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Health
REPUBLIC OF SOUTH AFRICA







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PART A

GENERAL INFORMATION

1.1 Department's General Information

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1.2 List of abbreviations and acronyms

AAHA	Alliance Against HIV&AIDS
AAPAM	African Association of Public Administration and Management
ACSM	Advocacy Communication and Social Mobilisation
AED	Automatic External Defibrillator
AGSA	Auditor-General of South Africa
AIDS	Acquired Immune Deficiency Syndrome
AMR	Antimicrobial Resistance
APP	Annual Performance Plan
ARC	Audit and Risk Committee
AREC	Animal Research Ethics Committee
ART	Antiretroviral Treatment
ARV	Antiretroviral
BE	Bio Equivalence
B-BBEE	Broad-Based Black Economic Empowerment
BMA	Border Management Authority
CCM	Country Coordinating Mechanism
CCMDD	Centralised Chronic Medicine Dispensing and Distribution
CCOD	Compensation Commissioner for Occupational Diseases
CDC	Centres for Disease Control
CHWs	Community Health Workers
CIA	Certified Internal Auditor
CISA	Certified Information System Auditor
CMS	Council for Medical Schemes
CoE	Compensation of Employees
COVID-19	Coronavirus Disease
CUPs	Contracting Units for Primary Health Care
CPC	Centre for Positive Care
CPR	Community Responsive Programme
CSSFF	Chan Soon-Shiong Family Foundation
CYSH	Child, Youth and School Health
DA	Democratic Alliance
DAFF	Department of Agriculture, Forestry and Fisheries
DFFE	Department of Forestry, Fisheries and the Environment
DHIS	District Health Information System
DHMO	District Health Management Offices
DG	Director-General
DORA	Division of Revenue Act
DR-TB	Drug-Resistant Tuberculosis
DS – TB	Drug-susceptible Tuberculosis
EFF	Economic Freedom Fighters
EMP	Environmental Management Plan
EMS	Emergency Medical Services
ESST	Educational Support Services Trust
EVDS	Electronic Vaccination Data System
FCL	Forensic Chemistry Laboratory
FF+	Freedom Front Plus
FS	Free State

FY	Financial Year
GIAMA	Government Immovable Asset Management Act
GP	Gauteng Province
HEAPS	Highveld East AIDS Projects Support
HFRG	Health Facility Revitalisation Grant
HIRA	Hazard Identification and Risk Assessments
HRIS	Human Resources Information and Management System
HISP	Health Information System Programme
HIV	Human Immunodeficiency Virus
HIVSS	Human Immunodeficiency Virus Self-Screening
HPRS	Health Patient Registration System
HPV	Human Papillomavirus
HR	Human Resources
HREC	Human Research Ethics Committees
HRH	Human Resources for Health
HRM&D	Human Resources Management and Development
HRTG	Human Resource Training Grant
HSACF	Health Sector Anti-Corruption Forum
HTS	HIV Testing Services
IA	Internal Audit
IAA	Internal Audit Activity
IAEA	International Atomic Energy Agency
ICPS	Internship and Community Service Programme
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
ICSM	Integrated Clinical Services Management
IEC	Information Education and Communication
IHR	International Health Regulations
INB	Intergovernmental Negotiating Body
IPMPs	Infrastructure Programme Management Plans
IRS	Indoor Residual Spraying
JLN	Joint Learning Network
KZN	KwaZulu-Natal
LFA	Local Funding Agent
LCBO	Low-Cost Benefit Options
LP	Limpopo
LMICs	Low and Middle Income Countries
MAP	Muslim Aids Programme
MDR-TB	Multidrug-Resistant Tuberculosis
MBOD	Medical Bureau of Occupational Diseases
MEC	Members of the Executive Council
MHFL	Master Health Facility List
MMC	Medical Male Circumcision
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MP	Mpumalanga
MRC	Medical Research Council [South African]
mRNA	Messenger RNA
MSM	Men who have Sex with Men
MTSF	Medium Term Strategic Framework

NAC	National Anti-Corruption
NAPHS	National Action Plan for Health Security
NEDLAC	National Economic Development and Labour Council
NC	Northern Cape
NCAS	National Council against Smoking
NCDs	Non-Communicable Diseases
NCOP	National Council of Provinces
NDoH	National Department of Health
NDP	National Development Plan
NGO	Non-Government Organisation
NHC	National Health Council
NHEROP	National Health Emergency Response and Operations Plan
NHI	National Health Insurance
NHLS	National Health Laboratory Services
NHRC	National Health Research Committee
NHREC	National Health Research Ethics Council
NICDAM	National Institute Community Development and Management
NIDS	National Indicator Data Set
NIH	National Institutes of Health
NIOH	National Institute for Occupational Health
NLGBTHI	National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health
NQIP	National Quality Improvement Programme
NRF	National Research Fund
NSP	National Strategic Plan
OHS	Occupational Health and Safety
OHSC	Office of Health Standards Compliance
OIG	Office of the Inspector-General
OPSC	Office of Public Service Commission
PEC	Patient Experience of Care
PHEOC	Public Health Emergency Operations Centre
PERSAL	Personnel Salary System
PEPFAR	President's Emergency Plan for AIDS Relief [US]
PFMA	Public Finance Management Act
PHC	Primary Health Care
PLHIV	People Living with HIV
PMB	Prescribed Minimum Benefits
PMDS	Performance Management and Development System
PoE	Port of Entry
PPTICRM	Perfect Permanent Team for Ideal Clinic Realisation and Maintenance
PrEP	Pre-Exposure Prophylaxis
PSF	Private Sector Forum
RAIS	Regulatory Authority Information System
RRT	Renal Replacement Therapy
RR-TB	Rifampicin-Resistance Tuberculosis
SA	South Africa
SAC	School attending children
SABC	South African Broadcasting Corporation
SCOPA	Standing Committee on Public Accounts
SADC	South African Development Community
SAG	South African Government
SAHPRA	South African Health Products Regulatory Authority

SAIPA	South African Institute of Professional Accountants
SALRC	The South African Law Reform Commission
SAMRC	South African Medical Research Council
SAMVAC	South African mRNA Vaccine Consortium
SANC	South African Nursing Council
SANCL	South African National Control Laboratory
SAOPHA	South African Organisation for the Prevention of Transmission of HIV/AIDS, TB .& STIs
SAPS	South African Police Services
SAQA	South African Qualifications Authority
SARR	South African Renal Registry
SARS	South African Revenue Service
SASSA	South African Social Security Agency
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SDGs	Sustainable Development Goals
SHERQ	Safety Health Environment Risk and Quality
SMS	Senior Management Service
SRH	Sexual and Reproductive Health
STAR	Strategic Tool for Assessment of Risks
STIs	Sexually Transmitted Infections
TB	Tuberculosis
TCP	TB Care and Prevention
TIPHC	Training Institution for Primary Health Care
TUTT	Targeted Universal Test and Treat
UAMP	User Assets Management Plans
UHC	Universal Health Coverage
UK	United Kingdom
UNAIDS	United Nations Programme on HIV/AIDS
UNICEF	United Nations International Children's Emergency Fund
USAID	United States Agency for International Development
USG	United States Government
WC	Western Cape
WBPHCOTs	Ward Based Primary Health Care Outreach Teams
WHO	World Health Organization
WMRH	Women Maternal and Reproductive Health
WSH-FIT	Water and Sanitation for Health Facility Improvement Tool
WSW	Women who have Sex with Women
XDR	Extensively drug-resistant tuberculosis

1.3 Foreword by the Minister



Dr J Phaahla, MP Minister of Health

I am pleased to present the National Department of Health's annual report for the 2022/2023 financial year; a year that saw us emerge from the ruins of the largest public health emergency in modern times.

We have all felt the strain of the pandemic at an unprecedented scale, yet despite the immense challenges, we put in place measures to ensure that our health services do not collapse. This report tells the story of our journey to recovery and the measures we have taken to ensure resilience.

Inequity remains the biggest challenge to the health system, and it is threatening the sustainability of healthcare for everyone in the country. Spending increases are unabated in the private sector while the public sector allocations are reduced, thus widening the inequity. Over the coming years a series of reforms will be implemented to achieve an integrated national healthcare delivery system that makes all resources available to everyone.

A lot of progress has been made towards the legal framework for the introduction of the new health system – the National Health Insurance (NHI). The NHI Bill has passed vigorous processes of the Health Portfolio Committee on Health and is now with the National Council of Provinces. This system will ensure quality and accessible *Health for All*. There is no better time than this for South Africa, for Africa, and the world to implement universal health coverage to strengthen health systems and be better prepared to effectively respond to outbreaks.

These reforms are complex and will be made possible by the new legislation that creates the framework for the future health system. The implementation of the NHI is critical for achieving equity in access to good quality healthcare for all South Africans, irrespective of their ability to pay, thereby laying a foundation for implementation of Universal Health Coverage. The National Department of Health has begun to enhance its internal technical capabilities by enhancing operational capacity of the NHI Branch to prepare for efficient and effective functioning of the Fund through five NHI Chief Directorates.

Vaccine manufacturing and sustainable investments on the health sector can help in reorganising the country's health systems to address future health emergencies as well as long-term resilience and desired health outcomes. It is now clear to us how weak health systems provide fertile ground for the growth and spread of dangerous pathogens. To attain a new health system, we need to bolster investment in research and development, innovation, and manufacturing of health tools. This would underpin a strong pharmaceutical industry, which, in our view, is fundamental to creating resilient health system. There are more than 200 of pharmaceutical companies in

South Africa. The pharma industry is valued at slightly more R54 billion. The country also has one of the best advanced life sciences research and development infrastructure in Africa, alongside Egypt. Some pharmaceutical companies that manufacture generic medicines such as antiretrovirals in South Africa, export to other African countries. Our pharmaceutical industry is one of the top generic drugs manufacturers worldwide, and the best manufacturer of anaesthetics outside the United States of America.

The importance of the pharmaceutical industry has been amplified by the global health crises. South Africa has the world's largest antiretroviral programme and is one of the major producers of radiopharmaceuticals. With the ongoing development of local manufacturing capacity and capabilities, local pharmaceutical companies are set to play a pivotal role in the production and supply of affordable medicines for the domestic market and the rest of Africa. Although South Africa is the largest manufacturer and supplier of pharmaceuticals in sub-Saharan Africa, it is highly reliant on imported products, which account for more than two-thirds of pharmaceutical sales.

The success of our health system is also dependent on the strengthening of health systems in the SADC Region. Turning a blind eye on assisting neighbouring countries, our efforts to build a resilient system will prove to be as fatalistic as infectious diseases that know no borders. That is why we have been collaborating on several initiatives, including the Malaria programme.

One very crucial lesson we have learnt in the past three years is the need for government to work more closely with scientists who have better knowledge and understanding of highly infectious diseases and viruses, and who can provide sound advice to guide policy action. In addition, our government must reduce barriers to health innovation, and actively support researchers and centres involved in the sciences. We are looking at better ways to effectively resource into public health institutions such as the South African Medical Research Council, the National Health Laboratory Services and National Institute for Communicable Diseases.

On behalf of the Ministry, I would like to thank our Director-General, Dr SSS Buthelezi, and his management team for remarkable leadership during an exceptionally challenging period for the Department. I wish to thank colleagues across the entire health sector for all they have achieved and ensuring swift service delivery recovery post COVID-19.

**Dr MJ Phaahla, MP
Minister of Health**

1.4 Statement by the Deputy Minister



Dr S Dhlomo, MP Deputy Minister of Health

The COVID-19 pandemic brought into sharp focus the many health inequalities that exist in the country, continentally, and globally. We understand health inequalities as variations in health or access to healthcare between different population groups arising from the social conditions in which people live and work, as well as their age. These socio-economic conditions are wide ranging and include factors such as gender, ethnicity, geographic region or neighbourhood, housing, and employment, as well as levels of income and education.

According to Stats SA (2022), South Africa is a developing country with a current estimated population of 62 million – 80.7% Black, 7.9% White, 8.8% Coloured, and 2.6% Indian. Whilst South Africa is the least deprived country in Africa, its margins of inequalities are ranked highest in the world. Approximately 88% of the population depend on government for their health needs and are more likely to experience poorer health outcomes including reduced life expectancy because of their socio-economic conditions.

COVID-19 and the consequent lockdown measures profoundly affected all areas of our daily lives. More significantly, certain groups who may be at higher risk of contracting the virus or who may experience poorer health outcomes as a result, have been disproportionately impacted.

Post COVID-19, the Department is working on Public Health measures to inform the Health Emergency Preparedness and Response Strategy. The focus of the health sector is on collaborating with other countries to ensure we are prepared and able to respond to future pandemics in relation to human resources, surveillance stability, genomic sequencing, laboratory testing capacity, therapeutics, and vaccines. Work is underway to establish a Public Health Emergency Operations Centre (PHEOC) which will ensure that emergency risks are continuously tracked, and that readiness is maintained.

