No</b>



PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		7.2 R1 774 816 000 conditional grants	<p>Conditional grants: Underspending on conditional grants was due to unavailability of contracts, and probity audit processes for procurement of high-value medical equipment that could not be delivered and paid for by 31 March 2023. However, a roll-over application of R552 million was submitted to Provincial Treasury for commitments made on medical equipment.</p> <p>Underspending was also incurred due to price reductions of antiretroviral drugs from R120.00 to R80.00; non-contracting of general practitioners performing voluntary medical male circumcision (VMMC), and a shortage of condoms within the country.</p> <p>The R508 109 000 is the revenue collected by the Department that must be surrendered to the Revenue Fund.</p>	Yes
		7.3 R508 109 000: some supporting evidence was not provided for auditing, and where it was, I identified material differences between the actual and reported achievements. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.		Yes
		Based on audit evidence, the actual achievements for three indicators did not agree with what was reported. I could not determine the actual achievements, but I estimated them to be materially less. Consequently, the targets were not achieved; the achievements on the targets were more than reported; and the achievements against the targets were lower than reported.		
		Based on audit evidence, the actual achievements for two indicators did not agree with what was reported. I could not determine the actual achievements, but I estimated them to be materially more. The targets were still achieved.		



8.1.1 Details for the Department not having paid the 80 845 invoices amounting to R7 983 118 000 within 30 days or the agreed period:

30 DAY SLA - ALL INVOICES											
Period	P Card Transactions Paid	Process Director Invoices Paid	Total Paid	Paid <30 Days	Paid >30 Days	Compliance %	Quarter	Total Paid	Within 30 days	Out of 30 days	SLA Results
Apr-23	0	18 494	18 494	1 724	16 770	9%	Q1	58 298	12 818	45 480	22%
May-23	0	27 303	27 303	5 001	22 302	18%					
Jun-23	201	12 300	12 501	6 083	6 408	49%					
Jul-23	413	7 059	7 472	5 709	1 763	76%					
Aug-23	496	13 741	14 237	7 794	6 443	55%	Q2	32 113	20 742	11 371	65%
Sep-23	516	10 404	10 920	7 239	3 165	70%					
Oct-23	516	12 980	13 496	6 905	6 571	51%					
Nov-23	577	12 348	12 925	7 821	5 104	61%	Q3	37 012	19 661	17 351	53%
Dec-23	242	10 389	10 611	4 935	5 676	47%					
Jan-24	184	8 169	8 353	3 828	4 525	46%					
Feb-24	441	6 256	6 697	2 655	4 042	40%	Q4	18 635	7 615	11 020	41%
Mar-24	265	3 320	3 585	1 132	2 453	32%					
YTD	3 917	142 141	146 058	60 838	85 222	42%	Total	146 058	60 838	85 222	42%

- Late submission of invoices, as suppliers were trying to master usage of the Electronic Invoice Submission (EIS) process.
- Late approval of payments by institutions (Work Cycles, creation of Purchase Orders and Goods Received Vouchers)
- Cash constraints caused by limited monthly cash allocations due to payment of unbudgeted medico-legal claims.
- Dispute resolutions delaying capturing of GRVs, as no payment can be processed until the GRV is processed.

8.1.2 Provide progress made by 30 September 2023 in the payment of the 80 845 invoices amounting to R7 983 118 000, which were not paid within 30 days of the agreed period.

30 DAY SLA - ALL INVOICES											
Period	P Card Transactions Paid	Process Director Invoices Paid	Total Paid	Paid <30 Days	Paid >30 Days	Compliance %	Quarter	Total Paid	Within 30 days	Out of 30 days	SLA Results
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PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		<p>8.2 SCOPA notes that by 31 March 2023, there were 26 293 invoices amounting to R2 490 339 000 that were older than 30 days or the agreed period, which were unpaid and were without dispute. The MEC must provide reasons for this non-payment.</p>	<p>8.2.1 Provide details for the Department not to have paid the 26 293 invoices amounting to R2 490 339 000 that were older than 30 days or the agreed period which were without dispute:</p> <p>Monthly cash availability constraints occurred, as the captured invoices did not match the cash allocated. The cash constraints are exacerbated by bank attachments and payment of court orders for medico-legal claims which are not budgeted for.</p>	<b>No</b>
		<p>8.2.2 Provide details of progress made by 30 September 2023 in the payment of the 26 293 invoices amounting to R2 490 339 000 that were older than 30 days or the agreed period which were without dispute.</p>	<p>A total of 26 049 invoices have since been paid, and the remaining 244 transactions are being attended to on the 30% allocation set aside for payment of transactions that are older than 30 days.</p>	<b>No</b>
		<p>8.3 SCOPA notes that by 31 March 2023, there were 7 595 invoices amounting to R676 508 000 that were older than 30 days or the agreed period which were unpaid and were in dispute. The MEC must provide a summary of key areas of dispute in relation to these invoices.</p>	<p>8.3.1 Provide a summary of key areas of dispute of the 7 595 invoices amounting to R676 508 000 that were older than 30 days or the agreed period which were unpaid:</p> <p>Vendor master issues (banking details, tax clearance, etc.), duplicated charges, and POs and GRVs not provided for invoices to be processed for payment.</p>	<b>No</b>
		<p>8.3.2 Provide progress made by 30 September 2023 in the resolution of disputed invoices.</p>	<p>Of the 7 595 unpaid invoices, in dispute, 2 217 were paid, and 200 are posted and are currently awaiting a payment run. A total of 5 178 transactions are still at health facilities for clearance of exceptions.</p>	<b>No</b>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
9	<p><b>Compliance with legislation</b></p>	<p><b>Annual Financial Statements</b></p> <p>9.1 SCOPA notes that the financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1) (a) of the PFMA. Material mis-statements of disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified opinion. The MEC must:</p> <p>9.1.1 Provide details for the Department not preparing financial statements in accordance with the prescribed financial reporting framework, as required by section 40 (1) (a) of the PFMA for auditing.</p>	<p>The finding from the Auditor-General stemmed from the fact that there were material mis-statements on the Annual Financial Statements, which were as a result of two items:</p> <ol style="list-style-type: none"> <li>Understatement of contingent liabilities: the State Attorney will be engaged for the third-party verifications of the contingent liabilities.</li> <li>Overstatement of the Asset Register: The Department will undertake asset verification in all its institutions to ensure completeness and accuracy of the Asset Register.</li> </ol>	No
	<p>9.1.2 Provide details that led to material mis-statements of disclosure items identified by the auditors in the submitted financial statement which were later corrected.</p>		<p>The Auditor-General's finding stemmed from the fact that there were material mis-statements on the Annual Financial Statements, which were as a result of two items:</p> <ul style="list-style-type: none"> <li>Understatement of contingent liabilities: the State Attorney will be engaged for the third party verifications of the contingent liabilities.</li> <li>Completeness and existence of Departmental assets resulting in the mis-statement of the financial statement: The Department will undertake asset verification in all its institutions to ensure completeness and accuracy of the Asset Register.</li> </ul>	No

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
		<p>9.2 Procurement and contract management:</p> <p>9.2.1 SCOPA notes that some of the goods and services of a transaction value above R1 000 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1 and paragraph 3.3.1 of NT1 02 of 2021/22. Similar non-compliance was also reported in the prior year. The MEC must provide details for the Department not to have procured some of the goods and services of a transaction value above R1 000 000 by inviting competitive bids, as required by Treasury Regulation 16A6.1 and paragraph 3.3.1 of NT1 02 of 2021/22 and TR 16A6.4.</p>	<p>The Department does not have contracts in place for all commodities, therefore health institutions procure recurring items through the Request for Quotation (RFQ) process. The total value of items of a similar nature procured through the RFQ process exceeded the threshold of R1 million. The Department is in the process of establishing contracts for all items procured in a repetitive manner.</p>
			<p><b>Yes</b></p>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
		<p>9.3 SCOPA notes that procurement by other means was not provided for in the Department's SCM policy or did not cover at least the minimum requirements as required by PFMA Instruction Note 3 of 2021/22, paragraphs 4.3 and 4.4. The MEC must:</p> <p>9.3.1 Provide details for the Department not to have provided procurement by other means in the SCM policy of the institution or covered at least the minimum requirements as required by PFMA Instruction Note 3 of 2021/22, par. 4.3 and 4.4.</p>	<p>Procurement through an ex post facto process, where goods and services are procured without following SCM prescripts, are not included in the SCM Policy, as this process is contrary to SCM prescripts and results in irregular expenditure. A training was conducted during October 2023 to supply chain and non-supply chain practitioners on supply chain processes and procedures. The training schedule is also updated as and when requests are made by institutions or arranged as a need by the Human Resources Development Unit.</p>
			Resolved (Yes/No) <b>Yes</b>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		<p>9.4 SCOPA notes that some of the deviations and procurement by other means are not provided for in the SCM policy and are not in line with the circumstances provided for in the SCM policy under which the procurement can occur, as required by PFMA instruction note no. 3 of 2021/22 paragraphs 4.3 and 4.4(c). The MEC must:</p> <p>9.4.1 Provide details of why the Department allowed deviations and procurement by other means not provided for in the SCM policy and not in line with the circumstances provided for in the SCM policy under which the procurement occur, as required by PFMA instruction note no. 3 of 2021/22 paragraphs 4.3 and 4.4(c).p</p>	<p>Procurement through an ex post facto process, where goods and services are procured without following SCM prescripts, are not included in the SCM Policy as this process is contrary to SCM prescripts and results in irregular expenditure.</p>	Yes
		<p>9.5 SCOPA notes that some of the deviation processes followed with respect to identifying prospective suppliers are not in line with the processes prescribed in the institution's SCM policy, as required by PFMA instruction note no. 3 of 2021/22 paragraph 4.4(d). The MEC must:</p> <p>9.5.1 Provide details as to why some of the deviation processes followed in respect of identifying prospective suppliers are not in line with the processes prescribed in the institution's SCM policy, as required by PFMA instruction note no. 3 of 2021/22 paragraph 4.4(d).</p>	<p>The Department's Supply Chain Management Unit is currently in the process of reviewing the SCM policy to include section 4: deviation from normal bidding process, and 4.4(d) processes to be followed in respect of identifying prospective suppliers for, recording and approval of procurement by other means. Training will be conducted to supply chain management and non-supply chain management practitioners to follow the correct procurement processes.</p>	

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
		<p>9.6 SCOPA notes that invitations to tender for procurement of commodities designated for local content and production did not stipulate the minimum threshold for local production and content as required by the 2017 Procurement Regulation 8(2). The MEC must:</p> <p>9.6.1 Provide details for the Department not to have stipulated the minimum threshold for local production and content in the bid invitation to tender for procurement of commodities designated for local content and production, as required by the 2017 Preferential Procurement Regulation 8(2).</p>	<p>Supply Chain Management officials are unfamiliar with the 2017 Preferential Procurement Regulation 8(2). The Department is in the process of training all SCM practitioners in ensuring that the minimum threshold for local production is stipulated in the bid invitation to tender. Awareness sessions were conducted during October 2023 after an amendment of the policy was approved at the beginning of October 2023. The health facilities are trained as and when a need arises.</p>	Yes
		<p>9.7 SCOPA notes that commodities designated for local content and production were procured from suppliers who did not submit a declaration on local production and content in accordance with paragraph 3.4 of National Treasury Instruction Note 4 of 2015/2016. The MEC must:</p> <p>9.7.1 Provide details for the Department to allow commodities designated for local content and production to be procured from suppliers who did not submit a declaration on local production and content, in accordance with paragraph 3.4 of National Treasury Instruction Note 4 of 2015/16.</p>	<p>Supply Chain management officials did not adhere to verification of the local content and production prior to awarding business to suppliers. The Department has trained supply chain practitioners in ensuring that the minimum threshold for the commodities for local production is stipulated in the bid invitation to tender. Awareness sessions were conducted during October 2023 after an amendment of the policy was approved. A checklist incorporating local content and production is included for control measures.</p>	Yes



PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		<p>9.8 SCOPA notes that commodities designated for local content and production were procured from suppliers who did not meet the prescribed minimum threshold for local production and content, as required by the 2017 Preferential Procurement Regulation 8(5). The MEC must:</p> <p>9.8.1 Provide details leading to the Department allowing for commodities designated for local content and production to be procured from suppliers who did not meet the prescribed minimum threshold for local production and content, as required by the 2017 Preferential Procurement Regulation 8(5).</p>	<p>Supply Chain Management officials were unfamiliar with the 2017 Preferential Procurement Regulation 8(2). The Department has trained supply chain practitioners in ensuring that the minimum threshold for the commodities for local production is stipulated in the bid invitation to tender. Awareness sessions were conducted during October 2023 after an amendment of the policy was approved. A checklist incorporating local content and production is included for control measures.</p>	Yes
		<p>9.9 SCOPA notes that some of the quotations were not awarded in an economical manner and the prices of the goods or services were not reasonable, as required by PFMA 38(1)(b) and PFMA 45(b). The MEC must:</p> <p>9.9.1 Provide details for the Department not to have awarded some of the contracts in an economical manner and ensure that the prices of the goods or services were reasonable as required by PFMA 38(1)(b) and PFMA 45(b).</p>	<p>SCM officials failed to conduct a market analysis to ensure that prices of goods and services are reasonable. The Department is in the process of training all SCM practitioners on conducting a market analysis in ensuring that prices of goods and services are reasonable. Training will be arranged through the HRD during Quarter 3 of 2023.</p>	No

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		<p>9.10 SCOPA notes that some of the contracts were awarded to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of PPPFA and Preferential Procurement Regulation 2017. The MEC must:</p> <p>9.10.1 Provide details for the Department to award contracts to bidders that did not score the highest points in the evaluation process, as required by section 2(1)(f) of PPPFA and Preferential Procurement Regulation 2017.</p>	<p>SCM officials failed to award contracts to bidders that did not score the highest preference points. The Department is in the process of training all SCM practitioners on the calculations on preference points in ensuring that the bid is awarded to the bidder who scored the highest preference points. The PFMA / Bid Committee training was conducted in the previous financial year; a refresher training will be arranged through the HRD during Quarter 3 of the current financial year.</p>	Yes
		<p>9.11 SCOPA notes that some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1, paragraph 3.3.1 of Practice Note 8 of 2007/08, and paragraph 3.2.1 of SCM Instruction Note 2 of 2021/22. The MEC must:</p> <p>9.11.1 Provide details for the department not to have procured some of the goods and services in the financial year under review, without obtaining at least three written price quotations in accordance with relevant legislation.</p>	<p>The Department will ensure that three written quotations are obtained prior to awarding quotations to prospective suppliers. For items procured from a valid contract, the Department does not obtain at least three written quotations.</p>	Yes

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		<p>9.12 SCOPA notes that some of the goods and services with a transaction value of R2 000 but not exceeding R1 000 000 were procured without following the quotation process deviations were not approved by the Accounting Officer, and it was practical to follow the quotation process, as required by Treasury Regulation 16A6.1 and paragraph 3.2.1 of NTI 02 of 2021/22 and TR 16A6.4. The MEC must:</p> <p>9.12.1 Provide details for the Department procuring goods and services of a transaction value of R2 000 000 without following the quotation process and deviations were not approved by the Accounting Officer, and it was practical to follow the quotation process, as required by Treasury Regulation 16A6.1 and paragraph 3.2.1 of NTI 02 of 2021/22 and TR 16A6.4.</p>	<p>The Department will ensure that three written quotations are obtained prior to awarding quotations to prospective suppliers. For items procured from a valid contract, the Department does not obtain at least three written quotations. Circular 48 of 2023 on procurement, where at least three written quotations could not be obtained including procuring from sole suppliers, was issued in September 2023.</p>	Yes

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
			Resolved (Yes/No)
10	Expenditure management	<p>SCOPA notes 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 9.1.1. Most of the irregular expenditure disclosed in the financial statements was caused by the Department's failure to invite competitive bids. The MEC must:</p> <p>10.1 Provide details for the Department not taking effective and appropriate steps to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1.</p> <p>10.2 SCOPA notes that effective steps were not taken to prevent fruitless and wasteful expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1. Most of the fruitless and wasteful expenditure was caused by interest on late settlement of invoices. The MEC must:</p> <p>10.2.1 Provide details for the Department not taking effective steps to prevent fruitless and wasteful expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury Regulation 9.1.1.</p>	<p>The Department does not have contracts in place for all commodities, therefore a number of contracts have been extended on a month-to-month basis, resulting in irregular expenditure. The Department is in the process of establishing contracts where contracts have expired and are extended on a month-to-month basis. The Department is currently monitoring the procurement plan and ensuring that contracts are put in place to reduce irregular expenditure. The anticipated date in completing the number of projects in the procurement plan is the end of the current financial year.</p> <p>The Department was faced and continues to be faced with cash constraints as a result of cash being deviated towards payment of medico-legal claims. However, the following measures are implemented and will be monitored monthly for compliance:</p> <ul style="list-style-type: none"> <li>Stringent contract management will be undertaken to prevent overruns and ensure value for money.</li> <li>Training and awareness: Financial management best practices and the importance of avoiding wasteful expenditure will be inculcated in the Department.</li> </ul>
			No

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		<p>10.3 SCOPA notes that 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 MEC must:</p> <p>10.3.1 Provide details for why the Department did not make payments within 30 days or an agreed period after receipt of an invoice, as required by Treasury Regulation 8.2.3.</p>	<ul style="list-style-type: none"> <li>Monthly cash availability constraints prevail, as the captured invoices do not match the cash allocated.</li> <li>The cash constraints are exacerbated by bank attachments and payment of court orders towards medico-legal claims which are not budgeted for.</li> </ul>	No
11	<b>Consequence management</b>	<p>SCOPA notes that disciplinary steps were not taken against the officials who had permitted irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA. The MEC must:</p> <p>11.1 Provide details for the Department not taking disciplinary steps against the officials who had permitted irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA.</p>	<p>The Department reports irregular expenditure to GPT subsequent to the approval by the Head of Department; a determination test is then conducted through Internal Control to conduct an investigation.</p>	No
12	<b>Asset management</b>	<p>SCOPA notes that proper control systems were not in place at the Department to ensure the safeguarding of assets, as required by Treasury Regulation 10.1.1(a). The MEC must:</p> <p>12.1 Provide details for the Department not having proper control systems in place to ensure the safeguarding of assets, as required by Treasury Regulation 10.1.1(a).</p>	<p>The Department's asset management processes were impacted by the COVID-19 pandemic, which necessitated speedy movement of movable assets between hospitals, clinics, and other health facilities where the asset administrative process could not be executed due to the emergency and limitation on administration personnel to barcode and record the movement of assets into the Asset Register. The Asset Management Unit is currently conducting a full asset verification exercise in all institutions, aimed to ensure that all assets are accounted for.</p> <p>The Decentralised Asset Management System has brought about a significant risk in asset management, where procurement of movable assets is not informed by the Asset Management Strategy; this process is under review to develop an Asset Management Strategy which incorporates the Asset Demand and Procurement Plans.</p> <p>Capacity constraints at hospital level are among the challenges faced by the Department. The hospital asset management process needs a unique system to manage the constant movement of assets due to the operational and emergency nature of the hospital. The Department is currently in process to review the Organisational Structure in an effort to respond to the gaps identified.</p>	No

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
13		<p>SCOPA notes that 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 Regulations 25(1)(e)(i) and (iii). The MEC must:</p> <p>13.1 Provide details for the Department not ensuring that specific information systems were implemented to enable the monitoring of progress made towards achieving targets, core objectives, and service delivery as required by Public Service Regulations 25(1)(e)(i) and (iii).</p>	<p>The Department employs a continuous and systematic evaluation process to appraise data collection systems in its facilities, with a primary focus on their accuracy and compatibility with overarching objectives. This alignment is vital for effective monitoring of predetermined goals.</p> <p>Notable systems such as the DHIS, TIER:Net, the HPRS, HIS and Vula mobile app have been implemented. The impact of these systems on maintaining data quality and their potential for interpolation is being assessed. Information management teams are actively conducting weekly visits to facilities to assess system implementation and data quality. These assessments involve cross-referencing data from sources like Patient Admission Registers and patient files with data on these systems.</p>	No
14	Irregular expenditure	<p>SCOPA notes that the Department incurred an amount of R2 264 505.00 for the 2022/23 financial year. SCOPA further noted that the AGSA raised a further R442 000 000 as irregular expenditure, which is included as matters under assessment. The Department has three months to perform the assessment and report accordingly. The MEC must:</p> <p>14.1 Provide the details that led to the irregular expenditure being incurred in the financial year under review of R2 264 505.00. Further, provide the assessment and report on the R442 000 000 that the AGSA raised, which was included as matters under assessment.</p>	<p>The Department does not have contracts in place for all commodities, therefore a number of contracts have been extended on a month-to-month basis, resulting in irregular expenditure. The Department is in the process of establishing contracts to address the cases of expired contracts needing a month-to-month extension.</p>	No



PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			Resolved (Yes/No)						
Resolution No.	Subject	Details	Response by the Department						
15	<b>Fruitless and wasteful expenditure</b>	<p>SCOPA notes that the Department incurred an amount of R 15 046 000. For the 22/23 FY. The MEC must:</p> <p>15.1 Provide the details that led to the fruitless and wasteful expenditure being incurred in the financial year under review of R15 046 000.</p>	<p>The Department incurred fruitless and wasteful expenditure as follows:</p> <table border="1"> <tr> <td>Interest paid on municipality accounts.</td> <td>3 841 000</td> </tr> <tr> <td>Interest paid on litigations</td> <td>1 829 000</td> </tr> <tr> <td>Interest paid on Department of Infrastructure projects</td> <td>9 375 000</td> </tr> </table>	Interest paid on municipality accounts.	3 841 000	Interest paid on litigations	1 829 000	Interest paid on Department of Infrastructure projects	9 375 000
Interest paid on municipality accounts.	3 841 000								
Interest paid on litigations	1 829 000								
Interest paid on Department of Infrastructure projects	9 375 000								
16	<b>Material irregularities</b>	<p>SCOPA has noted that the AGSA has raised several material irregularities with the Department and that the Department was in the process of addressing these. The MEC must provide progress made by the department by 30 October 2023 in resolving the following material irregularities raised by the AGSA.</p> <p>16.1 Inadequate performance management system to enable reliable reporting of performance information.</p>	<p>The development and implementation of a provincial information system remains a key priority for the province. A system that would enable the monitoring of healthcare delivery, namely the management of financial and human resources information, as well general administrative information, combined through an integrative layer, was conceptualised and is being implemented, as outlined in the Department's approved digital strategy. A committee to manage ICT and performance information is being resuscitated after having been put on hold during the COVID-19 pandemic.</p> <p>The strategic plans and Annual Performance Plans have been tested and found to be compliant, and in the last two audit cycles, there were no findings in the Department's Planning section. Also, the Department was not found wanting on the quality of its Annual Report, including on the provision of evidence relating to explanations of the reasons for variance. Thus, no findings on presentation and disclosure were made.</p> <p>To build capacity in the Monitoring and Evaluation Unit, the Department has appointed the Director: Monitoring and Evaluation; the Director: Health Information Systems; and the Deputy Director in Planning.</p> <p>The Treasury Regulations R5.3.1 regarding the responsibility of the Accounting Officer to establish procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring, evaluation, and corrective action are also being observed. The Department has governance and accountability structures that ensure that quarterly performance reporting by branch heads and their relevant service platforms is maintained. Previously, accountability sessions were held every quarter, but in view of persistent areas of underperformance, these were shifted to be held on a monthly basis. Focused performance review takes place.</p> <p>With regard to material mis-statements as a result of the purported failure by the Accounting Officer to develop and implement effective performance management system, it must be noted that the commitment to improve the reliability of the performance information remains. Due to various efforts over the past two financial years, reliable reporting of performance information has improved. This is as a result of the implementation of various interventions, namely the data reconciliation tools, bi-weekly verification, data-quality audits, and feedback mechanisms.</p>						



PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH □ AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		16.2 Construction of a 300-bed Intensive Care Unit facility at Kopanong Hospital not completed.	A structural integrity assessment was conducted on the infrastructure. The GDoH is planning to repurpose the project into office space. One Alternative Building Technology (ABT) Block was proposed to be redesigned for new purposes. The costing thereof will be compared with that of conventional design and building. A feasibility study will be conducted to determine if such repurposing makes economic sense.	No
		16.3 Salary payments made to doctors for work not done during the COVID-19 period.	Tor our knowledge, the doctors who were paid for work not done during COVID 19 period are the seven Cuban doctors who were paid after having left the country to return to Cuba. The Department is currently investigating the matter, and this is concluded, the Department will be in a position to provide the SCOPA with a full and comprehensive report.	No
		16.4 Facility for 500 Intensive Care Unit beds at Chris Hani Baragwanath Academic Hospital (CHBAH) not fully utilised.	<p>Background:</p> <p>As part of the GDoH COVID-19 management strategy, a decision was taken to implement an Alternative Building Technology (ABT) at four public hospitals, CHBAH being one of them. The infrastructure and sourcing of health technology for this 500-bed ABT facility was started in June 2020 with the sole aim of addressing the anticipated demand for clinical services during the projected COVID-19 peak. With the reduced number of COVID-19 infections and patients, there became a need to repurpose the planned facility.</p> <p>CHBAH had been sending patients with oncology needs (i.e. radiotherapy and chemotherapy) to Charlotte Maxeke Johannesburg Academic Hospital over the years, a practice which was associated with deterioration of patient health and an increased number of complaints from patients. In recognition of this, CHBAH management and Senior Clinicians proposed that the 500-bed ABT be repurposed into a multidisciplinary oncology centre. To convert the ABT facility in this manner, structural interventions would have to be made to the existing facility to accommodate the proposed clinical services. These included the procurement, installation and commissioning of the appropriate medical equipment, and appointing the staff resources required to render the envisaged oncology services. A business case together with the related costing was submitted to the HoD's office in July 2022, and was approved in 2023.</p> <p>CURRENT UTILISATION AND PROGRESS ON THE ENVISAGED LONG-TERM USE OF THE FACILITY</p> <p>The ABT facility was initially utilised as a step-down facility for stable COVID-19 cases being treated in the main hospital. With the number of cases being minimal, the facility is currently being utilised as a stepdown facility for patients from the Surgical and Internal Medicine Departments, and is also utilised as a temporary space for patients when wards are being renovated. The progress made on repurposing the facility into a multidisciplinary Oncology Centre is as follows:</p> <ul style="list-style-type: none"> <li>• Two Linear Accelerators have been procured and are currently in storage. Funding for the construction of radiation bunkers is available and approved.</li> <li>• The contractor has been appointed and the site was handed over to the contractor for construction to start.</li> <li>• The Project Manager was appointed in September 2023. The CLO for the project was appointed and engagements with other stakeholders are at an advanced stage.</li> <li>• The anticipated completion date of the construction is May 2024 with utilisation planned for June 2024.</li> <li>• It is envisaged that the Oncology Unit will accommodate 400 beds, whilst the remainder of the beds will be utilised for patients from various medical departments in the hospital who need step-down accommodation.</li> </ul>	No

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH □ AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		16.5. 300-bed Intensive Care Unit facility at Dr George Mukhari Academic Hospital (DGMMAH) not fully utilised.	The construction of the DGMMAH ABT Building took time to complete. Post completion, there were critical OHS aspects that rendered it unusable. The heating, ventilation and air-conditioning (HVAC) system was not completed by the contractor, and the internal DID artisans were unable to control it.  This resulted in extreme temperatures which were dangerous to the patients and staff. After a partial occupation, patients had to be removed. The HVAC challenges have now been resolved and a phased approach towards full utilisation is under way. Currently, four of the 10 units are occupied, with a plan to occupy four more in the next month and full utilisation of the building by the end of the Financial Year.	<b>Yes</b>
<b>17</b>	<b>Internal control deficiencies</b>	17.1 SCOPA notes that the Accounting Officer did not exercise adequate oversight of internal controls relating to procurement and contract management and the preparation of the Annual Financial Statements (AFS) and annual performance reports. This resulted in non-compliance with key legislation, and material findings on the AFS and annual performance reports. The MEC must:  17.1.1 Provide details that resulted in the Accounting Officer not exercising adequate oversight of internal controls relating to procurement and contract management and the preparation of the annual financial statements and annual performance reports.	Management will be strengthening the internal controls on the assets and contingent liabilities, as these affected the accuracy of the financial statement. An action plan has been developed and is monitored on a monthly basis to track progress. The Department is in the process of putting contracts in place.	<b>No</b>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
			Resolved (Yes/No)
		<p>17.2 SCOPA notes that Senior Management did not implement sufficient controls over the preparation of accurate and complete AFS and annual performance reports that are supported by reliable information. This resulted in material findings on the AFS and the annual performance report. Furthermore, there was a lack of monitoring of controls to ensure compliance with laws and regulations, including for procurement and contract management and expenditure management. The MEC must:</p> <p>17.2.1. Provide details as to why Senior Management did not implement sufficient controls over the preparation of accurate and complete AFS and annual performance reports that are supported by reliable information.</p> <p>17.2.2. Provide details as to why there was a lack of monitoring of controls to ensure compliance with laws and regulations, including procurement and contract management and expenditure management.</p>	<p><b>Yes</b></p> <p>There are controls in place for preparation of accurate Annual Financial Statements. The statements are reviewed internally and by the Provincial Treasury. The officials responsible for the preparation of the AFS also attends trainings provided by the Provincial Treasury. Strengthened control measures will be implemented on elements that affected the veracity of the AFS and annual performance report, such as completeness and accuracy of details on assets and contingent liabilities.</p> <p>Management will be strengthening the internal controls on the items that affected the accuracy of the AFS. An action plan has been developed and is monitored on a monthly basis to track progress.</p>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
18		<p>Mayibuye Clinic</p> <p>18.1. SCOPA noted that after the appointment of the contractor and handover of the site, it was found that the land/site for the clinic was not suitable. SCOPA additionally noted that delays were noted on the project and the contractor was terminated. Furthermore, a site visit confirmed that the project is not yet complete. The security currently on site was recommended based on a report submitted; however, the photos included in the report were not of Mayibuye Clinic and were for a more complete structure. The contract value of the project was revised; however, it could not be determined how this increase in the contract value was determined. Some documentation was not in place for the project.</p> <p>Impact: The community does not currently have access to health care, which was to be provided at the new clinic, with overcrowding still being experienced at the existing clinic. Waiting times at the existing clinic also exceed the 180-minute benchmark, which is a potential risk to quality of care. Patients would also have to travel over 7km to the existing clinic to obtain the healthcare required.</p>	<p>The MEC must: 18.1.1. Provide details for the Department not ensuring that the land/site for the clinic was suitable prior to the appointment of the contractor and handover of the site.</p> <p><b>Response</b> The procurement method that was used for appointing the service provider was designed and built by the contractor (turnkey), therefore investigations on the suitability of the site are conducted by the contractor, and this could only be done once the contractor had been appointed and the site handed over.</p> <p>18.1.2. Provide details as to why the project is not complete yet.</p> <p><b>Response</b> The contract was terminated with the service provider due to poor performance and the Department is in the process of appointing a replacement contractor.</p> <p>18.1.3. Provide details as to why the pictures submitted in the report were stated to be of Mayibuye Clinic when they were not.</p> <p><b>Response</b> This was a human error on the part of a DID staff member who was preparing the report and uploading the pictures; the images seen in the report are for Mayibuye Primary School, not Mayibuye Clinic.</p> <p>18.1.4. Provide details on how the increase for the contract value was determined.</p> <p><b>Response</b> The DID appointed a professional Quantity Surveyor to prepare elemental estimates based on the current market-related rates for infrastructure.</p> <p>18.1.5. Provide details as to why Some documentation was not in place for the project.</p> <p><b>Response</b> We request that the committee kindly clarify which documentation was not in place so that the matter can be addressed.</p>

Resolved (Yes/No)

No

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		<p>18.2 Randfontein Community Health Centre</p> <p>SCOPA noted that delays were incurred in the implementation of the project. A site visit confirmed that the project is not yet complete. There was no indication that the contractor's all-risk insurance had been renewed to cover the period from 27 August 2020 to the current date of the contract. Some documentation was not in place for the project.</p> <p>Impact: Because of the significant delays on the project, the community does not currently have access to healthcare, which was to be provided at the new community health centre.</p>	<p>The MEC must: 18.2.1 Provide details as to why delays were incurred in the implementation of the project.</p> <p><b>Response</b> Interruptions at the beginning of the project were due to delays in approval of the construction permit, site stoppages by business forums, supply of inferior quality material by the business forums, the site was set on fire at a certain point stage, and the contractor is currently experiencing cash-flow problems, but mitigation measures are in place to ensure that the project is back on track.</p> <p>18.2.2 Provide details pertaining to whether contractors all risk insurance had been renewed, to cover the period from 27 August 2020 to the current date of the contract.</p> <p><b>Response</b> Yes, the contractor's all-risk insurance is now in place; a copy can be provided on request.</p> <p>18.2.3. Provide details as to why some documentation was not in place for the project.</p> <p><b>Response</b> May the committee please indicate which documents were not made available so that this matter can be attended to by the GDoH.</p>	No

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		<p>18.3 Sebokeng Zone 17 Clinic</p> <p>SCOPA noted that delays were incurred in the implementation of the project. A site visit confirmed that the project has reached completion with the contractor currently addressing defects. During the inspection of the compensation events for the project, it was noted that there are instances of standing time that were granted to the contractor, which could have been avoided had proper planning and timely approvals been given by GDoH for the Eskom quotations. However, there was no indication that the contractor's all-risk insurance had been renewed to cover the period from 26 July 2018 to the end of the defect liability period. Some documentation was not in place for the project.</p> <p>Impact: As a result of the delays on the project, the community had to wait a number of years for the clinic to be completed before they could access the healthcare which was to be provided at the new clinic.</p>	<p>The MEC must:</p> <p>18.3.1. Provide details as to why delays were incurred in the implementation of the project.</p> <p><b>Response</b> The project was initially delayed by the business forums on several occasions and the contractor had to work at night to bring the project back on track.</p> <p>18.3.2. Provide details as to why the Department did not do proper planning and issue timely approvals for the Eskom quotations which could have avoided instances of standing time that were granted to the contractor.</p> <p><b>Response</b> Due to changes in District Managers, each manager had to understand the reason for the invoice before signing it, but given the short validity period of the Eskom pro forma invoice, the signed document reached Eskom after the validity period had lapsed, thus the process had to be repeated a couple of times.</p> <p>18.3.3. Provide details pertaining to whether contractors all risk insurance had been renewed, to cover the period from 26 July 2018 to the end of the defect liability period.</p> <p><b>Response</b> Due to the project being delayed for a longer period, contractor's the insurers had refused to re-insure the contractor for all-risk insurance; however, the project has now been completed and handed over.</p> <p>18.3.4 Provide details as to why some documentation was not in place for the project.</p> <p><b>Response</b> May the committee please indicate which documents were not made available so that this matter can be attended to.</p>	No
19	Intentions to improve audit outcomes:	SCOPA has noted that there are some improvements. The MEC must:	<p>19.1 Provide a plan/intervention measure aimed at improving the audit outcomes of the Department.</p> <p>The Department has an organisation-wide improvement plan to address the audit findings. Please see Annexure A which provides details of the action plan being tracked for both financial and non-financial matters.</p>	No



PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
20	<b>Information Technology Disaster Recovery Plan</b>	20.1. Provide an update on its IT Disaster Recovery Plan (DRP) considerations as part of the business continuity plan (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 draft IT BCP has been developed and the Department has an SLA with e-Gov which is reviewed annually, while the SLA with SITA is still to be finalised.
21	<b>Recommendations by the Auditor-General</b>	<p><b>SCOPA notes that</b> the Department received recommendations from the Auditor-General following the 22/23 FY audit.</p> <p>The MEC must provide a progress report on the recommendations provided by the AG.</p> <ul style="list-style-type: none"> <li>The MEC should ensure effective co-ordination between the GDID and GDoH through frequent engagements with the GDID MEC on the status of infrastructure projects, ensuring improved co-ordination between GDID and GDoH by identifying challenges and deficiencies as they arise to ensure that appropriate action is taken in a timely manner.</li> <li>The Accounting Officer to ensure and monitor the development and timely implementation of an action plan to address significant internal control deficiencies on financial reporting, and performance reporting, and compliance.</li> </ul>	<p>There are meetings arranged between the MECs, HoD and the technical personnel of both Department on a regular basis. The co-ordination between the HoDs and the technical personnel has been effective in ensuring that longstanding decisions can be taken. The Deputy Director-General (DDG): Infrastructure position has since been filled, and the filling of the DoRA posts is under way to boost the technical capacity within this area of function.</p> <p>To improve the governance within the built environment, the GPT-sponsored Electronic Invoicing System (EIS) has gone a long way to ensure that the amounts paid to service providers correlate to the work completed. Suspension of members from both the GDID and the GDoH who were involved in the Anglo Ashanti project's labour relations processes are now at varying stages.</p>



PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH □ AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
		<ul style="list-style-type: none"> <li>The Accounting Officer should exercise effective oversight over CEOs at the institutions for the implementation of internal controls to improve the financial management, performance management, compliance with legislation, and service delivery.</li> <li>The Accounting Officer to ensure adequate oversight responsibility for delivery of capital projects and implementation of the Ideal Clinic Realisation and Maintenance programme.</li> <li>Ensure that key vacancies are filled within the 2023/24 financial year.</li> <li>The Accounting Officer should ensure that a correlation exists between the achievement of targets and use of the budget to ensure achievements and that delivery of services is aligned with budget spend.</li> <li>The Accounting Officer should implement consequence management against officials who have contravened the applicable laws and regulations and for poor performance.</li> </ul>	

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
22	<p><b>Progress in the implementation of House Resolutions emanating from the SCOPA oversight report on the report of the AGSA for the financial year ending 31 March 2022.</b></p>	<p>a) Content of House Resolution: Lawsuits: That the Department must investigate and implement alternative measures to reduce the occurrence of lawsuits and provide the committee with a progress report detailing the effectiveness of the measures by 28 April 2023. Furthermore, the Department must provide the Committee with a report on the impact of the alternative measures put in place in the current financial year (2022/23) by 31 July 2023.</p>	<p><b>APPLICATION OF THE CONSENT FORM:</b></p> <ul style="list-style-type: none"> <li>Strengthen pre-procedure counselling so that patients understand the implications of the procedure.</li> <li>Application of a checklist for the pre-operative, intra-operative and post-operative status of patients.</li> <li>Full application of discharge lounges to disclose and screen patients who are otherwise not satisfied.</li> <li>Early redress for patients who have adverse outcomes.</li> <li>Prompt management of complications.</li> <li>Establishment of centres of excellence for children with special needs, including cerebral palsy.</li> </ul> <p><b>IMPACT</b> The impact of the resolutions will be consolidated every two months and readily available so that progress is continually assessed.</p> <p><b>MEDIATION</b> The Department has implemented mediation as an effective method to reduce cases of litigation, especially medical malpractice cases. Mediation has proved to be a cost-effective tool and can be implemented at any stage – during and/or before the litigation process. The courts have also adopted mediation as a recommended ADR process to be followed, and this has led to the inclusion of the High Court Rule 41A. Alternative measures include intervention by clinical care and clinical services. The following interventions deal only with the reduction of contingent liability and can be employed only once the lawsuit has arisen.</p> <ul style="list-style-type: none"> <li>Pleading the public health care defence</li> <li>Application of Rule 37(B) (Administrative archiving)</li> </ul> <p><b>IMPACT OF MEDIATION</b> The Department has mediated 50 medico-legal matters which had a total claimed amount of R338 875 890.70, and due to these matters being mediated, the Department ended up paying R32 499 838.50; this means that the Department achieved a saving of R306 376 052.20. Please note that the matters going to court are old matters.</p>	No

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH □ AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
	<p>b)</p> <p>Content of House Resolution: Revenue Impairment Investigations:</p> <p>That the Department must investigate and implement alternative measures to address revenue impairment and provide the committee with a progress report detailing the effectiveness of the measures by 28 April 2023. Furthermore, the Department must provide the committee with a report on the impact of the alternative measures put in place in the current financial year (2022/23) by 31 July 2023.</p>	<p>The Department implemented the Health Information System at the 37 hospitals where the Patient Administration and Billing Module was instituted.</p> <p>The Department developed and implemented a 10-point plan for revenue enhancement which focused on, inter alia, aggressive collection of debts from funders, departments and provinces. The following has been achieved:</p> <ol style="list-style-type: none"> <li>1. A meeting was held with departments and provinces owing the GDoH to date; and</li> <li>2. the following payments have been received:                             <ol style="list-style-type: none"> <li>a. Accident Fund: R37 million</li> <li>b. Self-paying patients: R130 million</li> <li>c. Medical aid and other Funders: R26 million</li> <li>d. Department of Correctional Services: R46 million</li> <li>e. Department of Justice: R27 million</li> <li>f. South African Police Services: R21 million</li> <li>g. North West Province: R13 million</li> <li>h. Department of Defence: R706 000</li> <li>i. Compensation Fund: R915 127.00</li> </ol> </li> <li>3. An MoJ was concluded with Mpumalanga Province.</li> </ol>	<p><b>Yes</b></p>	
	<p>c)</p> <p>Content of House Resolutions: Record Keeping:</p> <p>That the Department must provide the committee with a progress report regarding the implementation of the electronic capturing of patient records by 28 April 2023. Furthermore, the Department must provide the committee with a report on the impact of the implementation of the electronic capturing of patient records in the current financial year (2022/23) by 31 July 2023.</p>	<ul style="list-style-type: none"> <li>• Patient Administration, Billing, Finance and Revenue (implemented across all facilities, i.e. CHCs and hospitals)</li> <li>• A patient is allocated one unique identity on registration on the SAP HIS, called the Patient Master Index number (PMI)</li> <li>• The PMI uniquely identifies the patient across Gauteng Province, and is linked to the patient's ID, passport, etc.</li> <li>• Patient records are stored centrally and are available to all facilities across Gauteng Province.</li> <li>• Access is only available to those who are authorised.</li> </ul> <p>PMI impact:</p> <ul style="list-style-type: none"> <li>• Patient demographics are linked to PMI.</li> <li>• Billing records are linked to the PMI.</li> <li>• Clinical records are linked to the PMI.</li> <li>• Clinical Module (to be implemented)</li> <li>• The solution helps to increase productivity and efficiency (by digitalising patient's clinical processes)</li> <li>• Easy access and safe-keeping of clinical documents</li> <li>• Capturing vital signs</li> <li>• Capturing progress reports</li> <li>• Capturing allergies and risk factors</li> <li>• Give access and capturing the Nursing Care Plan</li> <li>• Generating reports</li> <li>• ICD-10 Coding diagnosis, surgery procedures</li> <li>• Surgery – booking of surgery intra-operation documentation and reporting</li> </ul>	<p><b>No</b></p>	