The Deputy President of the country launched 5th generation NSP (2023-2028), on 24 March 2023, during the commemoration of the World TB Day in Rustenburg, North-West Province. The NSP outlines comprehensive multi-sectoral strategic objectives and priority interventions

that need to be carried out to get the HIV, TB and STIs response on-track to eliminate these diseases as a public health threat by 2030. The focus of the NSP 2023-2028 is to provide innovative interventions that are people and communities-centred, as well as multi-sectoral approaches to reduce the barriers and enhance access to equitable HIV, TB and STIs prevention and treatment services. The NSP recognises that there are evidence-based tools and interventions already being employed, however, to accelerate the fight against HIV, TB and STIs innovation is urgently needed.

The Central Chronic Medication Dispensing and Distribution (CCMDD) continues to create an alternative access to chronic medication to patients. Since the start of the programme, 6 158 756 patients were registered. Around half of these individuals still collect medicines regularly from PUPs. Over 1 711 870 (58%) patients collect their medicine parcels from private sector Pick up Points and the remainder from the public health facilities. With the largest ARV programme in the country, 2 415 937 (almost 40%) of patients who are on Anti-Retroviral Therapy, receive their treatment from CCMDD.

Learning from all the initiatives described in this report indicates that involving communities and partners at the outset, in both the planning and delivery of targeted health interventions, is essential. Successful community engagement and collaborative partnership work requires time to build positive, supportive relationships and most importantly, trust.

The National Department of Health is committed to building on the new relationships that have been nurtured as well as the wealth of knowledge that has been acquired in a broader sense, within the COVID-19 pandemic response. We will continue to develop and incorporate learning to engage with our most vulnerable communities through a bottom up, asset-based approach to embed the legacy of this work across all pillars of Presidential Health Compact, challenge inequality, and promote good health for all.

**Dr S Dhlomo, MP
Deputy Minister of Health**

1.5 Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa



Dr SSS Buthelezi Director General of Health

1. Overview of the operations of the Department

1.1 Strategic issues facing the Department

- a) The government of South Africa has adopted two overarching goals for the health sector for the period 2019-2024, which are embodied in the Medium-Term Strategic Framework (MTSF), and through which the National Development Plan (NDP) 2030 is implemented, namely: (a) Universal Health Coverage for all South Africans progressively achieved. This will be achieved through the creation of an enabling legal framework for the implementation of National Health Insurance (NHI) namely, the NHI Bill. (b) Improving the total life expectancy of South Africans. This is to be achieved through the effective delivery of strategic health programmes to curb morbidity and mortality from communicable and non-communicable diseases.
- b) The globe is emerging from a catastrophic COVID-19 pandemic which had a severe impact on people's lives which will be felt in various forms beyond the pandemic phase. South Africa took a cautious approach to ending the National State of the Disaster for COVID-19, and all restrictions were lifted on the 22 June 2022. The approach paid off since the country did not experience severe COVID-19 outbreak afterwards. However, we remain vigilant of the infection rates through surveillance systems and active monitoring teams. The Department of Health has integrated

COVID-19 screening, testing and vaccination into routine care at Primary Health Care, and added booster doses. COVID-19 vaccination capacity remains available in our facilities, and everyone is encouraged to get vaccinated with all doses that they are eligible for. As at 03 April 2023, accumulative total (since the start of the vaccination) of 38 755 399 doses were administered. A total 51.5% of adults in South Africa had received at least one dose of COVID-19 vaccine, and 49.3% fully vaccinated. We remain challenged with the low uptake of COVID-19 vaccination, reflected by poor demand for vaccination across the different age groups. However, we continue efforts to strengthen social mobilization strategies to ramp-up COVID-19 vaccination drives.

- c) The health system has a positive impact on the health status of the population demonstrated by significant improvement in health outcomes over the years. Life expectancy in South Africa was on an upward trajectory pre COVID-19 years. However, the gains made were significantly reversed by the rise in COVID-19 related deaths. Life expectancy at birth for males declined from 62,3 in 2020 to 59,2 in 2021 and from 68,4 in 2020 to 64,2 for females. In 2022, life expectancy at birth improved slightly to 60,0 years for males and 65,6 years for females. However, despite these improvements, life expectancy is still lower than pre-pandemic levels. The table below reflects the state of life expectancy at birth, childhood, and maternal mortalities in South Africa.

2024 Target	Baseline 2019	Recent Figures	Data Source
Life expectancy of at least 66.6 years	62.9 years	62.8 years	Mid-year population estimates 2022. Statistics South Africa
Life Expectancy of at least 61.5 years amongst males	60.0 Years	60.0 years	Mid-year population estimates 2022. Statistics South Africa
Life Expectancy of at least 67 years amongst females	65.8 years	65.6 years	Mid-year population estimates 2022. Statistics South Africa
≤ 25 under 5 deaths per 1,000 live births	32 under 5 deaths per 1,000 live births (2017)	30.7/1000 live birth	Mid-year population estimates 2022. Statistics South Africa
8 neonatal deaths per 1000 live births	14 neonatal deaths per 1000 live births	13.1/1000 live births	District Health Information System, 2021/22
≤ 20 infant deaths per 1000 live births	23 infant deaths per 1000 live births (2017)	24.3/1000 live birth	Mid-year population estimates 2021. Statistics South Africa
<100 maternal deaths per 100,000 live births	< 134 maternal deaths per 100,000 live births (2016 data)	109 deaths/100 000 live births	Rapid Mortality Surveillance Report 2019 & 2020

- d) The Department is working towards an integrated national health system and responding to priority challenges, including: i) a complex, quadruple burden of diseases, which consists of communicable diseases such as HIV and AIDS and TB, as well as a rise in non-communicable diseases. ii) high maternal mortality ratio, child mortality rates as well as high rates of violence, injuries and trauma; iii) serious concerns about the quality of public health care; and iv) spiralling private health care costs.
- e) Inequity remains the biggest challenge to the health system and threatens the sustainability of health care for everyone in the country. Spending increases unabated in the private sector while the public sector allocations are reduced, thus widening the inequity. The Department is pursuing a phased implementation of the National Health Insurance to address these inequities. Over the coming years a series of reforms will be implemented to achieve an integrated national healthcare delivery system that makes all resources available to everyone. These reforms are complex and will be made possible by the new legislation that creates the framework for the future health system. The implementation of National Health Insurance (NHI) is critical for achieving equity in access to good quality health care for all South Africans, irrespective of their ability to pay, thereby laying a foundation for implementation of Universal Health Coverage. NHI is a health financing system that will pool funds to provide access to quality health services for all South Africans, based on their health needs, irrespective of their socio-economic status. As the country continues to pursue NHI, it is a priority to protect the poor, marginalised and most vulnerable population in rendering services and structuring cross subsidisation. The NHI health system transformation will tackle challenges of rising costs of services, medicines and equipment in the private sector, and resultant inequitable expenditure between the public and private sector in South Africa.
- f) The vision of the Department of Health is “A long and healthy life for all South Africans”. Chapter 10 of the National Development Plan (NDP) envisions a South African health system that works for everyone and produces positive health outcomes. The strategic objectives of the National Department of Health (NDoH) are guided through implementation of the Medium-Term Strategic Framework (MTSF) 2019-2024 and the Presidential Health Compact 2019. The MTSF 2019-24 and the Presidential Health Compact are consistent with the priorities of the NDP 2030 and provides a clear framework for monitoring the implementation of interventions and progress made to achieve Priority 3: Education, Skills, and Health.
- g) The Department continues to direct and manage the implementation of the strategic priorities for steering the health sector towards Vision 2030 as guided by the following nine long term goals of the NDP:
- a life expectancy rate of at least 70 years for men and women;
 - a generation of under-20s largely free of HIV;
 - a reduced quadruple burden of disease;
 - an infant mortality rate of less than 20 deaths per thousand live births and under-five mortality rate of less than 30 deaths per thousand live births;
 - a significant shift in equity, efficiency, effectiveness, and quality of health care provision; and
 - universal health coverage, and significant reduction in the risks by the social determinants of disease and adverse ecological factors.
- h) The 2018 Presidential Health Summit identified key challenges facing the health system and most importantly sort solutions to strengthen the health system and improve quality. This culminated in a Presidential Health Compact that was signed by diverse stakeholders in 2019. The health sector continues to work together with the key stakeholders to fast track the implementation of the pillar interventions lagging behind due to COVID-19 disruptions. The Health Compact comprises of the following thematic pillars:
- Pillar 1: Augment National Human Resources for Health (HRH) Strategy and Plan;
 - Pillar 2: Ensure improved access to essential medicines, vaccines and medical products through better management of supply chain equipment and machinery;
 - Pillar 3: Execute the infrastructure plan to ensure adequate, appropriately distributed and well-maintained health facilities;
 - Pillar 4: Engage the private sector in improving the access, coverage and quality of health services;
 - Pillar 5: Improve the quality, safety and quantity of health services provided with focus on primary health care;
 - Pillar 6: Improve the efficiency of public sector financial management systems and processes;
 - Pillar 7: Strengthen governance and leadership to improve oversight, accountability and health system performance at all levels;
 - Pillar 8: Engage and empower the community to ensure adequate and appropriate community-based care; and
 - Pillar 9: Develop an information system that will guide the health system policies, strategies and investments.

- i) For the period of 2019-2024, the Department committed to the following MTSF interventions, which are further expressed in the Strategic Plan and the Annual Performance Plan:
- Enabling legal framework created for the implementation of National Health Insurance (NHI) Bill;
 - Roll out quality improvement programme in public health facilities to ensure they meet quality standards required for certification and accreditation for NHI;
 - Develop a comprehensive policy and legislative framework to mitigate the risks related to medical litigation;
 - Improved quality of primary healthcare services through expansion of the Ideal Clinic Programme;
 - Develop and implement a comprehensive HRH Strategy 2030 and HRH Plan 2020/21 - 2024/25;
 - Establish provincial nursing colleges with satellite campuses in all 9 provinces;
 - Expand the primary health care system by absorbing over 50 000 CHWs into the public health system;
 - Drive national health wellness and healthy lifestyle campaigns to reduce the burden of disease and ill-health;
 - Provide good quality antenatal care;
 - Protect children against vaccine preventable diseases; and
 - Improve the integrated management of childhood disease services.
- collaborate and coordinate the response to health emergencies. Work on the functionality of the centre will commence in 5 provinces: Free State; Gauteng; KwaZulu-Natal; Mpumalanga & Northern Cape.
- c) Further to that, a process on the development of a National Action Plan for Health Security (NAPHIS) has also commenced, with guidance from the WHO. South Africa is participating in various global and regional African forums that are preparing for any future pandemics to ensure that laboratory, vaccines, medicines and other essential responses can be mobilised quickly to avoid the challenges experienced when COVID-19 arrived. South Africa is a member of the WHO's Intergovernmental Negotiating Body (INB) to draft and negotiate a WHO convention, agreement or other international instrument on pandemic prevention, preparedness and response. The health sector is providing National leadership in the INB process and has convened working sessions with other national government departments in 2022.
- d) Improvement of the quality of services is one of our major priorities through implementation of the National Health Quality Improvement Programme (NQIP). The roll out of NQIP in public health facilities aims to ensure that facilities meet the standards required for certification by the Office of Health Standard Compliance (OHSC) and subsequent accreditation for the National Health Insurance. To date the programme is rolled out across 8 provinces where a total 183 quality learning centres have been identified for participation in which 1689 (44.8%) public health facilities are capacitated on measures to improve quality.

1.2 Significant Events that have taken place during the year

- a) The Department reviewed more than 100 000 public comments on the draft Health Regulations for control of Communicable Diseases. These will inform amendment of the Health Regulations in terms of the National Health Act of 2003 and the International Health Regulations Act of 1974 to address COVID-19 and other health emergencies outside the National State of Disaster in the future. This will lead to a legal process of gazetting the Regulations on the Control of Communicable Diseases.
- b) The Department has been working very hard to finalise the review of the COVID-19 Public Health measures to inform the Health Emergency Preparedness and Response Strategy. The focus of the health sector is now on collaboration with other countries to ensure we are prepared and are able to respond to future pandemics in relation to human resources, surveillance stability, genomic sequencing, laboratory testing capacity, therapeutics and vaccines. Work is underway to establish a Public Health Emergency Operations Centre (PHEOC) which will ensure that emergency risks are continuously tracked, and that readiness is maintained. The PHEOC will be a centralised location from which public health officials communicate,
- e) We remain challenged by the increasing number of medico-legal claims and litigations in the public health sector. The Department made significant strides in assessing the supply and demand side factors contributing to increasing rates of medico-legal litigation and addressing the identified root causes. Specific health establishments were gazetted to be designated to render services to cerebral palsy patients. Provinces must prioritise the provision of future medical treatment at public hospitals, i.e. gazetted facilities. The National Proclamation in respect of the affairs of the Provincial Departments of Health on medico-legal matters has been signed by the President and the forensic reports from the Service Providers appointed by the Department have been provided to the Special Investigating Unit to form the basis for further investigations.
- f) Our flagship programme called Central Chronic Medication Dispensing and Distribution (CCMDD) continues to create an alternative access to chronic medication to patients. Since the start of the programme, 5 658 427 patients were registered. Around half of these individuals still collect medicines regularly from PUPs. Over 1 711 870 (58%) patients collect their medicine parcels from private sector Pick up Points and the remainder from the public health facilities. With the largest ARV programme

in the country, 2 415 937 (almost 40%) of patients who are on Anti-Retroviral Therapy, receive their treatment from CCMDD. CCMDD won the Centre for Public Service Innovation award and following that award, CCMDD through the office of DG of Health sent the innovation to African Association of Public Administration and Management (AAPAM). Out of submissions from 168 countries, CCMDD was a finalist in the top five. During the 41st AAPAM roundtable conference held at the University of Western Cape in December 2022, CCMDD South Africa took the bronze medal award.