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH □ AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
		<p>d) Content of House Resolutions: Underspending: That the Department must provide the committee with a progress report detailing the effectiveness of measures put in place to curb the underspending by 28 April 2023. Furthermore, the Department must provide the committee with a report on the impact of the measures to curb underspending in the current financial year (2022/23) by 31 July 2023.</p>	<ul style="list-style-type: none"> <li>The budget against expenditure is monitored on a monthly and quarterly basis through the In-Year Monitoring Report by the Programme Managers.</li> <li>Programme Managers prepare and implement mitigating measures towards identified deviations from the planned and projected performance.</li> <li>The Department has initiated and is implementing quarterly review sessions, managed at Executive Management level, to assess the performance of all business units and institutions against the Annual Performance Plan.</li> <li>Procurement of goods and services is aligned with the approved Demand Plans and any deviations are managed through the established Bid Adjudication Committee.</li> <li>The conditional grants performance is monitored through the monthly, quarterly variance reviews and adjustment of the business plans is conducted.</li> </ul>	<b>Yes</b>
		<p>e) Content of House Resolution: Pre-determined objectives That the Department must provide the committee with a progress report detailing the effectiveness of measures put in place to address weaknesses in predetermined objectives by 28 April 2023. Furthermore, the Department provide the committee with a report on the impact of the measures to address weaknesses in predetermined objectives in the current financial year (2022/23) by 31 July 2023.</p>	<p>The Department has established a team to conduct weekly validation visits to sampled institutions in order to verify that the data management processes and controls for reporting on performance information, at institutional level, are in place. Through these data validation visits the Department ensures that reported performance information is validated against the source. Mock retrieval of records is conducted to test completeness, including assessment of data accuracy. Feedback is provided upon exit followed by written feedback reports to the institutions concerned.</p> <p>The Department has initiated and is implementing quarterly review sessions, managed at an Executive Management level, to assess the performance of all business units and institutions against the Annual Performance Plan targets. These reviews allow the Accounting Officer to assess the effectiveness of the validation processes, and through the quarterly reviews, the importance and support for the establishment and maintenance of controls and effective records management are advocated.</p>	<b>No</b>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023											
Resolution No.	Subject	Details	Response by the Department								
		<p>f) Content of House Resolution: Leadership:</p> <p>That the Department must provide the committee with a report detailing the progress of filling the vacant posts of Chief Director, Director of Acquisition Management, and Director Assets Management by 28 April 2023 and a quarterly progress report, continuing until finalisation thereof.</p>	<p>The following table provides that requested information:</p> <table border="1"> <thead> <tr> <th>POST</th> <th>STATUS</th> </tr> </thead> <tbody> <tr> <td>Chief Director</td> <td>The position was advertised twice, and interviews were conducted, but no suitable candidate was identified.</td> </tr> <tr> <td>Director: Acquisition Management</td> <td>The position is filled.</td> </tr> <tr> <td>Director: Assets Management</td> <td>The position is filled.</td> </tr> </tbody> </table>	POST	STATUS	Chief Director	The position was advertised twice, and interviews were conducted, but no suitable candidate was identified.	Director: Acquisition Management	The position is filled.	Director: Assets Management	The position is filled.
POST	STATUS										
Chief Director	The position was advertised twice, and interviews were conducted, but no suitable candidate was identified.										
Director: Acquisition Management	The position is filled.										
Director: Assets Management	The position is filled.										
		<p>g) Content of House Resolution: Investigations-Irregular Expenditure:</p> <p>That the Department must develop and implement its plan to investigate the irregular expenditure by 28 April 2023, Furthermore, the Department must provide the committee with a report on the impact of measures to investigate the irregular expenditure in the current financial year (2022/23) by 31 July 2023.</p>	<p>The Department has formed an Irregular Expenditure Committee comprising Internal Control, Risk and Investigation Management, SCM, and Finance, as the control environment around expenditure management requires a multi-pronged approach in dealing with financial misconduct. The committee has a three-pronged strategy of dealing with historical irregular expenditure disclosed in the financial statements but not yet condoned nor investigated. The emerging irregular expenditure is still to be resolved by the committee.</p>								

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			Resolved (Yes/No)	
Resolution No.	Subject	Details	Response by the Department	
	h)	<p>Content of House Resolution: Investigation- Fruitless and Wasteful Expenditure:</p> <p>That the Department must provide the committee with a progress report detailing the status of the investigation on fruitless and wasteful expenditure as well as the possible write-off by 28 April 2023 and a quarterly progress report continuing up until finalisation thereof.</p>	<p>The Department has acted on the forensic investigations and COVID-19 procurement irregularities emanating from the SIU recommendations.</p> <p>(i) COVID-19 irregular and fruitless and wasteful expenditure:</p> <p>The investigation into procurement irregularities related to COVID-19 was undertaken by the SIU through Proclamation R23 of 2020: in the matter of procurement of Personal Protective Equipment. The following consequence management measures were instituted for the following officials identified in the report for disciplinary purposes:</p> <ul style="list-style-type: none"> <li>• The Chief Financial Officer and Head of Department: Both resigned before action could be taken; however, the recovery process is in place.</li> <li>• The Chief Director: The disciplinary process was finalised, and the official was dismissed.</li> <li>• Deputy Director-General Corporate Services: The disciplinary process was finalised with an outcome of guilty and the official opted to resign.</li> <li>• Criminal cases have been opened against some officials, and assets have been frozen for the Chief Financial Officer and other service providers.</li> </ul> <p>The investigation into procurement irregularities related to COVID-19 was undertaken by the SIU through Proclamation R23 of 2020: in the matter of Anglo Ashanti.</p> <p>The following consequence management measure were instituted for the following officials identified in the report for disciplinary purposes:</p> <ul style="list-style-type: none"> <li>• Acting Deputy Director-General: Hospital Services</li> <li>• Head of Infrastructure Development</li> <li>• Project Manager: Infrastructure Development</li> </ul>	<b>No</b>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023				
Resolution No.	Subject	Details	Response by the Department	
			Resolved (Yes/No)	
			<p>The three officials were served with precautionary suspension letters on 25 January 2022 and the matter is currently in court.</p> <p>There was also a criminal case instituted against professional service providers (PsPs) and contractors:</p> <ul style="list-style-type: none"> <li>• for their roles in determining the Bill of Quantities (BoQ)</li> <li>• for their over-pricing and/or overstating of BoQs to the value of R50 478 142.25 and against the Project Managers involved in the Anglo Ashanti Hospital Project.</li> </ul> <p>The SIU has already instituted civil action and the case is pending at the Special Tribunal.</p> <p>(ii) Security contract</p> <p>The Department implemented the recommendations of the Deloitte forensic investigation into procurement irregularities in the security tender by instituting disciplinary actions against all BEC members identified in the report.</p> <p>The Department is exploring the treatment of irregular, fruitless and wasteful expenditure, including consequence management, following a determination on the non-compliance occurring during this procurement since 2018, to ensure that all those responsible and the controls that were violated are identified.</p> <p>(iii) V-Block (Telkom)</p> <p>The Department could not implement the disciplinary measures against the officials identified in the report as all of them (the HoD, two CFOs and the CIO) have left the employ of the Department.</p> <ul style="list-style-type: none"> <li>• However, the Bid Evaluation Committee (BEC) and Bid Adjudication Committee (BAC) members who were part of the procurement process were successfully disciplined.</li> <li>• The Legal Unit is yet to determine whether the contract between the GDoH and Telkom was legally binding, but this is highly unlikely given the prescription period.</li> <li>• The CIO was reported to the National Prosecuting Authority and we have not yet received a response; we have escalated the matter to our Legal Unit for liaison and action through the State Attorney.</li> </ul> <p>See Annexure A</p>	No
		<p>i) Content of House Resolution: Irregular Expenditure – consequence Management:</p> <p>That the Department must take corrective action against officials who were found to be responsible for the irregular expenditure and provide the committee with a progress report by 28 April 2023 and a quarterly progress report continuing until finalisation thereof.</p>		



PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
	j)	<p>Content of House Resolution: Achievements of Targets:</p> <p>That the Department must provide the committee with progress report on its implementation of the recommendations of the AGSA on the identified material irregularity by 28 April 2023. Furthermore, the Department must provide the committee with a report on the impact of the AGSA in the recommendations in the current financial year (2022/23) by 31 July 2023.</p>	<p>The Department 's governance and management system allows for weekly accountability sessions to be conducted by the Supply Management Services. The accountability platform enables discussions on weekly performance progress, areas of potential risk, and opportunities to be pursued to address prevailing gaps, among others.</p> <p>The Department continues to implement monthly targeted accountability sessions, sometimes termed 'Lala Vuka' to ensure that focused engagements on problematic areas take place. It has also sustained the quarterly review sessions, managed at Executive Management level, to assess the performance of all business units and institutions against the Annual Performance Plan targets. These sessions allow for reaching agreement on interventions to arrest poor performance.</p> <p>As an additional measure, the Department is facilitating monthly reporting to track performance against the APP targets and assess performance weaknesses. All managers are required to develop and implement Plans of Action to address areas of poor performance. The Department has recorded an improvement in performance from Quarter 1 to Quarter 2, i.e. the overall performance in Quarter 2 was 65% with 75 targets achieved and 40 targets (35%) not achieved, representing an improvement from 53% targets achieved in Quarter 1.</p>	Yes

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH   AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
		<p>(k) Content of House Resolution: Departmental Operations:</p> <p>That the Department must provide the committee with a progress report detailing the effectiveness of measures put in place to ensure adequate operations of the Department by 28 April 2023. Furthermore, the Department must provide the committee with a report on the impact of the measures to ensure adequate operations of the Department in the current financial year (2022/23) by 31 July 2023.</p>	<p><b>Progress on running an efficient service</b></p> <p>The three efficiency indicators used in clinical care are: average length of stay (ALOS), bed utilisation rate (BUR), and cost per patient day equivalent (PDE).</p> <p>ALOS refers to the average number of days that patients spend in hospital. A persistently high ALOS suggests that patients spend too much time in hospital either because they are not discharged when they should be, or are not appropriately treated or transferred timeously, resulting in longer recovery times. On average, our district hospitals have an ALOS of four days, regional hospitals have five days, tertiary hospitals have eight days, and central hospitals almost nine days, due to the complexity of patients they see as the level of care progresses.</p> <p>The BUR measures the occupancy of available beds and therefore indicates how efficiently a hospital is using its available capacity. Our usable bed utilisation rate is currently above 85% for both regional and tertiary facilities, whilst the rate for central hospitals is around 80%. The lowest bed occupancy is still reported at district levels and coupled with expenditure per PDE, the observations reflect that our district hospitals are not efficient. The current PDE at district hospitals is R4 529,90, while it has risen to R5 173,44 at regional hospitals in the past year as the Department has increased functioning in regional hospitals through outreach from academic centres. The PDE remains high in teaching hospitals at R5 525.10 and at R6 903.18 for tertiary and central hospitals respectively.</p> <p><b>Interventions to improve efficiencies:</b></p> <p>Ensuring that patients are seen at the appropriate level of care remains key to improving efficiencies. As we prepare for NHI in a resource-constrained fiscal environment, patients and community education of referral routes is important for the correct entry into the health system. Additionally, population growth in Gauteng remains a challenge, as seen by increased Outpatient Department headcounts, and this has an impact of the efficiency of services for the province's citizens.</p> <p>The interventions at clinical spaces also included various fora such as Turning the Tide, the Lala Vuka Forum, and all other routine meetings. The measures escalated critical areas and resulted in increased capacity in many areas, including:</p> <ul style="list-style-type: none"> <li>• an increased number of mental beds;</li> <li>• an increased number of surgical operating theatres;</li> <li>• reduction of surgical backlogs;</li> <li>• securing special funding from Treasury for radio-oncology backlogs; and</li> <li>• improved feedback from clients on their experience of care.</li> </ul>

Resolved  
(Yes/No)

No

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
			<p><b>SURGICAL BACKLOG INTERVENTIONS</b></p> <ul style="list-style-type: none"> <li>In an effort to clear the current surgical backlogs at the province's hospitals, the GDoH has prioritised the fast-tracking of critical and advanced medical procedures.</li> <li>Regular departmental theatre marathons, utilisation of cluster hospital theatres and collaborations, filling of critical vacant posts, and minimising disruptions at facilities through contingency plans are among the measures being implemented to ensure that as many procedures as possible can take place.</li> <li>A total of 60 interns have been appointed, and are responsible for managing the Backlog Master Lists at hospital level with the patient details on a master list. Interns are also responsible for booking patients and assisting with necessary patient follow-ups. Part of their duties will entail assistance with capturing the surgical procedures performed by hospitals onto the surgical dashboard system.</li> <li>The backlog was reduced from over 32 500 to approximately 25 000 as at mid-October.</li> </ul> <p>As regards the administrative components of health operations, the following progress is being made:</p> <p>Human Resources Management:</p> <ul style="list-style-type: none"> <li>The Department has taken measures to ensure that service delivery continues to be prioritised while vacant posts are being filled with competent and suitable candidates. Capable acting managers are appointed while the recruitment processes are finalised. The vacancies were due to officials going on retirement or their contracts having expired.</li> <li>To address these challenges, the GDoH has been working tirelessly to recruit professionals from various fields. Various HoD positions at facilities and provincial leadership positions have been filled.</li> </ul> <p><b>FINANCIAL MANAGEMENT</b></p> <ul style="list-style-type: none"> <li>All current invoices for services that are rendered to the GDoH are paid within the stipulated 30 days. A number of invoices are not paid because of various challenges with the submissions.</li> <li>As part of continued efforts to ensure payment of suppliers within 30 days, the GDoH together with the GDID convened a two-day Electronic Invoicing System Payment workshop for infrastructure contractors and suppliers at Charlotte Maxeke Academic Hospital.</li> <li>Contractors and suppliers have been trained on effective use of the system and compilation of required documents, such as appointment letters, access certificates, completion certificates, payment certificates, and copies of the tax invoice. The training includes orientation on internal finance and supply chain management processes relating to elements such as the generation of purchase orders, the goods receipt voucher (GRV) process, and the key information to be included in the invoice.</li> </ul>	

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
			<p>IMPACT OF SUCH INTERVENTIONS: QUALITY OF PATIENT CARE</p> <ul style="list-style-type: none"> <li>Improved access to medicines for patients living with chronic conditions through enrolment in the CCMDDD programme by 10% from 1 085 232 in 2021/22 to 1 196 422 in 2022/23.</li> <li>We have expanded our PHC service platforms, and two additional clinics (Ennerdale Extension 8 and Lenasia Extension 5) began providing 24-hour emergency services, bringing the total number of community health centres operating on a 24-hour basis to 38. This ensures that patients do not have to travel far for access to health care.</li> <li>Preliminary results of the surgical backlog interventions include: <ul style="list-style-type: none"> <li>Currently the province has just over 32 000 patients at all public hospitals who are on waiting lists for various procedures, most of which are elective surgeries. The waiting period ranges from weeks to months for some procedures such as Caesarean sections, hernia repairs, cataract surgery and knee replacements, and could take a year or more for procedures such as hip replacement, urethra restructure, knee arthroplasty and implants. Patients can wait up to 10 years for organ transplant (this is dependent on donor availability and type of case). Clinicians have to strike a balance between elective and emergency lifesaving procedures.</li> <li>Daily clinical rounds: Mandatory daily clinical rounds are conducted to ensure timely discharge of patients.</li> <li>The total number of HIV tests done increased by 6% from 5 014 704 during 2021/22 to 5 310 306 during 2022/23.</li> <li>The proportion of HIV-positive clients among the 15–24-year age group declined by 0.4 percentage points from 1.7% during 2021/22 to 1.3% during 2022/23.</li> <li>A total of 90.1% (49 774) of the 55 249 adult patients tested for viral load were virally suppressed at 12 months.</li> <li>The Ideal Clinic status rate increased by 5.2 percentage points from 92.4% during 2021/22 to 97.6% during 2022/23.</li> <li>Based on the above, PHC strengthening has reached above-average levels in some parts of the province, and new clinics have been opened in the City of Johannesburg, Ekurhuleni, Tshwane and Sedibeng Districts. The implementation of intensified health screening programmes in the underserved townships, informal settlements and hostels provided improved access to healthcare services in the province. These initiatives have not only brought medical services closer to the communities that need them most, but have also ushered in a new era of proactive health care. The opening of clinics and refurbishments of hospitals have improved provision of quality health care for people in the province.</li> <li>The intensified health screening programmes has enabled timely interventions and preventive measures, and has fortified the PHC foundation, making significant strides towards a healthier and more resilient society.</li> </ul> </li> </ul>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH – AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023			
Resolution No.	Subject	Details	Response by the Department
		<p><b>IMPACT: ADMINISTRATIVE SERVICES</b> The positive effects of implementing the Department's various strategies include the following:</p> <ul style="list-style-type: none"> <li>• The reduction in historic accruals and steady improvement in the payment of suppliers within 30 days highlights significant positive effects of the current financial management measures.</li> <li>• Our nursing training intake has increased; undergraduate Nursing students improved by 38% from 400 in 2021/22 to 550 in 2022/23.</li> <li>• Human resources: 34 Hospital CEO positions are filled, with only three CEO positions still being vacant, but recruitment processes are under way. Other opportunities on offer range from cleaners, administration clerks, medical officers, professional nurses, medical specialists, and many more. We have recruited experienced managers to bolster our team and have advertised several posts to strengthen key areas such as ICT, infrastructure, supply chain management, HoDs at hospitals, etc.</li> </ul>	
		<p>Content of House Resolution: AGSA Recommendations:</p> <p>I) That the Department must provide the committee with a progress report on its implementation of the recommendations of the AGSA on the identified material irregularity by 28 April 2023. Furthermore, the Department must provide the committee with a report on the impact of the AGSA in the recommendations in the current financial year (2022/23) by 31 July 2023.</p>	<p>The Department has initiated and is implementing quarterly review sessions, managed at Executive Management level, to assess the performance of all business units and institutions against the Annual Performance Plan targets. These sessions allow for reaching agreement on interventions to arrest poor performance.</p> <p>As an additional measure, the Department is facilitating monthly reporting to track performance against the APP targets and assess performance weaknesses. All managers are required to develop and implement Plans of Action to address areas of poor performance. The Department has recorded an improvement in performance from Quarter 1 to Quarter 2, i.e. the overall performance in Quarter 2 was 65% with 75 targets achieved and 40 targets (35%) not achieved, an improvement from 53% targets achieved in Quarter 1.</p>
			<b>No</b>

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH | AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

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		m) Content of House Resolutions: Investigations: That the Department must provide the committee with a progress report on the investigations it is conducting, detailing the status of each investigation by 28 April 2023, and provide quarterly progress until finalisation thereof.	<p><b>Cases for 2022-2023</b></p> <table border="1"> <thead> <tr> <th>REFERENCE NUMBER</th> <th>COMPLAINT/ALLEGATION</th> <th>STATUS</th> </tr> </thead> <tbody> <tr> <td>1. IMS/001/21/04/2022</td> <td>Hiring of a marquee and VIP furniture</td> <td>Closed on IMS: Referred to LR for the implementation of recommendation</td> </tr> <tr> <td>2. ICM200000000715</td> <td>Lead analysis report on fraudulent commuting overtime</td> <td>Closed due to insufficient information</td> </tr> <tr> <td>3. IMS/002/19/07/2022</td> <td>Request for investigation into the contract appointment</td> <td>Closed on IMS: Referred to DDG for implementation of recommendation</td> </tr> <tr> <td>4. 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		<p>n) Content of House Resolutions: Audit Action Plans</p> <p>That the Department must submit its Audit Action Plan indicating each area of finding in the 2021/22 financial year by 28 April 2023. Furthermore, the Department must provide the committee with the following:</p> <ul style="list-style-type: none"> <li>Plans to address each area of finding, and timeframes for implementation by 28 April 2023.</li> </ul>	<p><b>AUDIT REPORT MATTERS KEY ACTIONS REQUIRED – ALL</b></p> <table border="1"> <thead> <tr> <th data-bbox="215 1299 295 1344">1</th> <td data-bbox="215 1344 295 1388">The Assets Unit to perform quarterly reconciliations and physical verifications on assets, per each facility, to ensure that the Fixed Asset Register is regularly updated with reliable data.</td> </tr> <tr> <th data-bbox="215 1388 295 1433">2</th> <td data-bbox="215 1433 295 1478">Regular engagements should take place between officials responsible for assets at the institutions and head office to ensure timeous updates of the <b>Consolidated Fixed Asset Register</b>.</td> </tr> <tr> <th data-bbox="215 1478 295 1523">3</th> <td data-bbox="215 1523 295 1568">The Legal Unit to follow up with the <b>State Attorney</b> on pending requests for confirmation and ensure that the litigation registers are reviewed adequately before being used for reporting purposes in the financial statements.</td> </tr> <tr> <th data-bbox="215 1568 295 1612">1</th> <td data-bbox="215 1612 295 1657"><b>Implement</b> adequate systems of internal controls to verify the reliability of reported performance information.</td> </tr> <tr> <th data-bbox="215 1657 295 1702">2</th> <td data-bbox="215 1702 295 1747"><b>Correlation</b> between achievement of targets and utilisation of <b>budget</b>.</td> </tr> <tr> <th data-bbox="215 1747 295 1792">3</th> <td data-bbox="215 1792 295 1836"><b>Focus on achievement of targets of service delivery indicators</b> by increasing and ensuring spending on grants to enhance the lived realities of citizens.</td> </tr> <tr> <th data-bbox="215 1836 295 1881">4</th> <td data-bbox="215 1881 295 1926">Implement adequate <b>project plan and monitoring systems</b> over delivery of <b>infrastructure and IT projects</b> to prevent delays in completions.</td> </tr> <tr> <th data-bbox="215 1926 295 1971">1</th> <td data-bbox="215 1971 295 2016">Enhance and <b>enforce compliance</b> with key legislation, especially in the SCM Unit.</td> </tr> <tr> <th data-bbox="215 2016 295 2060">2</th> <td data-bbox="215 2060 295 2105">Design and implement a <b>compliance checklist to be used before procurement</b> is finalised to ensure compliance with all key legislation and the approved financial delegations.</td> </tr> <tr> <th data-bbox="215 2105 295 2150">3</th> <td data-bbox="215 2150 295 2195">Implement <b>consequence management</b> for transgressions and poor performance.</td> </tr> </thead></table>	1	The Assets Unit to perform quarterly reconciliations and physical verifications on assets, per each facility, to ensure that the Fixed Asset Register is regularly updated with reliable data.	2	Regular engagements should take place between officials responsible for assets at the institutions and head office to ensure timeous updates of the <b>Consolidated Fixed Asset Register</b> .	3	The Legal Unit to follow up with the <b>State Attorney</b> on pending requests for confirmation and ensure that the litigation registers are reviewed adequately before being used for reporting purposes in the financial statements.	1	<b>Implement</b> adequate systems of internal controls to verify the reliability of reported performance information.	2	<b>Correlation</b> between achievement of targets and utilisation of <b>budget</b> .	3	<b>Focus on achievement of targets of service delivery indicators</b> by increasing and ensuring spending on grants to enhance the lived realities of citizens.	4	Implement adequate <b>project plan and monitoring systems</b> over delivery of <b>infrastructure and IT projects</b> to prevent delays in completions.	1	Enhance and <b>enforce compliance</b> with key legislation, especially in the SCM Unit.	2	Design and implement a <b>compliance checklist to be used before procurement</b> is finalised to ensure compliance with all key legislation and the approved financial delegations.	3	Implement <b>consequence management</b> for transgressions and poor performance.	<p>No</p>
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3 Work in progress	0	2	No PoE	Regress																																																																																																
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4 Human resource management	10	0	No PoE	None																																																																																																
5 Revenue and receivables	28	10	Implementation concerns and GAS findings	Regress																																																																																																
6 Procurement and contract management	24	8	Checklists done but training requests received, GAS and Ideal Clinic findings show recurrence.	None																																																																																																
7 Implementation of the Ideal Clinic Realisation and Maintenance programme (ICRM)	17	0	Comprehensive checklists done according to schedule / plan	Improving																																																																																																
8 Safety and Security	5	3	Reduced incidents reported	Improving																																																																																																
9 Key projects	7	4	No PoE	None																																																																																																
Information Technology (IT) governance			No PoE	None																																																																																																
10 Information Technology service continuity	21	33	Risk and Impact assessments done	Improving																																																																																																
Programme change management			No PoE	None																																																																																																
Health Sector procedures			No PoE	None																																																																																																
Physical access and environmental controls			No PoE	None																																																																																																
11 Performance information		38	QIP developed. Accuracy variance between registers and systems at <10%	Improving																																																																																																
<b>TOTAL</b>	<b>113</b>	<b>121</b>																																																																																																		

PRELIMINARY QUESTIONS FOR VOTE 4: GAUTENG DEPARTMENT OF HEALTH | AUDITOR-GENERAL'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)																																																																																																																		
			<p>Through a number of actions related to PoE unavailability, the Department has since instituted measures to ensure the availability of PoE before the end of Quarter 3.</p> <ul style="list-style-type: none"> <li>Assessment of the implications of its audit action plans to the current (2023/24) financial year by 28 April 2023.</li> </ul>	No																																																																																																																		
			<table border="1"> <thead> <tr> <th>CATEGORY</th> <th>FROM</th> <th>TO</th> <th>No.</th> <th>New</th> <th>Recur</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>1</td> <td>15</td> <td>15</td> <td>0</td> <td>15</td> </tr> <tr> <td>B</td> <td>16</td> <td>17</td> <td>2</td> <td>1</td> <td>1</td> </tr> <tr> <td>C</td> <td>18</td> <td>21</td> <td>4</td> <td>0</td> <td>4</td> </tr> <tr> <td>D</td> <td>22</td> <td>23</td> <td>2</td> <td>0</td> <td>2</td> </tr> <tr> <td>E</td> <td>24</td> <td>26</td> <td>3</td> <td>0</td> <td>3</td> </tr> <tr> <td>F</td> <td>27</td> <td>36</td> <td>10</td> <td>10</td> <td>0</td> </tr> <tr> <td>G</td> <td>37</td> <td>49</td> <td>13</td> <td>28</td> <td>10</td> </tr> <tr> <td>H</td> <td>50</td> <td>72</td> <td>23</td> <td>24</td> <td>8</td> </tr> <tr> <td>I</td> <td>73</td> <td>89</td> <td>17</td> <td>17</td> <td>0</td> </tr> <tr> <td>J</td> <td>90</td> <td>93</td> <td>4</td> <td>5</td> <td>3</td> </tr> <tr> <td>K</td> <td>94</td> <td>104</td> <td>11</td> <td>7</td> <td>4</td> </tr> <tr> <td>L</td> <td>105</td> <td>144</td> <td>40</td> <td>21</td> <td>33</td> </tr> <tr> <td>M</td> <td>145</td> <td>145</td> <td>1</td> <td></td> <td></td> </tr> <tr> <td>N</td> <td>146</td> <td>148</td> <td>3</td> <td></td> <td></td> </tr> <tr> <td>O</td> <td>149</td> <td>155</td> <td>7</td> <td></td> <td></td> </tr> <tr> <td>P</td> <td>156</td> <td>156</td> <td>1</td> <td></td> <td></td> </tr> <tr> <td></td> <td>MI</td> <td>MI</td> <td>38</td> <td></td> <td>38</td> </tr> <tr> <td><b>TOTAL</b></td> <td></td> <td></td> <td><b>194</b></td> <td><b>113</b></td> <td><b>121</b></td> </tr> </tbody> </table> <p><b>Disparity explanation:</b> The AGSA intensified service delivery-related reporting audits, and findings were 'moved' to different components. The findings were also separated / counted per facility, whereas these are usually categorised only under 'Department'.</p>	CATEGORY	FROM	TO	No.	New	Recur	A	1	15	15	0	15	B	16	17	2	1	1	C	18	21	4	0	4	D	22	23	2	0	2	E	24	26	3	0	3	F	27	36	10	10	0	G	37	49	13	28	10	H	50	72	23	24	8	I	73	89	17	17	0	J	90	93	4	5	3	K	94	104	11	7	4	L	105	144	40	21	33	M	145	145	1			N	146	148	3			O	149	155	7			P	156	156	1				MI	MI	38		38	<b>TOTAL</b>			<b>194</b>	<b>113</b>	<b>121</b>	
CATEGORY	FROM	TO	No.	New	Recur																																																																																																																	
A	1	15	15	0	15																																																																																																																	
B	16	17	2	1	1																																																																																																																	
C	18	21	4	0	4																																																																																																																	
D	22	23	2	0	2																																																																																																																	
E	24	26	3	0	3																																																																																																																	
F	27	36	10	10	0																																																																																																																	
G	37	49	13	28	10																																																																																																																	
H	50	72	23	24	8																																																																																																																	
I	73	89	17	17	0																																																																																																																	
J	90	93	4	5	3																																																																																																																	
K	94	104	11	7	4																																																																																																																	
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P	156	156	1																																																																																																																			
	MI	MI	38		38																																																																																																																	
<b>TOTAL</b>			<b>194</b>	<b>113</b>	<b>121</b>																																																																																																																	

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department received an unqualified opinion last year and this year – so there is no audit report modifications.

## 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 through liaison with the Auditor-General who hosted the Audit Steering Committee meetings during the year under review.

The main functions performed by the Internal Control Unit covers the following areas:

- Facilitated the internal and external audit processes.
- Reviewed and monitored the Audit Action Plans of Head Office, branches and health institutions.
- Monitored the performance of key control self-assessments by tertiary and major hospitals.
- Special assessments on processes and control environment.
- Special assessment on the eligibility of payment transactions.
- Lead 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 (Mr)	<ul style="list-style-type: none"> <li>• Master in Public Administration</li> <li>• Master of Philosophy of International Business</li> <li>• Doctor of Philosophy in Business Management (current)</li> <li>• Master of Business Administration</li> <li>• Master of Commerce in International and Domestic Taxation</li> <li>• Bcompt Honours (CTA)</li> <li>• Bachelor Accounting Science (Hons)</li> <li>• Bachelor of Commerce</li> <li>• Higher Diploma in Computer Auditing</li> <li>• Africa Directors Programme</li> <li>• Professional Accountant (SA)</li> <li>• Registered Government Auditor (RGA)</li> </ul>	External	-	01 March 2019	Current	05
Shelmadene Petzer (Ms)	<ul style="list-style-type: none"> <li>• Chartered Accountant (SA)</li> <li>• Certificate in the Theory of Accountancy</li> <li>• Advanced Executive Programme</li> </ul>	External	-	01 September 2018	Current	05
Suren Maharaj (Mr)	<ul style="list-style-type: none"> <li>• Chartered Accountant (SA)</li> <li>• Master of Business Administration</li> <li>• Municipal Executive Financial Management Certificate</li> <li>• Honours Bachelor of Accounting Science (CTA)</li> <li>• Bachelor of Commerce</li> </ul>	External	-	01 August 2023	Current	05

## 12. AUDIT COMMITTEE REPORT

### Report of the Audit Committee – Cluster 03

We are pleased to present our report for the financial year ended 31 March 2024.

#### 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
Mr. Suran Maharaj	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
Mr. Arnold Malotana (Acting Accounting Officer)	05
Ms. Masibolekwe Ndima (Acting Chief Financial Officer)	01 (until August 2023)
Mr. Botsane Montwedi (Acting Chief Financial Officer)	04 (from November 2023)
Mr. Canada Matsaneng (Chief Risk Officer)	05
Mr. Kweyama Velile (Chief Audit Executive)	03

The Audit Committee noted that the Accounting Officer 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.

#### 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.

#### Statutory duties

No complaints about the financial and non-financial reporting were brought to the attention of the Audit Committee.

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

The Audit Committee is concerned with the 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 Audit Committee was concerned with the high number of employees who have registered businesses on the CIPC and CSD and the slow implementation of consequence management implemented against such employees by the Department.

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 also continues to experience significant difficulty in collecting debtors. This further exacerbates the financial problems of the department that emanate from the problem of old unpaid accounts payable accumulated in prior years.

Based on the results of the audits performed and the follow up reviews conducted, the overall opinion on the internal control design was Adequate but Ineffective to ensure that the Department objectives will be achieved.

The Department should focus on improving the effectiveness of controls in the following areas inter alia:

- Supply Chain Management at Head Office and Institutions (Tertiary/Academic)
- Review of Consignment stock
- Follow up on Auditor General's Significant findings
- Pharmaceutical Services at Charlotte Maxeke Academic hospital
- Infection and Prevention Control (Tertiary or Academic)
- Performance of the Department against predetermined objectives/Performance Information Q1&Q2
- Security services Management
- Occupational Health and Safety including Covid-19 protocols
- Pharmaceutical Services at Charlotte Steve Biko Academic hospital
- Supply Chain Management
- Delivery of Healthcare Services
- Emergency Care and Maternal/New-born Care - Tambo Memorial Hospital
- Response to Covid 19

Management should also implement the findings raised by the Auditor-General and Internal Audit on time.

## **Internal Audit**

The Committee has satisfied itself that the internal audit function was appropriately independent. The internal audit charter and the internal audit plan were approved by the Committee. Internal audit has access to the Committee, primarily through its chairperson. 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. The Audit Committee will continue to monitor the capacity and the resources allocated to the Internal Audit function.

The following internal audit work was completed during the year under review:

- Quality of Health Care Services at Dr Yusuf Dadoo hospital
- Management of CHC
- Follow-up on Waste Management
- Occupational Health and Safety including & Security Management(Tertiary Institution)
- Risk Management & Corporate governance
- Asset Management
- Revenue Management
- Supply Chain Management at Head Office and Institutions (Tertiary/Academic)
- Review of Consignment stock
- Follow up on Auditor General's Significant findings
- Pharmaceutical Services at Charlotte Maxeke Academic hospital
- Infection and Prevention Control (Tertiary or Academic)
- Mental Health Care at Cullinan & Sterkfontein
- Review of Draft Annual Performance Report

- Cancer Treatment Services at Central Tertiary Hospitals
- Performance of the Department against predetermined objectives/Performance Information Q1
- Performance of the Department against predetermined objectives/Performance Information Q2
- Follow up on Delivery of Healthcare Services at Jubilee Hospital
- Follow up on Emergency Care and Maternal/New-born Care – Tambo Memorial Hospital
- Data Analysis: Accounts Payables /Accruals
- SAP ESS & PERSAL leave reconciliation
- Project Governance review
- Data Analysis – ETHICS / FIN / HR (1 Jan 2023 – 30 June 2023)
- 2023-24 IT risk assessment
- Data Analysis – ETHICS / FIN / HR (1 July 2023 – 31 December 2023)

The Audit Committee will continue to monitor the resources and capabilities of the Internal Audit function as this has an impact on the performance, functioning and effectiveness of GAS as an assurance provider.

### **Risk Management**

No 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. Management should take full responsibility for the entire Enterprise Risk Management Process and continue to support the Chief Risk Officer to enhance the performance of the Department.

### **Forensic Investigations and Medico legal claims**

Several investigations into alleged financial irregularities, financial misconduct and fraud were performed during the year under review. There are still several cases which have not yet been investigated and 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 as some cases are long outstanding.

The Audit Committee is concerned with slow implementation of forensic investigation recommendations and rising numbers of medico legal claims. Hence, 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.

### **Evaluation of Annual Financial Statements**

Following the review by the Audit Committee of the Annual Financial Statements for the year ended 31 March 2024 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 Modified Cash Basis (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.

Some of the key activities undertaken by the committee are:

- Reviewed and discussed the unaudited and audited annual financial statements to be included in the Annual Report with the AGSA and the Accounting Officer
- Reviewed the Audit Report of the AGSA
- Reviewed the AGSA's Management Report and Management's response thereto
- Reviewed the Departments compliance with legal and regulatory provisions
- Reviewed significant adjustment resulting from the audit.
- Monitored the key commitment of assurance providers throughout the four reporting quarters with the annual statement as at reporting period be reported in the table below.



## **Evaluation of Annual Performance Report**

Following the review by the Audit Committee of the Annual Performance Report for the year ended 31 March 2024 before and after the audit, the Audit Committee is of the view that, in all some respects, the department complied with the relevant provisions of the PFMA and Framework for Managing Programme Performance Information (FMPPI) and fairly presents the performance of the department at that date. Furthermore, the Audit Committee advised management to develop a turnaround plan to address the under achievements contained in the report.

The Audit Committee has also somewhat satisfied itself as to the integrity of the remainder of the annual report.

## **One-on-One Meeting with the Accounting Officer**

Where necessary, the Audit Committee has met with the Accounting Officer for the Department to address unresolved issues.

## **One-on-One Meetings with the Executive Authority**

The Audit Committee 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. Furthermore, the committee is satisfied that the AGSA was independent of the department.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements, which is the unmodified audit opinion with findings (unqualified audit with emphasis of matters and non-compliance). Consequently, the Audit Committee is of the opinion that the audited annual financial statements and annual performance report be accepted and read together with the report of the Auditor- General.

## **Combined assurance**

The Committee is of the view that the framework in place for combined assurance is not adequate and is not achieving the objective of an effective, integrated approach across the disciplines of risk management, compliance and audit.

## **Filling of critical position**

The department still appoint a permanent Chief Finance Officer and Chief Risk Officer.

## **Expertise of the Acting Chief Finance Officer and finance function**


The Committee has reviewed the current performance and future requirements for the financial management of the Department and concluded that the current team does not have the appropriate skills, experience and expertise required to fulfil the finance function.

## **Going concern**

The Committee critically reviewed the documents prepared by management in which they assessed the going concern status of the Department. Management has concluded that the Department is a going concern. The Committee concurred with management's assessment and recommended acceptance of this conclusion.

## Appreciation

The Audit Committee wishes to acknowledge the commitment and support of the Honourable MEC, Portfolio Committee, Head of the department and his staff, AGSA staff, and Internal Audit of the department. Both political and administrative leadership in the department played ultimate and big role towards an improved audit outcome and positive financial performance.

A handwritten signature in black ink, appearing to read 'S. Ngobeni', enclosed within a hand-drawn oval.

**Mr. Stanley Ngobeni**

Chairperson of the Audit Committee

Date: 31 July 2024

### 13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE 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?	No	The Department of Economic Development is responsible for enhancing economic activity within the province.
Developing and implementing a preferential procurement policy?	Yes	The department has developed and implemented a preferential procurement policy.
Determining qualification criteria for the sale of state-owned enterprises?	No	The Department of Infrastructure Development is responsible for the sale of state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	Yes	The criteria for entering partnerships with the private sector is contained in the SCM Policy.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	The Gauteng Enterprise Propellor is responsible for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment in the province.



# PART D

## Human Resource Oversight Statistics

# Part D: Human Resource Management

## 1. INTRODUCTION

The information contained in this part of the Annual Report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

## 2. OVERVIEW OF HUMAN RESOURCES

The following tables provide key information on the Department's human resources for the financial year 2023/2024.

### 2.1 Personnel-related expenditure

The following tables summarise the final audited personnel -related expenditure by programme and by salary bands.

**Table 2.1.1: Personnel expenditure by programme for the period 1 April 2023 and 31 March 2024**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel costs as percentage of total expenditure	Average personnel cost per employee (R'000)	Employment (b)
1. Administration	2 169 830	448 536	-	46 507	21%	344	1 304
2. District health services	20 528 816	12 797 154	9 773	30 035	62,3%	438	29 191
3. Emergency medical services	2 065 186	1 075 836	472	3	52,1%	350	3 076
4. Provincial hospital services	12 030 090	8 601 909	1 326	413 059	71,5%	377	22 842
5. Central hospital services	21 548 575	14 319 542	584	60 539	66,5%	731	19 585
6. Health sciences and training	699 524	518 704	1 999	12	74,2%	233	2 225
7. Health care support services	439 361	226 507	-	-	51,6%	315	720
8. Health facilities management	1 832 135	44 282	63	-	2,4%	521	85
- HWSETA accounts	-	-	-	-	*	*	
MedSAS trading account	-	-	-	-	*	*	
<b>Total</b>	<b>61 313 517</b>	<b>38 032 470</b>	<b>14 217</b>	<b>550 155</b>	<b>62,0%</b>	<b>481</b>	<b>79 028</b>

**Table 2.1.1: Professional and Special Services consisting of: A&S/O/S: Medical services, Nursing staff, Personnel and labour, Administration and support staff, CNS: Business and advisory services: Human resources, Organisational qualification verification, Board and committee members, Research and advisory, Financial management, Accountants and Auditors, and Contractors: Medical Services, as per the Standard Chart of Accounts (SCOA).**

**Table 2.1.2: Personnel costs by salary band: 1 April 2023 to 31 March 2024**

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)	3 667 569	9.56%	16 669	220
Skilled (levels 3-5)	6 830 742	17.81%	21 384	319
Highly skilled production (levels 6-8)	8 761 984	22.84%	19 002	461
Highly skilled supervision (levels 9-12)	12 485 949	32.55%	12 553	995
Senior and top management (levels 13-16)	92 773	0.24%	78	1 189
Contract (levels 1-2)	72 242	0.19%	345	209
Contract (levels 3-5)	231 394	0.60%	577	401
Contract (levels 6-8)	597 627	1.56%	1 162	514
Contract (levels 9-12)	4 703 618	12.26%	4 527	1 039
Contract (levels 13-16)	37 798	0.10%	26	1 454
Periodical remuneration	575 106	1.50%	779	738
Abnormal appointment	303 617	0.79%	1 926	158
<b>Total</b>	<b>38 360 418</b>	<b>100.00%</b>	<b>79 028</b>	<b>7 698</b>

**Table 2.1.3: Salaries, Overtime, Home Owner's Allowance and Medical Aid by programme for the period 1 April 2023 and 31 March 2024**

Programme	Salaries (R'000)	Salaries as %	Overtime (R'000)	Overtime as %	HOA (R'000)	HOA as % of	Medical Ass.	Medical Ass. as %	Total personnel
Administration	414 288	1,1%	1 972	0,0%	9 874	0,0%	22 402	0,1%	448 536
District health services	10 826 037	28,5%	634 722	1,7%	436 801	1,1%	899 594	2,4%	12 797 154
Emergency medical services	895 252	2,4%	21 055	0,1%	49 335	0,1%	110 194	0,3%	1 075 836
Provincial hospital services	6 954 220	18,3%	970 480	2,6%	235 664	0,6%	441 545	1,2%	8 601 909
Central hospital services	11 531 888	30,3%	1 803 936	4,7%	350 092	0,9%	633 626	1,7%	14 319 542
Health sciences and training	479 288	1,3%	1 369	0,0%	12 925	0,0%	25 122	0,1%	518 704
Health care support services	161 034	0,4%	19 030	0,1%	15 781	0,0%	30 662	0,1%	226 507
Health facilities management	40 537	0,1%	459	0,0%	816	0,0%	2 470	0,0%	44 282
HWSETA accounts	-								-
<b>Total</b>	<b>31 302 544</b>	<b>82,3%</b>	<b>3 453 023</b>	<b>9,1%</b>	<b>1 111 288</b>	<b>2,9%</b>	<b>2 165 615</b>	<b>5,7%</b>	<b>38 032 470</b>

**Table 2.1.4: Salaries, overtime, Home-owner's allowance and Medical aid by salary band: 1 April 2023 to 31 March 2024**

Salary band	Salaries		Overtime		Home-owner's 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 (levels 1-2)	2 221 784	9.53%	91 910	2.69%	261 443	23.78%	564 134	26.13%
Skilled (levels 3-5)	4 353 204	18.67%	349 982	10.23%	373 450	33.97%	704 443	32.63%
Highly skilled production (levels 6-8)	6 220 277	26.68%	466 061	13.62%	305 822	27.81%	565 189	26.18%
Highly skilled supervision (levels 9-12)	10 431 981	44.75%	2 511 232	73.38%	158 277	14.40%	323 564	14.99%
Senior and top management (levels 13-16)	84 352	0.36%	3 027	0.09%	509	0.05%	1 623	0.08%
<b>Total</b>	<b>23 311 598</b>	<b>100.00%</b>	<b>3 422 212</b>	<b>100.00%</b>	<b>1 099 503</b>	<b>100.00%</b>	<b>2 158 952</b>	<b>100.00%</b>

## 2.2 Employment and vacancies

The tables in this section summarise the position with regard to employment and vacancies.