1.3 Major projects undertaken or completed during the year

- a) The Department continued implementation and monitoring of the National Human Resource for Health Strategy and Plan 2019-2024, as well as annual placement of interns and community service candidates. During this reporting period, 2 488 medical interns and 7 538 community service practitioners were placed. Additionally, 109 585 Health Care Workers were appointed on permanent/contract basis. Community Health Workers (CHW) continue to play a vital role to provide primary care at household level. Provinces are faced with challenges to recruit additional CHWs when these positions become vacant due to budget constraints. At the end of March 2023, a total 46 172 CHWs were contracted across provinces against the MTSF 2024 target of integrating 50 000 CHWs into the public health system. The Department is working through the Public Service Bargaining Council to find a lasting solution for long term or permanent engagement of CHW's. There is also a collaboration with the Department of Employment and Labour to finalise a Sectoral Determination for CHWs. This will enable non-Public Service employment of CHWs in a dispensation that protects them through their own statutory conditions.
- b) The National Department of Health has begun to enhance its internal technical capabilities by enhancing operational capacity of the NHI Branch to prepare for efficient and effective functioning of the Fund through five NHI Clusters: Health System Digital Information; Health Care Benefits and Provider Management; Risk Identification and Fraud Management; User and Service Provider Management; and Health Products Procurement. To date the process is underway to recruit incumbents to various senior management and technical posts. A total 53 of the 67 NHI posts were filled as at the end of March 2023.
- c) The Health Patient Registration System (HPRS) registered a total count of more than 63 million individual records each with a Patient Unique Identifier (Master Patient Index) assigned to them in 3 211 public health facilities, out of which 267 HHCs and 2870 are clinics and 74 hospitals. Further work will be done to remove duplicates and isolate those records for people who have died or left the country, plus to consolidate many parallel digital systems, linking systems through interoperability rules and developing the first phase of a single electronic patient record. The Department will leverage the capabilities and functionality of HPRS and Electronic Vaccination Data System (EVDS) as catalysts for the development and implementation of the Electronic Health Record digital solution.
- d) The Department of Science and Innovation, the National Department of Health, public entities and the private sector are collaborating to develop Africa's ability to manufacture vaccines. South Africa has been designated a hub for the development and transfer of capability for vaccine manufacturing to designated Low- and Middle-Income Countries. Afrigen, a company partially owned by the state through the Industrial Development Corporation (IDC), and which has state of the art facilities, is the designated as the hub, while Biovac, is the designated local commercial manufacturer of vaccines developed at the hub. In 2022, the Director-General (DG) of the World Health Organisation, Dr. Tedros Adhanom Ghebreyesus, visited South Africa and was impressed with how the development of the hub had progressed. To date, the locally developed COVID-19 vaccine, Afrivac2121, is showing great promise in its pre-clinical stage and will soon enter Phase 1 clinical trial. South Africa has already started building capabilities in other spokes through training of manufacturers from Low- and Middle- Income Countries (LMICs) such as Brazil, Argentina, Indonesia, Bangladesh, Vietnam, India, Egypt, and Tunisia. The ultimate goal is that through the technology transfer to hub, the mRNA technology will be used as a platform for development of vaccines for TB, Malaria, HIV/AIDS and other diseases prevalent in LMICs. By the end of March 2023, Biovac had signed an agreement with Pfizer for the secondary manufacturing (Fill and finishing) of the Pfizer Cominarty COVID-19 vaccine and Aspen Pharmaceuticals had entered into an agreement with Johnson & Johnson to brand their vaccine as Aspenovax.
- e) The District Health Information Management Systems Policy requires that the National Indicator Data Set (NIDS) be reviewed every two years. This is to ensure that priority indicators set is not unduly expanded and focusses on collection of essential indicators and data elements to assist in tracking the performance of the health system and in planning and decision-making. During the reporting period, all Provinces and supporting partners contributed to the revision of the NIDS. The proposed NIDS 2023 was approved on 27 October 2022, for implementation from 01 April 2023 to 31 March 2025.
- f) The Deputy President of the country, supported by the Department of Health, launched the 5th generation National Strategic Plan (NSP) (2023-2028), on 24 March 2023, during the commemoration of the World TB Day in Rustenburg, North-West Province. The NSP outlines comprehensive multi-sectoral strategic objectives and priority interventions that need to be carried out to get the HIV, TB and STIs

response on-track to eliminate these diseases as a public health threat by 2030. The focus of the NSP 2023-2028 is to provide innovative interventions that are people and communities-centred as well as multi-sectoral approaches to reduce the barriers and enhance access to equitable HIV, TB and STIs prevention and treatment services. The NSP recognizes that there are evidence-based tools and interventions already being employed, however, to accelerate the fight against HIV, TB and STIs innovation is urgently needed.

- g) South Africa's performance against the UNAIDS 95-95-95 strategy for control of the HIV pandemic is 94-76-92, which means that as of the end of

March 2023, 94% of people living with HIV knew their status, 76% of people living with HIV are on antiretroviral treatment (ART), while 92% of the estimated proportion of patients on ART were virally suppressed at 12 months. In total, all the eleven districts in KwaZulu-Natal have achieved the first 95 target while the following three districts have surpassed the second 95 target: Thabo Mofutsanyana in the Free State, Sedibeng in Gauteng, and uMkhanyakude in KwaZulu-Natal.

- h) Further to that, the following three districts have achieved the third 95 target: Fezile Dabi in the Eastern Cape, Amajuba and uMkhanyakude in KwaZulu-Natal.

2. Overview of the financial results of the department

2.1 Departmental receipts

	2022/23			2021/22		
	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	12 174	1 151 210	-1 139 036	1 203 103	425 640	777 463
Interest, dividends and rent on land	6 300	8 981	-2 681	15 826	17 469	-1 643
Sales of capital assets	-	188	-188	-	-	-
Financial transactions in assets and liabilities	405	5 354	-4 949	154 320	77 914	76 406
TOTAL	18 879	1 165 733	-1 146 854	1 373 249	521 023	852 226

2.2 Programme Expenditure

	2022/23			2021/22		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	731 989	645 318	86 671	828 730	672 727	156 003
National Health Insurance	1 576 102	1 366 050	210 052	1 025 966	838 153	187 813
Communicable and Non-Communicable Diseases	26 924 022	26 049 571	874 451	35 741 509	35 595 481	146 028
Primary Health Care	5 154 744	5 149 242	5 502	255 705	251 526	4 179
Hospital Systems	22 641 588	22 198 414	443 174	21 114 133	21 011 761	102 372
Health System Governance and HR	7 527 286	7 487 446	39 840	6 442 722	6 360 530	82 192
Direct charge against the national revenue fund	-	-	-	500 000	407 253	92 747
TOTAL	64 555 731	62 896 041	1 659 690	65 908 765	65 137 431	771 334

The Department has spent R62,896 billion of its allocation from the budget of R64,556 billion, representing 97,4% spending rate.

- a) **Compensation of Employees:** Expenditure amounted to R760,962 million which represents 93,7% from the budget of R812,52 million
- b) **Goods and services:** Expenditure amounted to R2,841 billion with the spending rate of 71,6% from the allocated budget of R3,967 billion.
- c) **Transfer payments:** Expenditure of R58,334 billion (100,0%) was incurred from the budget of R58,336 billion.
- d) **Purchase of Capital Assets:** An amount of R958,842 million (66,6%) was spent on capital payments from the budget of R1,439 billion.
- e) **Direct charges against the National Revenue Fund:** None.

2.3 Reasons for under/(over) expenditure

Compensation of Employees

Underspending is due to vacant, critical posts that are in the process of being filled.

Goods & Services

- Rental payments to Department of Public Works withheld due to unresolved disputes on invoices.
- Underspending resulted from delayed recruitment of the new National Health Insurance (NHI) staff members.
- The 2022/2023 business plan for the NHI Indirect Grant Personal Services Component detailed targets that were unfeasible within the timeframe and capacity of the NHI Branch.
- Underspending under COVID-19 Vaccination Programme, as there is sufficient vaccine stock on hand.

Purchase of Capital Assets

The underspending is attributed to slow kick-off of various infrastructure projects.

2.4 Virements

Approval was obtained for the virement of funds after the Adjustments Budget, totalling to an amount of R3.095 million across programmes.

2.5 Roll overs

None.

2.6 Unauthorised expenditure

The Department did not incur any unauthorised expenditure for the period under review.

2.7 Fruitless and wasteful expenditure

As of 31 March 2023, an amount of R1 538 was recorded under this item.

2.8 Public Private Partnerships

None.

2.9 Discontinued activities / activities to be discontinued

None.

2.10 New or proposed activities

None

2.11 Supply chain management (SCM)

Number of Quotation Requests	Value (R'000)
481	R58 438 054.79

The Department processes transactions through the open bidding process as depicted in the table below. The open bidding process is for transactions above R1000 000.

Number of Tenders	Value (R'000)
31	R31 336 626.00

The total breakdown of bidding process transactions in terms of compliance to Preferential Procurement Regulations and Broad-Based Black Economic Empowerment (B-BBEE).

B-BBEE Contribution Level	Number of Transactions	Value (R'000)
Level 1	7	R17 268 784.94
Level 2	2	R7 653 988.20
Level 3	0	R0
Level 4	1	R3 925 525.00
Level 5	1	R2 888 328.00
Level 6	0	R0
Level 7	0	R0
Level 8	0	R0
Non-Complaint	0	R0

In relation to Assets Management, the department has maintained its assets register in accordance with minimum required information to be in the Fixed Assets Register.

For the year under the review, the department had assets additions to the value of R56,043,473.72 and non-cash assets addition to the value of R2,235,689.43 and Disposals to the value of R231,211,985.52. The overall assets register of the department has 140,468.00 assets to the value of R480,878,083.69 and all these assets are in the Fixed Assets Register, which enable the department to know the location, value, condition, usage, and asset number of these assets for accurate accounting.

2.12 Gifts and Donations received in kind from non-related parties.

The Director-General has approved a report on the declaration of gifts/donations and sponsorships received for the 2022/23 financial year. These donations were made to officials in their official capacity and there was no personal gain.

2.13 Exemptions and deviations received from the National Treasury

For the year under review, the department sort and received concurrent approval to deviate from normal procurement process for the following procurement transactions.

2.14 Events after the reporting date

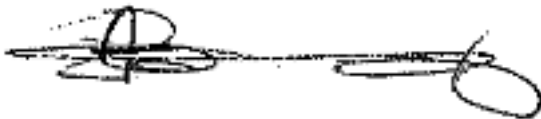
Project Description	Name of Supplier	Actual Value of Contract (R'000)	Reason for the Deviation
Hosting, managing, maintaining, and assisting with migrating of the ICPS (Internship and Community Service Programme) for a period of three (3) months	HISP-SA	R2 488 328.00	Single Source
Appointment of the South African Qualifications Authority as a Sole Supplier to render the verification services of senior management services (SMS) qualifications within the Department for a period of 5 (five) years.	South African Qualifications Authority (SAQA)	Rate-based as per the Amendment Verification of National qualification tariffs from 1 April 2020	Sole Provider
Deviation to contract SABC Education to Broadcast side-by-side radio drama.	SABC Education	R3 563 353.20	Sole Provider

Acknowledgements

I wish to express my appreciation to the Minister of Health, the Deputy Minister, as well as all members of staff for their hard work, loyalty, and commitment in pursuing the objectives of National Department of Health. I also wish to acknowledge all partners working with us on the implementation of the National Development Plan.

Approval

The Annual Financial Statements are approved by the Accounting Officer.



Dr SSS Buthelezi
Director-General

1.6 Statement of responsibility and confirmation of the accuracy of the Annual Report

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

All information and amounts disclosed throughout the Annual Report are consistent. The Annual Report is complete, accurate and free from any omissions.

The Annual Report has been prepared in accordance with the guidelines issued by National Treasury.

The annual financial statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

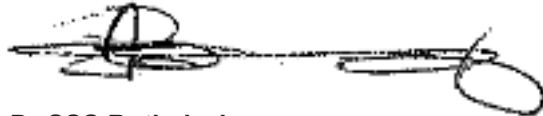
The Accounting Officer is responsible for preparation of the annual financial statements and for the judgements made in this information.

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 are 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 the financial affairs of the Department for the financial year ended 31 March 2023.

Yours faithfully



Dr SSS Buthelezi
Director-General

1.7 Strategic Overview

Vision

A long and healthy life for all South Africans.

Mission

To improve the health status of South Africans through the prevention of illnesses and the promotion of healthy lifestyles and to consistently improve the health care delivery system by focusing on access, equity, efficiency, quality, and sustainability.

1.8 Legislative and Other Mandates

The Legislative mandate of the Department of Health is derived from the Constitution, the National Health Act, 61 of 2003, and several pieces of legislation passed by Parliament guided by Sections 9, 12 and 27 of the Constitution.

Values

The Department subscribes to the Batho Pele principles and values.

Legislation falling under the Portfolio of the Minister of Health

- Allied Health Professions Act, 1982 (Act No. 63 of 1982), as amended.
- Choice on Termination of Pregnancy Act, 1996 (Act No. 92 of 1996), as amended.
- Council for Medical Schemes Levies Act, 2000 (Act No. 58 of 2000), as amended.
- Dental Technicians Act, 1979 (Act No. 19 of 1979), as amended.
- Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972), as amended.
- Hazardous Substances Act, 1973 (Act No. 15 of 1973), as amended.
- Health Professions Act, 1974 (Act No. 56 of 1974), as amended;
- International Health Regulations Act, 1974 (Act No. 28 of 1974), as amended;
- Medical Schemes Act, 1998 (Act No.131 of 1998), as amended;
- Medicines and Related Substances Act, 1965 (Act No. 101 of 1965), as amended;
- Mental Health Care Act, 2002 (Act No. 17 of 2002), as amended;
- National Health Act, 2003 (Act No. 61 of 2003), as amended;
- National Health Laboratory Service Act, 2000 (Act No. 37 of 2000), as amended;
- Nursing Act, 2005 (Act No. 33 of 2005);
- Occupational Diseases in Mines and Works Act, 1973 (Act No. 78 of 1973), as amended;

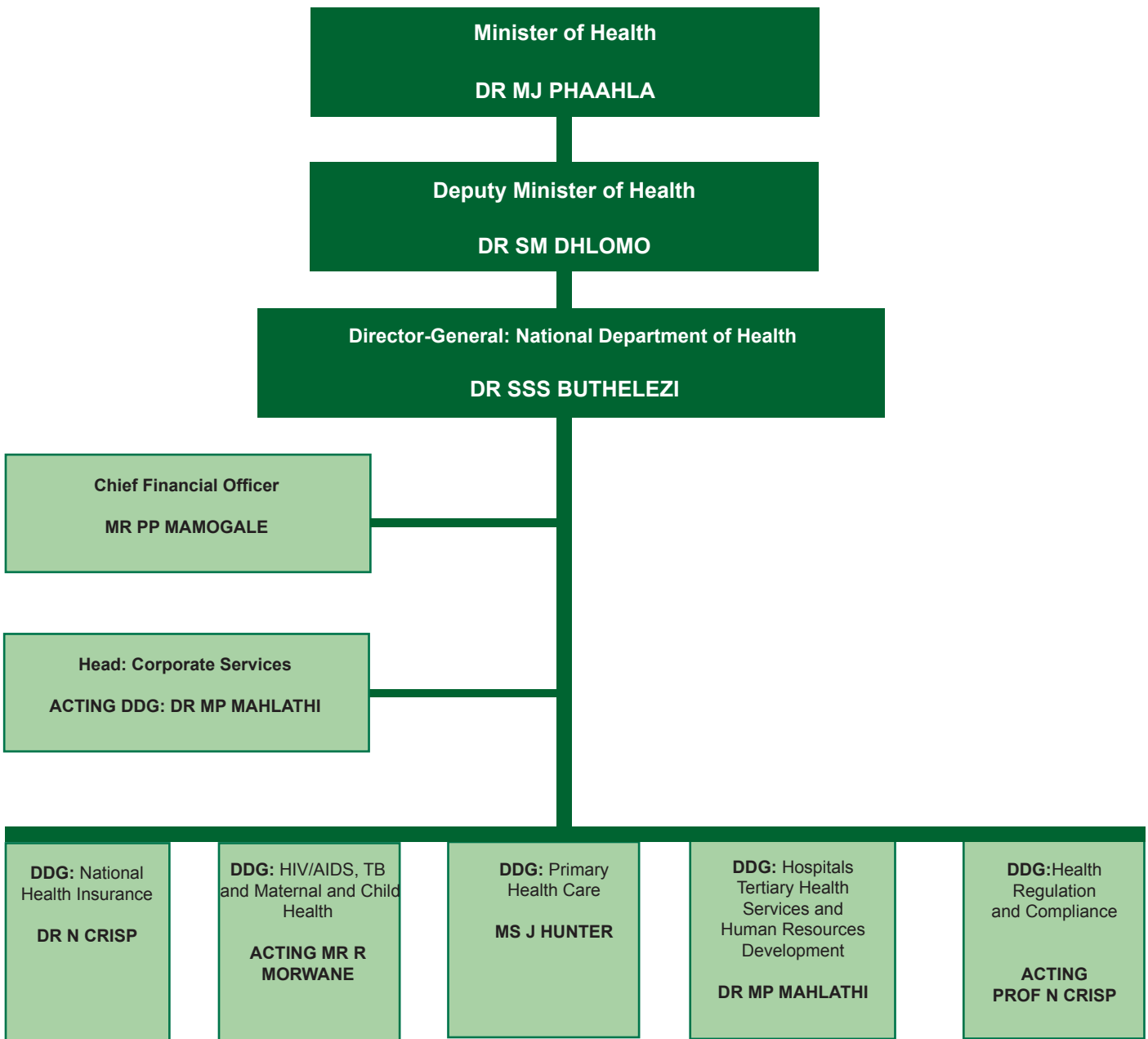
- Pharmacy Act, 1974 (Act No. 53 of 1974), as amended;
- South African Medical Research Council Act, 1991 (Act No. 58 of 1991), as amended;
- Sterilisation Act, 1998 (Act No. 44 of 1998), as amended;
- Tobacco Products Control Act, 1993 (Act No.83 of 1993), as amended; and
- Traditional Health Practitioners Act, 2007 (Act No. 22 of 2007)

Other Legislation, which the National Department of Health must comply with

- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997), as amended;
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), as amended;
- Child Justice Act, 2008 (Act No. 75 of 2008), as amended;
- Children Act, 2005 (Act No. 38 of 2005), as amended;
- Criminal Procedure Act, 1977 (Act No. 51 of 1977), as amended;
- Criminal Law (Sexual Offences and Related Matters) Amendment Act, 2007 (Act No. 32 of 2007), as amended;
- Compensation for Occupational Injuries and Diseases Act, 1993 (Act No. 130 of 1993), as amended;
- Control of Access to Public Premises and Vehicles Act, 1985 (Act No. 53 of 1985), as amended;
- Conventional Penalties Act, 1962 (Act No. 15 of 1962), as amended;
- Designs Act, 1993 (Act No. 195 of 1993), as amended;
- Division of Revenue Act, (Act No 7 of 2003)
- Employment Equity Act, 1998 (Act No. 55 of 1998), as amended;
- Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997), as amended;
- Labour Relations Act, 1995 (Act No. 66 of 1995), as amended;
- The Higher Education Act, 1997 (Act No. 101 of 1997), as amended;
- National Qualifications Framework Act, 2008 (Act No. 67 OF 2008);
- National Roads Traffic Act, 1996 (Act No. 93 of 1996);
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), as amended;
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000), as amended;
- Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000), as amended;
- Promotion of Equality and the Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000), as amended;

- Protected Disclosures Act, 2000 (Act No. 26 of 2000), as amended;
- Protection of Personal Information Act, 2013 (Act No. 4 of 2013);
- Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended;
- Public Service Act, 1997 (Proclamation No. 103 of 1994), as amended;
- Public Service Commission Act, 1997 (Act No. 46 of 1997), as amended;
- Skills Development Act, 1998 (Act No. 97 of 1998), as amended;
- State Information Technology Act, 1998 (Act No. 88 of 1998), as amended;
- State Liability Act, 20 of 1957 (Act No. 20 of 1957), as amended;
- The Competition Act, 1998 (Act No. 89 of 1998), as amended;
- The Copyright Act, 1998 (Act No. 98 of 1998), as amended;
- The Merchandise Marks Act, 1941 (Act No. 17 of 1941), as amended;
- The Patents Act, 1978 (Act No. 57 of 1978), as amended;
- Trade Marks Act, 1993 (Act No. 194 of 1993), as amended;
- Unemployment Insurance Contributions Act, 2002 (Act No. 4 of 2002), as amended; and
- Use of Official Languages Act, 2012 (Act No. 12 of 2012).

1.9 Organisational Structure



1.10 Entities reporting to the Minister

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Council for Medical Schemes	Medical Schemes Act, 1998 (Act No. 131 of 1998)	Transfer payment	Regulates the Medical Scheme Industry.
South African Medical Research Council	South African Medical Research Council Act, 1991 (Act No. 58 of 1991)	Transfer payment	Mandated to improve the health and quality of life through research, development, and technology transfer.
National Health Laboratory Service	National Health Laboratory Service Act, 2000 (Act No. 37 of 2000)	Transfer payment	Mandated to provide cost-effective and efficient health laboratory services to all public sector healthcare providers, as well as any other government institution within and outside the Republic that may require such services and any private healthcare provider that requests such services. In addition, the NHL S is mandated to promote health research and provide training for health science professionals.
Compensation Commissioner for Occupational Diseases in Mines and Works	Occupational Diseases in Mines and Works Act, 1973 (Act No. 78 of 1973)	Transfer payment	The Commissioner is responsible for the payment of benefits to workers and ex-workers in controlled mines and works who have been certified to be suffering from cardiopulmonary diseases because of work exposures.
Health Professions Council of SA	Health Professions Act, 1974 (Act No. 56 of 1974)	Not applicable	Regulates the health professions registered under the Health Professions Act and is mandated to control the education, training, and registration for practicing health professionals.
SA Nursing Council	Nursing Council Act, 2005 (Act No. 33 of 2005)	Not applicable	Regulates the nursing profession by establishing and maintain nursing education and training as well as practice standards.
SA Pharmacy Council	Pharmacy Act, 1974 (Act No. 53 of 1974)	Not applicable	Regulates the pharmacy profession with powers to register pharmacy professionals and pharmacies, control of pharmaceutical education, and ensuring good pharmacy practice.
Dental Technicians Council	Dental Technicians Act, 1979 (Act No. 19 of 1979)	Not applicable	Regulates the professions of dental technicians and dental technologists.
Allied Health Professions Council	Allied Health Professions Act, 1982 (Act No. 63 of 1982)	Not applicable	Regulates allied or complementary health professions falling within the mandate of the Council.
Interim Traditional Health Practitioners Council	Traditional Health Practitioners Act, 2007 (Act No. 22 of 2007)	Funds the activities of the Interim Council	Regulates traditional health practice and traditional health practitioners including students engaged in or learning traditional health practice in South Africa.
Office of Health Standards Compliance	National Health Act, 2003 (Act No. 16 of 2003)	Transfer payment	Monitors and enforces the compliance of health establishments with the prescribed norms and standards of health care and ensure the consideration, investigation and disposal of complaints relating to non-compliance with prescribed norms and standards in a procedurally fair, economical, and expeditious manner.
South African Health Products Regulatory Authority (SAHPRA)	Medicines and Related Substances Act, 1965 (Act No. 101 of 1965)	Transfer Payment	Provides for the monitoring, evaluation, regulation, inspection, investigation, registration and control of medicines, scheduled substances, clinical trials, medical devices, in vitro diagnostics, and related matters in the public interest.



PART B

PERFORMANCE INFORMATION

2.1 Auditor-General's Report: Predetermined Objectives

The Auditor-General of South Africa (AGSA) currently performance certain audit procedures on the performance information to provide reasonable assurance in the form of an audit finding.

The audit findings on the performance against predetermined objectives are included in the report of the report to management.

Refer to page 89 of the Report of the Auditor General to Parliament, published in Part F: Financial Information.

2.2 Overview of Departmental Performance

Service Delivery Improvement Plan

Health is a concurrent function of the national and provincial spheres of government. The NDoH is responsible for issuing and promoting adherence to norms and standards and for the development of guidelines on health policies approved by the National Health Council (NHC).

A few health services are in the direct control of the NDoH. These include health services provided by the Forensic Chemistry Laboratories and health services provided at all 44 ports of entry into South Africa. The Service Delivery Improvement Plan (SDIP) of the NDoH was approved on 09 October 2016 and commenced implementation from 01 April 2017.