**Table 2.2.1: Employment and vacancies by programme as at 31 March 2024**

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
1 - HEALTH ADMINISTRATION	1 429	1 044	26.94%	81
2 - DISTRICT HEALTH SERVICES	32 317	29 027	10.18%	1 603
3 - EMERGENCY MEDICAL SERVICES	3 590	3 076	14.32%	
4 - PROVINCIAL HEALTH SERVICES	24 579	22 311	9.23%	2 230
5 - ACADEMIC HEALTH SERVICES	21 938	19 405	11.55%	1 813
6 - HEALTH SCIENCES AND TRAINING	1 433	599	58.20%	
7 - HEALTH CARE SUPPORT SERVICES	800	714	10.75%	
8 - HEALTH FACILITY MANAGEMENT	104	85	18.27%	7
<b>GRAND TOTAL</b>	<b>86 190</b>	<b>76 261</b>	<b>11.52%</b>	<b>5 734</b>

**Table 2.2.2: Employment and vacancies by salary band as at 31 March 2024**

Salary band description	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Lower skilled (levels 1-2)	17 528	16 625	5.15%	24
Skilled (levels 3-5)	25 738	22 738	11.66%	369
Highly skilled production (levels 6-8)	23 577	20 395	13.50%	2 111
Highly skilled supervision (levels 9-12)	19 190	16 397	14.55%	3 227
Senior management (levels 13-16)	157	106	32.48%	3
<b>Total</b>	<b>86 190</b>	<b>76 261</b>	<b>11.52%</b>	<b>5 734</b>



**Table 2.2.3: Employment and vacancies by critical occupation as at 31 March 2024**

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
1. Medical Practitioner	2 889	1 572	13.91%	2 398
2. Medical Intern	1 814	2 487	13.34%	
3. Medical Specialist	1 389	1 148	17.35%	16
4. Dental Practitioner	301	259	13.95%	57
5. Dentists / Specialist	97	78	19.59%	
6. Emergency Care Practitioner	3 412	2 989	12.40%	
7. Professional Nurses	19 897	16 950	14.81%	1 648
8. Staff Nurses	7 450	6 974	6.39%	135
9. Nursing Assistant	7 067	6 728	4.80%	158
10. Student Nurses	1 229	153	87.55%	
11. Pharmacist	712	637	10.53%	362
12. Pharmacist Intern	133	109	18.05%	
<b>GRAND TOTAL</b>	<b>46 390</b>	<b>40 084</b>	<b>13.59%</b>	<b>4 774</b>

## 2.3 Filling of SMS posts

The following tables provide information on employment and vacancies relating to members of the Senior Management Service by salary level. They also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes, and disciplinary steps taken.

**Table 2.3.1: SMS post information as at 1 April 2023**

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	0.00%	1	100.00%
Salary Level 16	1	1	100.00%	0	0.00%
Salary Level 15	8	5	62.50%	3	37.50%
Salary Level 14	35	20	57.14%	15	42.86%
Salary Level 13	112	78	69.64%	34	30.36%
<b>Total</b>	<b>157</b>	<b>104</b>	<b>66.24%</b>	<b>53</b>	<b>33.76%</b>

**Table 2.3.2: SMS post information as at 30 September 2023**

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	0.00%	1	100.00%
Salary Level 16	1	1	100.00%	0	0.00%
Salary Level 15	8	4	50.00%	4	50.00%
Salary Level 14	35	17	48.57%	18	51.43%
Salary Level 13	112	76	67.86%	36	32.14%
<b>Total</b>	<b>157</b>	<b>98</b>	<b>62.42%</b>	<b>59</b>	<b>37.58%</b>

**Table 2.3.3: Advertising and filling of SMS posts: 1 April 2023 to 31 March 2024**

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%	0	0%
Salary Level 15	8	5		63%	3	38%
Salary Level 14	35	20		57%	15	43%
Salary Level 13	112	78		70%	34	30%
<b>Total</b>	<b>157</b>	<b>104</b>	<b>0</b>	<b>66.24%</b>	<b>53</b>	<b>33.76%</b>

**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 2023 to 31 March 2024**

Reasons for vacancies not advertised within six months
The Department has been advertising SMS positions; however, some positions that do not yield successful candidates have to be re-advertised and the Department embarks upon a headhunting process.

Reasons for vacancies not filled within six months
Difficulty in attracting the required knowledge and skills has led the Department to conducting headhunting for scarce and critical skills.

**Table 2.3.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2023 and 31 March 2024**

The prescribed timeframe for filling within twelve months
None

Reasons for vacancies not filled within twelve months
Difficulty in attracting the required knowledge and skills has led the Department to conducting headhunting for scarce and critical skills.

## 2.4 Job evaluation

The following tables summarise the number of jobs that were evaluated during the year under review, and provide statistics on the number of posts that were upgraded or downgraded.

**Table 2.4.1: Job evaluation by salary band for the period 1 April 2023 and 31 March 2024**

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 (levels 1-2)	17 386	0	0	0	0	0	0%
Skilled (levels 3-5)	25 260	0	0	0	0	0	0%
Highly skilled production (levels 6-8)	22 166	0	0	0	0	0	0%
Highly skilled supervision (levels 9-12)	14 707	0	0	0	0	0	0%
Senior Management Service Band A	97	0	0	0	0	0	0%
Senior Management Service Band B	28	0	0	0	0	0	0%
Senior Management Service Band C	5	0	0	0	0	0	0%
Senior Management Service Band D	2	0	0	0	0	0	0%
Contract (levels 1-2)	142	0	0	0	0	0	0%
Contract (levels 3-5)	478	0	0	0	0	0	0%
Contract (levels 6-8)	1 411	0	0	0	0	0	0%
Contract (levels 9-12)	4 483	0	0	0	0	0	0%
Contract Band A	15	0	0	0	0	0	0%
Contract Band B	7	0	0	0	0	0	0%
Contract Band C	3	0	0	0	0	0	0%
Contract Band D	0	0	0	0	0	0	0%
<b>Total</b>	<b>86 190</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

**Table 2.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded: 1 April 2023 to 31 March 2024**

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Employees with a disability	0
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**Table 2.4.3: Employees with salary levels higher than those determined by job evaluation by occupation: 1 April 2023 to 31 March 2024**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	0			
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0.0000%

**Table 2.4.4: Profile of employees whose salary levels are higher than those determined by job evaluation: period 1 April 2023 to 31 March 2024**

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	0
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## 2.5 Employment changes

The following tables provide information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department.

**Table 2.5.1: Annual turnover rates by salary band for the period 1 April 2023 and 31 March 2024**

Salary band	Number of employees at beginning of period – 30 April 2023	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (levels 1-2)	19 626	6 861	6 801	34.65%
Skilled (levels 3-5)	21 553	1 282	766	3.55%
Highly skilled production (levels 6-8)	18 191	1 720	1 410	7.75%
Highly skilled supervision (levels 9-12)	12 891	1 058	1 369	10.62%
Senior Management Service Bands A	64	7	9	14.06%
Senior Management Service Bands B	12		3	25.00%
Senior Management Service Bands C	1	1		0.00%
Senior Management Service Bands D	1			0.00%
Contracts	4 897	5 616	4 673	95.43%
<b>Total</b>	<b>77 236</b>	<b>16 545</b>	<b>15 031</b>	<b>19.46%</b>

**Table 2.5.2: Annual turnover rates by critical occupation for the period 1 April 2023 and 31 March 2024**

Critical occupation	Number of employees at beginning of period - April 2023	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
01. Medical Practitioner	2 751	1 843	1 555	56.52%
02. Medical Intern	1 630	734	891	54.66%
03. Medical Specialist	2 566	629	664	25.88%
04. Dental Practitioner	301	142	118	39.20%
05. Dentists / Specialist	148	22	36	24.32%
06. Emergency Care Practitioner	2 836	263	96	3.39%
07. Professional Nurses	16 317	3 128	2 831	17.35%
08. Staff Nurses	6 844	769	597	8.72%
09. Nursing Assistant	6 457	738	611	9.46%
10. Student Nurses	123	205	7	5.69%
11. Pharmacist	574	273	163	28.40%
12. Pharmacist Intern	71	72	75	105.63%
<b>GRAND TOTAL</b>	<b>40 618</b>	<b>8 818</b>	<b>7 644</b>	<b>18.82%</b>

**Table 2.5.3: Reasons why staff left the Department for the period 1 April 2023 and 31 March 2024**

Termination type	Number	% of total resignations
Death	257	1.71%
Resignation	3 406	22.66%
Expiry of contract	10 094	67.15%
Dismissal – operational changes		0.00%
Dismissal – misconduct	126	0.84%
Dismissal – inefficiency		0.00%
Discharged due to ill-health	26	0.17%
Retirement	1 118	7.44%
Transfer to other Public Service Departments	3	0.02%
Other	1	0.01%
<b>Total</b>	<b>15 031</b>	<b>100.00%</b>
Total number of employees who left as a % of total employment		<b>23.43%</b>

**Table 2.5.4: Promotions by critical occupation for the period 1 April 2023 and 31 March 2024**

Occupation	Number of employees - 1 April 2023	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	301		0.00%	16	5.32%
Dental Specialist	148		0.00%	6	4.05%
Medical Practitioner	2 751	4	0.15%	104	3.78%
Medical Intern	1 630		0.00%		0.00%
Medical Specialist	2 569	4	0.16%	114	4.44%
Emergency Care Practitioner	2 836	6	0.21%	46	1.62%
Pharmacist	643		0.00%	40	6.22%
Pharmacist (Intern)	2		0.00%		0.00%
Professional Nurses	16 317	11	0.07%	588	3.60%
Staff Nurses	6 844	1	0.01%	157	2.29%
Nursing Assistant	6 457	3	0.05%	174	2.69%
Professional Nurse (Student)	123		0.00%		0.00%
<b>Total</b>	<b>40 621</b>	<b>29</b>	<b>0.07%</b>	<b>1 245</b>	<b>3.06%</b>

**Table 2.5.5: Promotions by salary band for the period 1 April 2023 and 31 March 2024**

Salary Band	Employees - 1 April 2023	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)	19 645	1	0.01%	224	1.14%
Skilled (levels 3-5)	21 741	15	0.07%	430	1.98%
Highly skilled production (levels 6-8)	18 918	19	0.10%	522	2.76%
Highly skilled supervision (levels 9-12)	16 829	24	0.14%	627	3.73%
Senior Management (levels 13-16)	103	3	2.91%	4	3.88%
<b>Total</b>	<b>77 236</b>	<b>62</b>	<b>0.08%</b>	<b>1 807</b>	<b>2.34%</b>

## 2.6 Employment Equity

**Table 2.6.1: Total number of employees (including employees with disabilities) in occupational categories as at 31 March 2024**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	99	5	2	3	87	3	7	5	211
Professionals	2 159	74	511	568	2 821	134	602	821	7 690
Technicians and associate professionals	2 939	48	77	88	17 860	412	349	654	22 427
Clerks	2 702	41	15	28	6 371	96	18	157	9 428
Service and sales workers	4 035	34	20	46	21 727	143	14	88	26 107
Skilled agriculture and fishery workers									0
Craft and related trades workers									0
Plant and machine operators and assemblers	408	6	1	7	32				454
Elementary occupations	3 911	71	5	38	7 112	130	2	39	11 308
<b>Total</b>	<b>16 253</b>	<b>279</b>	<b>631</b>	<b>778</b>	<b>56 010</b>	<b>918</b>	<b>992</b>	<b>1 764</b>	<b>77 625</b>
Employees with disabilities	283	8	4	21	997	24	11	55	1 403

**Table 2.6.2: Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2024**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2				4				6
Senior Management	50	4		2	31	2	1	3	93
Professionally qualified and experienced specialists and mid-management	3 333	103	547	583	10 017	349	775	1 153	16 860
Skilled technical and academically qualified workers, junior management, supervisors, foreman and	3 067	35	35	70	15 839	237	161	435	19 879
Semi-skilled and discretionary decision-making	5 667	60	11	45	15 586	102	2	59	21 532
Unskilled and defined decision-making	4 134	77	38	78	14 533	228	53	114	19 255
<b>Total</b>	<b>16 253</b>	<b>279</b>	<b>631</b>	<b>778</b>	<b>56 010</b>	<b>918</b>	<b>992</b>	<b>1 764</b>	<b>77 625</b>
Employees with disabilities	283	8	4	21	997	24	11	55	1 403

**Table 2.6.3: Recruitment for the period 1 April 2023 to 31 March 2024**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1								1
Senior Management	7				3	1			11
Professionally qualified and experienced specialists and mid-management	822	43	207	214	1 650	87	293	359	3 675
Skilled technical and academically qualified workers, junior management, supervisors, foreman and	478	8	11	11	2 504	60	71	141	3 284
Semi-skilled and discretionary decision-making	463	3	1	1	1 953	5	1	5	2 432
Unskilled and defined decision-making	1 854	30	42	56	4 923	72	64	81	7 122
<b>Total</b>	<b>3 625</b>	<b>84</b>	<b>261</b>	<b>282</b>	<b>11 033</b>	<b>225</b>	<b>429</b>	<b>586</b>	<b>165 25</b>
Employees with disabilities	1			1	18				20

**Table 2.6.4: Promotions for the period 1 April 2023 to 31 March 2024**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management									0
Senior Management	2				2				4
Professionally qualified and experienced specialists and mid-management	125	4	21	16	382	10	31	40	629
Skilled technical and academically qualified workers, junior management, supervisors, foreman and	92	2	2		406	6	11	17	536
Semi-skilled and discretionary decision-making	91		1		343	3	2	1	441
Unskilled and defined decision-making	75	1			142	3			221
<b>Total</b>	<b>385</b>	<b>7</b>	<b>24</b>	<b>16</b>	<b>1 275</b>	<b>22</b>	<b>44</b>	<b>58</b>	<b>1 831</b>
Employees with disabilities	6	1			28			2	37

**Table 2.6.5: Terminations for the period 1 April 2023 to 31 March 2024**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management					1				1
Senior Management	5		1		6			1	13
Professionally qualified and experienced specialists and mid-management	748	35	178	226	1 760	64	261	408	3 680
Skilled technical and academically qualified workers, junior management, supervisors, foreman and	472	13	5	20	2 137	62	63	171	2 943
Semi-skilled and discretionary decision-making	314		3	2	1 151	13	6		1 489
Unskilled and defined decision-making	1 802	25	55	75	4 606	78	67	91	6 799
<b>Total</b>	<b>3 341</b>	<b>73</b>	<b>242</b>	<b>323</b>	<b>9 661</b>	<b>217</b>	<b>397</b>	<b>671</b>	<b>14 925</b>
Employees with disabilities	23			5	68	2		8	106

**Table 2.6.6: Disciplinary action for the period 1 April 2023 to 31 March 2024**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	560	5	6	14	627	5	3	17	1 237

**Table 2.6.7: Skills development for the period 1 April 2023 to 31 March 2024**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	19	2	1	1	17	2	1	0	43
Professionals	2 729	79	229	218	3 825	199	320	314	7 913
Technicians and associate professionals	2 130	67	99	351	3 756	101	91	877	7 472
Clerks	1 441	78	69	106	2 590	106	61	72	4 523
Service and sales workers	990	59	8	9	1 697	181	26	79	3 049
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers									0
Elementary occupations	814	91	52	31	1 847	93	88	31	3 047
<b>Total</b>	<b>8 123</b>	<b>376</b>	<b>458</b>	<b>716</b>	<b>13 732</b>	<b>682</b>	<b>587</b>	<b>1 373</b>	<b>26 047</b>
Employees with disabilities	21	2	0	0	26	2	3	2	56



## 2.7 Signing of Performance Agreements by SMS Members

Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes, and disciplinary steps taken, is presented in the following tables.

**Table 2.7.1: Signing of Performance Agreements by SMS members as at 31 May 2023**

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	1	0	0%	Late submission of performance agreement
Salary Level 16	0	0	0	0%	N/A
Salary Level 15	3	3	2	67%	Late submission of performance agreements and long absence due to suspensions and maternity leave
Salary Level 14	16	16	11	69%	Late submission of performance agreements and long absence due to suspensions and maternity leave
Salary Level 13	72	72	65	90%	Late submission of performance agreements and long absence due to suspensions and maternity leave
<b>Total</b>	<b>92</b>	<b>92</b>	<b>78</b>	<b>85%</b>	

**Table 2.7.2: Reasons for not having concluded Performance Agreements for all SMS members as at 31 March 2024**

Reasons
Delayed submission of performance agreements and extended absence due to suspensions and maternity leave.

**Table 2.7.3: Disciplinary steps taken against SMS members for not having concluded Performance Agreements as on 31 March 2024**

Reasons
Ongoing distribution of reminder letters.

## 2.8 Performance rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands, and critical occupations

**Table 2.8.1: Performance Rewards by race, gender and disability for the period 1 April 2023 to 31 March 2024**

Race and gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	N/A	16 537			
Female	N/A	56 636			
Asian	N/A				
Male	N/A	624			
Female	N/A	1 000			
Coloured	N/A				
Male	N/A	280			
Female	N/A	947			
White	N/A				
Male	N/A	865			
Female	N/A	1 919			
<b>Total</b>	<b>0</b>	<b>78 808</b>			

**Table 2.8.2: Performance rewards by salary band for personnel below Senior Management Service for the period 1 April 2023 to 31 March 2024**

Salary band	Beneficiary profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower skilled (levels 1-2)	N/A	16 901	-	-	-	N/A
Skilled (levels 3-5)	N/A	22 214	-	-	-	N/A
Highly skilled production (levels 6-8)	N/A	196 45	-	-	-	N/A
Highly skilled supervision (levels 9-12)	N/A	17 014	-	-	-	N/A
Periodic remuneration	N/A	1 144	N/A	N/A	N/A	N/A
Abnormal appointment	0	1 790	N/A	N/A	N/A	N/A
<b>Total</b>	<b>0</b>	<b>78 708</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

**Table 2.8.3: Performance rewards by critical occupation for the period 1 April 2023 to 31 March 2024**

Salary Band	Number of beneficiaries	Total employment	% of total within occupation	Total cost (R'000)	Average cost per beneficiary
Nursing	N/A	30 915			
Medical	N/A	7 740			
Pharmacists	N/A	664			
Allied	N/A	6 771			
<b>Total</b>	<b>0</b>	<b>46 090</b>	<b>0%</b>	<b>R -</b>	

**Table 2.8.4: Performance related rewards (cash bonus) by salary band for Senior Management Service for the period 1 April 2023 to 31 March 2024**

Salary band	Beneficiary profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	
Band A	N/A	76	N/A	0	0	N/A
Band B	N/A	18	N/A	0	0	N/A
Band C	N/A	5	N/A	0	0	N/A
Band D	N/A	1	N/A	0	0	N/A
<b>Total</b>	<b>N/A</b>	<b>100</b>	<b>N/A</b>	<b>0</b>	<b>0</b>	<b>N/A</b>

## 2.9 Foreign workers

The following tables summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

**Table 2.9.1: Foreign workers by salary band for the period 1 April 2023 to 31 March 2024**

Salary band	1 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (levels 0-5)	2	0.36%	6	1.08%	4	-57.14%
Highly skilled production (levels 6-8)	30	5.34%	23	4.14%	-7	100.00%
Highly skilled supervision (levels 9-12)	156	27.76%	162	29.19%	6	-85.71%
Contract (levels 0-5)	35	6.23%	35	6.31%	0	0.00%
Contract (levels 6-8)	11	1.96%	16	2.88%	5	-71.43%
Contract (levels 9-12)	328	58.36%	313	56.40%	-15	214.29%
<b>GRAND TOTAL</b>	<b>562</b>	<b>100.00%</b>	<b>555</b>	<b>100.00%</b>	<b>-7</b>	<b>100.00%</b>

**Table 2.9.2: Foreign workers by major occupation for the period 1 April 2023 to 31 March 2024**

Major occupation	1 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% change
1. Professionals	447	79.54%	429	77.30%	-18	257.14%
2. Technicians and Associate Professionals	107	19.04%	116	20.90%	9	-128.57%
3. Clerks	1	0.18%	1	0.18%	0	0.00%
4. Service Workers	2	0.36%	2	0.36%	0	0.00%
5. Service Workers and Shop and Market Sales-workers	3	0.53%	5	0.90%	2	-28.57%
6. Plant and Machine Operators and Assemblers	1	0.18%	1	0.18%	0	0.00%
7. Elementary Occupations	1	0.18%	1	0.18%	0	0.00%
<b>GRAND TOTAL</b>	<b>562</b>	<b>100.00%</b>	<b>555</b>	<b>100.00%</b>	<b>-7</b>	<b>100.00%</b>

## 2.10 Leave utilisation

The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

**Table 2.10.1: Sick leave for the period 1 January 2023 to 31 December 2023**

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)	639	82	241	40%	3	376	58 299	525
Contract (levels 13-16)	82	94	7	0%	12	420	58 299	77
Contract (levels 3-5)	3 183	80	850	150%	4	2 834	58 299	2 529
Contract (levels 6-8)	6 959	79	1 505	260%	5	9 861	58 299	5 480
Contract (levels 9-12)	11 389	79	2 339	400%	5	31 529	58 299	8 945
Highly skilled production (levels 6-8)	109 919	83	15 003	2 570%	7	170 141	58 299	91 226
Highly skilled supervision (levels 9-12)	72 359	82	9 612	1 650%	8	223 164	58 299	59 311
Lower skilled (levels 1-2)	95 802	91	12 310	2 110%	8	62 029	58 299	86 817
Other	5	60	1	0%	5	4	58 299	3
Senior management (levels 13-16)	291	86	49	10%	6	1 370	58 299	250
Skilled (levels 3-5)	120 983	86	16 382	2 810%	7	119 427	58 299	104 054
<b>TOTAL</b>	<b>421 611</b>	<b>85.2</b>	<b>58 299</b>	<b>100</b>	<b>7</b>	<b>621 157</b>	<b>58 299</b>	<b>359 217</b>

**Table 2.10.2: Disability leave (temporary and permanent) for the period 1 January 2023 to 31 December 2023**

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 13-16)	11	100	1	10%	11	47	11	1 222
Contract (levels 3-5)	4	100	1	10%	4	3	4	1 222
Contract (levels 6-8)	56	100	7	60%	8	82	56	1 222
Contract (levels 9-12)	631	100	17	140%	37	1 806	631	1 222
Highly skilled production (Levels 6-8)	11 523	100	364	2 980%	32	17 898	11 523	1 222
Highly skilled supervision (levels 9-12)	8 098	100	277	2 270%	29	23 801	8 098	1 222
Lower skilled (levels 1-2)	4 917	99.2	211	1 730%	23	3 287	4 876	1 222
Senior management (levels 13-16)	49	100	1	10%	49	224	49	1 222
Skilled (levels 3-5)	10 294	100	343	28.1%	30	10 089	10 294	1 222
<b>TOTAL</b>	<b>35 583</b>	<b>99.9</b>	<b>1 222</b>	<b>100</b>	<b>29</b>	<b>57 236</b>	<b>35 542</b>	<b>1 222</b>

**Table 2.10.3 Annual Leave for the period 1 January 2023 to 31 December 2023**

Salary band	Total days taken	Average per employee	Number of employees using Annual Leave
Contract (levels 1-2)	7 463.92	13	576
Contract (levels 13-16)	471	20	23
Contract (levels 3-5)	21 942.84	14	1 550
Contract (levels 6-8)	28 285.68	14	2 063
Contract (levels 9-12)	63 480.76	15	4 242
Highly skilled production (levels 6-8)	441 964	23	19 160
Highly skilled supervision (levels 9-12)	308 671.29	23	13 307
Lower skilled (levels 1-2)	338 479.09	20	16 535
Other	24	24	1
Senior management (levels 13-16)	1 559	20	78
Skilled (levels 3-5)	490 130.66	23	21 667
<b>TOTAL</b>	<b>1 702 471.81</b>	<b>21</b>	<b>79 202</b>

**Table 2.10.4 Capped leave for the period 1 January 2023 to 31 December 2023**

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)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 13-16)	0.00	0.00	32.00	0.00	32.14	1.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 6-8)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 9-12)	0.00	0.00	2.00	0.00	4.66	2.00
Highly skilled production (levels 6-8)	182.50	3.00	24.00	54.00	38 043.81	1 616.00
Highly skilled supervision (levels 9-12)	330.00	4.00	27.00	75.00	48 853.54	1 799.00
Lower skilled (levels 1-2)	0.00	0.00	18.00	0.00	140.46	8.00
Other	0.00	0.00	0.00	0.00	0.00	0.00
Senior management (levels 13-16)	0.00	0.00	38.00	0.00	720.13	19.00
Skilled (levels 3-5)	121.50	4.00	23.00	31.00	31 673.27	1 404.00
<b>TOTAL</b>	<b>634.00</b>	<b>4.00</b>	<b>25.00</b>	<b>160.00</b>	<b>119 468.01</b>	<b>4 849.00</b>

**Table 2.10.5 Leave pay-outs (estimated) 1 January 2023 to 31 December 2023**

Reason	Total estimated amount (R'000)	Number of employees	Estimated average per employee (R)
Annual - Discounting with Resignation (Work Days)	36 482	1 656	22 030
Annual - Discounting: Contract Expiry (Work Days)	290	12	24 167
Annual - Discounting: Unused Vac Credits (Suspension)	4	1	4 000
Annual - Gratuity: Death / Retirement / Medical Retirement (Work)	46 648	1 126	41 428
Capped - Gratuity: Death / Retirement / Medical Retirement (Work)	32 263	642	50 254
<b>TOTAL</b>	<b>115 687</b>		

<b>Leave pay-outs (actual) Allowance Codes - 0060, 0168, 0625, 0422, 0567, 0698, 0699, 0701</b>	<b>115 847</b>	<b>2 803</b>	
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## 2.11 HIV/AIDS and Health Promotion Programmes

**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 and related diseases (if any)	Key steps taken to reduce the risk
<p><b>Healthcare workers:</b></p> <p>Nurses, doctors, cleaners, laboratory technicians, paramedics (who are frequently in contact with blood and bodily fluids).</p> <p>Workers in Emergency Departments and Surgical Units.</p> <p>And anyone who's handling needles and other sharp needles.</p> <p>Laboratory personnel handling blood samples, cultures and other potentially infectious materials.</p> <p>Waste disposal personnel, who are responsible for the disposal and management of medical waste.</p> <p>Paramedic Officers and Firefighters who may be in contact with blood and bodily fluids in their line of duty.</p> <p>Mortuary workers, who handle bodies and bodily fluids, including those involved in autopsies.</p>	<ol style="list-style-type: none"> <li><b>1. Education and training:</b> Regular training sessions on the risks of HIV and related diseases. Instructions on safe handling of needles and other sharp instruments. Guidelines on how to manage exposure incidents.</li> <li><b>2. Personal Protective Equipment (PPE):</b> Provision and mandatory use of gloves, masks, gowns and eye protection.</li> <li><b>3. Safe work practices</b> Implementing standard precautions for all blood and bodily fluids regarded as potentially infectious. Proper disposal of needles and sharp instruments in puncture-resistant containers.</li> <li><b>4. Post-exposure prophylaxis (PEP):</b> Immediate access to PEP for employees following a potential exposure to HIV. Clear protocols for reporting and managing exposure incidents.</li> <li><b>5. Vaccination:</b> Hepatitis B vaccination for healthcare workers and other employees who are at high risk.</li> <li><b>6. Engineering controls:</b> Implementation of hand-hygiene facilities and appropriate waste disposal systems. Use of safety-engineered devices</li> <li><b>7. Psychosocial support:</b> Counselling services for employees who experience occupational exposure. Support groups and mental health resources.</li> </ol> <p>Policies, protocols and PPE</p>

**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		Basani Baloyi DDG: Corporate Services
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.	YES		<p><b>Number of staff: 4</b></p> <p>One Assistant Director at Level 10 Three Administrators at Level 5 One Social Worker at Level 8 Two [vacant] posts – Deputy Director and Administrator at Level 7</p> <p>Conditional Grant: R6 000 000</p>

Question	Yes	No	Details, if yes
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.	YES		<p><b>HIV, TB and STIs – workplace</b></p> <p><b>PREVENTION PROGRAMME</b> Behavioural interventions (programmes) aimed at reducing risky sexual behaviours:</p> <ul style="list-style-type: none"> <li>• Peer Education Programme</li> <li>• Capacity-building (training)</li> <li>• Condom education and distribution – free condom distribution where they are accessible, at the Condo-tainers, mostly in bathrooms and at the Wellness Centres.</li> <li>• Men's Health programme – focusing on men's health</li> <li>• HIV Testing Services (HTS) – to increase HIV awareness and early diagnosis</li> <li>• Gender-based violence (GBV) workshops – empowering men on different issues</li> <li>• Condom distribution – education and demonstration</li> <li>• Awareness campaigns (STI and Condom Week, TB Day, Men's Health Awareness Day, World AIDS Day) to raise awareness about HIV prevention.</li> </ul> <p><b>TREATMENT, CARE AND SUPPORT</b></p> <ul style="list-style-type: none"> <li>• Antiretroviral therapy – access to ART for those living with HIV</li> <li>• Support group programme</li> <li>• HIV Testing Services</li> <li>• Adherence and psychosocial counselling on ART</li> </ul> <p><b>OCCUPATION HEALTH AND WELLNESS CENTRES</b></p> <ul style="list-style-type: none"> <li>• Primary Health Care</li> <li>• ART for those living with HIV</li> <li>• Pre-exposure prophylaxis (PrEP) – prevention for those at high risk</li> <li>• Management of chronic diseases</li> <li>• Reproductive health for women</li> </ul> <p><b>EMPLOYEE ASSISTANCE PROGRAMME</b></p> <ul style="list-style-type: none"> <li>• Face-to-face counselling</li> <li>• Debriefing</li> <li>• Resilience</li> <li>• Mental health support</li> <li>• Pre-retirement workshops</li> <li>• Women's meetings/fora</li> </ul> <p><b>INTEGRATED EMPLOYEE WELLNESS</b></p> <ul style="list-style-type: none"> <li>• Wellness Wednesdays: physical activities (soccer, netball, fun-walk)</li> <li>• Aerobics</li> <li>• Spiritual wellness</li> </ul> <p>• The Department has a provincial Integrated Employee Health and Wellness Committee.</p> <p>• The three sub-units (Wellness Management, HIV, TB &amp; STI Management, and OHS) have wellness committees.</p>
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.	YES		<ul style="list-style-type: none"> <li>• National HIV, TB &amp; STI Strategic Plan 2017–2022; most recent NSP: 2023–2028</li> <li>• DPSA EHWP Strategic Framework 2008, as amended 2012 and 2016</li> <li>• Internal Departmental Policy (HIV, TB and STI Management)</li> <li>• HR Recruitment Policy and Medical Surveillance Policy</li> <li>• HIV Prevention strategy 2022–2025</li> <li>• Provider-initiated HIV counselling and testing (PICT)</li> <li>• Adult Primary Care, Primary Care Management of Adults (HIV/AIDS and STIs)</li> <li>• Infection Prevention and Control, Sexually Transmitted Infections Management Guidelines 2015; National Testing Services Policy 2016 Adherence Guidelines for HIV, TB and NCDs</li> </ul>



Question	Yes	No	Details, if yes
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.	YES		<p>Protect and promote human rights and advanced access to justice as per the NSP 2023-2028 Goal 1, Objective 1.6: Capacity-building on the “reduction of stigma and discrimination”</p> <p>Enhance the non-discriminatory legislative framework through law and policy review and reform as per Objective 1.5: Implementation of the “Employment equity Act (1998)”, which prohibits unfair discrimination against employees or job applicants on the grounds of their HIV status.</p> <p>Address gender inequalities that increase vulnerability through gender-transformative approaches as per Goal 1, Objective 1.4: Implementation of capacity-building on gender mainstreaming.</p> <p>Reduce stigma and discrimination to advance access to rights and services as per Goal 1, Objective 1.2: Implementation of capacity-building on “the reduction of stigma and discrimination in the workplace”.</p>
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	YES		<p>During Wellness Days, Medical Surveillance, Health Calendar activities such as STI &amp; Condom Week, World TB Day, Men’s Health Awareness Day, World AIDS Day</p> <ul style="list-style-type: none"> <li>• HIV Counselling and Testing: 54 06 females and 341 males</li> <li>• 8 099 – TB screening</li> </ul>
8. Has the Department developed measures / indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures / indicators.	YES		<p>Operational Plan available</p> <p>MPAT Report available</p> <p>Monthly Reports, Quarterly Reports, Annual Report available</p> <ul style="list-style-type: none"> <li>• Number of IEC materials distributed</li> <li>• Number of employees accessing HTS and know their status</li> <li>• Number of employees accessed through PrEP and PEP</li> <li>• Number of condom education and distribution</li> <li>• Number of Wellness Days conducted</li> <li>• Number of people reached during Health Calendar activities</li> <li>• Number of employees tested (male and female)</li> <li>• Number of employees tested positive</li> <li>• Number of eligible employees initiated on ART</li> <li>• Number of employees who underwent TB screening</li> <li>• Number of employees put on PEP</li> <li>• Number of existing support groups</li> <li>• Number of employees attending men’s health workshops</li> <li>• Number of male employees attending men’s health events</li> <li>• Number of men’s health meetings / committees / structures available</li> <li>• Number of employees reached through peer education programmes</li> <li>• Number of peer education committees available</li> <li>• Number of employees reached through capacity-building workshops</li> <li>• Number of employees reached through TB screening</li> <li>• Number of employees who have been referred for clinical diagnosis.</li> </ul>

## 2.12 Labour relations

**Table 2.12.1 Collective agreements for the period 1 April 2023 to 31 March 2024**

Subject matter	Date
1. PSCBC Resolution 3 of 2023 : Enforcement of Collective Agreements in the Public Service	Jul-23
2. PSCBC Resolution 1 of 2024: Rules for the conduct of proceedings before the PSCBC, signed February 2024	Feb-24
3. PHSDCBC Resolution 1 of 2003. Amendment of Resolution 1 of 2022 Agreement on the Provision of Uniforms for Nurses in the Public Health & Social Development Sector, signed in October 2023	Oct-24
4. PHSDSBC Resolution 2 of 2023 Agreement on Provision of Token of Appreciation to all Qualifying Department of Health Employees, signed November 2023	Nov-23

**Table 2.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 to 31 March 2024**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	9	
Verbal warning	53	
Written warning	325	
Final written warning	266	
Suspended without pay	44	
Fine	0	
Demotion	0	
Dismissal	65	
Not guilty	4	
Case withdrawn	11	
<b>Total</b>	<b>777</b>	

**Table 2.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 to 31 March 2024**

Type of misconduct	Number	% of total
Absenteeism	280	23%
Assault	20	2%
Dereliction of duties	21	2%
Desertion of post	57	5%
Fraud and corruption	48	4%
Insubordination	142	11%
misuse of state vehicle	11	1%
Money lending	0	0%
Negligence	71	6%
Poor performance	19	2%
Theft	64	5%
Unlawful industrial action	5	0%
While on duty conducting him/herself in an improper, disgraceful and unacceptable manner	141	11%
Others include: failure to comply with an Act, RWOPS, late-coming	358	29%
<b>Total</b>	<b>1 237</b>	<b>100%</b>

**Table 2.12.4 Grievances logged for the period 1 April 2023 to 31 March 2024**

Grievances	Number	% of total
Number of grievances resolved	496	
Number of grievances not resolved	238	
<b>Total number of grievances lodged</b>	<b>734</b>	

### NOTES:

- 307 of 496 grievances resolved within 30 days
- 189 of 496 grievances resolved beyond 30 days

### NATURE OF GRIEVANCES LODGED

- Unfair treatment
- Filling of post

- Salary problem
- Unfair labour practice
- Performance assessment
- Disciplinary matter
- Application for approval
- Undermining authority

**Table 2.12.5 Disputes logged with Councils for the period 1 April 2023 to 31 March 2024**

Disputes	Number	% of total
Number of disputes finalised	80	
Number of disputes pending	38	
<b>Total number of disputes lodged</b>	<b>118</b>	

**NOTES:**

- 80 cases finalised
- 2 of 80 in favour of the Department
- 9 of 80 in favour of the applicant
- 8 of 80 settled
- 28 of 80 withdrawn
- 33 of 80 dismissed

**NOTES:**

- Pending: 38 cases
- 38 with arbitration in progress

**Table 2.12.6 Strike action for the period 1 April 2023 to 31 March 2024**

Total number of persons' working days lost	2
Total costs of working days lost	949.04
Amount recovered as a result of no work no pay (R'000)	949.04

**Table 2.12.7 Precautionary suspensions for the period 1 April 2022 to 31 March 2023**

Number of people suspended	17
Number of people whose suspension exceeded 30 days	16
Average number of days suspended	106
Cost of suspension (R'000)	R10 587 53.00

## 2.13 Skills development

The efforts of the Department with regard to skills development are highlighted in the following tables.

**Table 2.13.1 Training needs identified for the period 1 April 2023 to 31 March 2024**

Occupational category	Gender	Number of employees as at 1 April 2023	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	106	0	65	0	65
	Male	106	0	35	0	35
Professionals	Female	4 256	0	1 350	0	1 350
	Male	3 340	0	890	0	890
Technicians and associate professionals	Female	18 639	0	6 580	0	6 580
	Male	3 020	0	2 250	0	2 250
Clerks	Female	6 663	900	4 600	0	5 500
	Male	2 863	600	1 750	0	2 350
Service and sales workers	Female	22 063	0	450	0	450
	Male	4 144	0	350	0	350

Occupational category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Craft and related trades workers	Female		0	0	0	0
	Male		0	0	0	0
Plant and machine operators and assemblers	Female	31	0	5	0	5
	Male	419	0	20	0	20
Elementary occupations	Female	7 483	0	2 800	0	2 800
	Male	4 101	0	1 100	0	1 100
<b>Total</b>		<b>77 234</b>				<b>23 745</b>

**Table 2.13.2 Training provided for the period 1 April 2023 and 31 March 2024**

Occupational category	Gender	Number of employees as at 1 April 2023	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	106	0	20	0	20
	Male	106	0	23	0	23
Professionals	Female	4 256		4 640	18	4 658
	Male	3 340		3 244	11	3 255
Technicians and associate professionals	Female	18 639		4 762	63	4 825
	Male	3 020		2 620	27	2 647
Clerks	Female	6 663	656	2 072	101	2 829
	Male	2 863	362	1 236	96	1 694
Service and sales workers	Female	22 063		1 983	0	1 983
	Male	4 144		1 066	0	1 066
Craft and related trades workers	Female			0	0	0
	Male			0	0	0
Plant and machine operators and assemblers	Female	31		0	0	0
	Male	419		0	0	0
Elementary occupations	Female	7 483		2 059	0	2 059
	Male	4 101		988	0	988
<b>Total</b>		<b>77 234</b>				<b>26 047</b>

**Notes:** Other forms of training = bursaries for employees

## 2.14 Injury on duty

The following tables provide basic information on injury on duty.

**Table 2.14.1 Injury on duty for the period 1 April 2023 and 31 March 2024**

Nature of injury on duty	Number	% of total
Required basic medical attention only	1 134	99.21%
Temporary total disablement: PD <31%	0	0.00%
Permanent disablement: PD >30%	5	0.44%
Fatal	4	0.35%
<b>Total</b>	<b>1 143</b>	<b>100.00%</b>



# PART E

## PFMA Compliance Report

# Part E: PFMA Compliance Report

## 1. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

### 1.1 Irregular expenditure

#### a. Reconciliation of irregular expenditure

Description	2023/24	2022/23
	R'000	R'000
Opening balance	24 577 304	22 312 799
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	2 666 862	2 264 505
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recoverable and written off	-	-
<b>Closing balance</b>	<b>27 244 166</b>	<b>24 577 304</b>

#### Reconciling notes

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	2 666 862	2 264 505
<b>Total</b>	<b>2 666 862</b>	<b>2 264 505</b>

#### b. Details of irregular expenditure (under assessment, determination, and investigation)

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure under assessment	R5 399 079	-
Irregular expenditure under determination	-	442 894
Irregular expenditure under investigation	-	-
<b>Total</b>	<b>R5 399 079</b>	<b>442 894</b>

The amount of 5 399 079 comprise of 4.5 billion (Staff Establishment Non Compliance), 848 million (Supply Chain Management non-compliance).

#### c. Details of irregular expenditure condoned

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure condoned	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### d. Details of irregular expenditure removed (not condoned)

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

e. Details of irregular expenditure recoverable

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure recoverable	-	-
<b>Total</b>	-	-

f. Details of irregular expenditure written off (irrecoverable)

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure written off	-	-
<b>Total</b>	-	-

**Additional disclosure relating to inter-institutional arrangements**

g. Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution *is not* responsible for the non-compliance)

Description
<b>Total</b>

h. Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)

Description	2023/24	2022/23
	R'000	R'000
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

i. Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken

## 1.2 Fruitless and wasteful expenditure

a. Reconciliation of fruitless and wasteful expenditure

Description	2023/24	2022/23
	R'000	R'000
Opening balance	268 637	250 968
Adjustment to opening balance	-	2 623
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	17 098	15 046
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
<b>Closing balance</b>	<b>285 735</b>	<b>268 637</b>



## Reconciling notes

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	17 098	15 046
<b>Total</b>	<b>17 098</b>	<b>15 046</b>

### b. Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	3 800
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
<b>Total</b>	<b>-</b>	<b>3 800</b>

### c. Details of fruitless and wasteful expenditure recoverable

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure recoverable	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### d. Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### e. Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
<b>Total</b>

## 1.3 Unauthorised expenditure

### a. Reconciliation of unauthorised expenditure

Description	2023/24	2022/23
	R'000	R'000
Opening balance	10 758	10 758
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	(10 758)	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recoverable and written off	-	-
<b>Closing balance</b>	<b>-</b>	<b>10 758</b>

## Reconciling notes

Description	2023/24	2022/23
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to the prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### b. Details of unauthorised expenditure (under assessment, determination, and investigation)

Description	2023/24	2022/23
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii)

### a. Details of material losses through criminal conduct

Material losses through criminal conduct	2023/24	2022/23
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### b. Details of other material losses

Nature of other material losses	2023/24	2022/23
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### c. Other material losses recoverable

Nature of losses	2023/24	2022/23
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**d. Other material losses not recoverable and written off**

Nature of losses	2023/24	2022/23
	R'000	R'000
<i>(Group major categories, but list material items)</i>	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

**2. LATE AND/OR NON-PAYMENT OF SUPPLIERS**

Description	Number of invoices	Consolidated value
		R'000
Valid invoices received	3 320	787 595
Invoices paid within 30 days or agreed period	867	304 322
Invoices paid after 30 days or agreed period	2 453	483 273
Invoices older than 30 days or agreed period (unpaid and without dispute)	19 212	2 727 696
Invoices older than 30 days or agreed period (unpaid and in dispute)	20 823	1 368 193

**3. SUPPLY CHAIN MANAGEMENT**

**3.1 Procurement by other means**

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Extension of maintenance and service plan for Bi-Plane Allura from 1 August 2023 to 31 December 2024	Phillips	Deviations	GT/GDH/173/2013	R 2 514
Request for BAC approval for deviation from SCM processes for the appointment of various suppliers for FY 2023/24	Various suppliers	Deviations	N/A	R 22 183
Request for BAC approval for deviation from SCM processes for the appointment of TecMed for the building alterations	TecMed	Deviations	N/A	R 1 251
Request BAC approval for deviation from SCM processes for the appointment of Medhold, Obsidian Health, and Homecure for services for 12 months	Medhold Medical (Pty) Ltd, Obsidian Health, and Homecure	Deviations	N/A	R 7 367
To procure services for the cleaning of septic tanks for 10 months at West Rand Health District Council for FY 2023/2024	Deviations	Deviations	N/A	R 1 335

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Procurement of nursing agencies at Steve Biko Academic Hospital from 1 July 2023 to 31 March 2024	Nursing Agencies		N/A	R 16 591
Procurement of nursing agencies at Rahima Moosa Mother and Child Hospital for four months	Nursing Agencies		N/A	R 2 067
Procurement for extended maintenance and service plan for Bi-Plane Allura FD10/10	Phillips		N/A	R 2 513
Procurement for extension of lease agreement for EMS Head Office 112 Emergency Communication Centre	Dimension Data	Sole suppliers	N/A	R 21 789
Procurement of machine specific consumables from sole supplier	Medhold Medical (Pty) Ltd	Sole suppliers	N/A	R 1 042
Appointment of Dentsply Sirona and Water Laser from Scivision Medical (Pty) Ltd to provide dental devices	Dentsply Sirona and Water Laser from Scivision Medical (Pty) Ltd	Sole suppliers	N/A	R 2 396
Procurement extension of a lease agreement for the accommodation of the Department of Health Head Office at 45 Commissioner Street	Department of Infrastructure Development (DID)	Sole Supplier	N/A	R 5 624
<b>Total</b>				<b>R86 672</b>

### 3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (expansion or variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Extension of leasing of office for a period of 7 months	Medem Investment (Pty) Ltd	Expansion	4251132976			R 1 527
Approval to extend the lease agreement for EMS Head Office 112 Emergency Communication Centre	Dimension Data	Expansion		53 004	21 989	21 790
<b>Total</b>				<b>53 004</b>	<b>21 989</b>	<b>23 317</b>



# PART F

## Financial Information

# Auditor General Report

## Report of the auditor-general to 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 238 to 289, which comprise the appropriation statement, statement of financial position as at 31 March 2024, 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 2024 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 1 of 1999 (PFMA) and the Division of Revenue Act 5 of 2023 (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 responsibilities of the auditor-general 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.

#### Restatement of corresponding figures

7. As disclosed in note 32 to the financial statements, the corresponding figures for 31 March 2023 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2024.

#### Material uncertainties relating to litigations

8. With reference to note 18 to the financial statements, the department is the defendant in various lawsuits. The ultimate outcome of these matters could not be determined, and no provision for any liability that may result, was made in the financial statements.

#### Material impairments - accrued departmental revenue

9. As disclosed in note 23.3 to the financial statements, material losses of R2 723 969 000 was incurred, as a result of impairment of accrued departmental revenue.



# Report of the Auditor General

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

## Payables which exceeded voted funds to be surrendered

10. As disclosed in note 20.2 to the financial statements, payables of R4 303 417 000 exceeded the payment term of 30 days, as required by treasury regulation 8.2.3. This amount, in turn, exceeded the R1 188 843 000 of voted funds to be surrendered by R3 114 574 000 as per the statement of financial performance. Therefore, the amount of R3 114 574 000 would have constituted unauthorised expenditure had the amounts due been paid in time.

## Underspending of the conditional grant

11. As disclosed in the appropriation statement, the department materially underspent the budget by R589 745 000 on National Tertiary Service Grant.

## Other matter

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

## Unaudited supplementary schedules

13. The supplementary information set out on pages 290 to 309 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

14. 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.
15. 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.

## Responsibilities of the auditor-general for the audit of the financial statements

16. 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.
17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 236 to 237, forms part of my auditor's report.

## Report on the audit of the annual performance report

18. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
19. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.



# Report of the Auditor General

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

Programmes	Page numbers	Purpose
District health services	35 - 61	Render primary health care services and district hospital services.
Provincial hospital services	69 - 76	Delivery of hospital services, which are accessible, appropriate, effective and provide general specialist services, including a specialised rehabilitation service, as well as a platform for training health professionals and research.
Health facilities management	106-109	Provision of new health facilities and the refurbishment, upgrading and maintenance of existing facilities

20. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

21. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets

22. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion

23. The material findings on the performance information of the selected programmes are as follows:

## District health services

### Various indicators

24. I could not determine if the reported achievements were correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

Indicator	Target	Reported Achievement
Patients experience of care satisfaction rate	92,4%	85,7%
Patients experience of care satisfaction rate(district hospitals)	90%	85,7%

# Report of the Auditor General

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

## Various indicators

25. Some supporting evidence was not provided for auditing; and, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

Indicator	Target	Reported achievement
ART adult remain in care rate (12 months)	70%	64,4%
Child under 5 years diarrhoea case fatality rate	2,5%	1,4%
Child under 5 years pneumonia case fatality rate	2,2%	1,7%

## Various indicators

26. Based on the audit evidence, the actual achievements for five (5) indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially more. The targets were still achieved.

Indicator	Target	Reported achievement
Child under 5 years pneumonia case fatality rate(district hospitals)	1,3%	0,6%
Child under 5 years severe acute malnutrition case fatality rate(district hospitals)	8%	4,3%
Immunisation under 1 year coverage	90%	83,9%
Measles 2nd dose 1 year coverage	92%	81,2%
All DS-TB client lost to follow-up rate	7%	6,3%

## Various indicators

27. Based on the audit evidence, the actual achievements for two (2) indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially less. Consequently, the targets were not achieved, the under-achievements on the targets were more than reported and the achievements against the targets were lower than reported.

Indicator	Target	Reported achievement
Infant PCR test positive around 6 months rate	0,75%	0,41%
Antenatal 1st visit before 20 weeks rate	70%	70%

## Provincial hospital services

### Various indicators

28. I could not determine if the reported achievements were correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

Indicator	Target	Reported achievement
Patients experience of care satisfaction rate	86%	86%
Patients experience of care satisfaction rate(specialised hospitals)	96%	91%

### Various indicators

29. Some supporting evidence was not provided for auditing; and, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

# Report of the Auditor General

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

Indicator	Target	Reported achievement
Child under 5 years diarrhoea case fatality rate	2,3%	1,6%
Child under 5 years pneumonia case fatality rate	2,3%	2,1%
Child under 5 years severe acute malnutrition case fatality rate	12%	7,9%

## Severity assessment code (SAC) 1 incidents reported within 24 hours rate

30. An achievement of 92,7% was reported against a target of 95,1%. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be less than reported. Consequently, it is likely that the underachievement on the target was more than reported.

### Other matter

31. I draw attention to the matter below.

## Achievement of planned targets

32. The annual performance report includes information on reported achievements against planned targets and provides explanations for over and under achievements. This information should be considered in the context of the material findings on the reported performance information.

33. The table that follows provides information on the achievement of planned targets and list the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 21-134.

Key service delivery indicators not achieved	Planned Target	Reported achievement
<b>District health services</b>		
<i>Targets achieved: 59%</i>		
<i>Budget spent 99%</i>		
Patient experience of care satisfaction rate	92,4%	85,7%
Severity assessment code (SAC) 1 incidents reported within 24 hours rate	95%	85,2%
Patient safety incident (PSI) case closure rate	95%	94,4%
Maternal mortality in facility ratio(district hospitals)	53,7	86,9
Patient experience of care satisfaction rate(district hospitals)	90%	85,7%
Severity assessment code (SAC) 1 incidents reported within 24 hours rate(district hospitals)	95,1%	91,9%
ART adult remain in care rate (12 months)	70%	64,4%
ART Adult viral load suppressed rate (12 months)	95%	67,7%
ART child viral load suppressed rate (12 months)	70%	37%
TB Rifampicin resistant/multidrug - Resistant lost to follow-up rate	16%	18%
TB pre-XDR treatment success rate	64%	63,4%
TB pre-XDR loss to follow up rate	10%	14,6%
Couple year protection rate	43%	39,9%
Live birth under 2500g in facility rate	12,5%	14,6%
Neonatal death in facility rate	12	14
Immunisation under 1 year coverage	90%	83,9%
Measles 2nd dose coverage	92%	81,2%
Death under 5 years against live birth rate	1,6%	1,9%
<b>Provincial hospital services</b>		
<i>Targets achieved: 72%</i>		
<i>Budget spent 100%</i>		
Death under 5 years against live birth	1472	1554

# Report of the Auditor General

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

Key service delivery indicators not achieved	Planned Target	Reported achievement
Severity assessment code (SAC) 1 incidents reported within 24 hours rate	95,1%	92,7%
Patient experience of care satisfaction rate(specialised hospitals)	96%	91%
Severity assessment code (SAC) 1 incidents reported within 24 hours rate(specialised hospitals)	95%	81%
<b>Health facilities management</b> <i>Targets achieved: 50%</i> <i>Budget spent 99.1%</i>		
Number of new primary healthcare centres completed	11	1

## Material misstatements

34. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of district health services, provincial hospital services, and health facilities management. Management did not correct all of the misstatements, and I reported material findings in this regard.

## Report on compliance with legislation

35. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
36. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
37. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
38. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

## Annual financial statements

39. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(a) of the PFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified opinion.

## Procurement and contract management

40. Some of the goods and services of a transaction value above R1 000 000 were procured without inviting competitive bids, as required by treasury regulation 16A6.1, paragraph 3.3.1 of National Treasury instruction note 02 of 2021/22. Similar non-compliance was also reported in the prior year.
41. 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 regulation 16A8.3.
42. 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).

# Report of the Auditor General

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

## Expenditure management

43. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by section 38(1)(f) of the PFMA and treasury regulation 8.2.3.
44. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 24 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 the department's failure to invite competitive bids.
45. Effective steps were not taken to prevent fruitless and wasteful expenditure, as disclosed in note 24 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 interest on late settlement of invoices.

## Consequence management

46. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.
47. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into fruitless and wasteful expenditure were not performed.

## Revenue management

48. Appropriate processes were not implemented to provide for the collection, recording, reconciliation and safeguarding of information about revenue, as required by treasury regulation 7.2.1.
49. 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.
50. I was unable to obtain sufficient appropriate audit evidence that bad debt was written off in accordance with the department's write-off policy, as required by treasury regulation 11.4.2.

## Transfer of funds

51. 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 section 38(1)(j) of the PFMA and treasury regulation 8.4.1

## Strategic planning and performance management

52. 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).

## Asset management

53. Preventative mechanisms were not in place to eliminate wastage and misuse of assets, as required by treasury regulation 10.1.1(a).

# Report of the Auditor General

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

## Other information in the annual report

54. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
55. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
56. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
57. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, 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

58. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
59. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
60. The accounting officer did not exercise adequate oversight of internal controls relating to procurement and contract management and the preparation of the annual financial statements and annual performance report. This resulted in non-compliance with key legislation and material findings on the annual financial statements and annual performance report.
61. Senior management did not implement sufficient controls over the preparation of accurate and complete annual financial statements and annual performance report that are supported by reliable information. This resulted in material findings on the annual financial statements and the annual performance report. Furthermore, there was a lack of monitoring of controls to ensure compliance with laws and regulations, including procurement and contract management and expenditure management.

## Material irregularities

62. 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 material irregularities as previously reported in the auditor's report.

### Material irregularities identified during the audit

63. The material irregularities identified are as follows:



# Report of the Auditor General

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

## Salary payments made to doctors for work not done during covid-19 period

64. The established system of financial management and internal control was not carried out as required by section 45(a) of the PFMA. Officials of the department extended the employment contracts for seven Cuban doctors on the PERSAL system in the 2021-22 financial year who left the country in May 2021, resulting in salary payments made for work not done between June 2021 and January 2022.
65. Salary payments made for work not done are likely to result in a material financial loss for the department if not recovered.
66. The accounting officer was notified of the material irregularity on 22 August 2023 and invited to make a written submission on the actions taken and that will be taken to address the matter.
67. The accounting officer has taken the following actions to address the material irregularity:
  - Transferred the implicated official to a hospital that falls under the department in September 2023 based on the outcome of the preliminary investigation.
  - Appointed an investigator in May 2024 and the investigation was finalised in July 2024.
  - The investigation concluded that one official should be held accountable for the extension of employment contracts without approval by the accounting officer.
68. The accounting officer has committed to implement the following actions to address the material irregularity:
  - Finalise the disciplinary process in October 2024 after appointment of the chairperson of the disciplinary hearing and drafting of charges against the implicated official in August 2024.
  - Develop a policy and standard operating procedure to regulate and streamline processes relating to the appointment of doctors from foreign countries and the process is expected to be finalised before end of August 2024.
69. I will follow up on the implementation of the planned actions during my next audit.

## 500 intensive care unit beds facility at Chris Hani Baragwanath Academic Hospital not fully utilised

70. The 500 intensive care beds alternative building facility was built to assist with fighting Covid-19 cases at Chris Hani Baragwanath Academic Hospital. The construction of the facility was completed in March 2021 at a cost of R577 852 278. In April 2022, covid-19 restrictions were lifted when a surge in covid-19 infections and increase in demand for intensive care unit beds were no longer anticipated by government.
71. By September 2023, only one out of twenty wards was fully utilised. The under-utilisation of this material public resource could have been avoided with proper planning and processes to ensure effective and efficient use of the facility as required by treasury regulation 10.1.2. The non-compliance is likely to result in the misuse of a material public resource.
72. The accounting officer was notified of the material irregularity on 12 September 2023 and invited to make a written submission on the actions taken and that will be taken to address the matter.
73. The accounting officer had planned to move patients from other wards at Chris Hani Baragwanath Academic Hospital that are over capacitated to the facility by July 2024, however due to inadequate ablution facilities, converting alternative building walls to solid bricks to prevent seepage and plumbing concerns, the process of moving patients has been put on hold.
74. The accounting officer committed to address infrastructure concerns before end of March 2025.
75. I will follow up on the implementation of the planned action during my next audit.

## Procurement of goods outside the mandate of the department

76. Resources of the department were not utilised economically, as required by section 45(b) of the PFMA. Officials at Tembisa tertiary hospital procured skinny jeans and other clothing that are not related to the mandate of the department in the 2021-22 financial year.
77. The non-compliance is likely to result in a material financial loss for the department if not recovered.
78. The accounting officer was notified of the material irregularity on 11 October 2023 and invited to make a written submission on the actions taken and that will be taken to address the matter.



# Report of the Auditor General

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

79. The investigation by the Special Investigating Unit (SIU) per proclamation 136 of 2023 is still ongoing.
80. The accounting officer has taken the following actions to address the material irregularity:
  - An investigation concluded in November 2022 found that eight officials were responsible for procurement of items outside the mandate of the department.
  - Established a quotation adjudication committee in 2021-22 at each health facility to oversee adherence to supply chain management prescripts. In addition, all requests for quotations and deviations are assessed by the bid adjudication committee before appointment of service providers
  - Disciplinary actions could not be taken against the six officials, as they were no longer in the employment of the department when the disciplinary process was completed. The remaining two officials were dismissed in April 2024 and July 2024.
81. The accounting officer committed to take actions based on the outcome of the SIU investigation.
82. I will follow-up on the implementation of the planned action during my next audit.

## 300 intensive care unit beds facility at Dr George Mukhari Academic Hospital not fully utilised

83. The 300 intensive care beds alternative building facility was built to assist with fighting Covid-19 cases at Dr George Mukhari Academic Hospital. The construction of the facility was completed in March 2020 at a cost of R297 536 869. In April 2022, covid-19 restrictions were lifted when a surge in covid-19 infections and increase in demand for intensive care unit beds were no longer anticipated by government.
84. By September 2023, only two out of ten were fully utilised. The under-utilisation of this material public resource could have been avoided with proper planning and processes to ensure effective and efficient use of the facility as required by treasury regulation 10.1.2. The non-compliance is likely to result in the misuse of a material public resource.
85. The accounting officer was notified of the material irregularity on 12 September 2023 and invited to make a written submission on the actions taken and that will be taken to address the matter.
86. The accounting officer moved patients from over-capacitated wards at Dr George Mukhari Academic Hospital to the 300 intensive care beds facility between October 2023 and March 2024. The audit team visited the facility in April 2024 and confirmed that the facility is fully utilised.
87. The material irregularity is resolved.

## Material irregularity in progress

88. I identified another material irregularity during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, the response of the accounting officer was not yet due. This material irregularity will be included in next year's auditor's report.

## Status of previously reported material irregularities

### Inadequate performance management system to enable reliable reporting of performance information

89. The department did not maintain a proper provincial health information system and records, as required by section 25(2)(b) of the National Health Act 61 of 2003 and treasury regulation 5. The information on provision of primary health care services captured on the district health information system is not validated and reconciled to the manual records held at the health facilities in the province. This resulted in unreliable information as confirmed through our audits of the reported performance information on primary health care services since 2014-15.
90. The lack of credible information is likely to result in substantial harm to the operations of the department as incorrect data is used for planning and budgeting and the effectiveness of oversight and monitoring are reduced as a result of unreliable reported performance information on the provision of primary health care services.

# Report of the Auditor General

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

91. The accounting officer was notified of the material irregularity on 29 June 2023.
92. The accounting officer has taken the following actions to address the material irregularity:
  - Established four clusters in July 2023 that are responsible for the collation and reporting of performance information from all health care facilities in the province.
  - Developed internal checklists to be used by hospital managers before signing off on the data to enforce validation of reported performance information.
93. The accounting officer has committed to implement the following to address the material irregularity:
  - Provide continuous training to hospital managers on records management.
  - Implement electronic patient health record system and multi-disciplinary validation committee at health facilities.
  - Closely monitor the implementation of audit action plans after each audit cycle.
  - Perform data verification at ward level.
  - Appoint 151 data capturers at various health facilities before end of March 2025.
  - Appoint director responsible for planning, deputy directors responsible for performance monitoring and evaluation before end of 2024-25 financial year.
94. I will follow up on the implementation of the planned actions during my next audit.

## Construction of a hospital facility at Kopanong hospital consisting of 300 intensive care unit beds not completed

95. Resources of the department were not utilised economically, as required by section 38(1)(b) of the PFMA. The department did not provide the Gauteng Department of Infrastructure Development with a mandate to proceed with the construction of the 300 intensive care units beds unit facility at Kopanong Hospital since the termination of the contractor's contract in January 2021 due to poor performance.
96. The current infrastructure is likely to be vandalised and deteriorate due to elements of weather which is likely to result in a material financial loss for the department if a replacement contractor is not appointed on time for the completion of the project.
97. The accounting officer was notified of the material irregularity on 19 July 2023.
98. The accounting officer has taken the following actions to address the material irregularity:
  - Finalised phase I conditional assessment in February 2024.
  - Allocated R25 million for phase II structural assessment.
  - Appointed a service provider in July 2024 to conduct a feasibility study on the existing infrastructure.
  - Appointed an engineering firm in July 2024 to commence with the detailed phase II structural assessment which will inform the utilisation of the 300 intensive care unit facility. The accounting officer committed to complete the phase II structural assessment before end of August 2024.
  - Discussions relating to consequence management, architectural, engineering designs and utilisation of the facility will be initiated upon finalisation of phase II structural assessment.
99. I will follow-up on the implementation of the planned actions during my next audit.

## Procurement of V-blocks Information Technology (IT) without inviting competitive bids

100. 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.
101. 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.
102. The accounting officer was notified of the material irregularity on 24 June 2019.
103. The following actions have been taken by the accounting officer to resolve the material irregularity, following the recommendation as per the investigation report:

# Report of the Auditor General

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

- Referred the matter to the National Prosecuting Authority on 24 July 2019 to consider whether criminal charges can be instituted against the implicated officials. The process is still on-going.
- Referred the matter to the State Attorney on 19 July 2019 to consider possible civil claims against the implicated officials. The process is still on-going.
- Took disciplinary actions against two out of the three implicated officials in April 2020 and June 2020, where the officials were cautioned and given verbal warnings. The third official was found not guilty in October 2021.

104. The material irregularity is resolved.

## Procurement of sanitisers at excessive prices

105. The price paid for 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 the same instruction note.

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

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

108. An investigation that was conducted by the SIU dated 10 December 2021, concluded that there was possibly a price overcharge on the procurement of sanitisers. The SIU, after completion of the investigation:

- Referred evidence to the National Prosecuting Authority in July 2021 for possible criminal charges against the implicated official. The investigation is still on-going.
- Referred evidence to the Competition Commission in April 2021 which points to potential excessive, unfair, unreasonable and/or unjust pricing. In July 2022, the Competition Commission concluded that the prices charged were not materially excessive in line with its methodology.

109. The actions taken by the accounting officer to address the material irregularity were as follows:

- Dismissed an official in July 2021 after being found guilty of contravention of supply chain management prescripts
- Established a quotation adjudication committee in 2021-22 at each health facility to oversee adherence to supply chain management prescripts. In addition, all requests for quotations and deviations are assessed by the bid adjudication committee before appointment of service providers
- Developed a compliance checklist for all competitive bids in the 2022-23 financial year

110. The material irregularity is resolved.

## Procurement of masks at excessive prices

111. The price paid for 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 the same instruction note.

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

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

114. An investigation that was conducted by the SIU dated 10 December 2021, concluded that there was possibly a price overcharge on the procurement of masks. The SIU indicated the following in the investigation report:

# Report of the Auditor General

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

- Referred evidence to the Competition Commission in November 2021 which points to potential excessive, unfair, unreasonable and/or unjust pricing. Due to the on-going civil case relating to his matter, the SIU reassessed the referral and referred the case to the Competition Commission in August 2023.
115. The accounting officer has taken the following actions to address the material irregularity:
- Dismissed an official in July 2021 after being found guilty of contravention of supply chain management prescripts
  - Established a quotation adjudication committee in 2021-22 at each health facility to oversee adherence to supply chain management prescripts. In addition, all requests for quotations and deviations are assessed by the bid adjudication committee before appointment of service providers
  - Developed a compliance checklist for all competitive bids in the 2022-23 financial year
116. The material irregularity is resolved.

## Other reports

117. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. 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.
118. Various investigations, based on the allegations of procurement irregularities, fraud, theft and negligence dating back to prior periods, are being performed by the department. 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 2024



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 to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

### Auditor-general's responsibility for the audit

#### Professional judgement and professional scepticism

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 programmes and on the department's compliance with selected requirements in key legislation.

#### Financial statements

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
- conclude on the appropriateness of the 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 department 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

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.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and 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.

### Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

# Report of the Auditor General

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

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Sections 38(1)(b); 38(1)(c)(ii); Sections 38(1)(d); 38(1)(h)(iii); 39(1)(a); 39(2)(a); Sections 40(1)(a) and (b); 40(1)(c)(i); Sections 43(4); 44; 45(b); 57(b)
Treasury Regulations (TR)	TR 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); TR 5.3.1; 6.3.1(a) - (d); 6.4.1(b) TR 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; 9.1.4; TR 10.1.1(a); 10.1.2; TR 12.5.1; 15.10.1.2(c); TR 16A3.2 (fairness); 16A3.2(a); 16A6.1; TR 16A6.2(a) and (b); 16A6.3(a) - (c); 16A6.3(a)(i); TR 16A6.3(e) TR 16A6.4; 16A6.5; 16A6.6; 16A7.1 TR 16A8.3; 16A8.4; TR 16A9.1; 16A9.1(d)-(f); 16A9.2(a)(ii); TR 17.1.1; 18.2; 19.8.4
Division of Revenue Act (Dora)	Sections 11(6)(a); 12(5) Sections 16(1); 16(3) / 16(3)(a)(i)
Construction Industry Development Board Act 38 of 2000 (CIDB)	Section 18(1)
CIDB regulations	Regulations 17; 25(7A)
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Sections 2.1(a),(b) and (f)
Preferential Procurement Regulations (PPR), 2011	Regulation 8.2 Regulation 9.1
Preferential Procurement Regulations (PPR), 2017 under functionality	Regulations 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; Regulation 6.8; Regulation 7.8; Regulations 8.2; 8.5; 9.1; 10.1; 10.2; 11.1
Preferential Procurement Regulations (PPR), 2022	Regulation 4.4
State Information Technology Agency Act 88 of 1998 (SITA)	Section 7(3)
NT SCM Instruction Note 04 of 2015/16	Par 3.4
NT SCM Instruction Note 4A of 2016/17	Par 6
NT SCM Instruction Note 07 of 2017/18	Par 4.3
NT SCM Instruction Note 05 of 2020/21	Par 4.8; 4.9; 5.3
Erratum NT SCM Instruction Note 05 of 2020/21	Par 1; 2
Second Amendment to NT SCM Instruction Note 05 of 2020/21	Par 1
NT Instruction Note 11 of 2020/21	Par 3.1; 3.4(b); 3.9
PFMA Instruction Note 01 of 2021-22	Par 4.1
NT SCM Instruction Note 02 of 2021/22	Par 3.2.1; 3.2.4; 3.2.4(b); 3.3.1
PFMA SCM Instruction Note 03 of 2021/22	Par 4.1; 4.2 (b); 4.3; 4.4;
PFMA instruction note no.3 of 2021/22	Par 4.2 (b)
Public Service regulations (PSR), 2016	PSR 25(1)(e)(i) and (iii) PSR 18(1) (2)
Practice Note 5 of 2009-10 par. 3.3	Par 3.3
PRECCA 34(1)	
SBD 6.2 issued in 2015-16	



# Appropriation Statement

for the period ended 31 March 2024

Appropriation per programme		2023/24							2022/23	
		Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Voted funds and Direct charges		R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
<b>Programme</b>										
1	ADMINISTRATION	1 615 933	0	572 000	2 187 933	2 169 830	99,2%	1 826 399	1 825 654	
2	DISTRICT HEALTH SERVICES	21 071 150	0	(378 488)	20 692 662	20 528 816	99,2%	20 722 290	19 494 305	
3	EMERGENCY MEDICAL SERVICES	1 917 435	0	148 000	2 065 435	2 065 186	100,0%	2 011 100	2 010 940	
4	PROVINCIAL HOSPITAL SERVICES	12 078 504	0	(46 494)	12 032 010	12 030 090	100,0%	11 144 958	11 082 427	
5	CENTRAL HOSPITAL SERVICES	22 411 481	0	(190 018)	22 221 463	21 548 575	97,0%	21 981 884	21 485 424	
6	HEALTH SCIENCES AND TRAINING	1 100 981	0	(88 000)	1 012 981	699 524	69,1%	1 003 410	638 215	
7	HEALTH CARE SUPPORT SERVICES	457 773	0	(17 000)	440 773	439 361	99,7%	437 466	437 303	
8	HEALTH FACILITIES MANAGEMENT	1 849 103	0	0	1 849 103	1 832 135	99,1%	2 224 049	1 665 470	
	<b>Programme sub total</b>	<b>62 502 360</b>	<b>0</b>	<b>0</b>	<b>62 502 360</b>	<b>61 313 517</b>	<b>98,1%</b>	<b>61 351 556</b>	<b>58 639 738</b>	
	Statutory Appropriation	0	0	0	0	0	0	0	0	
	<b>TOTAL</b>	<b>62 502 360</b>	<b>0</b>	<b>0</b>	<b>62 502 360</b>	<b>61 313 517</b>	<b>98,1%</b>	<b>61 351 556</b>	<b>58 639 738</b>	
<b>Reconciliation with Statement of Financial Performance</b>										
<b>Add:</b>	Departmental receipts				492 205			508 109		
	NRF Receipts				0			0		
	Aid assistance				0			0		
					<b>62 994 565</b>			<b>61 859 665</b>		
<b>Actual amounts per Statement of Financial Performance (Total Revenue)</b>										
<b>Add:</b>	Aid assistance				0				0	
	Prior year unauthorised expenditure approved without funding				0					
<b>Actual amounts per Statement of Financial Performance Expenditure</b>						<b>61 313 517</b>			<b>58 639 738</b>	



# Appropriation Statement

for the period ended 31 March 2024

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>58 326 669</b>	<b>66 245</b>	<b>(515 512)</b>	<b>57 877 402</b>	<b>57 565 858</b>	<b>311 544</b>	<b>99,5%</b>	<b>56 394 942</b>	<b>54 838 086</b>
Compensation of employees	38 159 905	0	(98 000)	38 061 905	38 032 470	29 435	99,9%	36 664 830	36 542 649
Salaries and wages	33 583 661	0	(98 000)	33 485 661	33 135 930	349 731	99,0%	32 424 298	32 099 272
Social contributions	4 576 244	0	0	4 576 244	4 896 540	(320 296)	107,0%	4 240 532	4 443 377
Goods and services	20 166 764	66 245	(417 512)	19 815 497	19 517 772	297 725	98,5%	19 730 112	18 291 596
Administrative fees	16 122	0	0	16 122	11 911	4 211	73,9%	24 793	7 780
Advertising	51 257	(4 253)	(20 000)	27 004	16 666	10 338	61,7%	25 961	7 484
Minor assets	77 935	10	0	77 945	34 289	43 656	44,0%	100 300	24 796
Audit costs: External	30 491	0	0	30 491	28 257	2 234	92,7%	29 206	30 186
Bursaries: Employees	13 253	0	0	13 253	17 993	(4 740)	135,8%	12 758	3 180
Catering: Departmental activities	11 291	0	0	11 291	11 930	(639)	105,7%	10 915	6 911
Communication (G&S)	101 404	0	0	101 404	98 261	3 143	96,9%	104 148	80 578
Computer services	241 415	0	0	241 415	205 112	36 303	85,0%	233 444	93 393
Consultants: Business and advisory services	637 811	0	(17 512)	620 299	437 351	182 948	70,5%	570 493	354 583
Laboratory services	2 811 895	265 236	(7 000)	3 070 131	2 752 239	317 892	89,6%	3 177 976	2 925 246
Scientific and technological services	0	0	0	0	0	0	0	0	0
Legal services	30 914	0	0	30 914	597 403	(566 489)	1932,5%	21 914	129 053
Contractors	877 407	(240 000)	(13 000)	624 407	309 875	314 532	49,6%	424 036	358 393
Agency and support / outsourced services	267 865	0	0	267 865	225 807	42 058	84,3%	285 024	457 500
Entertainment	0	0	0	0	0	0	0	0	0
Fleet services (including government motor transport)	242 588	0	0	242 588	256 565	(13 977)	105,8%	269 780	209 577
Inventory: Clothing material and accessories	0	0	0	0	6 875	(6 875)	0	0	1 358
Inventory: Food and food supplies	521 773	0	0	521 773	499 789	21 984	95,8%	456 050	435 481
Inventory: Fuel, oil and gas	363 191	0	(10 000)	353 191	352 212	979	99,7%	304 380	290 974
Inventory: Learner and teacher support material	1 660	0	0	1 660	1 717	(57)	103,4%	1 720	1 119
Inventory: Materials and supplies	65 101	0	0	65 101	71 277	(6 176)	109,5%	63 415	64 390
Inventory: Medical supplies	4 097 972	(19 221)	0	4 078 751	4 181 124	(102 373)	102,5%	3 444 662	4 395 305
Inventory: Medicine	4 701 351	7 100	(308 000)	4 400 451	4 250 059	150 392	96,6%	5 306 026	4 163 000
Medsas inventory interface	0	0	0	0	0	0	0	0	0

# Appropriation Statement

for the period ended 31 March 2024

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Other supplies	161 728	0	0	161 728	149 325	12 403	92,3%	141 713	158 355
Consumable supplies	1 236 224	0	(27 000)	1 209 224	868 398	340 826	71,8%	1 204 212	925 301
Consumable: Stationery, printing and office supplies	217 548	0	(11 000)	206 548	171 781	34 767	83,2%	291 423	169 914
Operating leases	331 621	10 639	0	342 260	367 939	(25 679)	107,5%	325 403	266 175
Property payments	2 894 207	50 759	0	2 944 966	3 497 816	(552 850)	118,8%	2 739 865	2 658 959
Transport provided: Departmental activity	3 423	0	0	3 423	1 488	1 935	43,5%	6 295	373
Travel and subsistence	44 278	4 155	(4 000)	44 433	29 568	14 865	66,5%	34 240	21 898
Training and development	51 468	(4 155)	0	47 313	14 219	33 094	30,1%	70 668	11 322
Operating payments	14 900	0	0	14 900	7 821	7 079	52,5%	11 793	11 685
Venues and facilities	12 812	0	0	12 812	13 597	(785)	106,1%	5 973	3 163
Rental and hiring	35 859	(4 025)	0	31 834	29 108	2 726	91,4%	31 526	24 164
Interest and rent on land	0	0	0	0	15 616	(15 616)	0	0	3 841
Interest (Incl. interest on unitary payments (PPP))	0	0	0	0	15 616	(15 616)	0	0	3 841
<b>Transfers and subsidies</b>	<b>1 789 329</b>	<b>(100)</b>	<b>469 000</b>	<b>2 258 229</b>	<b>2 132 632</b>	<b>125 597</b>	<b>94,4%</b>	<b>2 013 049</b>	<b>1 911 276</b>
Provinces and municipalities	512 480	0	0	512 480	512 480	0	100,0%	517 164	514 577
Municipalities	512 480	0	0	512 480	512 480	0	100,0%	517 164	514 577
Municipal bank accounts	512 480	0	0	512 480	512 480	0	100,0%	517 164	514 577
Municipal agencies and funds	0	0	0	0	0	0	0	0	0
Departmental agencies and accounts	26 955	0	0	26 955	26 955	0	100,0%	25 819	25 819
Social security funds	0	0	0	0	0	0	0	0	0
Departmental agencies	26 955	0	0	26 955	26 955	0	100,0%	25 819	25 819
Higher education institutions	10 844	0	0	10 844	570	10 274	5,3%	4 039	1 176
Non-profit institutions	772 718	0	(15 000)	757 718	722 898	34 820	95,4%	731 078	695 442
Households	466 332	(100)	484 000	950 232	869 729	80 503	91,5%	734 949	674 262
Social benefits	109 113	(100)	0	109 013	127 088	(18 075)	116,6%	107 726	130 526
Other transfers to households	357 219	0	484 000	841 219	742 641	98 578	88,3%	627 223	543 736
<b>Payments for capital assets</b>	<b>2 386 362</b>	<b>(66 145)</b>	<b>46 512</b>	<b>2 366 729</b>	<b>1 586 462</b>	<b>780 267</b>	<b>67,0%</b>	<b>2 943 565</b>	<b>1 877 867</b>
Buildings and other fixed structures	560 846	(65 776)	0	495 070	360 660	134 410	72,9%	936 434	434 910
Buildings	560 846	(65 776)	0	495 070	360 660	134 410	72,9%	936 434	434 910
Other fixed structures	0	0	0	0	0	0	0	0	0
Machinery and equipment	1 825 516	(369)	46 512	1 871 659	1 225 802	645 857	65,5%	2 007 131	1 442 957
Transport equipment	259 174	3 631	45 521	308 326	315 488	(7 162)	102,3%	503 447	591 638
Other machinery and equipment	1 566 342	(4 000)	991	1 563 333	910 314	653 019	58,2%	1 503 684	851 319
<b>Payment for financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28 565</b>	<b>(28 565)</b>	<b>0</b>	<b>0</b>	<b>12 509</b>
	<b>62 502 360</b>	<b>0</b>	<b>0</b>	<b>62 502 360</b>	<b>61 313 517</b>	<b>1 188 843</b>	<b>98,1%</b>	<b>61 351 556</b>	<b>58 639 738</b>

# Appropriation Statement

for the period ended 31 March 2024

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme 1: ADMINISTRATION</b>									
<b>Sub programme</b>									
1. OFFICE OF THE MEC	27 865	0	0	27 865	20 922	6 943	75,1%	24 693	16 124
2. MANAGEMENT	1 588 068	0	572 000	2 160 068	2 148 908	11 160	99,5%	1 801 706	1 809 530
	<b>1 615 933</b>	<b>0</b>	<b>572 000</b>	<b>2 187 933</b>	<b>2 169 830</b>	<b>18 103</b>	<b>99,2%</b>	<b>1 826 399</b>	<b>1 825 654</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>1 488 382</b>	<b>0</b>	<b>0</b>	<b>1 488 382</b>	<b>1 465 185</b>	<b>23 197</b>	<b>98,4%</b>	<b>1 431 053</b>	<b>1 290 126</b>
Compensation of employees	561 788	0	0	561 788	448 536	113 252	79,8%	559 963	449 778
Salaries and wages	499 022	0	0	499 022	386 467	112 555	77,4%	496 865	389 091
Social contributions	62 766	0	0	62 766	62 069	697	98,9%	63 098	60 687
Goods and services	926 594	0	0	926 594	1 001 033	(74 439)	108,0%	871 090	836 507
Administrative fees	4 880	0	0	4 880	3 083	1 797	63,2%	4 846	3 182
Advertising	4 887	0	0	4 887	1 293	3 594	26,5%	4 837	3 480
Minor assets	86	0	0	86	5	81	5,8%	275	1 122
Audit costs: External	30 491	0	0	30 491	28 257	2 234	92,7%	29 206	29 875
Bursaries: Employees	0	0	0	0	20	(20)	0	0	0
Catering: Departmental activities	2 909	0	0	2 909	2 912	(3)	100,1%	781	321
Communication (G&S)	43 302	0	0	43 302	52 756	(9 454)	121,8%	21 220	34 688
Computer services	222 876	0	0	222 876	194 703	28 173	87,4%	204 345	86 575
Consultants: Business and advisory services	89 695	0	0	89 695	37 437	52 258	41,7%	111 295	24 392
Laboratory services	0	0	0	0	130	(130)	0	0	39
Legal services	30 914	0	0	30 914	592 361	(561 447)	1916,2%	21 914	119 988
Contractors	231	0	0	231	9 368	(9 137)	4055,4%	3 181	40
Agency and support / outsourced services	2 000	0	0	2 000	395	1 605	19,8%	4 000	219 724
Entertainment	0	0	0	0	0	0	0	0	0
Fleet services (including government motor transport)	4 438	0	0	4 438	4 625	(187)	104,2%	3 338	4 978

# Appropriation Statement

for the period ended 31 March 2024

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
Inventory: Clothing material and accessories	0	0	0	0	2	(2)	0	0	0
Inventory: Food and food supplies	37	0	0	37	66	(29)	178,4%	37	12
Inventory: Learner and teacher support material	0	0	0	0	4	(4)	0	0	0
Inventory: Materials and supplies	24	0	0	24	13	11	54,2%	23	542
Inventory: Medical supplies	0	0	0	0	1 755	(1 755)	0	0	122
Inventory: Other supplies	0	0	0	0	32	(32)	0	0	6
Consumable supplies	419 032	0	0	419 032	1 919	417 113	0,5%	400 819	251 648
Consumable: Stationery, printing and office supplies	3 452	0	0	3 452	2 165	1 287	62,7%	5 685	1 763
Operating leases	13 875	0	0	13 875	17 597	(3 722)	126,8%	10 588	17 072
Property payments	9 733	0	0	9 733	6 142	3 591	63,1%	7 623	9 507
Transport provided: Departmental activity	0	0	0	0	180	(180)	0	0	0
Travel and subsistence	7 316	0	0	7 316	6 029	1 287	82,4%	6 274	3 440
Training and development	0	0	0	0	0	0	0	4	0
Operating payments	0	0	0	0	12	(12)	0	0	0
Venues and facilities	5 891	0	0	5 891	9 091	(3 200)	154,3%	1 573	249
Rental and hiring	30 525	0	0	30 525	28 681	1 844	94,0%	29 226	23 742
Interest and rent on land	0	0	0	0	15 616	(15 616)	0	0	3 841
Interest (Incl. interest on unitary payments (PPP))	0	0	0	0	15 616	(15 616)	0	0	3 841
<b>Transfers and subsidies</b>	<b>91 936</b>	<b>0</b>	<b>572 000</b>	<b>663 936</b>	<b>698 030</b>	<b>(34 094)</b>	<b>105,1%</b>	<b>373 848</b>	<b>516 909</b>
Households	91 936	0	572 000	663 936	698 030	(34 094)	105,1%	373 848	516 909
Social benefits	1 881	0	0	1 881	2 398	(517)	127,5%	1 900	9 822
Other transfers to households	90 055	0	572 000	662 055	695 632	(33 577)	105,1%	371 948	507 087
<b>Payments for capital assets</b>	<b>35 615</b>	<b>0</b>	<b>0</b>	<b>35 615</b>	<b>6 518</b>	<b>29 097</b>	<b>18,3%</b>	<b>21 498</b>	<b>18 502</b>
Machinery and equipment	35 615	0	0	35 615	6 518	29 097	18,3%	21 498	18 502
Transport equipment	790	0	0	790	0	790	0	0	0
Other machinery and equipment	34 825	0	0	34 825	6 518	28 307	18,7%	21 498	18 502
<b>Payment for financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>97</b>	<b>(97)</b>	<b>0</b>	<b>0</b>	<b>117</b>
	<b>1 615 933</b>	<b>0</b>	<b>572 000</b>	<b>2 187 933</b>	<b>2 169 830</b>	<b>18 103</b>	<b>99,2%</b>	<b>1 826 399</b>	<b>1 825 654</b>