The following table reflects progress made in 2022/23:

Main service and standards

Main services	Beneficiaries	Current/actual standard of service	Standard of service	Actual achievement against standards
Blood alcohol tests	SAPS, Forensic Pathology Services mortuaries, and the National Prosecuting Authority	Forensic Chemistry Laboratory (FCL) in Cape Town, Durban, and Johannesburg	0 backlog (no samples older than 90 days)	0 backlog in Durban and Cape Town. However, there is a backlog of 7370 in Pretoria & 50441 in Johannesburg
Prevent importation of communicable diseases at 44 Points of Entry (PoE)	International Travellers, Conveyance operators, Airline companies, Border management (Department of Home Affairs, SARS, SAPS and DAFF)	Screening of international travellers at 44 PoE	Screening of international travellers	Screening of international travellers conducted at PoE
		Inspection of international high-risk conveyances to determine compliance with health measures	Inspection of international high-risk conveyances to determine compliance with health measures	100% of international high-risk conveyances (aeroplanes) were inspected
		Alert and inform stakeholders of outbreaks of international concern	Alert and inform stakeholders of outbreaks of international concern	Information on outbreaks communicated to stakeholders through NDoH website, pamphlets and banners
		Provide client with contact details of all Port Health managers	Provide client with contact details of all Port Health managers	Contact details of managers displayed on points of entry entrances
Compensations for occupational lung disease in miners and ex-miners by Compensation Commission for Occupational Disease	Miners and ex-miners	Families of miners and ex-miners, the mining industry	Processing of claims for benefit medical examination of miners and ex-miners	CCOD paid out 6 275 claims amounting to R170 million. MBOD conducted 4 485 medical certifications. The Tshiamiso Trust paid out its first R1billion to 11 316 eligible silicosis and tuberculosis (TB) claimants. Through outreach activities in 5 districts in northern KwaZulu-Natal, 8 500 ex-mineworkers and beneficiaries were reached, and eligible claimants were enabled to lodge claims and undergo medical assessments.

Batho Pele arrangements with beneficiaries (consultation access, etc)

Current arrangements	Desired arrangement	Actual achievement
Consultative fora	Key stakeholders in health sector including public, private, non-government sectors and development partners	The National Department of Health continued to implement the 2018 Presidential Health Summit interventions. By end March 2023, the Department conducted a mid-term review of the Presidential Health Compact, to assess the progress, identify the bottlenecks, capitalize the lessons learnt, and to recalibrate the approach for health systems strengthening. The Department in collaboration with key stakeholders were preparing to convene the II Presidential Health Summit in May 2023 with an objective to identify sustainable interventions that will prepare the healthcare system for the introduction of the National Health Insurance.

Service Delivery Information tool

Current/actual tools	Desired information tool	Actual achievements
Personal interaction, circulars, briefings to management, induction sessions and workshops	Existing tools	The Chief Directorate Human Resource Management and Development implemented 720 skills development interventions that included skills programmes, induction, bursaries wherein 14 officials successfully completed their studies, recruited and trained 73 interns and 7 officials completed their learnership programme and placed Middle and Senior Managers in different fellowship programmes.

Complaints mechanism

Current/actual complaints mechanisms	Current complaints mechanism	Actual achievements
Complaints/Compliment procedures for clients	Improved management and processing of complaints and improved turnaround times	For the 2022/23 financial year, 20 915 of the 22 237 (94%) complaints that were lodged by provinces were resolved. Of the complaints that were resolved, 19 829 (95%) were resolved within 25 working days.
MomConnect for pregnant women and mothers	Improved response time, investigations of complaints and their satisfactory resolutions	MomConnect is an initiative that uses mobile technology to improve the health of pregnant women, new-borns, and infants at national scale. Apart from being the first and largest programme of its time across the world recognised with various awards (recent prestige award was received in April 2023 from Skoll Foundation in UK). MomConnect is a trusted evidence-based source of information for women and their babies. During the outbreak of Measles in December 2022, the programme managed to send messages of awareness to the users within 24 hours for over 2 million women. By 31 March 2023, a cumulative total 4 573 200 pregnant women were registered on MomConnect.

Organisational environment

The consultations with the Department of Public Service and Administration on the alignment of functions within the NDoH continued during this reporting period. The aim of this process is to bring about efficiencies and cost effectiveness while ensuring that the Department continues to fulfil its constitutional mandate. The functional alignment is also aimed at laying the foundation for coherence between the National and Provincial structures while taking cognisance of affordability.

Key policy developments and legislative changes

A strategic objective of the Department is to achieve Universal Health Coverage through the phased implementation of the National Health Insurance (NHI). The goal of NHI is to ensure that all South African citizens and residents, irrespective of their socio-economic status, have access to good quality health services provided by both the public and private sectors. NHI seeks to ensure access to health services based on the needs and to eradicate financial barriers limiting access to health care services. These will be realised through an enabling legal framework, the NHI Bill, which is at an advanced stage of processing by the National Assembly in Parliament, as at the end of March 2023. The Portfolio Committee concluded the 'line-by-line' discussions on the Bill clauses. Presentation of legal opinions on legality of the Bill led by the Chief State Law Advisor and the Parliamentary Legal Officer will follow early in the 2023/24 financial year and subsequently, political parties will provide their responses to each clause. An 'A list' of amendments and the B-Bill will be prepared. The next steps will be the voting process in the National Assembly; presentation to the National Council of Provinces - consultation in the Provincial Legislatures led by the Select Committee. It is expected that the NHI Bill will be enacted in the 2023 calendar year.

2.3 Strategic outcome-oriented goals

Strategic approach

The strategic objectives of the National Department of Health are guided through implementation of the Medium-Term Strategic Framework (MTSF) 2019-24. The MTSF is a five-year implementation plan and monitoring framework for achieving the National Development Plan (NDP) 2030 priorities for the 6th administration of government. The NDP and the World Health Organization (WHO) recognise that a well-functioning and effective health system is the bedrock for attaining the health outcomes envisaged

in the NDP 2030. The trajectory for the 2030 vision, therefore, commences with strengthening of the health system to ensure that it is efficient and responsive, and offers financial risk protection. In addition to the NDP, the MTSF 2019 - 2024 to achieve Priority 3: *Education, Skills and Health*, also informs the Annual Performance Plan. The MTSF aims to attain two strategic impacts, namely, (i) Life expectancy of South Africans improved to 66.6 years by 2024, and 70 years by 2030; and (ii) 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. Furthermore, the Department is responsible for leading and supporting the implementation of the interventions and activities of the Presidential Health Compact pillars. The pillars have also found expression in the Annual Performance Plan of the Department, its various programmes, and projects.

The National Development Plan ('Vision 2030')

The 2022/23 Annual Performance Plan was the vehicle through which the nine long-term health goals for South Africa set out by the National Development Plan were implemented during the year under review. Five of these goals relate to improving the health and well-being of the population and the other four deal with aspects of health systems strengthening.

Priorities to achieve Vision 2030

The NDP 2030 states explicitly that there are no 'quick fixes' for achieving its nine goals. The NDP also identifies a set of nine priorities that highlight the key interventions required to achieve a more effective health system and thus the desired outcomes. The priorities are as follows:

- Address the social determinants that affect health and diseases.
- Strengthen the health system.
- Improve health information systems.
- Prevent and reduce the disease burden and promote health.
- Finance universal healthcare coverage.
- Improve human resources in the health sector.
- Review management positions and appointments and strengthen accountability mechanisms.
- Improve quality by using evidence.
- Establish meaningful public-private partnerships.

2.4 Programme Performance Information

2.4.1 Programme 1:

Purpose: Provide overall management of the Department and centralised support services.

This programme consists of five sub-programmes:

- Ministry
- Management
- Financial Management
- Property Management
- Corporate Services

Human Resources Management Sub-programmes

This Sub-programme is responsible for overseeing the provision of human resources administration services. This includes the provision of organisational development services and management of conditions of service. The sub-programme is also responsible for the coordination of Performance Management and Development (PMDS) programmes. It implements skills development programmes, strengthens the capacity of employees through human resource development initiatives and ensuring compliance on the implementation of PMDS.

Legal Resources Sub-programme

This Sub-programme is responsible for the provision of effective and efficient legal support service in line with the Constitution of the Republic of South Africa and applicable legislation to enable the Department to perform and achieve on its mandate. This includes inter alia drafting, editing, and amending of legislation and regulations and contracts administered by the NDoH; provision of legal advice and management of litigation by and against the Department of Health and management of internal appeals in terms of the Health Legislation.

The process to inform the development of a Legislation to manage medico-legal claims in South Africa continued during 2022/23 financial year. The South African Law Reform Commission (SALRC) was consolidating the inputs received on a Discussion Paper to inform the policy and legal framework for managing medico legal claims. A legislative process will commence through drafting of the Bill in line with the recommendations proposed by the SALRC on the required reforms.

The National Department of Health has adopted a Case Management System to manage medico-legal claims in the country. The Case Management system is now being implemented in five Provinces to record new medico legal cases (Gauteng, KwaZulu-Natal, Free State, Northern Cape and North-West), however, three Provinces (Eastern Cape, Limpopo and Mpumalanga) have not yet rolled out the system. The Western Cape Province is already implementing a provincial monitoring system and thus have opted not to roll out the Case Management System. Implementation of the system is such that all the historical outstanding cases are included during the roll out phase, and new cases can only be recorded in the Case Management System after the historical outstanding cases have been recorded.

Communications Sub-programme

Communication sub-programme has two pillars, namely, Strategic Communication and Corporate Communication. Corporate Communication communicates and shares information on what is being done to manage the quadruple burden of diseases and internal communication is within the NDoH. The purpose of strategic communication is to actively shape public opinion by influencing news media agenda and this pillar is led mainly by the Ministry of Health.

Outcomes, outputs, output indicators, targets and actual achievements

Table 1: Report against the tabulated Annual Performance Plan

Outcome	Output	Output Indicator	Actual achievement 2021/22	Planned Target 2022/23	Actual achievement 2022/23	Deviation from Planned Target to actual achievement 2022/23	Reasons for Deviations
Financial Management strengthened in the health sector	Audit outcome of National DoH	Audit outcome of National DoH	Unqualified audit opinion for 2020/21 FY received	Unqualified Audit opinion for 2021/2022 FY received	Qualified Audit opinion for 2021/22 FY received	The Department received qualified audit opinion for 2021/22 FY	The Department was qualified on Accrued Departmental Revenue. The Auditor raised a concern on the systems of internal control implemented by the department that were not always adequate for the recording of some transactions and events relating to the recoupment process of the COVID-19 vaccine programme
Management of Medico-legal cases in the health system strengthened	A policy and legal framework to manage medico-legal claims in South Africa	A policy and legal framework to manage medico-legal claims in South Africa developed	Nil	Legislation to manage medico-legal claims in South Africa developed	The South African Law reform Commission is still consolidating inputs to the Discussion Paper which will form the basis for the legislation	Legislation to manage medico-legal claims in South Africa not developed	Awaiting the South African Law Reform Commission to finalise its processes on the Discussion Paper to inform the development of a Legislation to manage medico legal claims in the country
Management of Medico-legal cases in the health system strengthened	A secure case management system developed and implemented	A secure case management system developed and implemented to streamline case management in 8 provinces	Case Management System used to manage new medico legal claims in 4 provinces (Free State, KwaZulu-Natal, Northern Cape & North-West)	Case Management system implemented (rollout) in the remaining four of eight provinces, excluding Western Cape	Case Management system implemented (rollout) in the remaining one of four provinces (Gauteng)	Case Management system not implemented (rollout) in the remaining three of eight (3/8) participating provinces (Eastern Cape, Limpopo, Mpumalanga)	- Eastern Cape is addressing interoperability between the provincial system and the national case management system. - Mpumalanga is verifying data before it can be migrated into the Case Management System. - Limpopo required further engagement with NDoH prior to deciding to roll out the system
Premature mortality due to NCDs reduced to 26% (10% reduction)	Health promotion messages actively marketed through social media	Number of Health promotion messages broadcasted on social media to supplement other channels of communication	443 health promotion messages broadcasted on social media	100 health promotion messages on NDOH social media placed	399 health promotion messages placed on NDOH social media	+299 health promotion messages	More calendar campaigns and community outreach activities
Staff equitably distributed and have right skills and attitude	Monitoring the implementation to reach the minimum targets	Percentage of Women, at SMS level appointed at NDoH according to the equity targets	New indicator	50% of Women at SMS level appointed at NDoH according to the equity targets	46% of Women, at SMS level appointed at NDoH according to the equity targets	-4% of Women at SMS level	Resignations and Retirements
Staff equitably distributed and have right skills and attitude	Monitoring the implementation to reach the minimum targets	Percentage of Youth appointed at NDoH according to the equity targets	New indicator	30% Youth appointed at NDoH according to the equity targets	13% of Youth appointed at NDoH according to the equity targets	-17% of Youth	No intake of Learnerships and Internships for the past 2 years
Staff equitably distributed and have right skills and attitude	Monitoring the implementation to reach the minimum targets	Percentage of People with disabilities appointed at NDoH according to the equity targets	New Indicator	7% of People with disabilities appointed at NDoH according to the equity targets	0.4% of People with disabilities appointed at NDoH according to the equity targets	-6.6% of People with Disabilities	Non-disclosure on Z83 form. Although Person's with disability are encouraged to apply, the Department did not receive any Z83 form with a disability status disclosure

Strategy to overcome areas of under performance

The Department has developed the Audit Improvement Plan Strategy and subsequently commenced with implementation to track progress on the reduction of audit findings and clearing of the qualification matter. The process of drafting the Bill to inform a legal framework to manage medico-legal claims in the country will commence as soon as the SALRC has finalised consolidation of inputs on the discussion paper. Engagements will be pursued with Limpopo and Eastern Cape provinces to roll out the case management system to manage medico legal claims. To address poor performance on staff equity targets, during

the new financial year, the Department will prioritize retention, recruitment and acceleration of Women into SMS level and more intake on learnerships and internships for the youth. Additionally, the Department will collaborate with organisations for Persons with disabilities and plan for each unit to have earmarked posts for persons with disabilities.

Linking performance with budgets

One out of seven outputs of this Programme were achieved, whereas the table below reflects an expenditure of 88.2%.

Sub-programmes	2022/2023			2021/2022	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
Ministry	43 954	38 778	5 176	41 294	32 965
Management	9 293	6 182	3 111	9 267	7 153
Corporate Services	411 049	398 053	12 996	430 533	356 216
Office Accommodation	163 701	114 219	49 482	186 400	172 949
Financial Management	103 992	88 086	15 906	161 236	103 444
Total	731 989	645 318	86 671	828 730	672 727

2.4.2 Programme 2:

Purpose: To achieve universal health coverage by improving the quality and coverage of health services through the development and implementation of policies and health financing reforms.

There are two budget sub-programmes:

- Affordable Medicines
- Health Financing and National Health Insurance

Affordable Medicines sub-programme

The Affordable Medicines sub-programme is responsible for developing the governance frameworks for improved and sustained availability of, and equitable access to, medicines.

During the 2022/2023 financial year, contracts for pharmaceuticals to the value of R38 billion were awarded to suppliers. The Department once again managed to achieve the best prices in the world for first line antiretrovirals. This achievement was made possible due to economies of scale as well as demand and supply planning interventions, which provided suppliers with a certain level of certainty in terms of demand. Additionally, more than 60% of the value of the contract for antiretrovirals was awarded to local manufacturers for those line items where manufacturers qualified for local content.

Continued support was provided to provinces about developing an evidence informed budget plan with the aim of ensuring that budget allocations are appropriately done for medicines. Medicine availability was steady at above 85% for the duration of the financial year.

The review of the 2023 edition of the Paediatric Hospital Level Standard Treatment Guidelines and Essential Medicines List was successfully completed at the end of March 2023. The application of value-based medicine principles aligned to the development of Health Technology Assessments used in the review of essential medicines has been further strengthened as evidenced by the rigor and robustness of recently published medicines reviews during

this financial year.

The continuing fight against antimicrobial resistance (AMR) using a One Health approach has been strengthened through improving the governance structure with increased representation from the animal health sector and now representation from the environmental sector. The current strategy is being implemented through specialised technical working groups in the Infection Prevention and Control, Stewardship, Surveillance, and Education spaces aligned with the National AMR strategy.”

A Draft Health Technology Assessment strategy was developed to guide the implementation of capacity for HTA in the future NHI Fund agency.

Health Financing and National Health Insurance

The sub-programme develops and implements policies, legislation, and frameworks to achieve universal health coverage by designing and implementing national health insurance. This includes managing the technical content of the NHI Bill in its passage through Parliament (the Portfolio Committee, National Assembly and National Council of Provinces (NCOP)).

This sub-programme is developing the implementation frameworks for health financing under NHI, develops policy for the medical schemes industry, provides technical oversight of the Council for Medical Schemes, and manages the national health insurance direct and indirect grants. This includes the CCMDD for chronic medicine dispensing and distribution, various digital developments such as the health patient registration system, the National Data Centre hosting environment for NHI information systems, the Normative Standards Framework for Digital Health Interoperability, the master health facility list (MHFL), the electronic stock monitoring system, and the national surveillance centre for medicines availability.

The sub-programme also implements the single exit price regulations, including policy development and implementation initiatives in terms of dispensing and logistical fees.

Outcomes, outputs, output indicators, targets, and actual achievements

Table 1: Report against the tabled Annual Performance Plan

Outcome	Output	Output indicator	Audited actual achievement 2021/22	Planned target 2022/2023	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Package of services available to the population is expanded based on cost-effectiveness and equity	NHI Bill purchasing Health Services by 2023/24	NHI Fund purchasing health services by 2024/25	The Department of Health attended all the public hearings on the NHI Bill in Parliament as scheduled by the Portfolio Committee	Portfolio Committee and NCOP public hearings on the NHI Bill in Parliament attended	Portfolio Committee public hearings on the NHI Bill in Parliament attended	NCOP public hearing on the NHI Bill not attended	NCOP public hearings on the NHI Bill not held
	Number of human resources available to support the NHI implementation increased.	Percentage of funded posts in the NHI organogram filled.	New Indicator	70% of funded posts in the NHI organogram filled	85% of the funded posts in the NHI organogram filled	+15% of funded posts	The Branch is under development with many new functions. It was created from the former COO and NHI Branch and there has been a realignment of functions to other Branches. This process is underway. The Minister (after consulting MP&SA and Treasury) approved creation of 44 new posts and these will be created as the process unfolds
Resources are available to managers and frontline providers, with flexibility to manage it according to their local needs	Expand the access to chronic medication for stable patients	Number of patients registered on the central chronic medication dispensing and distribution (CCMDD) programme	More than 5 million (5 013 074) enrolled for receiving medicine through the CCMDD programme (cumulative)	5.5million registered patients	6 158 756 patients registered	+658 756 patients registered	CCMDD is a popular programme to decongest facilities. More patients are choosing CCMDD, as they can collect their medicines at external Pick-Up Points
	Health facilities reporting stock availability at national surveillance centre	Total number of health facilities reporting stock availability at national surveillance centre	3873	3850 Health facilities	3860 Health facilities	+10 Health facilities	More medicine storage sites, classified as "other", were able to provide data to the National Surveillance Centre

Strategy to overcome areas of under performance

The Department will attend the NCOP public hearings on the NHI Bill when they commence in the new financial year.

Linking performance with budgets

Three out of four outputs of this Programme were achieved whereas, the table below reflects an expenditure of 86.7%.

Sub-programmes	2022/2023			2021/2022	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
Programme Management	10 427	10 152	275	5 968	4 639
Affordable Medicine	51 519	46 383	5 136	50 703	37 299
Health Financing and NHI	1 514 156	1 309 515	204 641	969 295	796 215
TOTAL	1 576 102	1 366 050	210 052	1 025 966	838 153

2.4.3 Programme 3: Communicable and Non-Communicable Diseases

Purpose: Develop and support the implementation of national policies, guidelines, norms and standards, and the achievement of targets for the national response needed to decrease morbidity and mortality associated with communicable and non-communicable diseases. Develop strategies and implement programmes that reduce maternal and child mortality. There are seven budget sub-programmes:

- HIV, AIDS and STIs
- TB Management
- Women, Maternal and Reproductive Health
- Child, Youth and School Health
- Communicable Diseases
- Non-Communicable Diseases
- Health Promotion and Nutrition

The HIV, AIDS and STI sub-programme

This sub-programme is responsible for policy formulation, coordination, and the monitoring and evaluation of HIV and sexually transmitted disease services. This involves ensuring the implementation of the health sector components of the 2023-2028 National Strategic Plan on HIV, TB and STIs. Other important functions of this sub-programme are the coordination and direction of partner organisations contributing towards the funding for HIV and AIDS, in particular the United States President's Emergency Plan for AIDS Relief; the Global Fund to Fight AIDS, Tuberculosis and Malaria; and the United States Centres for Disease Control.

During 2022/23 financial year, the country was at 94-76-92 in terms of performance against the 95-95-95 targets across its total population using data available in the Public & Private sector. The programme has initiated a programme of 100 facilities, to accelerate performance of the second 95 target on the cascade. The project will be rolled out in the new year, but the foundation was laid in 2022/2023 financial year. The program has expanded identification of youth zones within the PHC facilities to 1845 which is 92.25% against the annual target of 2 000. The aim of the youth zones is to provide an enabling environment to health seeking behaviour for young people especially regarding services such as HIV and STIs prevention and treatment as well as Sexual and Reproductive Health programmes.

The gap in HIV testing remains significant and new modalities such as HIV Self-Screening (HIVSS) have been recommended to reach key and under-tested populations. A total 694 facilities are now offering the HIV Self Screening services against a total target of 200. More adult men than women die of AIDS-related causes, despite there being many more women living with HIV. To reach more men, the program has piloted men's health services in 25 high volume sites. The number of Voluntary Medical Male Circumcisions performed in the financial year 2022/23 was 117 184 exceeding the target of 101 537.

The programme participated in the finalisation of the 5th generation National Strategic Plan (2023-2028), which was launched by the Deputy President on the 24 March 2023, during the commemoration of the World TB Day in Rustenburg, North West Province.

The Tuberculosis sub-programme

This sub-programme is responsible for developing national policies and guidelines, sets norms and standards for TB services, and monitors their implementation in line with the vision of achieving zero infections, mortality, stigma and discrimination from TB and HIV and AIDS, as outlined in the National Strategic Plan 2017-2022 on HIV, TB and STIs.

During the 2022/23 financial year, the TB sub-programme developed a TB Recovery Plan, which contained bold new interventions to address the gaps in TB care. The target-driven plan aims to find the missing people with TB, linking them to care, retaining them in care, and strengthening TB prevention. This plan has helped to recover losses in TB care due to COVID-19 disruptions and accelerate efforts towards End TB targets. The activities were supported by donors including Global Fund and USAID, as well as other partners.

A key intervention introduced to increase TB case finding is the Targeted Universal Test and Treat (TUTT) approach. In addition to routine symptom screening of clients accessing health services, the TUTT approach includes TB testing of selected groups of individuals regardless of TB symptoms – these are people living with HIV, close contacts of TB patients, and patients that completed TB treatment within the last 12 months. As a result, during the year the sub-programme managed to increase TB notifications from 190 595 in 2021 to 224 701 in 2022 against a target of 215 900. To enhance linkage to care, an SMS notification system was put in place for patients that had a TB test at

public facilities. New guidelines for TB preventive therapy were also approved by the National Health Council, which will lead to scale up treatment of latent TB infection thereby reducing TB transmission. At the end of the financial year, the programme identified a need to tackle TB in the mines and TB in the Ex-Miners among others. This matter was further articulated during the world TB Day.

The Women, Maternal and Reproductive Health sub-programme

This sub-programme develops and monitors policies and guidelines and sets norms and standards for maternal and women's health services and monitors the implementation of these services.

During 2022/23, the focus was on improving clinicians' skills and knowledge on the sexual and reproductive health services following the attrition rates during the COVID-19 pandemic. The online sexual and reproductive health curriculum was developed to ensure that clinicians are kept up to date with developments regarding sexual and reproductive health services.

Child, Youth and School Health

This sub-programme is responsible for policy formulation, coordination, and the monitoring and evaluation of child, youth, and school health services. This sub-programme is also responsible for the management and oversight of the human papillomavirus vaccination (HPV) programme, and coordinates stakeholders within and outside of the health sector to play key roles in promoting improved health and nutrition for children and young people.

The sub-programme's priorities are to ensure that all children survive and thrive through prevention and management of common illnesses such as pneumonia, diarrhoea, HIV and malnutrition, promotion of optimal infant and young child feeding, ensuring that all children are fully immunised and supporting Early Childhood Development. School health services are provided with an emphasis on screening of Grade 1s and Grade 8s, as well as oversight of the HPV vaccination campaign, whilst improving access to adolescent sexual and reproductive health services both in-and-out of school settings which remain a priority for improving adolescent health and well-being.

During 2022/23, the focus was on the cold chain infrastructure to improve the management of the vaccines in all the districts. The sub-programme developed the cold chain assessment tools to evaluate the cold chain infrastructure gaps and develop the response plan. The cold chain infrastructure is critical to ensure that the recovery plan for the routine immunizations is accelerated, vaccine preventable outbreaks such as measles are contained and COVID-19 vaccination is continued to promote herd immunity. Efforts were also intensified on improving community awareness about the childhood illnesses, health promotion and child development by developing the radio station-based education program through the side-by-side campaign.

The sub-programme embarked on the programme to contain measles outbreak, which affected 8 out of 9

provinces, with Eastern Cape being the only province with no declared outbreak. The programme further started with the measles campaign, which ran alongside the HPV vaccination campaign.

Communicable Diseases

This sub-programme leads the development of legislation, policies, strategies and guidelines while supporting provinces to facilitate the control of infectious diseases with the support of the National Institute for Communicable Diseases, a division of the National Health Laboratory Service. It improves interventions for disease detection, preparedness and core response capacity for public health emergencies in line with international health regulations and also facilitates the implementation of influenza prevention and control programmes, neglected tropical disease prevention and control programmes, and malaria elimination.

The sub-programme consists of Communicable Disease Control as well as the Malaria and Vector-borne Diseases Directorates.