# Appropriation Statement

for the period ended 31 March 2024

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme 2: DISTRICT HEALTH SERVICES</b>									
<b>Sub programme</b>									
1. HIV, AIDS AND TB	0	0	0	0	0	(327 800)	0	0	0
2. DISTRICT MANAGEMENT	1 065 116	0	0	1 065 116	1 392 916		130,8%	1 030 024	997 440
3. COMMUNITY HEALTH CLINICS	3 099 753	0	(158 412)	2 941 341	2 757 133	184 208	93,7%	2 756 426	2 615 481
4. COMMUNITY HEALTH CENTRES	2 638 121	0	(137 800)	2 500 321	2 416 620	83 701	96,7%	2 376 863	2 301 621
5. COMMUNITY BASED SERVICES	3 010 846	0	0	3 010 846	3 055 370	(44 524)	101,5%	2 742 671	2 808 748
6. HIV, AIDS	6 130 126	0	(32 000)	6 098 126	5 852 814	245 312	96,0%	6 886 474	6 056 338
7. NUTRITION	75 290	0	(11 000)	64 290	63 859	431	99,3%	80 335	79 720
8. CORONER SERVICES	349 857	0	(24 189)	325 668	302 197	23 471	92,8%	335 720	305 200
9. DISTRICT HOSPITALS	4 702 041	0	(15 087)	4 686 954	4 687 907	(953)	100,0%	4 513 777	4 329 757
	<b>21 071 150</b>	<b>0</b>	<b>(378 486)</b>	<b>20 692 662</b>	<b>20 528 816</b>	<b>163 846</b>	<b>99,2%</b>	<b>20 722 290</b>	<b>19 494 305</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>19 789 964</b>	<b>(3 631)</b>	<b>(285 000)</b>	<b>19 501 333</b>	<b>19 391 233</b>	<b>110 100</b>	<b>99,4%</b>	<b>19 480 373</b>	<b>18 401 375</b>
Compensation of employees	12 509 816	0	(6 000)	12 503 816	12 797 153	(293 337)	102,3%	11 605 633	12 129 780
Salaries and wages	10 592 103	0	(6 000)	10 586 103	10 876 418	(290 315)	102,7%	10 070 820	10 394 381
Social contributions	1 917 713	0	0	1 917 713	1 920 735	(3 022)	100,2%	1 534 813	1 735 399
Goods and services	7 280 148	(3 631)	(279 000)	6 997 517	6 594 080	403 437	94,2%	7 874 740	6 271 595
Administrative fees	2 851	0	0	2 851	1 443	1 408	50,6%	2 261	2 084
Advertising	44 919	(4 253)	(20 000)	20 666	14 846	5 820	71,8%	16 004	3 683
Minor assets	35 743	0	0	35 743	9 159	26 584	25,6%	40 809	8 306
Audit costs: External	0	0	0	0	0	0	0	0	311
Catering: Departmental activities	6 638	0	0	6 638	7 991	(1 353)	120,4%	8 296	5 653
Communication (G&S)	32 053	0	0	32 053	20 361	11 692	63,5%	47 757	22 759
Computer services	0	0	0	0	299	(299)	0	0	65
Consultants: Business and advisory services	830	0	0	830	293	537	35,3%	654	111
Laboratory services	1 408 469	234 200	0	1 642 669	1 398 743	243 926	85,2%	1 606 173	1 515 855
Legal services	0	0	0	0	39	(39)	0	0	68
Contractors	303 367	(220 000)	(4 000)	79 367	53 946	26 021	67,2%	128 834	105 477
Agency and support / outsourced services	51 658	0	0	51 658	38 220	13 438	74,0%	50 515	36 186
Fleet services (including government motor transport)	46 662	0	0	46 662	46 198	464	99,0%	39 515	40 123

# Appropriation Statement

for the period ended 31 March 2024

## Programme 2: DISTRICT HEALTH SERVICES

	2023/24					2022/23			
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget	Final Budget R'000	Actual Expenditure R'000
Inventory: Clothing material and accessories	0	0	0	0	5 247	(5 247)	0	0	1 091
Inventory: Farming supplies	0	0	0	0	0	0	0	0	0
Inventory: Food and food supplies	108 073	0	0	108 073	81 167	26 906	75,1%	84 955	66 762
Inventory: Fuel, oil and gas	120 472	0	0	120 472	104 231	16 241	86,5%	101 581	84 279
Inventory: Learner and teacher support material	0	0	0	0	0	0	0	0	78
Inventory: Materials and supplies	27 291	0	0	27 291	17 060	10 231	62,5%	27 065	19 452
Inventory: Medical supplies	828 405	0	0	828 405	823 636	4 769	99,4%	785 886	571 820
Inventory: Medicine	3 158 449	(9 200)	(251 000)	2 898 249	3 002 279	(104 030)	103,6%	3 743 819	2 931 925
Medas inventory interface	0	0	0	0	0	0	0	0	0
Inventory: Other supplies	36 785	0	0	36 785	32 032	4 753	87,1%	38 421	36 731
Consumable supplies	162 474	0	0	162 474	131 416	31 058	80,9%	234 307	125 464
Consumable: Stationery, printing and office supplies	101 928	0	0	101 928	70 886	31 042	69,5%	183 541	58 980
Operating leases	58 903	(4 378)	0	54 525	88 922	(34 397)	163,1%	62 373	60 375
Property payments	687 466	0	0	687 466	622 818	64 648	90,6%	610 706	557 134
Transport provided: Departmental activity	710	0	0	710	1 197	(487)	168,6%	1 104	247
Travel and subsistence	18 046	4 155	(4 000)	18 201	9 650	8 551	53,0%	7 946	8 434
Training and development	30 726	(4 155)	0	26 571	9 773	16 798	36,8%	45 843	5 109
Operating payments	1 500	0	0	1 500	702	798	46,8%	1 275	747
Venues and facilities	5 380	0	0	5 380	1 819	3 561	33,8%	3 000	2 151
Rental and hiring	350	0	0	350	307	43	87,7%	2 100	135
<b>Transfers and subsidies</b>	<b>1 003 122</b>	<b>0</b>	<b>(15 000)</b>	<b>988 122</b>	<b>961 770</b>	<b>26 352</b>	<b>97,3%</b>	<b>980 187</b>	<b>951 953</b>
Provinces and municipalities	512 480	0	0	512 480	512 480	0	100,0%	517 164	514 577
Municipalities	512 480	0	0	512 480	512 480	0	100,0%	517 164	514 577
Municipal bank accounts	512 480	0	0	512 480	512 480	0	100,0%	517 164	514 577
Non-profit institutions	457 718	0	(15 000)	442 718	407 898	34 820	92,1%	432 078	396 442
Households	32 924	0	0	32 924	41 392	(8 468)	125,7%	30 945	40 934
Social benefits	32 924	0	0	32 924	41 340	(8 416)	125,6%	30 945	36 547
Other transfers to households	0	0	0	0	52	(52)	0	0	4 387
<b>Payments for capital assets</b>	<b>278 064</b>	<b>3 631</b>	<b>(78 488)</b>	<b>203 207</b>	<b>170 045</b>	<b>33 162</b>	<b>83,7%</b>	<b>261 730</b>	<b>135 573</b>
Buildings and other fixed structures	0	0	0	0	0	0	0	0	0
Buildings	0	0	0	0	0	0	0	0	0
Other fixed structures	0	0	0	0	0	0	0	0	0
Machinery and equipment	278 064	3 631	(78 488)	203 207	170 045	33 162	83,7%	261 730	135 573
Transport equipment	59 414	3 631	(13 189)	49 856	58 177	(8 321)	116,7%	83 316	47 388
Other machinery and equipment	218 650	0	(65 299)	153 351	111 868	41 483	72,9%	178 414	88 185
<b>Payment for financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5 768</b>	<b>(5 768)</b>	<b>0</b>	<b>0</b>	<b>5 404</b>
	<b>21 071 150</b>	<b>0</b>	<b>(378 488)</b>	<b>20 692 662</b>	<b>20 528 816</b>	<b>163 846</b>	<b>99,2%</b>	<b>20 722 290</b>	<b>19 494 305</b>

# Appropriation Statement

for the period ended 31 March 2024

	2023/24							2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Programme 3: EMERGENCY MEDICAL SERVICES</b>										
<b>Sub programme</b>										
1. EMERGENCY TRANSPORT	1 639 999	0	148 000	1 787 999	1 816 950	(28 951)	101,6%	1 717 919	1 792 977	
2. PLANNED PATIENT TRANSPORT	277 436	0	0	277 436	248 236	29 200	89,5%	293 181	217 963	
	<b>1 917 435</b>	<b>0</b>	<b>148 000</b>	<b>2 065 435</b>	<b>2 065 186</b>	<b>249</b>	<b>100,0%</b>	<b>2 011 100</b>	<b>2 010 940</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>1 587 193</b>	<b>0</b>	<b>0</b>	<b>1 587 193</b>	<b>1 506 566</b>	<b>80 627</b>	<b>94,9%</b>	<b>1 501 354</b>	<b>1 330 003</b>	
Compensation of employees	1 145 801	0	0	1 145 801	1 075 835	69 966	93,9%	1 003 544	1 005 051	
Salaries and wages	950 930	0	0	950 930	874 873	76 057	92,0%	752 878	827 960	
Social contributions	194 871	0	0	194 871	200 962	(6 091)	103,1%	250 666	177 091	
Goods and services	441 392	0	0	441 392	430 731	10 661	97,6%	497 810	324 952	
Administrative fees	5 390	0	0	5 390	5 165	225	95,8%	15 000	0	
Advertising	300	0	0	300	0	300	0	3 500	41	
Minor assets	3 250	0	0	3 250	1 452	1 798	44,7%	12 500	271	
Catering: Departmental activities	980	0	0	980	299	681	30,5%	980	419	
Communication (G&S)	2 822	0	0	2 822	4 888	(2 066)	173,2%	8 200	2 771	
Computer services	0	0	0	0	0	0	0	1 820	0	
Contractors	9 900	0	0	9 900	9 081	819	91,7%	14 697	12 369	
Agency and support / outsourced services	300	0	0	300	210	90	70,0%	1 678	236	
Fleet services (including government motor transport)	171 000	0	0	171 000	186 878	(15 878)	109,3%	205 224	149 646	
Inventory: Food and food supplies	10	0	0	10	4	6	40,0%	25	2	
Inventory: Fuel, oil and gas	2 500	0	0	2 500	1 463	1 037	58,5%	3 500	748	
Inventory: Materials and supplies	2 095	0	0	2 095	8 403	(6 308)	401,1%	5 274	3 925	
Inventory: Medical supplies	81 250	0	0	81 250	78 277	2 973	96,3%	26 994	39 861	
Inventory: Medicine	1 200	0	0	1 200	520	680	43,3%	1 150	973	
Medas inventory interface	0	0	0	0	0	0	0	0	0	
Inventory: Other supplies	100	0	0	100	73	27	73,0%	6 415	574	



# Appropriation Statement

for the period ended 31 March 2024

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	41 570	0	0	41 570	33 860	7 710	81,5%	36 866	22 444
Consumable: Stationery, printing and office supplies	7 993	0	0	7 993	3 911	4 082	48,9%	14 903	6 834
Operating leases	70 474	0	0	70 474	64 738	5 736	91,9%	78 911	30 257
Property payments	33 639	0	0	33 639	30 997	2 642	92,1%	46 481	53 367
Transport provided: Departmental activity	2 369	0	0	2 369	0	2 369	0	4 692	0
Travel and subsistence	750	0	0	750	40	710	5,3%	1 500	71
Training and development	3 500	0	0	3 500	472	3 028	13,5%	7 500	143
<b>Transfers and subsidies</b>	<b>1 903</b>	<b>0</b>	<b>0</b>	<b>1 903</b>	<b>1 760</b>	<b>143</b>	<b>92,5%</b>	<b>3 805</b>	<b>3 604</b>
Households	1 903	0	0	1 903	1 760	143	92,5%	3 805	3 604
Social benefits	1 903	0	0	1 903	1 760	143	92,5%	3 805	3 604
Other transfers to households	0	0	0	0	0	0	0	0	0
<b>Payments for capital assets</b>	<b>328 339</b>	<b>0</b>	<b>148 000</b>	<b>476 339</b>	<b>556 741</b>	<b>(80 402)</b>	<b>116,9%</b>	<b>505 941</b>	<b>676 987</b>
Machinery and equipment	328 339	0	148 000	476 339	556 741	(80 402)	116,9%	505 941	676 987
Transport equipment	196 020	0	58 710	254 730	254 723	7	100,0%	410 108	540 026
Other machinery and equipment	132 319	0	89 290	221 609	302 018	(80 409)	136,3%	95 833	136 961
<b>Payment for financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>119</b>	<b>(119)</b>	<b>0</b>	<b>0</b>	<b>346</b>
	<b>1 917 435</b>	<b>0</b>	<b>148 000</b>	<b>2 065 435</b>	<b>2 065 186</b>	<b>249</b>	<b>100,0%</b>	<b>2 011 100</b>	<b>2 010 940</b>

# Appropriation Statement

for the period ended 31 March 2024

	2023/24							2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
<b>Programme 4: PROVINCIAL HOSPITAL SERVICES</b>										
<b>Sub programme</b>										
1. GENERAL HOSPITALS	8 901 051	0	0	8 901 051	8 961 823	(60 772)	100,7%	8 102 370	8 211 159	
2. TUBERCULOSIS HOSPITALS	391 360	0	0	391 360	422 302	(30 942)	107,9%	367 586	354 100	
3. PSYCHIATRIC/MENTAL HOSPITAL	1 992 638	0	(41 512)	1 951 126	1 876 140	74 986	96,2%	1 886 517	1 768 458	
4. DENTAL TRAINING HOSPITALS	676 610	0	(4 982)	671 628	644 392	27 236	95,9%	676 651	636 212	
5. OTHER SPECIALISED HOSPITALS	116 845	0	0	116 845	125 433	(8 588)	107,3%	111 834	112 498	
	<b>12 078 504</b>	<b>0</b>	<b>(46 494)</b>	<b>12 032 010</b>	<b>12 030 090</b>	<b>1 920</b>	<b>100,0%</b>	<b>11 144 958</b>	<b>11 082 427</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>11 863 396</b>	<b>4 100</b>	<b>(40 512)</b>	<b>11 826 984</b>	<b>11 870 793</b>	<b>(43 809)</b>	<b>100,4%</b>	<b>10 961 419</b>	<b>10 941 760</b>	
Compensation of employees	8 676 918	0	(23 000)	8 653 918	8 601 910	52 008	99,4%	8 187 238	8 123 088	
Salaries and wages	7 642 857	0	(23 000)	7 619 857	7 556 400	63 457	99,2%	7 232 556	7 180 102	
Social contributions	1 034 061	0	0	1 034 061	1 045 510	(11 449)	101,1%	954 682	942 986	
Goods and services	3 186 478	4 100	(17 512)	3 173 066	3 268 883	(95 817)	103,0%	2 774 181	2 818 672	
Administrative fees	1 637	0	0	1 637	1 403	234	85,7%	1 106	1 141	
Advertising	10	0	0	10	10	0	100,0%	80	3	
Minor assets	12 106	0	0	12 106	6 531	5 575	53,9%	15 132	6 930	
Catering: Departmental activities	110	0	0	110	32	78	29,1%	110	77	
Communication (G&S)	5 668	0	0	5 668	4 573	1 095	80,7%	8 174	3 940	
Computer services	1 190	0	0	1 190	2 062	(872)	173,3%	2 100	1 825	
Consultants: Business and advisory services	546 431	0	(17 512)	528 919	399 561	129 358	75,5%	455 769	329 597	
Infrastructure and planning services	0	0	0	0	0	0	0	0	0	
Laboratory services	350 002	0	0	350 002	364 441	(14 439)	104,1%	395 820	312 995	
Scientific and technological services	0	0	0	0	0	0	0	0	0	
Legal services	0	0	0	0	24	(24)	0	0	0	
Contractors	69 396	0	0	69 396	60 373	9 023	87,0%	50 587	64 230	
Agency and support / outsourced services	86 159	0	0	86 159	72 810	13 349	84,5%	75 403	70 550	
Entertainment	0	0	0	0	0	0	0	0	0	
Fleet services (including government motor transport)	6 810	0	0	6 810	6 179	631	90,7%	7 367	5 328	
Inventory: Clothing material and accessories	0	0	0	0	1 486	(1 486)	0	0	267	

# Appropriation Statement

for the period ended 31 March 2024

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Farming supplies	0	0	0	0	0	0	0	0	0
Inventory: Food and food supplies	171 066	0	0	171 066	191 397	(20 331)	111,9%	158 151	175 203
Inventory: Fuel, oil and gas	119 485	0	0	119 485	133 321	(13 836)	111,6%	88 337	97 217
Inventory: Learner and teacher support material	7	0	0	7	189	(182)	2700,0%	0	104
Inventory: Materials and supplies	14 146	0	0	14 146	27 365	(13 219)	193,4%	10 448	19 377
Inventory: Medical supplies	861 587	4 100	0	865 687	889 017	(23 330)	102,7%	625 771	836 460
Inventory: Medicine	348 404	0	0	348 404	329 157	19 247	94,5%	384 338	344 977
Medsas inventory interface	0	0	0	0	0	0	0	0	0
Inventory: Other supplies	39 865	0	0	39 865	40 964	(1 099)	102,8%	34 854	47 597
Consumable supplies	125 788	0	0	125 788	139 661	(13 873)	111,0%	99 752	112 579
Consumable: Stationery, printing and office supplies	30 417	0	0	30 417	28 543	1 874	93,8%	25 111	23 959
Operating leases	34 824	0	0	34 824	32 584	2 240	93,6%	28 820	27 406
Property payments	346 306	0	0	346 306	525 371	(179 065)	151,7%	295 564	327 925
Transport provided: Departmental activity	134	0	0	134	14	120	10,4%	168	38
Travel and subsistence	6 740	0	0	6 740	7 339	(599)	108,9%	6 798	6 632
Training and development	3 740	0	0	3 740	1 327	2 413	35,5%	3 288	1 082
Operating payments	3 750	0	0	3 750	3 029	721	80,8%	1 133	946
Venues and facilities	0	0	0	0	0	0	0	0	0
Rental and hiring	700	0	0	700	120	580	17,1%	0	287
<b>Transfers and subsidies</b>	<b>20 392</b>	<b>(100)</b>	<b>0</b>	<b>20 292</b>	<b>28 570</b>	<b>(8 278)</b>	<b>140,8%</b>	<b>17 864</b>	<b>29 667</b>
Households	20 392	(100)	0	20 292	28 570	(8 278)	140,8%	17 864	29 667
Social benefits	20 392	(100)	0	20 292	27 917	(7 625)	137,6%	17 864	28 938
Other transfers to households	0	0	0	0	653	(653)	0	0	729
<b>Payments for capital assets</b>	<b>194 716</b>	<b>(4 000)</b>	<b>(5 982)</b>	<b>184 734</b>	<b>126 721</b>	<b>58 013</b>	<b>68,6%</b>	<b>165 675</b>	<b>108 005</b>
Machinery and equipment	194 716	(4 000)	(5 982)	184 734	126 721	58 013	68,6%	165 675	108 005
Transport equipment	600	0	0	600	513	87	85,5%	6 973	3 312
Other machinery and equipment	194 116	(4 000)	(5 982)	184 134	126 208	57 926	68,5%	158 702	104 693
<b>Payment for financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4 006</b>	<b>(4 006)</b>	<b>0</b>	<b>0</b>	<b>2 995</b>
	<b>12 078 504</b>	<b>0</b>	<b>(46 494)</b>	<b>12 032 010</b>	<b>12 030 090</b>	<b>1 920</b>	<b>100,0%</b>	<b>11 144 958</b>	<b>11 082 427</b>

# Appropriation Statement

for the period ended 31 March 2024

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme 5: CENTRAL HOSPITAL SERVICES</b>									
<b>Sub programme</b>									
1. CENTRAL HOSPITAL SERVICES	17 149 690	41 190	(55 018)	17 135 862	16 533 635	602 227	96,5%	16 918 512	15 803 846
2. PROVINCIAL TERTIARY HOSPITAL SERVICES	5 261 791	(41 190)	(135 000)	5 085 601	5 014 940	70 661	98,6%	5 063 372	5 681 578
	<b>22 411 481</b>	<b>0</b>	<b>(190 018)</b>	<b>22 221 463</b>	<b>21 548 575</b>	<b>672 888</b>	<b>97,0%</b>	<b>21 981 884</b>	<b>21 485 424</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>21 100 379</b>	<b>0</b>	<b>(173 000)</b>	<b>20 927 379</b>	<b>20 820 109</b>	<b>107 270</b>	<b>99,5%</b>	<b>20 597 030</b>	<b>20 640 106</b>
Compensation of employees	14 310 404	0	(69 000)	14 241 404	14 319 543	(78 139)	100,5%	14 408 721	14 055 497
Salaries and wages	13 073 079	0	(69 000)	13 004 079	12 768 876	235 203	98,2%	13 087 360	12 637 125
Social contributions	1 237 325	0	0	1 237 325	1 550 667	(313 342)	125,3%	1 321 361	1 418 372
Goods and services	6 789 975	0	(104 000)	6 685 975	6 500 566	185 409	97,2%	6 188 309	6 584 609
Administrative fees	1 347	0	0	1 347	786	561	58,4%	1 563	1 373
Advertising	479	0	0	479	253	226	52,8%	761	210
Minor assets	25 112	10	0	25 122	16 372	8 750	65,2%	30 044	7 062
Audit costs: External	0	0	0	0	0	0	0	0	0
Bursaries: Employees	0	0	0	0	0	0	0	0	0
Catering: Departmental activities	62	0	0	62	56	6	90,3%	80	50
Communication (G&S)	16 051	0	0	16 051	14 949	1 102	93,1%	17 070	15 640
Computer services	11 620	0	0	11 620	7 270	4 350	62,6%	21 179	4 720
Consultants: Business and advisory services	255	0	0	255	50	205	19,6%	330	56
Infrastructure and planning services	0	0	0	0	0	0	0	0	0
Laboratory services	1 053 215	31 036	(7 000)	1 077 251	988 690	88 561	91,8%	1 175 824	1 088 380
Legal services	0	0	0	0	2 041	(2 041)	0	0	8 997
Contractors	490 385	(20 000)	(9 000)	461 385	174 132	287 253	37,7%	222 036	173 053
Agency and support / outsourced services	127 107	0	0	127 107	114 135	12 972	89,8%	152 409	130 760
Entertainment	0	0	0	0	0	0	0	0	0
Fleet services (including government motor transport)	6 750	0	0	6 750	5 905	845	87,5%	7 200	4 837
Inventory: Clothing material and accessories	0	0	0	0	120	(120)	0	0	0
Inventory: Food and food supplies	212 276	0	0	212 276	189 679	22 597	89,4%	183 300	169 246

# Appropriation Statement

for the period ended 31 March 2024

## Programme 5: CENTRAL HOSPITAL SERVICES

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Fuel, oil and gas	82 100	0	0	82 100	92 620	(10 520)	112,8%	71 260	73 697
Inventory: Learner and teacher support material	0	0	0	0	0	0	0	0	0
Inventory: Materials and supplies	19 884	0	0	19 884	17 193	2 691	86,5%	18 737	19 791
Inventory: Medical supplies	2 321 917	(23 321)	0	2 298 596	2 383 248	(84 652)	103,7%	2 002 399	2 943 000
Inventory: Medicine	1 192 662	16 300	(57 000)	1 151 962	917 521	234 441	79,6%	1 176 163	884 671
Medas inventory interface	0	0	0	0	0	0	0	0	0
Inventory: Other supplies	81 979	0	0	81 979	73 835	8 144	90,1%	56 977	67 892
Consumable supplies	373 461	0	(20 000)	353 461	458 850	(105 389)	129,8%	344 856	312 660
Consumable: Stationery, printing and office supplies	67 691	0	(11 000)	56 691	62 492	(5 801)	110,2%	57 141	74 461
Operating leases	57 751	0	0	57 751	46 270	11 481	80,1%	51 100	33 330
Property payments	630 391	0	0	630 391	927 848	(297 457)	147,2%	583 874	559 458
Transport provided: Departmental activity	210	0	0	210	97	113	46,2%	331	88
Travel and subsistence	1 715	0	0	1 715	1 508	207	87,9%	1 675	1 081
Training and development	2 610	0	0	2 610	584	2 026	22,4%	4 050	740
Operating payments	8 720	0	0	8 720	4 062	4 658	46,6%	7 750	9 156
Venues and facilities	200	0	0	200	0	200	0	200	200
Rental and hiring	4 025	(4 025)	0	0	0	0	0	0	0
<b>Transfers and subsidies</b>	<b>363 749</b>	<b>0</b>	<b>0</b>	<b>363 749</b>	<b>365 928</b>	<b>(2 179)</b>	<b>100,6%</b>	<b>349 344</b>	<b>347 347</b>
Non-profit institutions	315 000	0	0	315 000	315 000	0	100,0%	299 000	299 000
Households	48 749	0	0	48 749	50 928	(2 179)	104,5%	50 344	48 347
Social benefits	48 749	0	0	48 749	50 928	(2 179)	104,5%	50 344	48 347
Other transfers to households	0	0	0	0	0	0	0	0	0
<b>Payments for capital assets</b>	<b>947 353</b>	<b>0</b>	<b>(17 018)</b>	<b>930 335</b>	<b>358 552</b>	<b>571 783</b>	<b>38,5%</b>	<b>1 035 510</b>	<b>495 200</b>
Machinery and equipment	947 353	0	(17 018)	930 335	358 552	571 783	38,5%	1 035 510	495 200
Transport equipment	2 350	0	0	2 350	2 075	275	88,3%	3 000	811
Other machinery and equipment	945 003	0	(17 018)	927 985	356 477	571 508	38,4%	1 032 510	494 389
<b>Payment for financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3 986</b>	<b>(3 986)</b>	<b>0</b>	<b>0</b>	<b>2 771</b>
	<b>22 411 481</b>	<b>0</b>	<b>(190 018)</b>	<b>22 221 463</b>	<b>21 548 575</b>	<b>672 888</b>	<b>97,0%</b>	<b>21 981 884</b>	<b>21 485 424</b>

# Appropriation Statement

for the period ended 31 March 2024

16

	2023/24						2022/23		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme 6: HEALTH SCIENCES AND TRAINING</b>	<b>1 100 981</b>	<b>0</b>	<b>(88 000)</b>	<b>1 012 981</b>	<b>699 524</b>	<b>313 457</b>	<b>69,1%</b>	<b>1 003 410</b>	<b>638 215</b>
<b>Sub programme</b>									
1. NURSE TRAINING COLLEGES	689 044	0	0	689 044	541 614	147 430	78,6%	629 343	513 471
2. EMS TRAINING COLLEGES	56 156	0	0	56 156	49 874	6 282	88,8%	50 301	47 675
3. BURSARIES	253 689	0	(88 000)	165 689	35 741	129 948	21,6%	233 870	7 988
4. OTHER TRAINING	102 092	0	0	102 092	72 295	29 797	70,8%	89 896	69 081
	<b>1 100 981</b>	<b>0</b>	<b>(88 000)</b>	<b>1 012 981</b>	<b>699 524</b>	<b>313 457</b>	<b>69,1%</b>	<b>1 003 410</b>	<b>638 215</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>782 379</b>	<b>0</b>	<b>0</b>	<b>782 379</b>	<b>604 023</b>	<b>178 356</b>	<b>77,2%</b>	<b>704 640</b>	<b>571 319</b>
Compensation of employees	680 814	0	0	680 814	518 705	162 109	76,2%	616 298	515 136
Salaries and wages	596 907	0	0	596 907	456 151	140 756	76,4%	542 427	455 601
Social contributions	83 907	0	0	83 907	62 554	21 353	74,6%	73 871	59 535
Goods and services	101 565	0	0	101 565	85 318	16 247	84,0%	88 342	56 183
Administrative fees	17	0	0	17	31	(14)	182,4%	17	0
Advertising	372	0	0	372	264	108	71,0%	132	67
Minor assets	1 229	0	0	1 229	770	459	62,7%	1 156	1 023
Bursaries: Employees	13 253	0	0	13 253	17 973	(4 720)	135,6%	12 758	3 180
Catering: Departmental activities	502	0	0	502	623	(121)	124,1%	527	375
Communication (G&S)	666	0	0	666	419	247	62,9%	1 017	439
Computer services	5 729	0	0	5 729	778	4 951	13,6%	4 000	208
Consultants: Business and advisory services	600	0	0	600	10	590	1,7%	445	427
Laboratory services	209	0	0	209	235	(26)	112,4%	159	83
Contractors	2 053	0	0	2 053	1 656	397	80,7%	2 025	1 046
Agency and support / outsourced services	593	0	0	593	8	585	1,3%	993	7
Fleet services (including government motor transport)	2 480	0	0	2 480	2 359	121	95,1%	2 454	1 684
Inventory: Clothing material and accessories	0	0	0	0	20	(20)	0	0	0
Inventory: Food and food supplies	270	0	0	270	160	110	59,3%	323	157
Inventory: Fuel, oil and gas	85	0	0	85	120	(35)	141,2%	81	241
Inventory: Learner and teacher support material	1 653	0	0	1 653	1 524	129	92,2%	1 720	937

# Appropriation Statement

for the period ended 31 March 2024

## Programme 6: HEALTH SCIENCES AND TRAINING

	2023/24						2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
Inventory: Materials and supplies	1 509	0	0	1 509	1 111	398	73,6%	1 564	1 207
Inventory: Medical supplies	1 698	0	0	1 698	846	852	49,8%	911	678
Inventory: Medicine	636	0	0	636	582	54	91,5%	556	454
Medsas inventory interface	0	0	0	0	0	0	0	0	0
Inventory: Other supplies	799	0	0	799	706	93	88,4%	390	342
Consumable supplies	4 016	0	0	4 016	2 320	1 696	57,8%	4 100	3 113
Consumable: Stationery, printing and office supplies	4 863	0	0	4 863	3 028	1 835	62,3%	3 877	3 061
Operating leases	7 839	0	0	7 839	9 153	(1 314)	116,8%	7 048	6 048
Property payments	29 602	0	0	29 602	31 600	(1 998)	106,7%	22 117	25 063
Travel and subsistence	9 323	0	0	9 323	4 319	5 004	46,3%	9 068	1 800
Training and development	9 889	0	0	9 889	2 000	7 889	20,2%	9 269	3 995
Operating payments	80	0	0	80	16	64	20,0%	235	(15)
Venues and facilities	1 341	0	0	1 341	2 687	(1 346)	200,4%	1 200	563
Rental and hiring	259	0	0	259	0	259	0	200	0
<b>Transfers and subsidies</b>	<b>307 490</b>	<b>0</b>	<b>(88 000)</b>	<b>219 490</b>	<b>75 758</b>	<b>143 732</b>	<b>34,5%</b>	<b>287 420</b>	<b>61 243</b>
Departmental agencies and accounts	26 955	0	0	26 955	26 955	0	100,0%	25 819	25 819
Departmental agencies	26 955	0	0	26 955	26 955	0	100,0%	25 819	25 819
Higher education institutions	10 844	0	0	10 844	570	10 274	5,3%	4 039	1 176
Households	269 691	0	(88 000)	181 691	48 233	133 458	26,5%	257 562	34 248
Social benefits	2 527	0	0	2 527	1 929	598	76,3%	2 287	2 715
Other transfers to households	267 164	0	(88 000)	179 164	46 304	132 860	25,8%	255 275	31 533
<b>Payments for capital assets</b>	<b>11 112</b>	<b>0</b>	<b>0</b>	<b>11 112</b>	<b>5 184</b>	<b>5 928</b>	<b>46,7%</b>	<b>11 350</b>	<b>4 881</b>
Machinery and equipment	11 112	0	0	11 112	5 184	5 928	46,7%	11 350	4 881
Transport equipment	0	0	0	0	0	0	0	0	101
Other machinery and equipment	11 112	0	0	11 112	5 184	5 928	46,7%	11 350	4 780
<b>Payment for financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14 559</b>	<b>(14 559)</b>	<b>0</b>	<b>0</b>	<b>772</b>
	<b>1 100 981</b>	<b>0</b>	<b>(88 000)</b>	<b>1 012 981</b>	<b>699 524</b>	<b>313 457</b>	<b>69,1%</b>	<b>1 003 410</b>	<b>638 215</b>



# Appropriation Statement

for the period ended 31 March 2024

Programme 7: HEALTH CARE SUPPORT SERVICES											
	2023/24						2022/23				
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget	Final Budget R'000	Actual Expenditure R'000		
<b>Sub programme</b>	<b>457 773</b>	<b>0</b>	<b>(17 000)</b>	<b>440 773</b>	<b>439 361</b>	<b>1 412</b>	<b>99,7%</b>	<b>437 466</b>	<b>437 303</b>		
1. LAUNDRIES	340 755	0	0	340 755	342 863	(2 108)	100,6%	322 894	335 217		
2. FOOD SUPPLY SERVICES	117 017	0	(17 000)	100 017	96 498	3 519	96,5%	114 571	102 086		
3. MEDICINE TRADING ACCOUNT	1	0	0	1	0	1	0	1	0		
<b>Economic classification</b>	<b>454 777</b>	<b>0</b>	<b>(17 000)</b>	<b>437 777</b>	<b>438 305</b>	<b>(528)</b>	<b>100,1%</b>	<b>433 958</b>	<b>435 363</b>		
Current payments	223 156	0	0	223 156	226 506	(3 350)	101,5%	223 420	221 435		
Compensation of employees	183 801	0	0	183 801	178 831	4 970	97,3%	186 267	177 949		
Salaries and wages	39 355	0	0	39 355	47 675	(8 320)	121,1%	37 153	43 486		
Social contributions	231 621	0	(17 000)	214 621	211 799	2 822	98,7%	210 538	213 928		
Goods and services	59	0	0	59	0	59	0	184	49		
Minor assets	0	0	0	0	0	0	0	0	0		
Audit costs: External	0	0	0	0	0	0	0	0	0		
Bursaries: Employees	0	0	0	0	0	0	0	0	0		
Catering: Departmental activities	0	0	0	0	0	0	0	10	0		
Communication (G&S)	632	0	0	632	315	317	49,8%	503	341		
Laboratory services	0	0	0	0	0	0	0	0	7 890		
Contractors	296	0	0	296	80	216	27,0%	316	15		
Agency and support / outsourced services	48	0	0	48	29	19	60,4%	26	37		
Entertainment	0	0	0	0	0	0	0	0	0		
Fleet services (including government motor transport)	4 448	0	0	4 448	4 421	27	99,4%	4 482	2 981		
Inventory: Food and food supplies	30 041	0	0	30 041	37 226	(7 185)	123,9%	29 259	22 933		
Inventory: Fuel, oil and gas	38 549	0	(10 000)	28 549	20 457	8 092	71,7%	39 621	34 792		
Inventory: Learner and teacher support material	0	0	0	0	0	0	0	0	0		
Inventory: Materials and supplies	152	0	0	152	120	32	78,9%	304	39		
Inventory: Medical supplies	3 115	0	0	3 115	4 308	(1 193)	138,3%	2 701	2 253		
Inventory: Medicine	0	0	0	0	0	0	0	0	0		
Medsas inventory interface	0	0	0	0	0	0	0	0	0		

# Appropriation Statement

for the period ended 31 March 2024

	2023/24						2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget	Final Budget R'000	Actual Expenditure R'000
Inventory: Other supplies	2 200	0	0	2 200	1 683	517	76,5%	4 656	5 213
Consumable supplies	108 183	0	(7 000)	101 183	99 572	1 611	98,4%	82 012	96 703
Consumable: Stationery, printing and office supplies	804	0	0	804	756	48	94,0%	765	790
Operating leases	8 535	0	0	8 535	14 238	(5 703)	166,8%	9 529	7 725
Property payments	33 840	0	0	33 840	28 593	5 247	84,5%	35 037	31 385
Transport provided: Departmental activity	0	0	0	0	0	0	0	0	0
Travel and subsistence	19	0	0	19	1	18	5,3%	19	1
Training and development	350	0	0	350	0	350	0	214	1
Operating payments	350	0	0	350	0	350	0	900	780
Rent on land	0	0	0	0	0	0	0	0	0
<b>Transfers and subsidies</b>	<b>626</b>	<b>0</b>	<b>0</b>	<b>626</b>	<b>706</b>	<b>(80)</b>	<b>112,8%</b>	<b>581</b>	<b>531</b>
Households	626	0	0	626	706	(80)	112,8%	581	531
Social benefits	626	0	0	626	706	(80)	112,8%	581	531
Other transfers to households	0	0	0	0	0	0	0	0	0
<b>Payments for capital assets</b>	<b>2 370</b>	<b>0</b>	<b>0</b>	<b>2 370</b>	<b>320</b>	<b>2 050</b>	<b>13,5%</b>	<b>2 927</b>	<b>1 305</b>
Machinery and equipment	2 370	0	0	2 370	320	2 050	13,5%	2 927	1 305
Transport equipment	0	0	0	0	0	0	0	50	0
Other machinery and equipment	2 370	0	0	2 370	320	2 050	13,5%	2 877	1 305
<b>Payment for financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>	<b>(30)</b>	<b>0</b>	<b>0</b>	<b>104</b>
	<b>457 773</b>	<b>0</b>	<b>(17 000)</b>	<b>440 773</b>	<b>439 361</b>	<b>1 412</b>	<b>99,7%</b>	<b>437 466</b>	<b>437 303</b>

# Appropriation Statement

for the period ended 31 March 2024

		2023/24						2022/23		
		Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme 8: HEALTH FACILITIES MANAGEMENT</b>										
<b>Sub programme</b>										
<b>1. COMMUNITY HEALTH FACILITIES</b>										
<b>2. EMERGENCY MEDICAL RESCUE SERVICES</b>										
		277 709	(2 559)	0	275 150	240 213	34 937	87,3%	386 053	291 880
		2 161	6 900	0	9 061	8 791	270	97,0%	24 600	7 426
<b>3. DISTRICT HOSPITAL SERVICES</b>										
<b>4. PROVINCIAL HOSPITAL SERVICES</b>										
		237 443	(19 017)	0	218 426	220 962	(2 536)	101,2%	191 237	97 826
		409 586	(13 500)	0	396 086	375 881	20 205	94,9%	332 058	284 268
<b>5. CENTRAL HOSPITAL SERVICES</b>										
		494 510	0	0	494 510	535 988	(41 478)	108,4%	678 289	512 981
		427 694	28 176	0	455 870	450 300	5 570	98,8%	611 812	471 089
		<b>1 849 103</b>	<b>0</b>	<b>0</b>	<b>1 849 103</b>	<b>1 832 135</b>	<b>16 968</b>	<b>99,1%</b>	<b>2 224 049</b>	<b>1 665 470</b>
<b>Economic classification</b>										
<b>Current payments</b>										
	Compensation of employees	51 208	0	0	51 208	44 282	6 926	86,5%	60 013	42 884
	Salaries and wages	44 962	0	0	44 962	37 914	7 048	84,3%	55 125	37 063
	Social contributions	6 246	0	0	6 246	6 368	(122)	102,0%	4 888	5 821
	Goods and services	1 208 991	65 776	0	1 274 767	1 425 362	(150 595)	111,8%	1 225 102	1 185 150
	Advertising	290	0	0	290	0	290	0	647	0
	Minor assets	350	0	0	350	0	350	0	200	33
	Catering: Departmental activities	90	0	0	90	17	73	18,9%	131	16
	Communication (G&S)	210	0	0	210	0	210	0	207	0
	Consultants: Business and advisory services	0	0	0	0	0	0	0	2 000	0
	Laboratory services	0	0	0	0	0	0	0	0	4
	Legal services	0	0	0	0	2 938	(2 938)	0	0	0
	Contractors	1 779	0	0	1 779	1 839	(60)	103,4%	2 360	2 163
	Fleet services (including government motor transport)	0	0	0	0	0	0	0	200	0
	Inventory: Farming supplies	0	0	0	0	0	0	0	0	0
	Inventory: Food and food supplies	0	0	0	0	90	(90)	0	0	1 166
	Inventory: Materials and supplies	0	0	0	0	12	(12)	0	0	57
	Inventory: Medical supplies	0	0	0	0	37	(37)	0	0	1 111
	Inventory: Medicine	0	0	0	0	0	0	0	0	0
	Medsas inventory interface	0	0	0	0	0	0	0	0	0

# Appropriation Statement

for the period ended 31 March 2024

## Programme 8: HEALTH FACILITIES MANAGEMENT

	2023/24						2022/23		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual Expenditure R'000
Inventory: Other supplies	0	0	0	0	0	0	0	0	0
Consumable supplies	1 700	0	0	1 700	800	900	47,1%	1 500	690
Consumable: Stationery, printing and office supplies	400	0	0	400	0	400	0	400	66
Operating leases	79 420	15 017	0	94 437	94 437	0	100,0%	77 034	83 962
Property payments	1 123 230	50 759	0	1 173 989	1 324 447	(150 458)	112,8%	1 138 463	1 095 120
Transport provided: Departmental activity	0	0	0	0	0	0	0	0	0
Travel and subsistence	369	0	0	369	682	(313)	184,8%	960	439
Training and development	653	0	0	653	63	590	9,6%	500	252
Operating payments	500	0	0	500	0	500	0	500	71
Rent on land	0	0	0	0	0	0	0	0	0
<b>Transfers and subsidies</b>	<b>111</b>	<b>0</b>	<b>0</b>	<b>111</b>	<b>110</b>	<b>1</b>	<b>99,1%</b>	<b>0</b>	<b>22</b>
Households	111	0	0	111	110	1	99,1%	0	22
Social benefits	111	0	0	111	110	1	99,1%	0	22
Other transfers to households	0	0	0	0	0	0	0	0	0
<b>Payments for capital assets</b>	<b>588 793</b>	<b>(65 776)</b>	<b>0</b>	<b>523 017</b>	<b>362 381</b>	<b>160 636</b>	<b>69,3%</b>	<b>938 934</b>	<b>437 414</b>
Buildings and other fixed structures	560 846	(65 776)	0	495 070	360 660	134 410	72,9%	936 434	434 910
Buildings	560 846	(65 776)	0	495 070	360 660	134 410	72,9%	936 434	434 910
Machinery and equipment	27 947	0	0	27 947	1 721	26 226	6,2%	2 500	2 504
Transport equipment	0	0	0	0	0	0	0	0	0
Other machinery and equipment	27 947	0	0	27 947	1 721	26 226	6,2%	2 500	2 504
<b>Payment for financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>1 849 103</b>	<b>0</b>	<b>0</b>	<b>1 849 103</b>	<b>1 832 135</b>	<b>16 968</b>	<b>99,1%</b>	<b>2 224 049</b>	<b>1 665 470</b>

# Notes to the Appropriation Statement

As at year ended 31 March 2024

## 1 Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies and Annexure 1 (A-H) to the Annual Financial Statements.

## 2 Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

## 3 Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note to Payments for financial assets to the Annual Financial Statements.