In 2022/23 financial year, a total 539,533 (78.3%) of the targeted 688,838 individuals were vaccinated against the seasonal influenza. An implementation plan was developed for the praziquantel mass drug administration to control schistosomiasis in endemic areas.

The Malaria and Vector-borne Diseases Directorate provides policy and strategic direction for malaria elimination through the implementation of the National Strategic Plan 2019-2023. South Africa is committed to achieving malaria elimination. Accelerated performance towards malaria elimination led to the country meeting the Global Technical Strategy 2015-2030 target of reducing the case burden by 40% between 2015 and 2021. In line with these efforts, resource mobilization through a conditional grant has been lauded by the World Health Organization through an award for the country.

The Department has also steered the implementation of an improved surveillance system through the foci clearing investigation programme, enhanced screening, and treatment of the high-risk migrant population at border areas. The implementation of foci clearing investigations in KwaZulu-Natal has resulted in all sub-districts in King Cetshwayo District, reporting zero local indigenous cases in the 2022/23 financial year, a major milestone towards malaria elimination. South Africa continues to work with the SADC region through concerted cross-border efforts including harmonized malaria policies, investing in intervention coverage and synchronizing operations along the borders.

Non-Communicable Diseases

This sub-programme leads the development of legislation, policies, strategies and guidelines, and assists provinces to implement and monitor services for non-communicable diseases, disability and rehabilitation, older persons, eye health, palliative care, mental health and substance abuse including forensic mental health services. The sub-programme consists of Chronic Diseases, Disabilities and

Geriatrics as well as Mental Health and Substance Abuse Directorates.

In 2022/23 financial year, the Mental Health and Substance Abuse Programme further enhanced access to mental health services. The Mental Health Policy Framework and Strategic Plan 2023-2030 was developed and approved by the National Health Council. This document provides a framework for the delivery of mental health services in the country. The human resources in the public mental health services have been augmented through contracting of psychiatrists, psychologists, registered counsellors, occupational therapists and social workers to complement the already available staff who render mental health services at primary health care. Training was provided to 661 health care professionals working in district and regional hospitals to increase their skills in early identification and clinical management of mental health conditions.

The Ministerial Advisory Committee on Mental Health continued to advise the Department in mental health. The Department continued with its collaboration with the South African Medical Research Council on a project to determine the substance abuse trends in the country through data that is collected from the substance abuse treatment centres in the country and reported biannually to inform planning and delivery of services. Public comments were received on the draft regulations for licensing community day care and residential care facilities for people with mental illness and severe or profound intellectual disability. The public comments were incorporated, and a final socioeconomic impact assessment of the draft regulations is underway. During this financial year, 252 new State patients were admitted into designated psychiatric hospitals. The Department is continually collaborating with stakeholders such as Correctional Services, Social Development, Justice and Constitutional Development, South African Police Services, Legal Aid South Africa and the National Prosecution Authority on matters pertaining to forensic mental health services.

Chronic Diseases, Disabilities and Geriatrics

The Department of Health launched the National Strategic Plan for the Prevention and Control of Non-Communicable Diseases (NSPNCD) 2022-2027 on 3 May 2022. This Strategic Plan directs the Department to adopt an integrated, person-centred approach, continue coordinated and cohesive engagements with stakeholders at all levels of care and promote the introduction and strengthening of care cascades for hypertension and diabetes.

The Department is working in partnerships with the World Health Organisation, the South African NCD Alliance and Better Health Programme South Africa.

To assist Provinces implement the Non-Communicable Diseases Campaign, which contributes directly to the first phase of the 90-60-50 cascades of care approach. The National Department of Health procured glucometers and strips and non-invasive, upper arm, electronic blood pressure machines for community health workers, as well as a range of test devices and kits for primary health care facilities. These items were procured using the Health Promotion Levy.

The Prostate Cancer guidelines are in the process of being costed and the Lung Cancer guidelines are in the process of being finalised and printed. The Department in collaboration with the World Health Organization is in a knowledge exchange series with over fifty other countries to explore initiatives for improving childhood cancer.

This directorate led the continuing work of the Department in improving services for persons with hearing and sight impairment and facilitated training and the availability of the required medication for palliative care.

Health Promotion and Nutrition

This sub-programme formulates and monitors the implementation of policies, regulations, guidelines, and norms and standards for health promotion and nutrition, oral health, and food control. The primary focus is on risk factors for non-communicable diseases and facilitating the removal of barriers to sustained good health.

In 2022/23 financial year, the sub-programme developed the Tobacco Products and Electronic Delivery Systems Control Bill. This Bill is now undergoing the required parliamentary processes. The process of developing the Bill was coupled with advocacy and awareness creation sessions with the youth, health professionals and the public through webinars, social media and TV and radio interviews. This sub-programme reviewed and updated the obesity prevention and control strategy, which was approved by the National Health Council. Obesity and Tobacco use are two of the risk factors to Non-Communicable Diseases. During the past financial year, webinars were held to create awareness about obesity and the content included approaches to control obesity.

Outcomes, outputs, output indicators, targets, and actual achievements

Table 1: Report against the tabled Annual Performance Plan

Outcome	Output	Output indicator	Audited actual achievement 2021/22	Planned target 2022/2023	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for Deviations
90:90:90 targets for HIV/AIDS achieved by 2020 and 95:95:95 targets by 2024/25	Facilities offering HIV Self Screening (HIVSS)	Number of facilities offering HIV Self Screening	New Indicator	200 facilities offering HIV Self Screening	694 facilities offering HIV Self Screening	+494 facilities	Support in facilities by implementing Partners. The Program expanded due to the demand within the communities. The provinces increased the number of facilities implementing HIVSS as the HTS program scaled up on the modality
90:90:90 targets for HIV/AIDS achieved by 2020 and 95:95:95 targets by 2024/26	Men's Health services piloted	Men's health services piloted in 10 facilities	New Indicator	Men's health services piloted in 10 facilities	Men's health services piloted in 25 facilities in KwaZulu-Natal Province	+ 15 facilities	KZN province was mandated by the MEC of Health to have pilot sites in all the districts
HIV incidence among youth reduced	PHC facilities with youth zones	Number of PHC facilities with youth zones	1 264 PHC Facilities with youth zones	2000 PHC facilities with youth zones	1845 PHC facilities with youth zones	-155 PHC facilities	KZN, WC and NC provinces did not reach their targets. KZN and WC appointed new programme managers who needed to undergo training and subsequently confirming functionality of the youth zones. NC does not have a focal point manager and there are no partners supporting the programme.
Significant progress made towards ending TB by 2023 through improving prevention and treatment strategies	Improved drug-susceptible (DS)-TB Treatment Success rate	Drug-susceptible (DS) - TB Treatment Success Rate	New Indicator	85%	77.6%	-7.4%	Poor performance is due to other adverse outcomes as follows: Death rate 7.1%, Loss to follow up 10.1%, Not evaluated 4.5% & Treatment failure 0.7%
Significant progress made towards ending TB by 2023 through improving prevention and treatment strategies	Reduce the number of drugs susceptible (DS)-TB deaths	Number of drug susceptible (DS)-TB Deaths	New Indicator	12 381	13 708	-1327	Death rate not decreasing as expected due to patients who present late for treatment
Progressive improvement in the total life expectancy of South Africans	Find and Treat people with TB disease	Number of people started on TB treatment	New Indicator	221 900	189 790	-32 110	Weak community outreach systems for tracing patients and linking them to treatment. Non-adherence to TB Diagnostic algorithm on the Xpert testing and initiation to treatment.
Maternal, Child, Infant and neonatal mortalities reduced	System for annual audit of cold chain capacity developed and introduced	Report produced on Cold chain capacity in all depots, sub-depots and 50% of public sector hospitals	New Indicator	Report on Cold chain capacity in all depots, sub-depots and 50% of public sector hospitals approved by Director General	Report on Cold chain capacity available for 7/10 depots, 20/40 sub-depots and 46% of public sector hospitals not approved by Director General	Report on Cold chain capacity not available for 3/10 depots, 20/40 sub-depots and 4% of public sector hospitals	Poor data capturing into the electronic systems resulting in incomplete data. The tracing of patients is ongoing, given the highly mobile communities. Other facilities still require support and mentorship to complete the report since the tool is new
Maternal, Child, Infant and neonatal mortalities reduced	Side-by-side campaign radio shows which promote all components of child health and nutrition broadcast	Number of episodes broadcast during third season of Side-by-Side radio shows	New Indicator	36 episodes broadcast on 10 radio stations	117 episodes broadcast on 11 radio stations	+81 episodes	Additional episodes added in all radio stations to increase public awareness about the measles outbreak

Outcome	Output	Output indicator	Audited actual achievement 2021/22	Planned target 2022/2023	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for Deviations
Maternal, Child, Infant and neonatal mortalities reduced	Regular quarterly review of progress in achieving key national and provincial Child, Youth and School Health (CYSH) targets	Number of quarterly review meetings focusing on performance against key CYSH targets held with provincial CYSH managers	New Indicator	Four quarterly review meetings focusing on performance against key CYSH targets held with provincial CYSH managers	Four quarterly review meetings focusing on performance against key CYSH targets held with provincial CYSH managers	None	Not applicable
Maternal, Child, Infant and neonatal mortalities reduced	Regular quarterly review of progress in achieving key national and provincial women maternal and reproductive (WMRH) health targets	Number of quarterly review meetings focusing on performance against key WMRH targets held with provincial WMRH managers.	New Indicator	Four quarterly review meetings focusing on performance against key WMRH targets held with provincial WMRH managers	Four quarterly review meetings focusing on performance against key WMRH targets held with provincial WMRH managers	None	Not applicable
Maternal, Child, Infant and neonatal mortalities reduced	Regular monitoring of Sexual and Reproductive Health (SRH) curriculum modules enrolment and completion rate through the knowledge hub	Number of clinicians who enrolled in SRH modules focusing on maternal, neonatal, and reproductive health modules	New Indicator	400 clinicians who completed one of the SRH module online.	6065 clinicians completed one of the SRH module online	+ 5665 clinicians	More clinicians developed interest in the SRH curriculum
Morbidity and Mortality due to COVID -19 reduced	Proportion of adults 50 years and older vaccinated against COVID- 19	Proportion of adults 50 years and older vaccinated against COVID-19 (at least one dose)	New Indicator	75% of adults 50 years and older vaccinated against COVID-19 (at least one dose)	66.2% of adults 50 years and older vaccinated against COVID-19 (at least one dose)	-8.7% of adults 50 years and older	Poor demand for vaccination
Morbidity and Mortality due to COVID -19 reduced	Proportion of adults 35-49 years and older vaccinated against COVID- 19	Proportion of adults 35-49 years vaccinated against COVID-19 (at least one dose)	New Indicator	65% of adults 35 - 49 years vaccinated against COVID-19 (at least one dose)	55.2% of adults 35 - 49 years vaccinated against COVID-19 (at least one dose)	-9.7% of adults 35 - 49 years	Poor demand for vaccination
Morbidity and Mortality due to COVID -19 reduced	Proportion of young people (12-34 years) and older vaccinated against COVID- 19	Proportion of young people (12 - 34 years) vaccinated against COVID-19 (at least one dose).	New Indicator	60% of young people (12 - 34 years) vaccinated against COVID-19 (at least one dose)	39.0% of young people (12 - 34 years) vaccinated against COVID-19 (at least one dose)	-20.9% of young people (12 - 34 years)	Poor demand for vaccination
Maternal, Child, Infant and neonatal mortalities reduced	School attending children (SAC) in schistosomiasis endemic districts who received schistosomiasis preventative chemotherapy	School Mass drug administration of schistosomiasis preventative chemotherapy according to the approved plan	New Indicator	Schistosomiasis Mass Drug Implementation Plan in place	Schistosomiasis Mass Drug Implementation Plan is in progress and not finalised as at 31 March 2023	Schistosomiasis Mass Drug Implementation Plan not in place	Inputs were not received from all the provinces and the plan has not been tabled to the relevant committees, which may result in changes to the plan
Morbidity and Mortality due to Malaria reduced	Targeted sub-district reporting zero malaria cases	Proportion of sub-districts with an incidence <1 per 1000 malaria cases	New Indicator	2 targeted sub-districts reporting zero local malaria cases	2 targeted sub-districts reporting zero local malaria cases	None	Not applicable