## 4 Explanations of material variances from Amounts Voted (after virement):

### 4.1 Per programme:

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
<u>ADMINISTRATION</u>				
Current payments	1 488 382	1 465 185	23 197	2
Transfers and Subsidies	663 936	698 030	(34 094)	-5
Payments for Capital Assets	35 615	6 518	29 097	82
Payments for Financial Assets	-	97	(97)	0
<u>DISTRICT HEALTH SERVICES</u>				
Current payments	19 501 333	19 391 233	110 100	1
Transfers and Subsidies	988 122	961 770	26 352	3
Payments for Capital Assets	203 207	170 045	33 162	16
Payments for Financial Assets	-	5 768	(5 768)	0
Underspending due to non-compliance of Non-Profit Institutions and Machinery & Equipment				
<u>EMERGENCY MEDICAL SERVICES</u>				
Current payments	1 587 193	1 506 566	80 627	5
Transfers and Subsidies	1 903	1 760	143	8
Payments for Capital Assets	476 339	556 741	(80 402)	-17
Payments for Financial Assets	-	119	(119)	0
Overspending as a result of accruals payment for EMS vehicles under machinery and equipment				
<u>PROVINCIAL HOSPITAL SERVICES</u>				
Current payments	11 826 984	11 870 793	(43 809)	0
Transfers and Subsidies	20 292	28 570	(8 278)	-41
Payments for Capital Assets	184 734	126 721	58 013	31
Payments for Financial Assets	-	4 006	(4 006)	0

# Notes to the Appropriation Statement

As at year ended 31 March 2024

## CENTRAL HOSPITAL SERVICES

Current payments	20 927 379	20 820 109	107 270	1
Transfers and Subsidies	363 749	365 928	( 2 179)	-1
Payments for Capital Assets	930 335	358 552	571 783	61
Payments for Financial Assets	-	3 986	(3 986)	0

## HEALTH SCIENCES AND TRAINING

Current payments	782 379	604 023	178 356	23
Transfers and Subsidies	219 490	75 758	143 732	65
Payments for Capital Assets	11 112	5 184	5 928	53
Payments for Financial Assets	-	-	-	0

## HEALTH CARE SUPPORT SERVICES

Current payments	437 777	438 305	(528)	0
Transfers and Subsidies	626	706	(80)	-13
Payments for Capital Assets	2 370	320	2 050	86
Payments for Financial Assets	-	-	-	0

## HEALTH FACILITIES MANAGEMENT

Current payments	1 325 975	1 469 644	(143 669)	-11
Transfers and Subsidies	111	110	1	1
Payments for Capital Assets	523 017	362 381	160 636	31
Payments for Financial Assets	-	-	-	0

## 4.2 Per economic classification:

Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
R'000	R'000	R'000	%

### **Current expenditure**

Compensation of employees	38 061 905	38 032 470	29 435	0,1
Goods and services	19 815 497	19 517 772	297 725	1,5
Interest and rent on land	-	15 616	(15 616)	

### **Transfers and subsidies**

Provinces and municipalities	512 480	512 480	0	0
Departmental agencies and accounts	26 955	26 955	0	0
Higher education institutions	10 844	570	10 274	94,7
Foreign governments and international organisations	-	-	0	
Non-profit institutions	757 718	722 898	34 820	4,6
Households	950 232	869 729	80 503	8,5

### **Payments for capital assets**

Buildings and other fixed structures	495 070	360 660	134 410	27,1
Machinery and equipment	1 871 659	1 225 802	645 857	34,5

### **Payments for financial assets**

	-	28 565	(28 565)	
	62 502 360	61 313 517	1 188 843	

# Notes to the Appropriation Statement

As at year ended 31 March 2024

## 4.3 Per conditional grant

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Comprehensive HIV, AIDS Component	4 992 147	4 827 031	165 116	3,3
District Health Component	534 928	551 063	(16 135)	-3
Statutory HR component	897 055	897 055	-	0
HR & Training Component	1 001 936	984 258	17 678	1,8
Health Facility Revitalisation Grant	1 047 736	1 042 245	5 491	0,5
National Tertiary Service	5 214 912	4 625 167	589 745	11,3
National Health Insurance	92 947	86 476	6 471	7
EPWP Social Sector Incentives Grants	16 794	15 449	1 345	8
EPWP Integrated Grant for Prov	1 779	1 779	-	0

The underspending is mainly attributed to non-payment of National Health Laboratory Services (NHLS) invoices for the month of February and March 2024. Most of machinery and equipment contract were awarded towards the third quarter, and the procurement started in the fourth quarter. This resulted in delays on delivery and payment of these items.

Other underspending is mainly under Mental Health, and this is due to inability to attract Psychiatrists, Psychologists and the low public sector hourly rates compared to private sector.



# Statement of Financial Performance

for the year ending 31 March 2024

	<i>Note</i>	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>REVENUE</b>			
Annual appropriation	1	62 502 360	61 351 556
Departmental revenue	2	492 205	508 109
<b>TOTAL REVENUE</b>		<b>62 994 565</b>	<b>61 859 665</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	38 032 470	36 542 650
Goods and services	4	19 517 772	18 291 599
Interest and rent on land	5	15 616	3 841
<b>Total current expenditure</b>		<b>57 565 858</b>	<b>54 838 090</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	2 132 630	1 911 275
<b>Total transfers and subsidies</b>		<b>2 132 630</b>	<b>1 911 275</b>
<b>Expenditure for capital assets</b>			
Tangible assets	8	1 586 463	1 877 866
<b>Total expenditure for capital assets</b>		<b>1 586 463</b>	<b>1 877 866</b>
<b>Payments for financial assets</b>	6	28 566	12 509
<b>TOTAL EXPENDITURE</b>		<b>61 313 517</b>	<b>58 639 741</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>1 681 048</b>	<b>3 219 924</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted Funds		1 188 843	2 711 815
Annual appropriation		419 132	937 000
Conditional grants		769 711	1 774 816
Departmental revenue and NRF Receipts	14	492 205	508 109
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>1 681 048</b>	<b>3 219 924</b>

# Statement of Financial Position

As at 31 March 2024

	<i>Note</i>	<b>2023/24</b> <b>R'000</b>	<b>2022/23</b> <b>R'000</b>
<b>ASSETS</b>			
<b>Current Assets</b>		<b>1 229 144</b>	<b>2 882 923</b>
Cash and cash equivalents	9	1 207 670	2 858 054
Prepayments and advances	10	5	-
Receivables	11	21 469	24 868
<b>Non-Current Assets</b>		<b>242 532</b>	<b>246 988</b>
Investments	12	54 000	54 000
Prepayments and advances	10	-	-
Receivables	11	188 532	192 988
<b>TOTAL ASSETS</b>		<b><u>1 471 676</u></b>	<b><u>3 129 911</u></b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>		<b>1 294 057</b>	<b>2 945 093</b>
Voted funds to be surrendered to the Revenue Fund	13	1 214 652	2 731 038
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	59 140	53 394
Bank overdraft		-	-
Payables	15	20 265	160 661
<b>Non-Current Liabilities</b>			
Payables		-	-
<b>TOTAL LIABILITIES</b>		<b><u>1 294 057</u></b>	<b><u>2 945 093</u></b>
<b>NET ASSETS</b>		<b><u>177 619</u></b>	<b><u>184 818</u></b>
<b>Represented by:</b>			
Capitalisation reserve		54 000	54 000
Recoverable revenue		134 377	141 575
Unauthorised expenditure		-	(10 758)
<b>TOTAL</b>		<b><u>188 377</u></b>	<b><u>184 817</u></b>

# Statement of Changes in Net Assets

for the year ending 31 March 2024

<b>NET ASSETS</b>		<b>2023/24</b>	<b>2022/23</b>
	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
<b>Capitalisation Reserves</b>			
Opening balance		54 000	54 000
Transfers:			
Movement in Equity		-	-
Movement in Operational Funds		-	-
Other movements		-	-
Closing balance		<b>54 000</b>	<b>54 000</b>
<b>Recoverable revenue</b>			
Opening balance		141 575	131 071
Transfers		<b>(7 198)</b>	<b>10 504</b>
Irrecoverable amounts written off	8.3	-	0
Debts revised		-	0
Debts recovered (included in departmental receipts)		158	2 656
Debts raised		(7 356)	7 848
Closing balance		<b>134 377</b>	<b>141 575</b>
<b>Unauthorised expenditure</b>			
Opening balance		(10 758)	(10 758)
Unauthorised expenditure - current year		-	-
Amounts written off		10 758	-
Closing balance		<b>-</b>	<b>(10 758)</b>
<b>TOTAL</b>		<b>188 377</b>	<b>184 817</b>

# Cash Flow Statement

for the year ending 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>62 977 037</b>	<b>61 844 347</b>
Annual appropriated funds received	1.1	62 502 360	61 351 556
Departmental revenue received	2	474 103	492 080
Interest received	2.3	574	711
Net (increase)/ decrease in working capital		-	226 705
Surrendered to Revenue Fund		-	3 098 492
Current payments		-	54 834 249
Interest paid	5	-	3 841
Payments for financial assets		-	12 509
Transfers and subsidies paid		-	1 911 275
<b>Net cash flow available from operating activities</b>	16	<b>- 78 705</b>	<b>1 757 276</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Distribution/dividend received		-	-
Payments for capital assets	8	-	1 877 866
Proceeds from sale of capital assets	2.4	17 528	15 318
(Increase)/decrease in non-current receivables	11	4 456	-
<b>Net cash flows from investing activities</b>		<b>- 1 564 480</b>	<b>- 1 890 854</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/ (decrease) in net assets		-	10 504
Increase/ (decrease) in non-current payables		-	-
<b>Net cash flows from financing activities</b>		<b>- 7 198</b>	<b>10 504</b>
Net increase/ (decrease) in cash and cash equivalents		-	123 074
Cash and cash equivalents at beginning of period		2 858 054	2 981 127
Unrealised gains and losses within cash and cash equivalents		-	-
<b>Cash and cash equivalents at end of period</b>	17	<b>1 207 670</b>	<b>2 858 054</b>

# Accounting Policies to the Annual Financial Statements

for the period ended 31 March 2024

## 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 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. Comparative information

#### 5.1 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.

#### 5.2 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.

### 6. Revenue

#### 6.1 Appropriated funds

Appropriated funds comprises 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.

Appropriated funds are measured at the amounts receivable.

# Accounting Policies to the Annual Financial Statements

for the period ended 31 March 2024

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.

## 6.2 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.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

## 6.3 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 and impairments are made according to the department's debt write-off policy.

The Department determines impairment according to the recoverability of Debts

## 7. Expenditure

### 7.1 Compensation of employees

#### 7.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

#### 7.1.2 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.

### 7.2 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.

Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.

# Accounting Policies to the Annual Financial Statements

for the period ended 31 March 2024

## 7.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.

## 7.4 Leases

### 7.4.1 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.

### 7.4.2 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.

## 8. Aid assistance

### 8.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

CARA Funds are recognised when receivable and measured at the amounts receivable.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

## 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.



# Accounting Policies to the Annual Financial Statements

for the period ended 31 March 2024

## 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.

Biological assets are subsequently carried at fair value. [Add this sentence on biological assets if the department has elected to revalue its biological assets at reporting date]

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

# Accounting Policies to the Annual Financial Statements

for the period ended 31 March 2024

## 15.3 Intangible capital 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.

# Accounting Policies to the Annual Financial Statements

for the period ended 31 March 2024

## 17. Unauthorised expenditure

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Unauthorised expenditure is recognised in the statement of changes in net assets 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 recorded in the notes to the financial statements comprise of

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- unauthorised incurred in the current year.

## 18. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

## 19. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

## 20. Changes in accounting policies, estimates and errors

Changes in accounting policies are applied in accordance with MCS requirements.

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.

# Accounting Policies to the Annual Financial Statements

for the period ended 31 March 2024

## 22. Principal-Agent arrangements

The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

## 23. 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 Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

## 24. 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 Provincial Revenue

Fund when recovered or are transferred to the statement of financial performance when written-off.

## 25. Related party transactions

Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The full compensation of key management personnel is recorded in the notes to the financial statements.

## 26. Inventories (Effective from date determined by the Accountant-General)

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.

## 27. 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.

## 28. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

## 1. Annual Appropriation

1.1 Annual Programmes	Appropriation	2023/24		2022/23	
		Final Budget R'000	Actual Funds Received R'000	Final Budget R'000	Appropriation Received R'000
1) Administration		2 187 933	2 187 933	1 826 399	1 826 399
2) District Health Services		20 692 662	20 692 662	20 722 290	20 722 290
3) Provincial Hospital Services		2 065 435	2 065 435	2 011 100	2 011 100
4) Provincial Hospital Services		12 032 010	12 032 010	11 144 958	11 144 958
5) Central Hospital Services		22 221 463	22 221 463	21 981 884	21 981 884
6) Health Sciences And Training		1 012 981	1 012 981	1 003 410	1 003 410
7) Health Care Support Services		440 773	440 773	437 466	437 466
8) Health Facilities Management		1 849 103	1 849 103	2 224 049	2 224 049
<b>Total</b>		<b>62 502 360</b>	<b>62 502 360</b>	<b>61 351 556</b>	<b>61 351 556</b>

1.2	Note	2023/24 R'000	2022/23 R'000
<b>Conditional grants**</b>			
Total grants received	33	13 800 233	14 924 863

2.	Note	2023/24 R'000	2022/23 R'000
<b>Departmental Revenue</b>			
Tax revenue		0	0
Sales of goods and services other than capital assets	2.1	428 971	408 559
Fines, penalties and forfeits	2.2	155	39
Interest, dividends and rent on land	2.3	574	711
Sales of capital assets	2.4	17 528	15 318
Transactions in financial assets and liabilities	2.5	44 962	82 673
Transfer received	2.6	15	809
<b>Departmental revenue collected</b>		<b>492 205</b>	<b>508 109</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

	2023/24 R'000	2022/23 R'000
<b>2.1 Sales of goods and services other than capital assets</b>		
Sales of goods and services produced by the department	428 165	407 812
Sales by market establishment	34 201	39 362
Administrative fees	4 868	6 317
Other sales	389 096	362 132
Sales of scrap, waste and other used current goods	806	748
<b>Total</b>	<b>428 971</b>	<b>408 560</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>2.2 Fines, penalties and forfeits</b>		
Fines	154	35
Forfeits	1	4
<b>Total</b>	<b>155</b>	<b>38</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>2.3 Interest, dividends and rent on land</b>		
Interest	574	711
<b>Total</b>	<b>574</b>	<b>711</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>2.4 Sales of capital assets</b>		
<b>Tangible capital assets</b>	<b>17 528</b>	<b>15 318</b>
Machinery and equipment	17 528	15 318
<b>Total</b>	<b>17 528</b>	<b>15 318</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>2.5 Transactions in financial assets and liabilities</b>		
Receivables	27 475	13 107
Other Receipts including Recoverable Revenue	17 487	69 566
<b>Total</b>	<b>44 962</b>	<b>82 673</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>2.6 Transfers received</b>		
Other governmental units	0	802
Public corporations and private enterprises	15	7
<b>Total</b>	<b>15</b>	<b>809</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>2.7 Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)</b>		
	Annexure 1H	
Gifts	0	0
Donations	21 340	290 355
<b>Total</b>	<b>21 340</b>	<b>290 355</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

	2023/24 R'000	2022/23 R'000
<b>3. Compensation of Employees</b>		
<b>3.1 Salaries and wages</b>		
Basic salary	23 511 609	21 739 409
Performance award	20 388	177 238
Service Based	17 689	88 530
Compensative/circumstantial	4 286 787	3 918 448
Periodic payments	615 080	479 375
Other non-pensionable allowances	4 684 377	5 696 274
<b>Total</b>	<b>33 135 931</b>	<b>32 099 274</b>

The overall increase on compensation of employees is because of an increase in salaries and salary backdates.

	2023/24 R'000	2022/23 R'000
<b>3.2 Social Contributions</b>		
<b>Employer contributions</b>		
Pension	2 722 041	2 474 801
Medical	2 166 535	1 961 008
UIF	1 108	1 455
Bargaining council	6 837	6 092
Insurance	18	19
<b>Total</b>	<b>4 896 539</b>	<b>4 443 376</b>
<b>Total compensation of employees</b>	<b>38 032 470</b>	<b>36 542 650</b>
Average number of employees	82 131	83 658

2023/24

2022/23



# Notes to the Annual Financial Statements

For the year ending 31 March 2024

	<i>Note</i>	<b>R'000</b>	<b>R'000</b>
<b>4. Goods and services</b>			
Administrative fees		11 911	7 778
Advertising		16 666	7 482
Minor assets	4.1	34 289	24 798
Bursaries (employees)		17 992	3 181
Catering		11 931	6 911
Communication		98 262	80 576
Computer services	4.2	205 112	93 394
Consultants: Business and advisory services		437 352	354 584
Infrastructure and planning services		0	0
Laboratory services		2 752 238	2 925 248
Scientific and technological services		0	0
Legal services		597 404	129 053
Contractors		309 876	358 393
Agency and support / outsourced services		225 807	457 500
Entertainment		0	0
Audit cost – external	4.3	28 257	30 186
Fleet services		256 564	209 578
Inventory	4.4	9 512 378	9 509 981
Consumables	4.5	1 040 179	1 095 215
Housing		0	0
Operating leases		367 939	266 175
Property payments	4.6	3 497 812	2 658 959
Rental and hiring		29 107	24 164
Transport provided as part of the departmental activities		1 489	374
Travel and subsistence	4.7	29 568	21 898
Venues and facilities		13 597	3 164
Training and development		14 218	11 321
Other operating expenditure	4.8	7 823	11 684
<b>Total</b>		<b>19 517 772</b>	<b>18 291 599</b>
		<b>2023/24</b>	<b>2022/23</b>
		<b>R'000</b>	<b>R'000</b>
<b>4.1 Minor assets</b>			
<b>Tangible capital assets</b>		<b>34 289</b>	<b>24 798</b>
Machinery and equipment		34 288	24 798
<b>Total</b>		<b>34 289</b>	<b>24 798</b>
		<b>2023/24</b>	<b>2022/23</b>
		<b>R'000</b>	<b>R'000</b>
<b>4.2 Computer services</b>			
SITA computer services		0	0
External computer service providers		205 112	93 394
<b>Total</b>		<b>205 112</b>	<b>93 394</b>
		<b>2023/24</b>	<b>2022/23</b>
		<b>R'000</b>	<b>R'000</b>
<b>4.3 Audit cost – external</b>			
Regularity audits		28 257	30 186
<b>Total</b>		<b>28 257</b>	<b>30 186</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

	Note	2023/24 R'000	2022/23 R'000
<b>4.4 Inventory</b>	4		
Clothing material and accessories		6 875	1 357
Food and food supplies		499 788	435 482
Fuel, oil and gas		352 212	290 974
Learning and teaching support material		1 718	1 120
Materials and supplies		71 278	64 655
Medical supplies		4 181 123	4 395 302
Medicine		4 250 059	4 162 999
Other supplies	4.4.1	149 325	158 091
<b>Total</b>		<b>9 512 378</b>	<b>9 509 981</b>

<b>4.4.1 Other Supplies</b>			
Other		149 325	158 091
<b>Total</b>	4.4	<b>149 325</b>	<b>158 091</b>

		2023/24 R'000	2022/23 R'000
<b>4.5 Consumables</b>			
Consumable supplies		868 817	925 301
Uniform and clothing		163 339	287 490
Household supplies		649 824	440 258
Building material and supplies		0	19 258
Communication accessories		1 590	262
IT consumables		14 215	12 534
Other consumables		39 849	165 499
Stationery, printing and office supplies		171 362	169 914
<b>Total</b>		<b>1 040 179</b>	<b>1 095 215</b>

Other consumables refer to all consumable supplies such as medical aid kits and gas supplies.

		2023/24 R'000	2022/23 R'000
<b>4.6 Property payments</b>			
Municipal services		1 264 397	814 220
Property maintenance and repairs		1 342 865	1 144 879
Other		890 550	699 860
<b>Total</b>		<b>3 497 812</b>	<b>2 658 959</b>

Other relates to all other property payments made for items such as fumigation, cleaning services, security costs etc.

		2023/24 R'000	2022/23 R'000
<b>4.7 Travel and subsistence</b>			
Local		27 265	20 721
Foreign		2 303	1 177
<b>Total</b>		<b>29 568</b>	<b>21 898</b>

		2023/24 R'000	2022/23 R'000
<b>4.8 Other operating expenditure</b>			
Professional bodies, membership and subscription fees		379	485
Resettlement costs		120	411
Other		7 324	10 788
<b>Total</b>		<b>7 823</b>	<b>11 684</b>

Other relates to all other operating payments made, of items such as printing and publications, honorarium etc. Expenditure under Other is mainly because of the change in economic classification of payments for youth employment initiatives from goods and services to transfers and subsidies.

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

		2023/24 R'000	2022/23 R'000
<b>5. Interest and Rent on Land</b>			
Interest paid		15 616	3 841
<b>Total</b>		<b>15 616</b>	<b>3 841</b>
		<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>6. Payments for financial assets</b>			
Debts written off		28 566	12 509
<b>Total</b>		<b>28 566</b>	<b>12 509</b>
		<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>7. Transfers and Subsidies</b>	<b>Note</b>		
Provinces and municipalities	35, 34	512 480	514 577
Departmental agencies and accounts	Annexure 1B	26 955	25 819
Higher education institutions	Annexure 1C	570	1 175
Non-profit institutions	Annexure 1F	722 898	695 442
Households	Annexure 1G	869 727	674 262
<b>Total</b>		<b>2 132 630</b>	<b>1 911 275</b>
		<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>8. Expenditure for capital assets</b>	<b>Note</b>		
<b>Tangible capital assets</b>		<b>1 586 463</b>	<b>1 877 866</b>
Buildings and other fixed structures	30	360 660	434 910
Machinery and equipment	28	1 225 803	1 442 956
<b>Total</b>		<b>1 586 463</b>	<b>1 877 866</b>
<b>8.1 Analysis of funds utilised to acquire capital assets - 2023/24</b>		<b>Voted Funds R'000</b>	<b>TOTAL R'000</b>
<b>Tangible capital assets</b>		<b>1 586 463</b>	<b>1 586 463</b>
Buildings and other fixed structures		360 660	360 660
Machinery and equipment		1 225 803	1 225 803
<b>Total</b>		<b>1 586 463</b>	<b>1 586 463</b>
<b>8.2 Analysis of funds utilised to acquire capital assets - 2022/23</b>		<b>Voted Funds R'000</b>	<b>TOTAL R'000</b>
<b>Tangible capital assets</b>		<b>1 877 866</b>	<b>1 877 866</b>
Buildings and other fixed structures		434 910	434 910
Machinery and equipment		1 442 956	1 442 956
<b>Total</b>		<b>1 877 866</b>	<b>1 877 866</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

	2023/24	2022/23
<b>8.3 Finance lease expenditure included in Expenditure for capital assets</b>	<b>R'000</b>	<b>R'000</b>
<b>Tangible capital assets</b>		
Machinery and equipment	60 325	51 515
<b>Total</b>	<b>60 325</b>	<b>51 515</b>
	<b>2023/24</b>	<b>2022/23</b>
	<b>R'000</b>	<b>R'000</b>
<b>9. Cash and Cash Equivalents</b>		
Consolidated Paymaster General Account	1 259 681	2 887 868
Cash receipts	301	783
Disbursements	(53 053)	(31 170)
Cash on hand	741	573
<b>Total</b>	<b>1 207 670</b>	<b>2 858 054</b>
	<b>2023/24</b>	<b>2022/23</b>
	<b>R'000</b>	<b>R'000</b>
<b>10. Prepayments and Advances</b>		
Travel and subsistence	5	0
<b>Total</b>	<b>5</b>	<b>0</b>
<b>Analysis of Total Prepayments and advances</b>		
Current Prepayments and advances	5	0
<b>Total</b>	<b>5</b>	<b>0</b>

	Note	2023/24			2022/23		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
<b>11. Receivables</b>							
Claims recoverable	11.1	3 375		3 375	2 983	0	2 983
Recoverable expenditure	11.2	852		852	1 003	0	1 003
Staff debt	11.3	13 727	188 532	202 258	15 542	192 988	208 530
Other receivables	11.4	3 515		3 515	5 340	0	5 340
<b>Total</b>		<b>21 469</b>	<b>188 532</b>	<b>210 001</b>	<b>24 868</b>	<b>192 988</b>	<b>217 856</b>
					<b>2023/24</b>		<b>2022/23</b>
					<b>R'000</b>		<b>R'000</b>
<b>11.1 Claims recoverable</b>							
Provincial departments					3 375		2 983
<b>Total</b>					<b>3 375</b>		<b>2 983</b>
					<b>2023/24</b>		<b>2022/23</b>
					<b>R'000</b>		<b>R'000</b>
<b>11.2 Recoverable expenditure (disallowance accounts)</b>							
Disallowance, Damages and Losses					852		1 003
<b>Total</b>					<b>852</b>		<b>1 003</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

	2023/24 R'000	2022/23 R'000
<b>11.3 Staff debt</b>		
Breach of Contract	89 671	101 436
Employees	19 801	18 998
Ex-Employees	80 697	76 737
Supplies	11 749	11 046
Fraud	(5)	(5)
Other	345	318
<b>Total</b>	<b>202 258</b>	<b>208 530</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>11.4 Other receivables</b>		
other receivables	0	124
Disall Damages and losses		0
Salary: Disallowance Account		23
Salary: Deduction Disallowance	54	48
Salary: Reversal Account	3 357	5 028
Salary: Tax Debt	104	117
<b>Total</b>	<b>3 515</b>	<b>5 340</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>11.5 Impairment of receivables</b>		
Estimate of impairment of receivables	154 446	157 783
<b>Total</b>	<b>154 446</b>	<b>157 783</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>12. Investments</b>		
<b>Non-Current</b>		
<b>Shares and other equity</b>		
Initial Investment in Medical Supplies Depot	54 000	54 000
<b>Total</b>	<b>54 000</b>	<b>54 000</b>
<b>Total non-current</b>	<b>54 000</b>	<b>54 000</b>
	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>13. Voted Funds to be Surrendered to the Revenue Fund</b>		
Opening balance	2 731 038	2 595 592
Transfer from statement of financial performance	1 188 843	2 711 816
Paid during the year	(2 705 229)	(2 576 370)
<b>Closing balance</b>	<b>1 214 652</b>	<b>2 731 038</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

		2023/24 R'000	2022/23 R'000
<b>13.1 Reconciliation of unspent conditional grants</b>			
Total conditional grants received		13 800 233	14 924 863
Total conditional grants spent		(13 030 523)	(13 150 798)
Unspent conditional grants to be surrendered		769 710	1 774 065
<b>Due by the Provincial Revenue Fund</b>		<b>769 710</b>	<b>1 774 065</b>
	<i>Note</i>	2023/24 R'000	2022/23 R'000
<b>14. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund</b>			
Opening balance		53 394	67 407
Transfer from Statement of Financial Performance		492 205	508 109
Paid during the year		(486 459)	(522 122)
<b>Closing balance</b>		<b>59 140</b>	<b>53 394</b>
	<i>Note</i>	2023/24 R'000	2022/23 R'000
<b>15. Payables - current</b>			
Amounts owing to other entities		1	143 054
Other payables	15.1	20 264	17 606
		<b>20 265</b>	<b>160 660</b>
		2023/24 R'000	2022/23 R'000
<b>15.1 Other payables</b>			
Salary: ACB Recalls		1 781	1 324
Sal: Finance Other Institutions		82	504
Others		6 641	4 441
Salary :Income Tax		10 926	10 862
Salary: Pension Fund		732	440
Housing loan Guarantees		96	28
Sal: Bargaining Council		6	7
<b>Total</b>		<b>20 264</b>	<b>17 606</b>
		2023/24 R'000	2022/23 R'000
<b>16. Net cash flow available from operating activities</b>			
Net surplus/(deficit) as per Statement of Financial Performance		1 681 048	3 219 925
Add back non cash/cash movements not deemed operating activities		(1 759 753)	(1 462 650)
(Increase)/decrease in receivables		3 400	13 697
(Increase)/decrease in prepayments and advances		(5)	0
Increase/(decrease) in payables – current		(140 396)	(240 402)
Proceeds from sale of capital assets		(17 528)	(15 318)
Expenditure on capital assets		1 586 463	1 877 866
Surrenders to Revenue Fund		(3 191 688)	(3 098 492)
<b>Net cash flow generated by operating activities</b>		<b>(78 705)</b>	<b>1 757 276</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

		2023/24 R'000	2022/23 R'000
<b>17. Reconciliation of cash and cash equivalents for cash flow purposes</b>			
Consolidated Paymaster General account		1 259 681	2 887 868
Cash receipts		301	783
Disbursements		(53 053)	(31 171)
Cash on hand		741	573
		<u>1 207 670</u>	<u>2 858 053</u>
		<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>18. Contingent liabilities and contingent assets</b>			
<b>18.1 Contingent liabilities</b>			
<b>Liable to</b>	<b>Nature</b>		
Claims against the department	<u>Annexure 3B</u>	13 292 952	19 367 394
Intergovernmental payables	<u>Annexure 5</u>	441 125	475 289
<b>Total</b>		<u>13 734 077</u>	<u>19 842 683</u>
		<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>19. Capital commitments</b>			
Buildings and other fixed structures		254 647	569 930
Machinery and equipment		1 403 327	714 405
		<u>1 657 974</u>	<u>1 284 335</u>
		<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>20. Accruals and payables not recognised</b>			
<b>20.1 Accruals</b>			
<b>Listed by economic classification</b>	<b>30 days</b>	<b>30+ days</b>	<b>Total</b>
Goods and services	34 867	397 455	432 322
Transfers and subsidies			0
Capital assets	11 905	103 795	115 700
Other			0
<b>Total</b>	<u>46 772</u>	<u>501 250</u>	<u>548 022</u>
		<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
			<u>686 480</u>



# Notes to the Annual Financial Statements

For the year ending 31 March 2024

	2023/24 R'000	2022/23 R'000
<b>Listed by programme level</b>		
Administration	32 903	266 963
District Health Services	91 393	99 883
Emergency Medical Services	55 256	27 318
Provincial Hospital Services	106 879	95 432
Central Hospital Services	186 304	164 280
Health Training and Sciences	3 430	3 059
Health Care Support Services	5 171	10 000
Health Facilities Management	66 686	19 545
	<b>548 022</b>	<b>686 480</b>

## 20.2 Payables not recognised

### Listed by economic classification

	30 days R'000	30+ days R'000	Total R'000	Total R'000
Goods and services	2 045 486	3 664 187	5 709 673	5 869 244
Interest and rent on land			0	0
Transfers and subsidies			0	0
Capital assets	46 790	639 230	686 020	272 148
Other			0	0
<b>Total</b>	<b>2 092 276</b>	<b>4 303 417</b>	<b>6 395 693</b>	<b>6 141 392</b>

	2023/24 R'000	2022/23 R'000
<b>Listed by programme level</b>		
Administration	2 501 060	3 411 394
District Health Services	444 110	549 971
Emergency Medical Services	692 204	249 633
Provincial Hospital Services	502 471	561 496
Central Hospital Services	1 565 572	1 164 881
Health Training and Sciences	10 214	4 430
Health Care Support Services	50 637	41 907
Health Facilities Management	629 425	157 680
	<b>6 395 693</b>	<b>6 141 392</b>

		2023/24 R'000	2022/23 R'000
<b><i>Included in the above totals are the following:</i></b>	<b>Note</b>		
Confirmed balances with departments	Annexure 5	72 446	211 084
Confirmed balances with other government entities	Annexure 5	1 193 159	1 173 065
		<b>1 265 605</b>	<b>1 384 149</b>

	2023/24 R'000	2022/23 R'000
<b>21. Employee benefits</b>		
Leave entitlement	1 547 772	1 371 801
Service bonus	855 906	774 512
Performance awards	0	88 902
Capped leave	193 803	213 962
Other	17 602	16 886
<b>Total</b>	<b>2 615 083</b>	<b>2 466 064</b>

The amount of R17 million on other, represents Long Service Awards

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

## 22. Lease commitments

### 22.1 Operating leases

2023/24	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	48 154	93 788	141 942
Later than 1 year and not later than 5 years	48 154	122 344	170 498
Later than five years	0	0	0
<b>Total lease commitments</b>	<b>96 308</b>	<b>216 132</b>	<b>312 440</b>

2022/23	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	56 167	77 122	133 289
Later than 1 year and not later than 5 years	0	52 728	52 728
Later than five years	0	0	0
<b>Total lease commitments</b>	<b>56 167</b>	<b>129 850</b>	<b>186 017</b>

### 22.2 Finance leases

2023/24	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	0	20 157	20 157
Later than 1 year and not later than 5 years	0	20 716	20 716
Later than five years	0	1 889	1 889
<b>Total lease commitments</b>	<b>0</b>	<b>42 762</b>	<b>42 762</b>

2022/23	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	0	11 709	11 709
Later than 1 year and not later than 5 years	0	7 696	7 696
Later than five years	0	1 146	1 146
<b>Total lease commitments</b>	<b>0</b>	<b>20 551</b>	<b>20 551</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

		2023/24 R'000	2022/23 R'000
<b>23. Accrued departmental revenue</b>			
Tax revenue		0	0
Sales of goods and services other than capital assets	23.1	3 261 151	1 919 868
		<u>3 261 151</u>	<u>1 919 868</u>

Included in the total Revenue Accrual, is an amount of R136 million which was irrecoverable but was not written off in the current year

		2023/24 R'000	2022/23 R'000
<b>23.1 Analysis of accrued departmental revenue</b>			
Opening balance		1 919 868	3 758 656
Less: Amounts received		211 585	197 896
Add: Amounts recognised		1 595 633	1 447 351
Less: Amounts written-off/reversed as irrecoverable		42 765	3 088 243
<b>Closing balance</b>		<u>3 261 151</u>	<u>1 919 868</u>

		2023/24 R'000	2022/23 R'000
<b>23.2 Accrued department revenue written off</b>			
<b>Nature of losses</b>			
Patient debts written off		42 765	3 088 243
<b>Total</b>		<u>42 765</u>	<u>3 088 243</u>

		2023/24 R'000	2022/23 R'000
<b>23.3 Impairment of accrued departmental revenue</b>			
Estimate of impairment of accrued departmental revenue		2 723 969	1 862 272
<b>Total</b>		<u>2 723 969</u>	<u>1 862 272</u>

		2023/24 R'000	2022/23 R'000
<b>24. Unauthorised, Irregular and Fruitless and wasteful expenditure</b>			
Unauthorised expenditure		0	0
Irregular expenditure		2 666 862	2 264 505
Fruitless and wasteful expenditure		17 098	15 046
		<u>2 683 960</u>	<u>2 279 551</u>

		2023/24 R'000	2022/23 R'000
<b>25. Related party transactions</b>			
Goods and services		4 595 652	4 394 826
		<u>4 595 652</u>	<u>4 394 826</u>

		2023/24 R'000	2022/23 R'000
<b>Year end balances arising from revenue/payments</b>			
Payables to related parties		1 150 970	1 101 482
		<u>1 150 970</u>	<u>1 101 482</u>

MEDSAS is listed as a related party as it falls under the same HOD and same MEC with the Department

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

	2023/24 R'000	2022/23 R'000
<b>26. Key management personnel</b>		
Political office bearers	2 124	2 121
Officials:	0	0
Level 15 to 16	9 142	16 536
Level 14	29 309	31 370
Family members of key management personnel	5 410	5 140
<b>Total</b>	<b>45 985</b>	<b>55 167</b>

	2023/24 R'000	2022/23 R'000
<b>27. Provisions</b>		
<i>Retention on Capital projects</i>	64 591	54 471
<i>Department of infrastructure: Law suits</i>	99 428	0
<b>Total</b>	<b>164 019</b>	<b>54 471</b>

## 27.1 Reconciliation of movement in provisions - 2023/24

	Capital Commitments R'000	Infrastructure R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance	54 471	0	0	0	54 471
Increase in provision	10 120	99 428			109 548
<b>Closing balance</b>	<b>64 591</b>	<b>99 428</b>	<b>0</b>	<b>0</b>	<b>164 019</b>

## Reconciliation of movement in provisions - 2022/23

	Capital Commitments R'000	Provision 2 R'000	Provision 3 R'000	Provision 4 R'000	Total provisions R'000
Opening balance	54 471	0	0	0	54 471
<b>Closing balance</b>	<b>54 471</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54 471</b>

## 28. MOVABLE TANGIBLE CAPITAL ASSETS

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>12 864 385</b>	<b>0</b>	<b>1 379 330</b>	<b>(459 344)</b>	<b>13 784 371</b>
Transport assets	2 265 158		696 098	(96 458)	2 864 798
Computer equipment	423 260		48 574	(12 265)	459 569
Furniture and office equipment	230 032		14 573	(7 186)	237 419
Other machinery and equipment	9 945 935		620 085	(343 435)	10 222 585
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>12 864 385</b>	<b>0</b>	<b>1 379 330</b>	<b>(459 344)</b>	<b>13 784 371</b>

### Movable Tangible Capital Assets under investigation

	Number	Value
Machinery and equipment	4 332	3 093 849

Included in the above total of the movable tangible capital assets as per the asset register, are assets that are under investigation due to theft and losses. Investigations are on-going.

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

## 28.1 MOVEMENT FOR 2022/23

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>11 408 120</b>	<b>199 289</b>	<b>1 362 715</b>	<b>(105 739)</b>	<b>12 864 385</b>
Transport assets	1 554 645	176 170	548 584	(14 241)	2 265 158
Computer equipment	391 053	(9 071)	49 129	(7 851)	423 260
Furniture and office equipment	208 921	4 441	18 109	(1 439)	230 032
Other machinery and equipment	9 253 501	27 749	746 893	(82 208)	9 945 935
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>11 408 120</b>	<b>199 289</b>	<b>1 362 715</b>	<b>(105 739)</b>	<b>12 864 385</b>

#### 28.1.1 Prior period error

Nature of prior period error  
Correction of Asset register and removal of duplicates

**Total**

**2022/23  
R'000**

**199 289**

199 289

**199 289**

The prior year closing balance has been correct because of errors that were identified when recording and recognising assets in the current financial year.

## 28.2 MINOR ASSETS

### MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	805 808	0	805 808
Value adjustments			0
Additions	34 504		34 504
Disposals	(37 598)		(37 598)
<b>TOTAL MINOR CAPITAL ASSETS</b>	<b>802 714</b>	<b>0</b>	<b>802 714</b>

	Machinery and equipment	Biological assets	Total
Number of R1 minor assets			0
Number of minor assets at cost	451 041		451 041
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>451 041</b>	<b>0</b>	<b>451 041</b>

#### Minor Capital Assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	23	41

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

## MINOR ASSETS

### MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	768 588	0	768 588
Prior period error	14 962	0	14 962
Additions	29 162	0	29 162
Disposals	(6 904)	0	(6 904)
<b>TOTAL MINOR CAPITAL ASSETS</b>	<b>805 808</b>	<b>0</b>	<b>805 808</b>

	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	598 615	0	598 615
Number of minor assets at cost	0	0	0
<b>TOTAL NUMBER OF MINOR CAPITAL ASSETS</b>	<b>598 615</b>	<b>0</b>	<b>598 615</b>

#### 28.2.1 Prior period error

Nature of prior period error  
Relating to 2022/23 (affecting the opening balance)  
Minor Asset: Machinery and Equipment  
**Total**

**2022/23  
R'000**

<b>14 962</b>
14 962
<b>14 962</b>

## 28.3 MOVABLE TANGIBLE CAPITAL ASSETS WRITTEN OFF

### MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	385 827	0	385 827
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>385 827</b>	<b>0</b>	<b>385 827</b>

### MOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2023

	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	80 398	0	80 398
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>80 398</b>	<b>0</b>	<b>80 398</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

## MOVABLE TANGIBLE CAPITAL ASSETS: CAPITAL WORK-IN-PROGRESS

### CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

	Note	Opening Balance 1 April 2023	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2024
	<u>Annexure 7</u>	R'000	R'000	R'000	R'000
Heritage assets		0			
Machinery and equipment		124 800	31 200		156 000
<b>TOTAL</b>		<b>124 800</b>	<b>31 200</b>	<b>0</b>	<b>156 000</b>

### CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	Note	Opening Balance	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2023
	<u>Annexure 7</u>	R'000	R'000	R'000	R'000	R'000
Machinery and equipment		124 800		0	0	124 800
<b>TOTAL</b>		<b>124 800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>124 800</b>

## 29. INTANGIBLE CAPITAL ASSETS

### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	54 661			54 661
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>54 661</b>	<b>0</b>	<b>0</b>	<b>54 661</b>

### MOVEMENT FOR 2022/23

### 29.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	54 661	0	0	0	54 661
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>54 661</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54 661</b>

## INTANGIBLE CAPITAL ASSETS: CAPITAL WORK-IN-PROGRESS

### 29.2 CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

	Note	Opening Balance 1 April 2023	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance 31 March 2024
	<u>Annexure 7</u>	R'000	R'000	R'000	R'000
Intangible assets		108 583	29 555		138 138
<b>TOTAL</b>		<b>108 583</b>	<b>29 555</b>	<b>0</b>	<b>138 138</b>



# Notes to the Annual Financial Statements

For the year ending 31 March 2024

## CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	Note	Opening Balance	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance
	<u>Annexure 7</u>	R'000	R'000	R'000	R'000	31 March 2023
						R'000
Intangible assets		108 583	0	0	0	108 583
<b>TOTAL</b>		<b>108 583</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>108 583</b>

## 30. IMMOVABLE TANGIBLE CAPITAL ASSETS

### MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>2 965 015</b>	<b>178 773</b>	<b>0</b>	<b>3 143 788</b>
Non-residential buildings	0			0
Other fixed structures	2 965 015	178 773		3 143 788
<b>LAND AND SUBSOIL ASSETS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Land	0			0
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>2 965 015</b>	<b>178 773</b>	<b>0</b>	<b>3 143 788</b>

### MOVEMENT FOR 2022/23

## 30.1 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>2 490 950</b>	<b>0</b>	<b>474 065</b>	<b>0</b>	<b>2 965 015</b>
Other fixed structures	2 490 950	0	474 065	0	2 965 015
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>2 490 950</b>	<b>0</b>	<b>474 065</b>	<b>0</b>	<b>2 965 015</b>

### IMMOVABLE TANGIBLE CAPITAL ASSETS: CAPITAL WORK-IN-PROGRESS

## 30.2 CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2024

	Note	Opening Balance	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance
	<u>Annexure 7</u>	1 April 2023	R'000	R'000	31 March 2024
		R'000			R'000
Buildings and other fixed structures		2 059 188	335 933	(154 047)	2 241 074
<b>TOTAL</b>		<b>2 059 188</b>	<b>335 933</b>	<b>(154 047)</b>	<b>2 241 074</b>
				<b>2023/24</b>	<b>2022/23</b>
<b>Payables not recognised relating to Capital WIP</b>				<b>R'000</b>	<b>R'000</b>
Non residential Buildings				60 474	22 052
<b>Total</b>				<b>60 474</b>	<b>22 052</b>

# Notes to the Annual Financial Statements

For the year ending 31 March 2024

	<i>Note</i>	Opening Balance	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing Balance
	<u>Annexure 7</u>	R'000	R'000	R'000	R'000	31 March 2023 R'000
Buildings and other fixed structures		2 098 343	0	394 575	(433 730)	2 059 188
<b>TOTAL</b>		<b>2 098 343</b>	<b>0</b>	<b>394 575</b>	<b>(433 730)</b>	<b>2 059 188</b>

## 31. Principal-agent arrangements

	2023/24	2022/23
	R'000	R'000
DBSA	33 881	37 175
	<b>33 881</b>	<b>37 175</b>

The Department appointed the Development Bank of Southern Africa to manage the refurbishment at Charlotte maxeke Academic Hospital after the Institution was damaged by fire. The DBSA with it's expertise will assist the Institution to return to full capacity speedily.

## 32. Prior period errors

	<i>Note</i>	Amount before error correction	2022/23 Prior period error	Restated amount
		R'000	R'000	R'000
Contingent Liabilities	18	18 152 738	1 214 656	19 367 394
Immovable Tangible Assets	30	2 595 404	369 611	2 965 015
Capital Work in Progress Immovable Assets	30	2 428 799	(369 611)	2 059 188
<b>Net effect</b>		<b>23 176 941</b>	<b>6 238 859</b>	<b>19 367 394</b>

# Annexures to the Annual Financial Statements

For year ending 31 March 2024

## ANNEXURE 1A STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT				2022/23	
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual Transfer	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Primary Health Care														
Category A														
City of Johannesburg Metro	167 093			167 093	167 093			167 093			100%	159 898	159 898	
City of Tshwane Metro	64 015			64 015	64 015			64 015			100%	61 258	61 258	
Ekurhuleni metro	179 170			179 170	179 170			179 170			100%	171 455	171 455	
HIV And AIDS											0%			
Category A											0%			
City of Johannesburg Metro	30 649			30 649	30 649			30 649			100%	29 433	29 433	
City of Tshwane Metro	26 765			26 765	26 765			26 765			100%	50 004	50 004	
Ekurhuleni metro	19 751			19 751	19 751			19 751			100%	18 900	18 900	
Category B											0%			
West Rand District Council	12 469			12 469	12 469			12 469			100%	11 932	11 932	
Sediberg District Council	12 568			12 568	12 568			12 568			100%	14 284	11 697	
<b>Total</b>	<b>512 480</b>	<b>-</b>	<b>-</b>	<b>512 480</b>	<b>512 480</b>	<b>-</b>	<b>-</b>	<b>512 480</b>	<b>-</b>	<b>-</b>	<b>100%</b>	<b>517 164</b>	<b>514 577</b>	

## ANNEXURE 1C STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

INSTITUTION NAME	TRANSFER ALLOCATION				TRANSFER				2022/23			
	Adjusted budget	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not transferred	% of Available funds transferred	Final Budget	Actual Transfer			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000			
University of Witwatersrand	10 188			10 188	257	9 931	3864%	1 276	427			
University of Johannesburg	300			300	131	169	129%	850	321			
Sefako Makgatho Health Science University				-				1 170	320			
University of Pretoria	356			356	182	174	96%	743	107			
<b>Total</b>	<b>10 844</b>	<b>-</b>	<b>-</b>	<b>10 844</b>	<b>570</b>	<b>10 274</b>		<b>4 039</b>	<b>1 175</b>			

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 1B STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2022/23		
	Adjusted budget	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Health and Welfare Seta (HW-SETA)	26 955	-	-	26 955	26 955	100%	25 819	25 819
<b>Total</b>	<b>26 955</b>	<b>-</b>	<b>-</b>	<b>26 955</b>	<b>26 955</b>		<b>25 819</b>	<b>25 819</b>

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 1F STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION			EXPENDITURE		2022/23		
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers</b>								
Mental Health NPI	246 539			246 539	212 894	86%	236 061	199 386
HIV/AIDS NPI	116 694			116 694	112 464	96%	97 208	97 116
Nutrition	75 290		(4 000)	71 290	63 788	89%	80 335	79 707
Witkoppen Clinic	17 113		(11 000)	6 113	16 352	267%	16 392	19 033
Specialised Services NPI	2 082			2 082	2 400	115%	2 082	1 200
Nelson Mandela Children Hospital	315 000			315 000	315 000		299 000	299 000
	772 718	-	(15 000)	757 718	722 898		731 078	695 442
<b>Total</b>	<b>772 718</b>	<b>-</b>	<b>(15 000)</b>	<b>757 718</b>	<b>722 898</b>		<b>731 078</b>	<b>695 442</b>

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 1G STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE		2022/23		
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Budget	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers</b>								
H/H EMPL S/BEN:INJURY ON DUTY	12 158	-	-	12 158	3 693	30%	7 137	7 590
H/H EMPL S/BEN:LEAVE GRATUITY	96 955		(100)	96 855	123 390	127%	100 589	122 936
H/H Bursaries( non employee)				-	46 303			
H/H Claims against State (Cash)	267 164		(88 000)	179 164	696 337	389%	255 275	31 533
H/H Donations &Gifts (Cash)	90 055		572 000	662 055	-	0%	371 948	512 203
Pocket Money Household (Cash)					4			
<b>Total</b>	<b>466 332</b>	<b>-</b>	<b>483 900</b>	<b>950 232</b>	<b>869 727</b>		<b>734 949</b>	<b>674 262</b>

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 1H STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP		2023/24	2022/23
			R'000	R'000
<b>Received in kind</b>				
<b>Donations</b>				
Various Donors		Machinery and Equipment	5 040	19 837
		Pharmaceuticals	16 300	64 358
		Refurbishments	0	206 160
Total gifts			21 340	290 355
<b>Subtotal - received in kind</b>			<b>21 340</b>	<b>290 355</b>
<b>TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED</b>			<b>21 340</b>	<b>290 355</b>



# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 3B STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

NATURE OF LIABILITY	Opening balance 1 April 2023	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2024
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Medico - Legal	18 359 387	1 870 072	7 978 218	-	12 251 241
Civil Claims	991 511	45 821	12 370	-	1 024 962
Vehicle Liability	16 496	415	162	-	16 749
<b>Subtotal</b>	<b>19 367 394</b>	<b>1 916 308</b>	<b>7 990 750</b>	<b>-</b>	<b>13 292 952</b>
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>19 367 394</b>	<b>1 916 308</b>	<b>7 990 750</b>	<b>-</b>	<b>13 292 952</b>



# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 4 CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
Mpumalanga community safety security and liaison (C3)	-	-	31	-	31	-
Mpumalanga: Department of Health (C5)	-	-	362	305	362	305
National Prosecuting Authority (C8)	-	-	-	-	-	-
Eastern Cape: Department of Health (D2)	-	-	362	24	362	24
Eastern Cape Social Development (D3)	-	-	-	-	-	-
Gauteng Office of the Premier (G6)	137	-	-	-	137	-
Gauteng e-Government (I1)	-	17	-	-	-	17
Gauteng Social Development (5G)	-	-	-	15	-	15
Gauteng cooperative governance and traditional affairs (G8)	-	-	-	-	-	-
Limpopo Department of Health and Social Development (P4)	-	-	246	131	246	131
Western Cape: Department of Health (U3)	-	-	-	342	-	342
Gauteng Economic Development (M8)	-	-	-	-	-	-
Mpumalanga Social Development (L9)	-	-	-	-	-	-
Free State Department of Health (V5)	-	-	216	16	216	16
NAT Dept Justice Constitutional Development (12)	-	-	-	-	-	-
North West Health (3Y)	-	-	282	1 401	282	1 401
North West Education (8Y)	-	-	33	-	33	-
Gauteng Department of Agriculture and Rural Development (G4)EMS	-	28	-	-	-	28
Gauteng Economic Development (M8)	23	-	-	-	23	-
Public Works Trading Account (M5)	-	-	47	-	47	-
Mpumalanga Social Development (L9)	-	-	67	-	67	-
National Department of labour (33)	-	-	23	99	23	99
Northern Cape Health (H5)	-	-	79	-	79	-
Dept Forestry & Fisheries Env (17)	-	-	-	-	-	-
Nat Dept Home Affairs (18)	-	-	-	-	-	-
Nat Dept Public Works (19)	-	-	-	-	-	-
Rural Development and Land Reform (42)	-	-	-	-	-	-
KZN Department of Health (3K)	-	-	503	87	503	87

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 3B STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2024

NATURE OF LIABILITY	Opening balance 1 April 2023	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2024
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Medico - Legal	18 359 387	1 870 072	7 978 218	-	12 251 241
Civil Claims	991 511	45 821	12 370	-	1 024 962
Vehicle Liability	16 496	415	162	-	16 749
<b>Subtotal</b>	<b>19 367 394</b>	<b>1 916 308</b>	<b>7 990 750</b>	<b>-</b>	<b>13 292 952</b>
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>19 367 394</b>	<b>1 916 308</b>	<b>7 990 750</b>	<b>-</b>	<b>13 292 952</b>



# Annexures to the Annual Financial Statements

For theyear ending 31 March 2024

## ANNEXURE 4 CLAIMS RECOVERABLE

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
Mpumalanga community safety security and liaison (C3)	-	-	31	-	31	-
Mpumalanga: Department of Health (C5)	-	-	362	305	362	305
National Prosecuting Authority (C8)	-	-	-	-	-	-
Eastern Cape: Department of Health (D2)	-	-	362	24	362	24
Eastern Cape Social Development (D3)	-	-	-	-	-	-
Gauteng Office of the Premier( G6)	137	-	-	-	137	-
Gauteng e-Government (I1)	-	17	-	-	-	17
Gauteng Social Development (5G)	-	-	-	15	-	15
Gauteng cooperative governance and traditional affairs (G8)	-	-	-	-	-	-
Limpopo Department of Health and Social Development (P4)	-	-	246	131	246	131
Western Cape: Department of Health (U3)	-	-	-	342	-	342
Gauteng Economic Development (M8)	-	-	-	-	-	-
Mpumalanga Social Development (L9)	-	-	-	-	-	-
Free State Department of Health (V5)	-	-	216	16	216	16
NAT Dept Justice Constitutional Development (12)	-	-	-	-	-	-
North West Health (3Y)	-	-	282	1 401	282	1 401
North West Education (8Y)	-	-	33	-	33	-
Gauteng Department of Agriculture and Rural Development (G4)EMS	-	28	-	-	-	28
Gauteng Economic Development (M8)	23	-	-	-	23	-
Public Works Trading Account (M5)	-	-	47	-	47	-
Mpumalanga Social Development (L9)	-	-	67	-	67	-
National Department of labour (33)	-	-	23	99	23	99
Northern Cape Health (H5)	-	-	79	-	79	-
Dept Forestry & Fisheries Env (17)	-	-	-	-	-	-
Nat Dept Home Affairs (18)	-	-	-	-	-	-
Nat Dept Public Works (19)	-	-	-	-	-	-
Rural Development and Land Reform (42)	-	-	-	-	-	-
KZN Department of Health (3K)	-	-	503	87	503	87

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

Gauteng Sports, Arts Culture and Recreation (G2)	-	-	-	-	-	-	-	-	-
Free State Public Works (V9)	-	-	52	-	-	52	-	-	-
Limpopo Province Education ( P8)	-	-	109	26	-	109	26	-	26
Limpopo transport and community safety (P6)	-	-	-	-	-	-	-	-	-
National Department of Water & Sanitation ( 36 )	-	-	546	-	-	546	-	-	-
National Department of Correctional Services(95)	-	-	75	-	-	75	-	-	-
National Department of Health (20)	-	-	-	-	-	-	-	-	-
Department of Community Safety G3 (EMS)	-	-	-	-	-	-	-	-	-
Medsas trading account (K7)	-	-	122	-	-	122	-	-	-
KZN PROV GOV Education (2K)	-	-	34	34	-	34	34	-	34
Department of mineral resource and energy (26)	-	-	-	-	-	-	-	-	-
South African Police Services (90)	-	-	-	21	-	-	-	-	21
Office of the Chief Justice (82)	-	-	-	22	-	-	-	-	22
National Department of Arts & Culture (E7)	-	-	27	27	-	27	27	-	27
Mpumalanga Department of Health & Social Services(Patient fees)	-	-	1 185	1 185	-	1 185	1 185	-	1 185
Department of Correctional Services (Patient fees)	-	-	30 688	30 688	-	30 688	30 688	-	30 688
South African Police Services (Patient fees)	-	-	31 232	31 232	-	31 232	31 232	-	31 232
Limpopo Department of Health and Social Development (Patient fees)	-	-	101	101	-	101	101	-	101
North West Department of Health and Social Development(Patient fees)	-	-	19 040	19 040	-	19 040	19 040	-	19 040
SA National Defence Force (Patient fees)	-	-	2 068	2 068	-	2 068	2 068	-	2 068
National Department of Health (Patient Fees)	-	-	-	-	-	-	-	-	-
National Department of Justice (Patient Fees)	-	-	14 029	14 029	-	14 029	14 029	-	14 029
Special event fees	8	25	2 252	727	-	2 260	2 260	-	752
Gauteng Department of Education (K5)	-	-	-	-	-	-	-	-	-
National Department of Health ( Cuban Student Fees )	-	-	-	-	-	-	-	-	-
Gauteng Department of Agriculture and Rural Development( Ambulance costs )	-	-	-	-	-	-	-	-	-
	168	70	103 811	101 620	-	103 979	101 620	-	101 690
	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>168</b>	<b>70</b>	<b>103 811</b>	<b>101 620</b>		<b>103 979</b>	<b>101 620</b>		<b>101 690</b>

Patient Fees to the value of R 98 million is and R2.2 million of Special Events included on Annexure 4 but not reflecting on BAS. Secondary informatin



# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 5 INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
	R'000	R'000	R'000	R'000	R'000	R'000
<b>DEPARTMENTS</b>						
<b>Current</b>						
Gauteng Office of the Premier (G6)	1 078	948	1 694		2 772	948
National treasury					-	-
e- Government	39 898	32 451			39 898	32 451
Gauteng Treasury	30	40			30	40
Department of Justice Salary Claims	12	4			12	4
Local Government and Housing Johannesburg	109				109	-
Public works					-	-
Gauteng department of road and transport	-				-	-
Limpopo Department of Education (Q7)					-	-
Department of Trade and Industry					-	-
Department of Water & Sanitation	7	54			7	54
Department of Justice Legal claims	26 061	150 414	438 190	413 491	464 251	563 905
National Agriculture					-	-
Department of Education	-	75			-	75
Eastern Cape Department of Health (D2)	23	88			23	88

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

Eastern Cape Social Development		40							
Free State: Department of Health (V5)	629	629					629		629
Free State: Department of Education									
National Public works			1 241				1 241		
South African Police Services (90)									
North West Department of Health		104							104
Limpopo Department of Health (Q7)		449							449
Limpopo Department of Agriculture									
Department of Infrastructure	-	4 026							4 026
Mpumalanga Department of Health	793	6					793		6
National Department of Defence Force	117	117					117		117
Limpopo Department of Health	136	21 503					136		21 503
National Sports, Arts and culture		40							40
Kwazulu Natal Department of Health	170	11					170		11
<b>Correctional Services, Krugersdorp</b>	90						90		
<b>National Department of Public Works</b>			0		1 144				1 144
Forestry, Fisheries & environment		20							20
National Department of Health									
<b>Subtotal</b>	<b>72 446</b>	<b>211 084</b>	<b>441 125</b>	<b>414 635</b>	<b>513 505</b>	<b>625 719</b>			

Medical Supplies Depot	1 150 970	1 101 482							
Medical Supplies Depot ( salaries)	-	-							
Gauteng Department of Transport G-Fleet (K8)	42 189	71 422		1 543			42 189		72 965
Special Investigate Unit	-			26 659					26 659
Gauteng Tourism Authority	-	161							161
<b>Subtotal</b>	<b>1 193 159</b>	<b>1 173 065</b>	<b>-</b>	<b>28 202</b>	<b>1 193 159</b>	<b>1 201 267</b>			
<b>Total Other Government Entities</b>	<b>1 265 605</b>	<b>1 384 149</b>	<b>441 125</b>	<b>442 837</b>	<b>1 706 664</b>	<b>1 826 986</b>			
<b>TOTAL INTERGOVERNMENTAL PAYABLES</b>	<b>1 265 605</b>	<b>1 384 149</b>	<b>441 125</b>	<b>442 837</b>	<b>1 706 664</b>	<b>1 826 986</b>			

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 7

### Movement in Capital Work-in-Progress

#### MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
<b>HERITAGE ASSETS</b>				
Heritage assets	-	-	-	-
<b>MACHINERY AND EQUIPMENT</b>				
Transport assets	124 800	31 200	-	156 000
Computer equipment	-			-
Furniture and office equipment				-
Other machinery and equipment	124 800	31 200		156 000
<b>SPECIALISED MILITARY ASSETS</b>				
Specialised military assets	-	-	-	-
<b>BIOLOGICAL ASSETS</b>				
Biological assets	-	-	-	-
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>				
Dwellings	2 059 187	335 933	154 047	2 241 073
Non-residential buildings				-
Other fixed structures	2 059 187	335 933	154 047	2 241 073

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

<b>LAND AND SUBSOIL ASSETS</b>			
Land	-	-	-
Mineral and similar non-regenerative resources			
<b>COMPUTER SOFTWARE</b>	108 990	29 555	138 545
Computer Software	108 990	29 555	138 545
<b>MASTHEADS AND PUBLISHING TITLES</b>			
Mastheads and publishing titles	-	-	-
<b>TRADEMARKS</b>			
Patents, Licences, Copyright, Brand names, Trademarks	-	-	-
<b>MODELS</b>			
Recipes, formulae, prototypes, designs, models	-	-	-
<b>SERVICES AND OPERATING RIGHTS</b>			
Services and operating rights	-	-	-
<b>TOTAL</b>	<b>2 292 977</b>	<b>396 688</b>	<b>2 535 618</b>

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## MOVEMENT IN CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2023

	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
<b>HERITAGE ASSETS</b>					
Heritage assets	-	-	-	-	-
<b>MACHINERY AND EQUIPMENT</b>					
Transport assets	124 800	-	-	-	124 800
Computer equipment	-	-	-	-	-
Furniture and office equipment	-	-	-	-	-
Other machinery and equipment	124 800	-	-	-	124 800
<b>SPECIALISED MILITARY ASSETS</b>					
Specialised military assets	-	-	-	-	-
<b>BIOLOGICAL ASSETS</b>					
Biological assets	-	-	-	-	-
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>					
Dwellings	2 098 343	-	394 574	(433 730)	2 059 187
Non-residential buildings	-	-	-	-	-
Other fixed structures	2 098 343	-	394 574	(433 730)	2 059 187
<b>TOTAL</b>	<b>2 332 133</b>	<b>-</b>	<b>394 574</b>	<b>(433 730)</b>	<b>2 292 977</b>

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 11 COVID 19 RESPONSE EXPENDITURE Per quarter and in total

Expenditure per economic classification	APRIL	MAY	JUN	Subtotal	JUL	AUG	SEPT	Subtotal	OCT	NOV	DEC	Subtotal	JAN	FEB	MAR	Subtotal	2023/24	2022/23
	2023 R'000	2023 R'000	2023 R'000	Q1 R'000	2023 R'000	2023 R'000	2023 R'000	Q2 R'000	2023 R'000	2023 R'000	2023 R'000	Q3 R'000	2024 R'000	2024 R'000	2024 R'000	Q4 R'000	TOTAL	TOTAL
<b>Compensation of employees</b>	2 785	54 045	44 297	101 127	69 794	47 205	49 662	166 661	51 532	50 921	50 749	153 202	48 816	61 489	45 004	155 309	576 299	1 084 813
Salaries and Wages																		1082831
Social																		1982
<b>Goods services</b>	1 677	4 953	6 491	13 121	38	-	-	38	1 993	(220)	(595)	1 178	27	(3)	5 315	5 339	19 676	533 335
minor assets																		1 357
contractors																		263
agency&suprt/outsource services		394		394													394	219 724
inv:materials & supplies																		230
inv:medical supplies	1 674			1 674													1 674	14 253
inv: medicine																		-
inv:other supplies																		-
cons supplies	3	2 135	(3)	2 135	55			55	1 993	(223)	(595)	1 175	27	(3)	(11)	13	3 378	268 765
cons:sta.print&off sup																		4 552
property payments																		-
travel and subsistence		9	18	27	(17)					3							6	6
rental & hiring			6 476	6 476													5 326	23 455
inv:cloth mat&accessories		2 415		2 415													30	551
inv:food & food supplies																		-
computer services																		176
<b>Transfers and subsidies</b>	26	1 123	(1 140)	9	100	98	71	269	4	18	(197)	(175)	-	-	-	-	103	551
H/H: Employees Social Benefits	26	1 123	(1 140)	9	100	98	71	269	4	18	(197)	(175)	-	-	-	-	103	551
<b>Expenditure for capital assets</b>	-	15 271	(374)	14 897	-	-	-	-	2 874	(124)	-	2 750	-	-	(3 588)	(3 588)	14 059	40 573
Buildings and other fixed structure	-	14 772		14 772					2 874	(124)		2 750			(3 588)	(3 588)	13 934	29 394
Machinery and Equipment	-	499	(374)	125													125	11 179
<b>EXPENDITURE</b>	<b>4 488</b>	<b>75 392</b>	<b>49 274</b>	<b>129 154</b>	<b>69 932</b>	<b>47 303</b>	<b>49 733</b>	<b>166 968</b>	<b>56 403</b>	<b>50 595</b>	<b>49 957</b>	<b>156 955</b>	<b>48 843</b>	<b>61 486</b>	<b>46 731</b>	<b>157 060</b>	<b>610 137</b>	<b>1 659 272</b>

# Annexures to the Annual Financial Statements

For the year ending 31 March 2024

## ANNEXURE 6 INVENTORIES

### INVENTORIES FOR THE YEAR ENDED 31 MARCH 2024

	Note	Learning & Teaching Support Material	Food & Food Supplies	Fuel, Oil & Gas	Other Consumables	Material & Supplies (Dry Dispensary)	Medicines (Pharmacy)	Clothing and Material	STATIONERY and Printing	Ward and sub stores	TOTAL
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance		11 855	18 469	3 982	81 129	30 586	411 588	1 357	75 377	242 343	1 330 578
Add/(Less): Adjustments to prior year balances											
Add: Additions/Purchases - Cash		1 718	499 788	352 212	149 259	71 222	4 180 021	6 875			9 511 154
Add: Additions - Non-cash											
(Less): Disposals											
(Less): Issues											
Add/(Less): Received current, not paid (Paid current year, received prior year)		(707)	(124 690)	(353 403)	(8 828 035)	(243 296)	(898 579)		(151 982)	(624 214)	(13 605 427)
Add/(Less): Adjustments		49 435	(373 913)	11 824	9 196 133	168 844	(3 156 978)	(8 232)	164 002	608 043	4 834 260
Closing balance		<b>62 301</b>	<b>19 654</b>	<b>14 615</b>	<b>598 486</b>	<b>27 356</b>	<b>536 052</b>	<b>-</b>	<b>87 397</b>	<b>226 172</b>	<b>2 070 565</b>



# Annexures to the Annual Financial Statements

For theyear ending 31 March 2024

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2023	Note	Learning & Teaching Support Material										TOTAL R'000
		Food & Food Supplies R'000	Fuel, Oil & Gas R'000	Other Consumables R'000	Material & Supplies R'000	Medical Supplies (Dry Dispensary) R'000	Medicines (Pharmacy) R'000	Clothing and Material R'000	STATIONERY and Printing R'000	Ward and sub stores R'000		
Opening balance		9 750	22 126	5 836	81 912	27 305	359 842	440 808	73 732	565 527	1 586 838	
Add/(Less): Adjustments to prior year balances											-	
Add: Additions/Purchases - Cash		1 119	435 482	290 974	156 285	64 368	4 405 849	4 155 666		1 357	9 511 100	
Add: Additions - Non-cash												
(Less): Disposals		(449)	(171 429)	(97 200)	(179 261)	(53 340)	(830 845)	(2 988 178)	(126 599)	(643 283)	(5 090 584)	
(Less): Issues											-	
Add/(Less): Received current, not paid (Paid current year, received prior year)		1 435	(267 710)	(195 628)	22 193	(7 747)	(3 523 258)	(1 154 404)	128 244	320 099	(4 676 776)	
Add/(Less): Adjustments												
<b>Closing balance</b>		<b>11 855</b>	<b>18 469</b>	<b>3 982</b>	<b>81 129</b>	<b>30 586</b>	<b>411 568</b>	<b>453 892</b>	<b>1 357</b>	<b>242 343</b>	<b>1 330 578</b>	



# PART G

## Gauteng Medical Supplies Depot (MSD)

# General Information

<b>COUNTRY OF INCORPORATION AND DOMICILE</b>	South Africa
<b>NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES</b>	The rendering of pharmaceutical services by making essential medicines available at all different levels of healthcare in the Gauteng Provincial Administration in an efficient and effective manner.
<b>ACCOUNTING OFFICER</b>	Mr LA Malotana
<b>REGISTERED OFFICE</b>	35 Plunkett Avenue Hurst Hill Johannesburg Gauteng 2092
<b>BUSINESS ADDRESS</b>	35 Plunkett Avenue Hurst Hill Johannesburg Gauteng 2092
<b>POSTAL ADDRESS</b>	Private Bag X2 Auckland Park Johannesburg 2006
<b>CONTROLLING ENTITY</b>	Gauteng Department of Health
<b>BANKERS</b>	Standard Bank of South Africa
<b>AUDITOR</b>	The Auditor-General of South Africa
<b>CONTACT NUMBER</b>	+27 11 628 9000

# Report of the Accounting Officer

## 1. Introductions

I am pleased to present this Annual Report of the Gauteng Medical Supplies Depot (MSD), a Trading entity of the Gauteng Department of Health for the reporting period 2023/2024.

Medical Supplies Depot is mandated to manage the supply of pharmaceuticals to all provincial health institutions and facilities in Gauteng. As such, the entity is responsible for the effective and efficient procurement, quality testing, warehousing, and distribution of essential medicines through-out the province. It contributes to the Gauteng Health Strategic Plan 2020/21 – 2024/25, which aims to improve the quality of healthcare.

The entity works hard to ensure that optimal pharmaceutical services are delivered to the South African population. Various mechanisms are in place to uphold its mandate and to circumvent any challenges that may impact its performance. MSD will continue to explore better ways to improve its business model and processes.

As an arm of Department of Health (DoH), the entity incorporates its annual performance in the Department's annual report. This report provides a summary of the entity's performance against set outcomes and takes the indicated "shortcomings" seriously. Furthermore, the report addresses other vital indicators, and the entity is pleased to present its 2023/2024 annual report that outlines progress towards achieving set goals.

## 2. Overview of Public Entity's Performance

### 2.1 Service Delivery Environment

The entity is affiliated to the Department of Health, hence reports directly to the Head of Department (HOD). We do not develop our own strategic plan; hence our performance indicators and information align with the DoH's strategic plan. We are reporting on seven key performance indicators for the financial year 2023/2024. Four of these indicators are linked to medicine availability and serve as core elements to our business model. From a wholesale pharmacy perspective, a reliable and dependable system must ensure availability of medicines that are not expired and of good quality at every point of health care. Throughout the year, the entity succeeded in procuring, warehousing, and distributing medicines of good quality that had reasonable shelf lives.

### 2.2 Organizational Environment

MSD is currently operating in an old infrastructure that was not originally designed for pharmaceutical warehousing operations. A business case has been drafted and submitted for a new warehouse. The same process has been instituted for a new warehouse management system as our MEDSAS system is outdated. The national Department of Health (DOH) is advocating for a national system that can be used by all public warehouse depots in the country. At present, we continue to do our business on the MEDSAS system until implementation of a new system.

### Key policy developments and legislative changes

There are no policy and legislative changes that were made during the financial year of 2023/2024 that had an impact on our service delivery as a medical depot.

## 3. Progress towards Achievement of the Entity's Impacts and Outcomes

One of the MTSF 2019-2024 Impacts states:

*"Universal Health Coverage for all South Africans progressively achieved, and all citizens protected from the catastrophic financial impact of seeking health care by 2030 through the implementation of NHI policy".*

Goal 3 under this Impact advocates for: "Quality Improvement in the provision of care", with one of the strategies aimed at improving availability of medical products and equipment.

Gauteng Medical Supplies Depot  
**Report of the Accounting Officer**  
for the period ended 31 March 2024

The entity plays a major role in this strategy and strives to ensure acceptable medicine levels at all health institutions through efficient procurement and delivery systems. We are not far off from our target as depicted in Table 1 and the organization will improve on this indicator.

#### **4. Overview of Performance Against Predetermined Objectives**

The table below depicts the performance of the entity throughout the financial year 2023/2024.

Gauteng Medical Supplies Depot  
**Report of the Accounting Officer**  
for the year ending 31 March 2024

**Table 1: Actual performance against output indicators**

Outcome	Outputs	Output Indicators	Audited Performance		Planned Annual Target 2023/24	Actual	Deviation from Planned target to actual achievement 2023/24	Reason for deviations
			2021/22	2022/23				
Outcome 4: Package of services available to the population is expanded with priority given to equity and most cost-effective services	Value for money in the provision of medicines	Percentage of expired stock in the warehouse	0.24%	1.08%	≤2%	1.8%	0.2%	Target achieved due to good warehousing practices i.e., FIFO/FEFO, monitoring of short-dated and slow-moving line items. All short-dated stock was received with stock protection letters to minimize losses
Outcome 5: Quality of health services in public health facilities improved	Availability of medicines maintained	Percentage availability of medicines at Medical Supplies Depot (MSD)	95%	91%	≥90%	87%	3%	Target not achieved. Suppliers struggle to comply with lead times stated on contracts and some fail to deliver ordered stock.
Outcome 6: Leadership and Governance in the health sector enhanced to improve quality of care.	Timely testing of medicines by the laboratory	Percentage of medicines tested within 2 working days	100%	100%	≥95%	100%	5%	Target achieved due to efficient and effective operational processes at the QC lab
Outcome 6: Leadership and Governance in the health sector enhanced to improve quality of care.	Women in management level (level 9 and above)	Percentage of women in management posts (level 9 and above)	56%	59%	≥50%	57%	7%	Target achieved due to appointments made in the year of relevant personnel after conducting interviews
Outcome 6: Leadership and Governance in the health sector enhanced to improve quality of care.	People with Disabilities employed at MSD	Percentage of people with disabilities employed at MSD	2%	2%	≥1%	1%	1%	Target achieved. Maintained our staff compliment of personnel with disabilities
Outcome 6: Leadership and Governance in the health sector enhanced to improve quality of care.	Grievances resolved within 30 days	Percentage of grievances resolved at MSD within 30 days	100%	No cases	≥90%	0%	100%	No grievance cases were processed in the year under review
Outcome 9: Improved financial management.	Payment of suppliers within 30 days	Percentage of service providers' invoices without dispute paid within 30 days	79%	66%	≥90%	31%	69%	Target not achieved. MSD is using a legacy online system which has numerous challenges. System glitches persist making payment processes slow.



Gauteng Medical Supplies Depot  
**Report of the Accounting Officer**  
for the year ending 31 March 2024

#### 4.1 Strategy to overcome areas of under-performance

Two key performance indicators were identified as areas of under-performance. Challenges with medicine availability are attributed to poor suppliers' performance and long lead times. As an entity, our strategy is to out-source required medicines from non-contracted suppliers via the buyout system, to supplement quantities that we do not receive from contracted suppliers. Suppliers' performance information will be compiled and shared with National Treasury and Department of Health for their consideration when awarding new tenders for medicine procurement.

The 30-day timeline for payment of suppliers was also not achieved, due to system glitches that affected the payment processes. We are relying on the acquisition of a new warehouse system that will assist in processing payments within the required timeframe.

#### 4.2 Linking Performance with budgets

The revenue generated on medicines in the province was R4 551 281 000. This has enabled the entity to succeed in timeously procuring and supplying medicines to Gauteng health establishments. However, we had challenges with contracted supplier performance as stated above.

The Entity managed to reduce unpaid invoices at the end of the financial year 2022-2023 to R39million in 2023-2024. However, as stipulated above the online payment system (MSD-online) has technical difficulties, and the entity is working on a possible solution to circumvent this challenge.

#### 4.3 Overview of Financial Performance

The entity does not receive appropriation or transfers as stated in the Division of Revenue Act. It sustains its operations by charging a levy of 5% from the medicines sold to Gauteng health institutions. This is based on the provincial medicines budget allocated to health facilities.

**Table 2: Revenue Analysis**

Revenue Source of revenue	2023/2024			2022/2023		
	Estimate (000)	Actual Revenue Collected (000)	Over/(Under) Collection (000)	Estimate (000)	Actual Revenue Collected (000)	Over/(Under) Collection (000)
Sale of Goods	4 898 736	4 551 281	(347 455)	4 785 821	4 573 983	(211 838)
Finance Income	-	15 077	15 077	-	9 464	9 464
Other Income	-	624	624	-	265	265
Penalties	-	57 426	57 426	-	14 423	14 423
Service in-kind	-	36 526	36 526	-	34 129	34 129
<b>Total</b>	<b>4 898 736</b>	<b>4 660 934</b>	<b>(237 802)</b>	<b>4 785 821</b>	<b>4 632 264</b>	<b>(153 557)</b>

The entity's revenue generations solely depend on the demand and supply of medicines to health facilities in Gauteng. The actual revenue generated during the 2023/2024 has increased by R28,7 million compared to 2022/2023. The actual revenue generated during 2023/2024 is less than projected revenue for the year. This is caused by the slow demand during the financial year. The rest of the other income is not generated through the normal cause of business.



Gauteng Medical Supplies Depot  
**Report of the Accounting Officer**  
for the year ending 31 March 2024

**Table 3: Expenditure Trends**

Programme	2023/2024			2022/2023		
Objective	Budget (000)	Actual Expenditure (000)	(Over)/Under Expenditure (000)	Budget (000)	Actual Expenditure (000)	(Over)/Under Expenditure (000)
Pharmaceutical	4 801 300	4 360 103	441 197	4 924 276	4 352 383	571 893
Cost of Employees	134 964	91 948	43 016	127 961	94 005	33 956
Goods and Services	67 674	68 551	(877)	43 853	65 766	(21 913)
Capital Expenditure	25 828	6 319	19 509	21 836	2 148	19 688
<b>Total</b>	<b>5 029 769</b>	<b>4 526 921</b>	<b>502 845</b>	<b>5 117 929</b>	<b>4 514 302</b>	<b>603 627</b>

The medicines actual expenditure has slightly increased by R7,7 million compared to the previous financial year. This is inconsistent with the decrease in medicines budget allocated to health facilities in the Gauteng province for 2023/2024 financial year. The decrease in the medicines budget did not affect the ability of the entity to procure and deliver medicines to health facilities.

## 5. Utilization of Donor Funds

The donations stated in table 4 below were warehoused and distributed to health facilities by the entity on behalf of the Gauteng Department of Health. No donations came directly to the entity for the year 2023/24.

**Table 4: Donated Stock**

Code	ICN	Item Description	Donation	Donation delivered by	Qty received	Item Price	Value
TBD1050	222000902	Delamanid 50 mg tablets; 48s	Global Fund	Viatris (Pty) Ltd	2218	R1 512,25	R3 354 170,50
TBD1350	222001476	Pretomanid 200 mg	Global Fund	Viatris (Pty) Ltd	1380	R807,99	R1 115 026,20
ARV1150/1	222000205	Fovir 50mg: 300mg: 300mg tablet, 28/30s	Global Fund	Cipla Medpro (Pty)	33 503	R90,23	R3 022 975,69
ARV1150/1	222000205	Fovir 50mg: 300mg: 300mg tablet, 28/30s	Global Fund	Innovata Pharmaceuticals (Pty) Ltd	16 497	R83,04	R1 369 910,88
ARV1150/1	222000205	Fovir 50mg: 300mg: 300mg tablet, 28/30s	Global Fund	Sonke Pharmaceuticals (Pty) Ltd	80 000	R92,38	R7 390 400,00
							R16 252 483,27

## 6. Corporate Governance Arrangements

The entity has a risk management unit which is assisted by the risk management unit of the department. In addition, the entity submits its quarterly performance reports to the shared audit committee and the Gauteng Provincial Treasury.

## 7. Prior modifications to audit reports

There were no prior modifications to the audit reports of the entity.

## 8. Events after the Reporting date

No events after year end

## Report of the Accounting Officer

for the year ending 31 March 2024

### 9. Exemptions and deviations received from the National Treasury

No exemptions or deviations were received from National Treasury.

### 10. Supply Chain Management

Procurement of goods and services was done in terms of the applicable Supply Chain Management policies and legislations to prevent fruitless and wasteful and irregular expenditure. Due to the centralized procurement process for goods and services above the threshold of R1000 000, delays in the award of tenders which caused the entity to report irregular expenditure were experienced during the year under review. The Gauteng Department of Health has awarded a new tender for Medical Waste with effect from 1st of December 2023, and the irregular contract for security services was also terminated at the end of March 2024.

The procurement process for cleaning services tender has begun to eliminate all the extension of tenders that exposes the entity to incur irregular expenditure emanated from irregular extension of contracts.

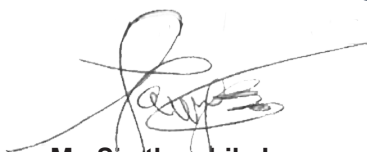
### 11. Irregular, Fruitless and Wasteful Expenditure

For year 2023/24, the entity incurred and reported irregular expenditure amounting to R12 381 225 due to irregular extension of contracts. No fruitless and wasteful expenditure was reported for the year under review.

### 12. Acknowledgement and Appreciation

I offer my sincere gratitude to the Member of Executive Council (MEC), Head of Department and all stakeholders who have contributed immensely to ensure that Gauteng Medical Supplies depot fulfills its obligations as a trading entity of the Department of Health. My appreciation also extends to the Medical Supplies Depot management and staff for their unwavering commitment to public health service, and the institutions that we work with to render health care to our patients.

### 13. Approval and Sign Off



**Mr. Simthembile Langa**  
Acting Chief Executive Officer (CEO)  
Gauteng Medical Supplies Depot

# 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 326 to 351, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets and statement of cash flows 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 2024 and its financial performance and cash flows for the year then ended in accordance with the South African Standard 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

#### Context 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 responsibilities of the auditor-general 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.

#### Responsibilities of the accounting officer for the financial statements

6. 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.
7. 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 ending 31 March 2024

**Responsibilities of the auditor-general for the audit of the financial statements**

8. 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.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 323, forms part of our auditor's report.

**Report on the annual performance report**

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against pre-determined objectives for outcome 5: quality of health services in public health facilities improved presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
11. I selected the following material performance indicators related to outcome 5 presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the trading entity's performance on its primary mandated functions and that are of significant national, community or public interest.
12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on trading entity's planning and delivery on its mandate and objectives.
13. I performed procedures to test whether:
  - the indicators used for planning and reporting on performance can be linked directly to the trading entity's mandate and the achievement of its planned objectives
  - all the indicators relevant for measuring the trading entity's performance against its primary mandated and prioritised functions and planned objectives are included
  - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
  - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
  - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
  - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
  - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets / measures taken to improve performance.
14. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

Gauteng Medical Supplies Depot  
**Report of the Auditor General**  
 for the year ending 31 March 2024

15. The material findings on the reported performance information for the outcome 5 are as follows:
16. I identified material findings on the completeness of the indicators used for planning and reporting on performance. Annual performance plan and report does not have indicator/s linked directly to the mandate of the trading entity which is to measure the distribution of medicines to provincial health institutions and facilities in Gauteng to ensure medicines are timeously delivered to fulfil the demands in health institutions

**Other matters**

17. I draw attention to the matters below.

**Achievement of planned targets**

18. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements /measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.
19. The table that follows provides information on the achievement of planned targets and list[s] the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets / measures taken to improve performance are included in the annual performance report on pages 3.

**Outcome 5**

<i>Targets achieved: 87%</i>		
<b>Key service delivery indicator not achieved</b>	<b>Planned target</b>	<b>Reported achievement</b>
Percentage availability of medicines at the Medical Supplies Depot (MSD)	90%	87%

**Material misstatements**

20. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for outcome 5. Management did not correct the misstatement, and I reported material findings in this regard.

**Report on compliance with legislation**

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the trading entity’s compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the trading entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor’s

Gauteng Medical Supplies Depot  
**Report of the Auditor General**  
for the year ending 31 March 2024

report.

24. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

### Expenditure management

25. Effective and appropriate steps were not taken to prevent irregular expenditure, as disclosed in note 19 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.
26. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

### Procurement and contract management

27. Goods and services of a transaction value above R1 000 000 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, paragraph 3.3.1 of NTI 02 of 2021/22, paragraph 4.1 of NTI 03 of 2021/22 and TR 16A6.4. Similar non-compliance was also reported in the prior year.

### Consequence management

28. 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.

### Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in Outcome 5 presented in the annual performance report that have been specifically reported on in this auditor's report.
30. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in Outcome 5 presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, 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.

Gauteng Medical Supplies Depot  
**Report of the Auditor General**  
for the year ending 31 March 2024

**Internal control deficiencies**

33. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
34. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the findings on the selected material indicators included in the annual performance report and the material findings on compliance with legislation included in this report.
35. 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, the accounting officer did not take disciplinary steps against liable officials who permitted irregular and fruitless and wasteful expenditure following the recommendations of the forensic investigation report. This then resulted in non-compliance with the PFMA.
36. The accounting officer did not provide adequate oversight responsibility of senior management to ensure compliance with all applicable laws and regulations. Furthermore, the accounting officer did not ensure the effective implementation of action plans to curb repeat findings. As a result, additional instances of non-compliance were reported.
37. The accounting officer did not take necessary actions to include indicators in the annual performance plan and report that measure the distribution of medicines to provincial health institutions and facilities in Gauteng to ensure medicines are timeously delivered to fulfil the demands in health institutions.

*Auditor - General*

Johannesburg  
31 July 2024



**AUDITOR - GENERAL**  
**SOUTH AFRICA**

*Auditing to build public confidence*



Gauteng Medical Supplies Depot  
**Report of the Auditor General**  
for the year ending 31 March 2024

## **Annexure to the auditor's report**

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

### **Auditor-general's responsibility for the audit**

#### **Professional judgement and professional scepticism**

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 material performance indicators and on the trading entity's compliance with selected requirements in key legislation.

#### **Financial statements**

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
- conclude on the appropriateness of the 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 trading entity 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.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

#### **Communication with those charged with governance**

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.

Gauteng Medical Supplies Depot  
**Report of the Auditor General**  
for the year ending 31 March 2024

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and 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.

From the matters communicated to those charged with governance, I determine those matters that were of most significance in the audit of the financial statements for the current period and are therefore key audit matters. I describe these matters in this auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in this auditor’s report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

**Compliance with legislation – selected legislative requirements**

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 38(1)(a)(iv); 38(1)(b); 38(1)(c); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(h)(iii); Section 39(1)(a); 39(2)(a); Section 40(1)(a); 40(1)(b); 40(1)(c)(i) Section 43(4); 44; 44 (1) and (2) ; 45(b); Section 50(3); 50(3)(a)
Treasury Regulations	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c’) Treasury Regulation 16A 6.1; 16A6.2(a) & (b) & (e); 16A 6.3(a) & (d); 16A 6.3(b); 16A 6.3(c); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A 8.3; 16A8.2 (1) and (2); 16A 8.3(d); 16A 8.4; 16A 9; 16A 9.1; 16A9.1(c); 16A9.1(b)(ii); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A 9.2(a) (ii) &(iii) Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.6.1 Treasury Regulation 19.8.4
Public service regulation	Public service regulation 18; 18 (1) and (2);
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 34(1)
PPPFA	Section 2.1(a); 2.1(b); 2.1(f)
CIDB Regulations	CIDB regulation 17; 25(1); 25 (5) & 25(7A)

**Report of the Auditor General**

for the year ending 31 March 2024

Legislation	Sections or regulations
PPR 2017	Paragraph 4.1; 4.2 Paragraph 5.1; 5.3; 5.6; 5.7 Paragraph 6.1; 6.2; 6.3; 6.5; 6.6 Paragraph 7.1; 7.2; 7.3; 7.5; 7.6 Paragraph 8.2; 8.5 Paragraph 9.1; 9.2 Paragraph 11.2 Paragraph 12.1 and 12.2
PPR 2022	Paragraph 4.1; 4.2; 4.3; 4.4 Paragraph 5.1; 5.2; 5.3; 5.4
National Treasury Instruction No.1 of 2015/16	Paragraph 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraph 4.3; 4.4 (a) -(d) Paragraph 5.4
NT SCM Instruction Note 11 2020/21	Paragraph 3.1 and 3.9
NT SCM Instruction note 2 of 2021/22	Paragraph 3.2.1; 3.2.4(a); 3.3.1
NT instruction note 4 of 2015/16	Paragraph 3.4
Second amendment of NTI 05 of 2020/21	Paragraph 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraph 1
Practice note 7 of 2009/10	Paragraph 4.1.2
NT instruction note 1 of 2021/22	Paragraph 4.1

**Statement of Financial Position**

as at 31 March 2024

Amounts in Rand	Note	2024	2023*
<b>ASSETS</b>			
<b>Current Assets</b>			
Inventories	2	233 996 167	246 432 654
Trade and other receivables from exchange transactions	3	1 162 823 548	1 095 454 314
Cash and cash equivalents	5	305 536 269	176 564 896
		<b>1 702 355 984</b>	<b>1 518 451 864</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	4	9 239 582	5 265 742
		9 239 582	5 265 742
<b>Total Assets</b>		<b>1 711 595 566</b>	<b>1 523 717 606</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables from exchange transactions	6	353 905 882	299 454 856
Provisions	7	4 282 512	4 775 961
Finance lease obligations	8	315 190	283 141
		<b>358 503 584</b>	<b>304 513 958</b>
Financial lease obligations	8	194 116	433 400
		<b>194 116</b>	<b>433 400</b>
<b>Total Liabilities</b>		<b>358 697 700</b>	<b>304 947 358</b>
<b>Net Assets</b>		<b>1 352 897 866</b>	<b>1 218 770 248</b>
Contributed Capital	9	104 376 790	104 376 790
Accumulated surplus		1 248 521 076	1 114 393 458
<b>Total Net Assets</b>		<b>1 352 897 866</b>	<b>1 218 770 248</b>

\*Restated

**Statement of Financial Performance**

for the year ended 31 March 2024

Amounts in Rand	Note	2024	2023*
<b>REVENUE</b>			
<b>Revenue from exchange transactions</b>			
Sale of Goods	10	4 551 281 182	4 573 983 693
Finance income	10	15 076 697	9 464 291
Other income	11	623 948	265 858
<b>TOTAL REVENUE FROM EXCHANGE TRANSACTIONS</b>		<b>4 566 981 827</b>	<b>4 583 713 842</b>
<b>Revenue from non-exchange transactions</b>			
Penalties	12	57 426 515	14 423 267
Services in - kind	12	36 525 699	34 129 755
<b>TOTAL REVENUE FROM NON - EXCHANGE TRANSACTIONS</b>		<b>93 952 214</b>	<b>48 553 022</b>
<b>TOTAL REVENUE</b>		<b>4 660 934 041</b>	<b>4 632 266 864</b>
<b>EXPENSES</b>			
Employee related costs	13	(91 948 490)	(94 004 987)
Depreciation	4	(2 042 892)	(2 830 523)
Finance costs - finance leases		(247 778)	(324 745)
Cost of goods sold		(4 360 102 756)	(4 352 383 181)
Distribution costs		(10 616 688)	(10 391 372)
Operational costs	14	(61 962 802)	(53 922 130)
<b>TOTAL EXPENSES</b>		<b>(4 526 921 406)</b>	<b>(4 513 856 938)</b>
<b>OTHER INCOME/ (LOSSES)</b>			
Profit/ (loss) on disposal of assets	16	114 983	(444 951)
<b>SURPLUS FOR THE YEAR</b>		<b>134 127 618</b>	<b>117 964 975</b>

\*Restated

**Statement of Changes in Net Assets**

for the year ended 31 March 2024

Amounts in Rand	Contributed Capital	Accumulated Surplus	Total
<b>Balance at 31 March 2022</b>	<b>104 376 790</b>	<b>882 044 105</b>	<b>986 420 895</b>
Surplus for the year - as restated	-	114 384 378	114 384 378
<b>Balance at 31 March 2022 - as restated</b>	<b>104 376 790</b>	<b>996 428 483</b>	<b>1 100 805 273</b>
Surplus for the year - as restated	-	117 964 975	117 964 975
<b>Balance at 31 March 2023 - as restated</b>	<b>104 376 790</b>	<b>1 114 393 458</b>	<b>1 218 770 248</b>
Surplus for the year	-	134 127 618	134 127 618
<b>Balance at 31 March 2024</b>	<b>104 376 790</b>	<b>1 248 521 076</b>	<b>1 352 897 866</b>

Gauteng Medical Supplies Depot  
**Statement of Cash Flow**  
for the year ended 31 March 2024

Amounts in Rand	Note	2024	2023
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Sale of goods and services		4 541 338 463	4 415 956 080
Finance income		15 076 697	9 464 291
Other receipts	11	623 948	265 858
<b>Total receipts</b>		<b>4 557 039 108</b>	<b>4 425 686 229</b>
<b>Payments</b>			
Compensation of employees		(90 645 188)	(92 762 624)
Goods and services		(4 330 936 191)	(4 389 679 702)
Finance costs		(247 778)	(324 745)
<b>Total payments</b>		<b>(4 421 829 157)</b>	<b>(4 482 767 071)</b>
<b>Net cash generated / (utilised) from operating activities</b>	16	<b>135 209 951</b>	<b>(57 080 842)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	4	(6 181 327)	(1 846 756)
<b>Net cash outflow from investing activities</b>		<b>(6 181 327)</b>	<b>(1 846 756)</b>
<b>Cash flows from financing activities</b>			
Repayment of finance lease liability		(57 251)	(549 454)
<b>Net cash outflow from financing activities</b>		<b>(57 251)</b>	<b>(549 454)</b>
<b>Increase in cash and cash equivalents</b>		<b>128 971 373</b>	<b>(59 477 052)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>176 564 896</b>	<b>236 041 948</b>
<b>Cash and cash equivalents at the end of the period</b>	5	<b>305 536 269</b>	<b>176 564 896</b>



Gauteng Medical Supplies Depot  
**Accounting Policies**  
for the year ended 31 March 2024

### 1.1 Basis of preparation

These financial statements were prepared in accordance with the Standards of Generally Recognised Accounting 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).

The annual financial statements have also been prepared on an accrual basis of accounting and are in accordance with the historical cost convention unless specified otherwise. The accrual basis of accounting requires that items are recognized as assets, liabilities, net assets, revenue and expenses when they satisfy the definitions and recognition criteria for those elements in the framework for the preparation and presentation of financial statements.

The principal accounting policies, which have been consistently applied in the preparation of these annual financial statements, in all material respects unless otherwise indicated, are set out below.

### 1.2 Presentation currency

The financial statements are presented in South African Rand, which is the functional currency of the entity.

### 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 the entity 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 in the 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 in the annual financial statements. Uncertainties about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the relevant asset or liability in future 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 reliable estimate 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 2024

## 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 2024

## 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 measured at 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 impaired or through the amortisation process.

### Off-setting

The entity does not offset financial assets and financial liabilities in the Statement of Financial Position unless 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 financial asset 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 carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not 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 the use 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 costs and 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 similar nature 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 any write-down of inventories arising from an increase in net realisable value is recognised as a reduction of 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 was sold, 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 2024

**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 operating in the manner intended by the entity. Trade discounts and rebates are deducted in arriving at the cost at 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 are initially 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 whole asset 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 an indicator that useful lives or depreciation has changed and adjusted prospectively, if appropriate.

The interim depreciation rates are based on the following estimated asset useful lives:

<b>Asset classification</b>	<b>Average useful lives (Years)</b>
Fixtures and fittings	4 - 15
Plant and equipment	2 - 25
Office furniture	2 - 27
Computer equipment	2 - 23
Cell phones & Accessories	2
Leased assets	3 - 6

Gauteng Medical Supplies Depot  
**Accounting Policies**  
for the year ended 31 March 2024

**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 recoverable amount (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 in the 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 of the 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 as the 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 of ownership 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**

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).

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.

Gauteng Medical Supplies Depot  
**Accounting Policies**  
for the year ended 31 March 2024

**1.10 The entity as a lessee in a finance lease ( continued)**

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 of the lease payments between the capital and interest portion of the liability is effected through the application of the effective interest method.

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**

Revenue from exchange transactions is recognized on the accrual basis of accounting when it is probable that future economic benefits will flow to the Gauteng Medical Supplies Depot and those benefits can be reliably measured.

**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 2024

**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.
- (d) guidelines contained in the National Treasury Instruction No. 4 of 2022/2023.

Irregular expenditure is disclosed in the notes to the financial statements and removed from the note when it is either 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 been avoided 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).
- Disclosed in terms of the guidelines outlined in the National Treasury Instruction No. 4 of 2022/2023.

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



Gauteng Medical Supplies Depot  
**Accounting Policies**  
 for the year ended 31 March 2024

Government Employee Pension Fund reporting under the control of National Treasury.

**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 after the 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, the pharmaceutical services director and the director of finance and administration.

**1.19 Commitments**

Commitments relating to leases are recorded at cost in the notes to the financial statements when they raise 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	01 April 2025	It is expected that there will be no significant impact on the impairment of financial assets.
GRAP 1 - Presentation of financial statements	To be determined	It is expected that there will be no significant impact on the financial statements presentation.
Leases	Waiting for phase (ii) to be completed	It is expected that there will be no significant impact on the entity’s financial assets and liabilities.

**Notes to the Annual Financial Statements**

for the year ended 31 March 2024

Amounts in Rand	2024	2023
<b>2. INVENTORIES</b>		
Medicine	233 258 025	245 820 351
Consumable stores	738 142	612 303
<b>Total Inventories</b>	<b>233 996 167</b>	<b>246 432 654</b>

The amount of inventories recognised as an expense during the period amounted to R 4 365 877 311 (March 2023: R 4 360 300 693) and details thereof are as follows:

Cost of goods sold	4 360 102 756	4 352 383 181
Inventory utilised in consumable stores	1 695 788	1 407 325
Inventory written off *	4 078 767	6 510 187
<b>Total inventory recognised as an expense</b>	<b>4 365 877 311</b>	<b>4 360 300 693</b>

The entity uses the weighted average cost method.

**3. TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS**

<b>Gross Balances</b>		
Trade receivables - Gauteng Department of Health	1 150 970 468	1 093 959 129
Other receivables	11 853 080	1 495 185
<b>Total Trade and other receivables</b>	<b>1 162 823 548</b>	<b>1 095 454 314</b>

As at 31 March 2024, the ageing of trade and other receivables from exchange transactions that were due but not impaired is as follows:

< 30 days	379 618 473	432 091 375
> 30 days	783 205 075	663 362 939
<b>Total</b>	<b>1 162 823 548</b>	<b>1 095 454 314</b>

Gauteng Medical Supplies Depot  
**Notes to the Annual Financial Statements**  
for the year ended 31 March 2024

**4. PROPERTY, PLANT AND EQUIPMENT**

Amounts in Rand	2024			2023*		
	Cost	Accumulated depreciation	Carrying value at end of the year	Cost	Accumulated depreciation	Carrying value at end of the year
Computer equipment	6 266 980	(4 476 685)	1 790 295	7 387 514	(5 687 420)	1 700 094
Cell phones & Accessories	233 107	(39 535)	193 572	122 054	(74 751)	47 303
Fixtures and fittings	39 000	(26 898)	12 102	39 000	(20 513)	18 487
Office furniture*	7 521 530	(5 497 449)	2 024 081	6 153 161	(5 183 016)	970 145
Plant and equipment	22 657 940	(17 667 459)	4 990 481	20 974 044	(18 665 065)	2 308 979
<b>Total owned</b>	<b>36 718 557</b>	<b>(27 708 026)</b>	<b>9 010 531</b>	<b>34 675 773</b>	<b>(29 630 765)</b>	<b>5 045 008</b>
<b>Leased Assets</b>						
Office equipment	415 953	(186 902)	229 051	358 441	(137 707)	220 734
<b>Total Leased Assets</b>	<b>415 953</b>	<b>(186 902)</b>	<b>229 051</b>	<b>358 441</b>	<b>(137 707)</b>	<b>220 734</b>
<b>Total</b>	<b>37 134 510</b>	<b>(27 894 928)</b>	<b>9 239 582</b>	<b>35 034 214</b>	<b>(29 768 472)</b>	<b>5 265 742</b>

\*Restated

**Notes:**

- i) Included in the entity's fixed asset register are items of Office furniture and in particular shelving as at 31 March 2024 with zero-rand book value. Management assesses at each reporting date to determine whether 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 the shelving component. The revision of the useful lives relating to shelving was not performed due to the impractical and complex nature of this asset category. Management intends to seek services of an expert to deal with this matter in the new financial year.
- ii) During the 2022/2023 financial year, the entity erroneously overstated the carrying value of office furniture and leased assets by R30 620 comparative figures have accordingly been restated to correct this error by debiting depreciation and crediting accumulated depreciation of the aforementioned assets. Please refer to note "20. Prior period error" for details.
- iii) In terms of paragraph 88 of GRAP 17, the entity spent R303 258 (2023: R192 983) on repairs and maintenance 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 2024

**4. PROPERTY, PLANT AND EQUIPMENT - (Continued)**  
Amounts in Rand

**31 March 2024- Reconciliation of Property, Plant & Equipment**

Amounts in Rand	Carrying value at beginning of the year	Additions	Disposals	Accumulated	Depreciation	Carrying value at end of the year
<b>Owned assets</b>						
Computer equipment	1 700 094	868 757	(1 989 292)	1 761 740	(551 005)	1 790 294
Cell phones & Accessories	47 303	222 599	(111 545)	80 517	(45 300)	193 574
Fixtures and fittings	18 487	-	-	-	(6 383)	12 104
Office furniture	970 145	1 383 815	(11 891)	5 595	(323 582)	2 024 082
Plant and equipment	2 308 979	3 706 156	(2 022 261)	1 996 767	(999 164)	4 990 477
<b>Total owned</b>	<b>5 045 008</b>	<b>6 181 327</b>	<b>(4 134 989)</b>	<b>3 844 619</b>	<b>(1 925 434)</b>	<b>9 010 531</b>
<b>Leased Assets</b>						
Office equipment	220 734	137 711	(80 198)	68 262	(117 458)	229 051
<b>Total Leased Assets</b>	<b>220 734</b>	<b>137 711</b>	<b>(80 198)</b>	<b>68 262</b>	<b>(117 458)</b>	<b>229 051</b>
<b>Total</b>	<b>5 265 742</b>	<b>6 319 038</b>	<b>(4 215 187)</b>	<b>3 912 881</b>	<b>(2 042 892)</b>	<b>9 239 582</b>

**31 March 2023 - Reconciliation of Property, Plant & Equipment**

Amounts in Rand	Carrying value at beginning of the year	Additions	Disposals	Accumulated	Depreciation *	Carrying value at end of the year
<b>Owned assets</b>						
Computer equipment	1 802 068	1 184 274	(363 134)	294 422	(1 217 536)	1 700 094
Cell phones & Accessories	94 432	10 509	-	-	(57 638)	47 303
Fixtures and fittings	28 237	-	-	-	(9 750)	18 487
Office furniture	718 097	581 641	(30 676)	30 475	(329 392)	970 145
Plant and equipment	3 055 485	70 332	(1 001 321)	991 859	(807 377)	2 308 979
<b>Total</b>	<b>5 698 319</b>	<b>1 846 756</b>	<b>(1 395 131)</b>	<b>1 316 756</b>	<b>(2 421 693)</b>	<b>5 045 008</b>
<b>Leased Assets</b>						
Motor vehicles - G-Fleet	632 606	-	(1 084 525)	717 949	(266 030)	-
Office equipment	62 565	300 969	(312 904)	312 903	(142 799)	220 734
<b>Total Leased Assets</b>	<b>695 171</b>	<b>300 969</b>	<b>(1 397 429)</b>	<b>1 030 852</b>	<b>(408 829)</b>	<b>220 734</b>
<b>Total</b>	<b>6 393 490</b>	<b>2 147 725</b>	<b>(2 792 560)</b>	<b>2 347 608</b>	<b>(2 830 522)</b>	<b>5 265 742</b>

Gauteng Medical Supplies Depot  
**Notes to the Annual Financial Statements**  
for the year ended 31 March 2024

**GAUTENG MEDICAL SUPPLIES DEPOT**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2024

Amounts in Rand	2024	2023
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**5. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consists of:

Bank balance	<b>305 531 269</b>	176 559 896
Petty cash	<b>5 000</b>	5 000
<b>Total Cash and cash equivalents</b>	<b>305 536 269</b>	176 564 896

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 2024. The entity had the following bank accounts at 31 March 2024:

Standard Bank Cheque Account	<b>305 531 269</b>	176 559 896
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**6. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS**

Trade payables from exchange transactions	<b>349 532 480</b>	290 600 952
Service bonus accrual*	<b>2 444 549</b>	2 233 456
Other accruals	<b>1 928 853</b>	6 620 447
<b>Total Trade and other payables</b>	<b>353 905 882</b>	299 454 856

At 31 March 2024, the ageing of trade and other payables was as follows:

< 30 days	<b>39 105 131</b>	218 784 050
> 30 days	<b>314 800 751</b>	80 670 806
<b>Total</b>	<b>353 905 882</b>	299 454 856

\*Service bonus is accrued and the calculation is based on the employee's basic salary. It is normally paid out in the employee's birthday month.

**Notes to the Annual Financial Statements**

for the year ended 31 March 2024

Amounts in Rand	2024	2023
<b>7. PROVISIONS</b>		
Provision for Leave pay*	4 282 512	4 775 961
<b>Total</b>	<b>4 282 512</b>	<b>4 775 961</b>
Reconciliation of Provision for Leave:		
Balance at the beginning of the year	4 775 961	6 441 629
Amount paid during the year	(126 804)	(341 364)
Unused amount reversed	(4 649 157)	(6 100 265)
Amount raised during the year	4 282 512	4 775 961
<b>Balance at the end of the period</b>	<b>4 282 512</b>	<b>4 775 961</b>
<b>* Leave</b>		
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 not used within 6 months after the end of leave cycle to which they relate.		
<b>8. FINANCE LEASE OBLIGATIONS</b>		
Minimum lease payments		
Within 1 year	468 770	505 181
Within the 2nd to 5th year inclusive	227 784	585 964
	<b>696 554</b>	1 091 145
Less: Future finance charges	(187 248)	(374 604)
Present value of lease obligations	<b>509 306</b>	716 541
The present value of lease obligations can be analysed as follows:		
Within 1 year	315 190	283 141
Within the 2nd to 5th year inclusive	194 116	433 400
	<b>509 306</b>	716 541
<b>Disclosed as:</b>		
Current liabilities	315 190	283 141
Non-Current Liabilities	194 116	433 400
	<b>509 306</b>	716 541

The finance lease obligations at 31 March 2024 were in respect of photocopier machines and motor vehicles. The average interest rates is 16 % for photocopiers and 28% for motor vehicles.

**Notes to the Annual Financial Statements**

for the year ended 31 March 2024

Amounts in Rand	2024	2023
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**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
<b>Total Contributed capital</b>	<b>104 376 790</b>	<b>104 376 790</b>

\* 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*	4 551 281 182	4 573 983 693
Finance income**	15 076 697	9 464 291
<b>Total Income</b>	<b>4 566 357 879</b>	<b>4 583 447 984</b>

\* 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	82 540	84 960
Commission fees	49 843	47 074
Other income	491 565	133 824
<b>Total Other income</b>	<b>623 948</b>	<b>265 858</b>

**12. REVENUE FROM NON-EXCHANGE TRANSACTIONS**

<b>Penalties*</b>	<b>57 426 515</b>	<b>14 423 267</b>
Late delivery penalties	6 742 187	4 521 882
Buy-Out charges	50 684 328	9 901 385
<b>Services-in-kind</b>	<b>36 525 699</b>	<b>34 129 755</b>
CEO Remuneration**	1 303 302	1 242 363
Rentals - land and buildings***	35 222 397	32 887 392
<b>Total Revenue from Non-Exchange</b>	<b>93 952 214</b>	<b>48 553 022</b>

\* 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 goods are bought outside of the contracted supplier. The difference in prices between the contracted and the non-contracted suppliers is borne by the defaulting contracted supplier in the form of penalty.

\*\* CEO Remuneration - (refer to note 17)

\*\*\* Rentals in respect of land and buildings - (refer to note 17)



**Notes to the Annual Financial Statements**

for the year ended 31 March 2024

Amounts in Rand	2024	2023
<b>13. EMPLOYEE RELATED COSTS</b>		
Basic salary	61 701 162	56 007 788
Long service award	130 783	156 215
Qualification bonus	94 956	67 945
Overtime	2 328 576	3 434 325
Standby allowance	202 694	334 327
Housing allowance	3 631 185	3 257 588
Non-pensionable salary	3 779 589	6 364 578
Service bonus	5 068 925	4 511 589
Acting allowance	88 525	172 850
Bargaining council	19 822	19 478
Performance bonus	8 853	-
Performance bonus	-	511 362
Medical aid contributions	5 664 375	5 398 877
Travel claims	263 433	449 286
Injury on duty	17 530	4 937
Leave	(366 645)	4 802 126
Pension fund contributions	8 011 425	7 269 353
Service in- kind : CEO remuneration	1 303 302	1 242 363
<b>Total</b>	<b>91 948 490</b>	<b>94 004 987</b>

**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 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.

**Surplus for the year**

Contribution payable for the year	8 021 151	7 281 012
Contributions paid	8 011 425	7 269 353
<b>Deficit</b>	<b>(9 726)</b>	<b>(11 659)</b>

**Notes to the Annual Financial Statements**

for the year ended 31 March 2024

Amounts in Rand	2024	2023
<b>14. OPERATIONAL COSTS</b>		
Rental and hiring	1 273 089	552 388
Repairs and maintenance	303 258	192 983
Communication	396 888	266 580
Stationery and printing	1 132 153	785 423
SITA computer services	2 807 740	2 455 885
Audit fees	1 871 979	1 505 743
External training	59 214	414 858
Inventory written off*	4 078 767	6 510 187
Debt written off*	14 611	-
Cleaning services	2 483 035	1 758 762
Professional accounting and other advisory services	1 236 491	1 078 431
Security services	8 272 317	3 493 003
Medical supplies	-	2 981
External computer services	340 377	439 419
Fuel, oil and lubricants	115 403	121 462
Gardening services	242 204	185 893
Water, electricity and sanitation	327 879	223 531
Service in kind: Rent land and building	35 222 397	32 887 392
Other operational costs	1 785 000	1 047 209
<b>Total</b>	<b>61 962 802</b>	<b>53 922 130</b>

\* Inventory written off relates to expired and broken stock that was written off during the period under review.

**15. OPERATING LEASE COMMITMENTS**

Minimum lease payments due		
Within 1 year	754 174	370 608
Within 2 to 5 years inclusive	742 015	217 229
<b>Total</b>	<b>1 496 189</b>	<b>587 837</b>

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 was no escalation clause in all operating leases as at 31 March 2024 and thus no straight-lining adjustment was required.

**16. NET CASH GENERATED / (UTILISED) FROM OPERATIONS**

Surplus for the period	134 127 618	117 964 975
Adjustment for:		
Depreciation on property, plant and equipment	2 042 892	2 830 523
Net movement in provisions	(493 449)	(1 665 668)
Scrapping of property, plant and equipment	-	444 951
Debts written off	14 611	-
Inventory written off	4 078 767	6 510 187
Operating surplus before changes in working capital	139 770 439	126 084 968
Movement in working capital		
Decrease in inventories	8 357 720	55 270 247
Decrease in trade and other receivables	(67 369 234)	(172 450 880)
Increase/ (decrease) in trade and other payables	54 451 026	(65 985 177)
Net increase in working capital	(4 560 488)	(183 165 810)
<b>Net cash generated / (utilised) from operating activities</b>	<b>135 209 951</b>	<b>(57 080 842)</b>

# Notes to the Annual Financial Statements

for the year ended 31 March 2024

Amounts in Rand	2024	2023
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## 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 and are not at arm's length.

### Related party balances

Amounts included in trade receivables regarding related parties:

Gauteng Department of Health	1 150 970 468	1 093 959 129
------------------------------	---------------	---------------

### Related party transactions

Amounts included in revenue regarding related parties:

Gauteng Department of Health	4 551 281 182	4 573 983 693
------------------------------	---------------	---------------

## REMUNERATION OF KEY MANAGEMENT

The entity's key management personnel are the following:

- Chief Executive Officer
- Director : Pharmaceutical Services
- Director : Finance and Administration

**Notes to the Annual Financial Statements**

for the year ended 31 March 2024

**17. RELATED PARTIES (Continued)**

2024	Acting Chief Executive Officer: Ms Z Rhemtula	Director: Pharmaceutical Services: Mr S Langa	Director Finance and Administration: Mr X Mahleza	Total
Salary	1 010 080	834 625	810 226	2 654 931
Bonuses and performance payments	84 494	46 301	67 795	198 590
Expense allowance	183 660	179 643	143 095	506 398
Acting allowance	25 068	-	-	25 068
Pension Contribution	-	108 501	105 325	213 826
<b>Total</b>	<b>1 303 302</b>	<b>1 169 071</b>	<b>1 126 441</b>	<b>3 598 814</b>

2023	Acting Chief Executive Officer: Ms Z Rhemtula	Director: Pharmaceutical Services: Mr S Langa	Director Finance and Administration: Mr X Mahleza	Total
Salary	948 960	777 255	758 748	2 484 963
Bonuses and performance payments	78 297	62 626	62 603	203 526
Expense allowance	190 847	188 714	140 487	520 048
Acting allowance	24 259	89 754	-	114 013
Pension Contribution	-	103 827	98 632	202 459
<b>Total</b>	<b>1 242 363</b>	<b>1 222 176</b>	<b>1 060 470</b>	<b>3 525 009</b>

**Service in-kind**

During the current financial year, the Gauteng Department of Health and other related parties, rendered the services listed below at no cost to the entity:

- Corporate Services (Including Human Resources, Supply Chain Management 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.

**Acting CEO**

Ms. Z Rhemthula was appointed Acting CEO on 01 July 2021, and has been offering services at no cost to the entity. Acting CEO's Salary amounted to R 1 303 302 ( 2023: R 1 242 363)

**Land and buildings**

The entity utilises Land and Buildings for free provided by the Gauteng Department of Infrastructure Development (GDID).

The market related value of rentals for similar properties in Auckland Park, Johannesburg for the year under review is estimated at R35 222 397 (2023: R32 887 392).

**Notes to the Annual Financial Statements**

for the year ended 31 March 2024

**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:

<b>Amounts in Rand</b>			
<b>2024</b>	<b>Within 1 year</b>	<b>Within 2 - 5 years</b>	<b>Total</b>
Finance lease obligations	315 190	194 116	<b>509 306</b>
Trade payables	349 532 480	-	<b>349 532 480</b>
<b>2023</b>	<b>Within 1 year</b>	<b>Within 2 - 5 years</b>	<b>Total</b>
Finance lease obligations	283 141	433 400	716 541
Trade payables	290 600 952	-	290 600 952

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:

<b>Amounts in Rand</b>		
<b>2024</b>	<b>Increase in interest rate by:</b>	<b>Effects on surplus</b>
Finance lease obligations	1%	5 093
Trade payables	1%	3 495 325
<b>2023</b>	<b>Increase in interest rate by:</b>	<b>Effects on surplus</b>
Finance lease obligations	1%	7 165
Trade payables	1%	2 906 010

Gauteng Medical Supplies Depot  
**Notes to the Annual Financial Statements**  
for the year ended 31 March 2024

**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 dealing with 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 in the 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 of payments 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:

<b>Amounts in Rand</b>	<b>2024</b>	<b>2023</b>
Trade and other receivables ( less than 3 months)	<b>1 150 970 468</b>	1 093 959 129
Cash and cash equivalents (less than 3 months)	<b>305 536 269</b>	176 564 896

**Liquidity Risk**

The Entity maintains a large amount of inventory , the maximum turnover period for the inventory kept however is three 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 that the 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 international suppliers 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.

**Notes to the Annual Financial Statements**

for the year ended 31 March 2024

Amounts in Rand	2024	2023
<b>19. IRREGULAR EXPENDITURE</b>		
<b>Confirmed:</b>		
There are three (3) contracts that accounted for the current year irregular expenditure:		
- Distribution services	-	3 086 090
- Security Services	<b>8 346 300</b>	3 480 443
- Cleaning Services	<b>1 808 549</b>	493 983
- Waste Management Services	<b>1 260</b>	1 928
- Nexus report *	<b>2 225 116</b>	2 144 620
<b>Closing Balance</b>	<b>12 381 225</b>	9 207 064

\* Sourced from Nexus forensic investigation report

**20. PRIOR PERIOD ERROR****20.1 Property, Plant and Equipment**

During the 2022/ 2023 financial year, the entity erroneously overstated the carrying value of office furniture and leased assets by R30 620 comparative figures have accordingly been restated to correct this error by debiting depreciation and crediting accumulated depreciation of the aforementioned assets. The correction of the above prior period errors resulted in adjustment as follows:

Amounts in Rand	As previously reported 2023	Restated 2023
<b><u>Statement of financial position</u></b>		
Property, plant and equipment	5 296 362	5 265 742
Cost	37 607 769	35 030 660
Accumulated depreciation	(32 311 407)	(29 764 918)
Accumulated surplus	1 114 424 078	1 114 393 458
<b><u>Statement of financial performance</u></b>		
Surplus for the year	117 995 595	117 964 975
<b><u>Statement of net assets</u></b>		
Accumulated surplus		
Surplus for the year	117 995 595	117 964 975
Balance at 31 March 2023	1 114 424 078	1 114 393 458
<b><u>Statement of cash flows</u></b>		
Surplus for the year	117 995 595	117 964 975

**21. COMPARATIVES**

There were changes to the prior year presentation and disclosure due to a prior year error as detailed in note 20 above.



# Notes to the Annual Financial Statements

for the year ended 31 March 2024

## 22. CHANGES IN ACCOUNTING ESTIMATES

GRAP 17 - property, plant and equipment requires the review of the useful life of an asset at least at each financial year-end.

The Medical Supplies Depot revised the useful life as at 01 April 2023 for various category of assets as follows:

- Computer Equipment by additional years ranging from less than a year to 12 years.
- Leased Assets by an additional 2 years
- Office Furniture by additional years ranging from less than a year to 16 years.
- Plant & Equipment by additional years ranging from less than a year to 16 years.

The effect of the change in accounting estimate on the current year's results was an increase in the current year's surplus by R78 006. The effect of the change in accounting estimate on future financial periods will be a decrease in net surplus by R78 006.

## 23. EVENTS AFTER REPORTING DATE

There were no events after the reporting date.

# Report of the Audit Committee

## Report of the Audit Committee – Cluster 03

We are pleased to present our report for the financial year ended 31 March 2024.

### 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.

<b>Non-Executive Members Name of Member</b>	<b>Number of Meetings attended</b>
Mr. Stanley Ngobeni (Chairperson)	05
Mr. Suren Maharaj	05
Ms. Shelmadene Petzer	05

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

<b>Compulsory Attendees</b>	<b>Number of Meetings attended</b>
Ms. Zuleka Rhemtula (Acting Chief Executive Officer)	03 (until March 2024)
Mr. Simthembile Langa (Acting Chief Executive Officer)	02 (from May 2024)
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 Acting Chief Executive 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.

### 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 2024, and in addition, considering information and explanations given by management plus discussions held with the external auditor on the results of their audit, the Audit Committee concluded that the depot's system of internal financial controls are adequate but not fully effective and material internal control breaches come to the Audit Committee's attention.

Gauteng Medical Supplies Depot  
**Notes to the Annual Financial Statements**  
for the year ended 31 March 2024

Management should pay special attention to the following areas to in order to improve the overall control environment within the entity:

- Strategy in response to Covid-19 on Occupational Health and Safety
- Supply Chain Management
- Follow up on AG findings
- Follow up on Acquisition and Distribution of Pharmaceutical/Medical supplies to health facilities.

Management should also implement the findings raised by the Auditor-General.

### **Information and Communication Technology (ICT) Governance**

The Audit Committee concluded that ICT Governance of the depot is not adequate, thus there is a need for implementation of integrated ICT governance strategy and strengthening of ICT controls and governance structure.

### **Internal Audit**

The Committee has satisfied itself that the internal audit function was appropriately independent. The internal audit charter and the internal audit plan were approved by the Committee. Internal audit has access to the

Committee, primarily through its chairperson. 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 controls;
- 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.

The following internal audit work was completed during the year under review:

- Inventory Management including Direct Delivery Vouchers (DDV)
- Supply Chain Management
- Follow up on AG findings
- Performance of the Entity against pre-determined objectives/Performance Information Q1
- Performance of the Entity against pre-determined objectives/Performance Information Q2
- IT general control reviews
- Data Analysis – ETHICS / FIN / HR (1 Jan 2023 – 30 June 2023)
- 2023-24 IT risk assessment
- Data Analysis – ETHICS / FIN / HR (1 July 2023 – 31 Dec 2023)

The Audit Committee will continue to monitor the resources and capabilities of the Internal Audit function as this has an impact on the performance, functioning and effectiveness of GAS as an assurance provider.

### **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 satisfactorily.

# Report of the Audit Committee

for the year ended 31 March 2024

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 Audit Committee further recommend the finalization and the fully implementation of 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 not satisfied with the quality, accuracy, usefulness, reliability, appropriateness and adequacy of the depot in-year reporting systems.

## Evaluation of Annual Financial Statements

Following the review by the Audit Committee of the Annual Financial Statements for the year ended 31 March 2023 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 GRAP and fairly presents the financial position at that date and the results of its operations and cash flows for the year then ended.

Some of the key activities undertaken by the committee are:

- Reviewed and discussed the unaudited and audited annual financial statements to be included in the Annual Report with the AGSA and the Accounting Officer
- Reviewed the Audit Report of the AGSA
- Reviewed the AGSA's Management Report and Management's response thereto
- Reviewed the Departments compliance with legal and regulatory provisions
- Reviewed significant adjustment resulting from the audit.
- Monitored the key commitment of assurance providers throughout the four reporting quarters with the annual statement as at reporting period be reported in the table below.

The Audit Committee also considered reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements and concluded that the depot did not fully comply with the enabling laws and regulations as well as its policies and standard operating procedures.

## Evaluation of Annual Performance Report

Following the review by the Audit Committee of the Annual Performance Report for the year ended 31 March 2024 before and after the audit, the Audit Committee is of the view that, in all some respects, the department complied with the relevant provisions of the PFMA and Framework for Managing Programme Performance Information (FMPPI) and fairly presents the performance of the department at that date. Furthermore, the Audit Committee advised management to develop a turnaround plan to address the under achievements contained in the report.

The Audit Committee has also satisfied itself as to the integrity of the remainder of the annual report.

## One-on-One Meeting with the Accounting Officer

The Audit Committee has met with the Accounting Officer for the department and other key members from the department and Provincial Treasury to discuss actions to be taken to address the internal control deficiencies.

## One-on-One Meetings with the Executive Authority

The Audit Committee met with the Executive Authority for the department and entity to apprise the MEC on the performance of the Depot.

Gauteng Medical Supplies Depot  
**Report of the Audit Committee**  
for the year ended 31 March 2024

**Auditor-General of South Africa**

The Audit Committee has met with the AGSA to ensure that there are no unresolved issues. Furthermore, the committee is satisfied that the AGSA was independent of the department.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements and Annual Performance Report, which is the clean or unmodified audit opinion with no findings (unqualified audit with no material findings). Consequently, the Audit Committee is of the opinion that the audited annual financial statements and annual performance report be accepted and read together with the report of the Auditor-General.

**Combined assurance**

The Committee is of the view that the framework in place for combined assurance is not adequate and is not achieving the objective of an effective, integrated approach across the disciplines of risk management, compliance and audit.

**Filling of critical position**

The department still appoint a permanent Chief Executive Officer.

**Expertise of the Chief Finance Officer and finance function**

The Committee has reviewed the current performance and future requirements for the financial management of the Department and concluded that the current team has the appropriate skills, experience and expertise required to fulfil the finance function.

**Going concern**

The Committee critically reviewed the documents prepared by management in which they assessed the going concern status of the institution. Management has concluded that the institution is a going concern. The Committee concurred with management's assessment and recommended acceptance of this conclusion.

**Appreciation**

The Audit Committee wishes to acknowledge the commitment and support of the Honorable MEC, Portfolio Committee, Head of the department, Acting Chief Executive Officer and his staff, AGSA staff, and Internal Audit of the institution. Both political and administrative leadership in the department played ultimate and big role towards an improved audit outcome and positive financial performance.



**Mr. Stanley Ngobeni**  
Chairperson of the Audit Committee  
31 July 2024

# PFMA Compliance Report

## 1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

### 1.1 Irregular expenditure

#### a. Reconciliation of irregular expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	1 458 649	1 449 442
Adjustment to opening balance		
Opening balance as restated		
Add: Irregular expenditure confirmed	12 381	9 207
Less: Irregular expenditure condoned		
Less: Irregular expenditure not condoned and removed		
Less: Irregular expenditure recoverable <sup>1</sup>		
Less: Irregular expenditure not recoverable and written off		
<b>Closing balance</b>	<b>1 471 030</b>	<b>1 458 649</b>

#### Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure that was under assessment		
Irregular expenditure that relates to the prior year and identified in the current year		
Irregular expenditure for the current year	12 381	9 207
<b>Total</b>	<b>12 381</b>	<b>9 207</b>

#### b. Details of irregular expenditure (under assessment, determination, and investigation)

Description <sup>2</sup>	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure under assessment		
Irregular expenditure under determination		
Irregular expenditure under investigation		
<b>Total</b>		

#### c. Details of irregular expenditure condoned

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure condoned		
<b>Total</b>		

#### d. Details of irregular expenditure removed - (not condoned)

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure NOT condoned and removed		
<b>Total</b>		

1 Transfer to receivables

2 Group similar items

Gauteng Medical Supplies Depot  
**PFMA Compliance Report**  
 for the year ended 31 March 2024

**e. Details of irregular expenditure recoverable**

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure recoverable		
<b>Total</b>		

**f. Details of current and previous year irregular expenditure written off (irrecoverable)**

Description	2023/2024	2022/2023
	R'000	R'000
Irregular expenditure written off		
<b>Total</b>		

**Additional disclosure relating to Inter-Institutional Arrangements**

**g. Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)**

Description
<b>Total</b>

**h. Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)<sup>3</sup>**

Description	2023/2024 <sup>4</sup>	2022/2023
	R'000	R'000
<b>Total</b>		

**i. Details of disciplinary or criminal steps taken as a result of irregular expenditure**

Disciplinary steps taken

3 Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023

4 Amounts of irregular expenditure related to the current year must be disclosed in the annual financial statements.



Gauteng Medical Supplies Depot  
**PFMA Compliance Report**  
for the year ended 31 March 2024

## 1.2 Fruitless and wasteful expenditure

### a. Reconciliation of fruitless and wasteful expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	30 713	30 713
Adjustment to opening balance		
Opening balance as restated		
Add: Fruitless and wasteful expenditure confirmed		
Less: Fruitless and wasteful expenditure recoverable <sup>5</sup>		
Less: Fruitless and wasteful expenditure not recoverable and written off		
Closing balance	30 713	30 713

### Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment		
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year		
Fruitless and wasteful expenditure for the current year		
<b>Total</b>		

### b. Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description <sup>6</sup>	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	6 510
Fruitless and wasteful expenditure under determination		
Fruitless and wasteful expenditure under investigation		
<b>Total</b>	-	<b>6 510</b>

The investigation revealed that the previous year balance that was under assessment does not meet the definition of fruitless and wasteful expenditure. The balance is not a fruitless and wasteful expenditure.

### c. Details of fruitless and wasteful expenditure recoverable

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recoverable		
<b>Total</b>		

### d. Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off		
<b>Total</b>		

<sup>5</sup> Transfer to receivables

<sup>6</sup> Group similar items

Gauteng Medical Supplies Depot  
**PFMA Compliance Report**  
 for the year ended 31 March 2024

**e. Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure**

Disciplinary steps taken

**1.3 Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii)<sup>7</sup>**

**a. Details of material losses through criminal conduct**

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	-	3 627
Other material losses		
Less: Recoverable		
Less: Not recoverable and written off		
<b>Total</b>	<b>-</b>	<b>3 627</b>

The case of stock theft was reported to SAPS, and currently pending in court. No theft of stock report during the year under review.

**b. Details of other material losses**

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)		
<b>Total</b>		

**c. Other material losses recoverable**

Nature of losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)		
<b>Total</b>		

**d. Other material losses not recoverable and written off**

Nature of losses	2023/2024	2022/2023
	R'000	R'000
(Group major categories, but list material items)		
<b>Total</b>		

<sup>7</sup> Information related to material losses must also be disclosed in the annual financial statements.

Gauteng Medical Supplies Depot  
**PFMA Compliance Report**  
for the year ended 31 March 2024

## 2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	69 594	3 392 323
Invoices paid within 30 days or agreed period	35 515	2 028 438
Invoices paid after 30 days or agreed period	35 348	1 272 121
Invoices older than 30 days or agreed period (unpaid and without dispute)	1 538	83 573
Invoices older than 30 days or agreed period (unpaid and in dispute)	193	5 189

## 3. SUPPLY CHAIN MANAGEMENT

### 3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Installation of CCTV	Mafoko Security	Participation from a contract arranged by another organ of state.	HEALT/201/20/MP	19 966
<b>Total</b>				<b>19 966</b>

### 3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Cleaning Services		Quotation			493	-
Security Services	Vimba Security	Month to month	GT/GDH/029/2014		3 480	8 328
Waste Management	Buhle Waste	Month to month			2	1
Distribution Services					3 086	-
<b>Total</b>					<b>7 061</b>	<b>8 329</b>

Cleaning services was erroneously included as a variation. New quotations were invited for the service through normal procurement process.













## **GAUTENG PROVINCE**

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PR 216/2023  
ISBN: 978-0-621-51354-7