Outcome	Output	Output indicator	Audited actual achievement 2021/22	Planned target 2022/2023	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for Deviations
Premature mortality due to NCDs reduced to 26% (10% reduction)	Provinces progress reports on the implementation of provincial plans on the NSP for NCDs	Number of provincial progress reports on the implementation of provincial plans on the NSP for NCDs	New Indicator	9 provinces progress reports on the implementation of provincial plans on the NSP for NCDs	9 provinces progress reports on the implementation of provincial plans on the NSP for NCDs	None	Not applicable
Premature mortality due to NCDs reduced to 26% (10% reduction)	New State patients admitted into designated psychiatric hospitals	Number of new State patients admitted into designated psychiatric hospitals	290 State patients admitted into designated psychiatric hospitals	100 new State patients admitted into designated psychiatric hospitals	252 new State patients admitted into designated psychiatric hospitals	+152 new State patients	Presence of a dedicated manager who visited the hospitals and worked with the relevant stakeholders resulted in the increase in numbers that are admitted
Premature mortality due to NCDs reduced to 26% (10% reduction)	A National Mental Health Policy Framework and Strategic Plan developed	A National Mental Health Policy Framework and Strategic Plan developed	New Indicator	A National Mental Health Policy Framework tabled at NHC	A National Mental Health Policy Framework tabled at NHC	None	Not applicable
Quality and Safety of Care Improved	Hospital that obtained 75% and above on the food service policy assessment tool	Number of hospitals compliant with the food service policy	100 hospitals obtain 75% and above on the food service policy assessment tool	Additional 100 hospitals (including 7 Tertiary Hospitals) obtain 75% and above on the food service policy assessment	Additional 84 hospitals (including 2 Tertiary hospital) obtained 75% and above on the food service policy assessment	-16 hospitals	Facilities that did not obtain 75% and above on the food service policy assessment had budget challenges and lacked appropriate infrastructure.
Premature mortality due to NCDs reduced to 26% (10% reduction)	Updated Strategy for the prevention and control of obesity in SA developed and published	Updated Strategy for the prevention and control of obesity in SA developed and published	New Indicator	Updated Strategy for the prevention and control of obesity in SA developed and published	Updated Strategy for the prevention and control of obesity in SA was developed	The updated Strategy not yet published	The strategy was tabled and approved at the NHC meeting held on 30 March 2023. The strategy was subsequently signed by the Minister on 14 April 2023 which is after the period under review

Strategy to overcome areas of under performance

The provinces that have not reached their targets on PHC facilities with youth zones are closely supported by the national programme to improve reporting. Further review meetings and follow up provincial support visits will continue with a focus on KZN, WC and NC provinces. To address poor performance on TB treatment success rate and increasing deaths, the Department will intensify strategies to promote retention in care to counteract the adverse outcomes as well as advocacy, communication, and social mobilisation. Regarding improving the number of people started on TB treatment, the Department will strengthen community outreach systems for tracing patients and linking them to treatment. The districts with low Xpert testing have been identified and will be targeted for training and close monitoring using the Quality Improvement methodology. Further to that, deep dive meetings will be conducted to address data quality in selected poor performing and high burden districts.

Additional human resource recruited to support the Expanded Program on Immunisation program for both vaccine coverage monitoring and surveillance programs. The Department will continue to strengthen social mobilization strategies for COVID-19 vaccination through advocacy. Data on cold chain capacity will be reviewed, verified and a consolidated report for all depots, sub-depots and 50% of public sector hospitals processed for approval by Director-General in the new financial year.

The Schistosomiasis Mass Drug implementation plan will be tabled at the National Essential Medicines List Committee meeting of June 2023. The Hospitals that obtained below 75% on the food service policy assessment tool will be supported during the next financial year.

Linking performance with budgets

Ten out of twenty one outputs of this Programme were achieved, whereas the table below reflects an expenditure of 96.7%.

Sub-programmes	2022/2023			2021/2022	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	23 199	19 421	3 778	5 456	2 898
HIV, AIDS and STIs	24 568 163	24 505,577	62 586	28 167 522	28 115 123
Tuberculosis Management	27 608	24 176	3 432	26 324	16 734
Women's Maternal and Reproductive Health	16 419	12 849	3 570	17 334	10 580
Child, Youth & School Health	24 616	21 920	2 696	30 913	22 579
Communicable Diseases	2 147 425	1 378 680	768 745	7 380 885	7 371 212
Non-Communicable Diseases	84 424	56 952	27 472	78 706	28 732
Health Promotion and Nutrition	32 168	29 996	2 172	34 369	27 623
Total	26 924 022	26 049 571	874 451	35 741 509	35 595 481

2.4.4 Programme 4: Primary Health Care Services

Purpose: Develop and oversee implementation of legislation, policies, systems, and norms and standards for a uniform district health system, environmental health services, and emergency medical services.

There are three budget sub-programmes:

- District Health Services
- Environmental and Port Health Services
- Emergency Medical Services and Trauma

District Health Services

This sub-programme promotes, coordinates, and institutionalises the district health system, integrates programme implementation using the primary health care approach by improving the quality of care, and coordinates the traditional medicine programme.

During the 2022/23 financial year, the district health services sub-programme conducted an evaluation to inform the revised District Health System Policy framework and strategy for 2024-2030. Community Health workers traced 45 1302 persons lost to follow up for TB and HIV treatment. The number of PHC facilities that qualify as Ideal Clinics were increased from 56% in 2021/22 to 59% at the end of the 2022/23 financial year.

Environmental and Port Health Services

This sub-programme guides policy implementation and coordinates the delivery of environmental health services, including monitoring the delivery of municipal health services, and ensures compliance with international health regulations (IHR) by coordinating and implementing port health services at all South Africa's points of entry.

During the 2022/23 financial year, the sub-programme assessed the execution of environmental health functions in 28 district and metropolitan municipalities against environmental health norms and standards. Out of the 28 municipalities that were assessed, 27 municipalities performed above 75% and one municipality performed below 75%.

Twenty-five of the 36 ports of entry where port health services are provided, were supported to be fully compliant with the IHR requirements. Support continues to be provided to the remaining 11 ports to reach compliance and to the 25 to ensure compliance is maintained. Additional Environmental Health Practitioners and Community Service Environmental Health Practitioners were appointed through the Global Fund initiative to strength human resource capacity in ports of entry.

A services delivery improvement strategy and guideline on the development of public health contingency plans were finalised. The National Environmental Health Bill, the Health Regulations (Environmental Health, Health Measures at Points of Entry, Notifiable Medical conditions and Management of Human Remains), the Lead in Paint regulations and the Group I and II declarations notices under Hazardous Substances Act are at different stages of completion. The Department developed and gazetted the National Environmental Management Plan (EMP) 2020-25 in compliance with the requirements of Chapter 3 of the National Environmental Management Act, 1998 (Act 108 of 1998).

During the 2022/23 financial year, this sub-programme provided support toward the establishment of the Border Management Authority (BMA) and the transfer of the operational component of Port Health Services. As part of the transfer activities, the Cluster coordinated the transfer of Port Health legislative provision through a Section 97 presidential proclamation process. Subsequently an implementation plan which outlined the roles and responsibilities of the Department of Health and BMA during and after the transfer of services was developed and signed. Additionally, the Department supported the BMA during the staff consultation process in preparation of the staff transfer and facilitated the transfer of budget and resources including Port Health staff. Managers from respective units within the Department of Health participated on BMA committees for the establishment and transfer of resources.

The sub-programme held the following awareness workshops and surveys:

- Commemorated World Environmental Health Day on 26 September 2022 under the theme "Strengthening Environmental Health Systems

for the implementation of the Sustainable Development Goals" through an online webinar that was attended by about 1500 stakeholders.

- Celebrated in collaboration with Department of Forestry, Fisheries and the Environment (DFFE), the International Prevention of Lead Poisoning week on 28 October 2022 in an official ceremony attended by Border Management Authority (BMA), South African Medical Research Council (SAMRC), and South African Paint Manufacturing Association where the Department received 8 X-Ray Fluorescent devices procured by DFFE. These will be stationed at eight priority ports of entry.
- Held a Water and Sanitation for Health Facility Improvement Tool (WSH-FIT) Workshop on 18-21 July, organized in collaboration with UNICEF for South Africa and eSwatini health ministries to sensitize and familiarize government officials and partners to implement the tool where needed, after adapting it to the national context for Sustainable Development Goals (SDGs) monitoring and reporting. The tool was successfully piloted in Limpopo province with over 100 health professionals trained.

The sub-programme established the Air Quality and Health Focus Group and National Climate Change and Health Steering Committee comprised of different stakeholders who meet on a quarterly basis to assist and give support to the Department in implementation of approved guiding documents. Additionally, the sub-programme processed and issued 613 Hazardous Substance licences nationally and monitored implementation of the Lead Strategy through annual plans and progress reports from stakeholders.

Emergency Medical Services and Trauma

This sub-programme is responsible for improving the governance, management and functioning of emergency medical services in South Africa by formulating policies, guidelines, and norms and standards; strengthening the capacity and skills of emergency medical services personnel; identifying needs and service gaps; and providing oversight to provinces.

During the reporting period, the Regulations relating to Standards for Emergency Medical Services were promulgated on 02 December 2022. The tools to assess compliance with these regulations will be developed in conjunction with the Office of Health Standards Compliance in the next financial year. In addition, an all-hazard risk assessment was conducted using the World Health Organization Strategic Tool for Assessment of Risks (STAR). This was followed up by the development of the National Health Emergency Response and Operations Plan (NHEROP) for the country. Contingency plans for the seven high risks identified through STAR, i.e., COVID-19 new variant of concern, cholera, storms, floods, fires, civil unrest, and road traffic accidents will be developed in alignment with the NHEROP in the coming financial year.

Outcomes, outputs, output indicators, targets, and actual achievements

Table 1: Report against the tabled Annual Performance Plan

Outcome	Output	Output indicator	Audited actual achievement 2021/2022	Planned target 2022/2023	Actual achievement 2022/2023	Deviation from planned target to actual achievement 2022/2023	Reasons for deviations
Resources are available to managers and frontline providers, with flexibility to manage it according to their local needs.	Evaluation report available to inform the revised District Health System Policy framework and strategy for 2022-2026	Evaluation report on the review of the District Health System Policy framework for 2014-2019 available	New Indicator	Evaluation report on the review of the District Health System Policy framework for 2014-2019 available	Evaluation report on the review of the District Health System Policy framework for 2014-2019 available	None	Not applicable
Resources are available to managers and frontline providers, with flexibility to manage it according to their local needs.	District Health Management offices (DHMO) Guidelines tested in Districts	Audit report available on testing of DHMO Guidelines	New Indicator	District Health Management Offices (DHMO) Guidelines tested in 18 Districts	District Health Management Offices (DHMO) Guidelines tested in 38 Districts	+20 Districts	Wider participation was encouraged from all provinces.
Community participation promoted to ensure health system responsiveness and effective management of their health needs	PHC facilities with Ward Based Primary Health Care Outreach Teams	Number of PHC Facilities with Ward Based Primary Health Care Outreach Teams	2 247	2 700	2 630	-70	High turnover of community health workers in favour of formalized paid work.
Community participation promoted to ensure health system responsiveness and effective management of their health needs	Clients lost to follow up for TB and HIV treatment traced by CHWs	Number of clients lost to follow up for TB and HIV treatment traced by CHWs	509 626	350 000	451 302	+101 302	Inclusion of the data element in the HIV & TB Programme nerve centre report by districts leading to heightened monitoring of this target output.
Environmental Health strengthened by contributing to improved quality of water, sanitation, waste management and food services	Ports of entry services compliant with international health regulations per year	Number of ports of entry compliant with international health regulations based on self-assessments	18 ports of entry compliant with international health regulations based on self-assessments	25 ports of entry compliant with international health regulations based on self-assessments	25 ports of entry compliant with international health regulations based on self-assessments	None	Not applicable
Environmental Health strengthened by contributing to improved quality of water, sanitation, waste management and food services	Districts and metropolitan municipalities compliant with National Environmental Health Norms and Standards	Number of Metropolitan and District Municipalities assessed for compliance to National Environmental Health Norms and Standards	12 Metropolitan and District Municipalities that performed below 65% assessed for compliance to National Environmental Health Norms and Standards	26 Metropolitan and District Municipalities assessed for compliance to National Environmental Health Norms and Standards	28 Metropolitan and District Municipalities assessed for compliance to National Environmental Health Norms and Standards	+2 Municipalities assessed	Two additional municipalities requested support from the NDoH and were added as part of the audit.
Quality and Safety of Care Improved	9 Provinces assessed for compliance with Emergency Medical Services Regulations	Number of provinces assessed for compliance with Emergency Medical Services Regulations	9 Provinces assessed for compliance with Emergency Medical Services Regulations	9 Provinces assessed for compliance with Emergency Medical Services Regulations	9 Provinces assessed for compliance with Emergency Medical Services Regulations	None	Not applicable

Strategy to overcome areas of under performance

The Department will prioritise finalisation of the engagement model for community health workers.

Linking performance with budgets

Six out of seven outputs of this Programme were achieved, whereas the table below reflects an expenditure of 99.8%.

Sub-programmes	2022/2023			2021/2022	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	6 158	4 530	1 628	4 544	4 022
District Health Services	4 907 158	4 906 387	771	15 469	14 409
Environmental and Port Health Services	232 142	229 252	2 890	228 016	226 370
Emergency Medical Services and Trauma	9 286	9 073	213	7 676	6 725
Total	5 154 744	5 149 242	5 502	255 705	251 526

2.4.5 Programme 5: Hospital Systems

Purpose: Develops national policy on hospital services and responsibilities by level of care; providing clear guidelines for referral and improved communication; developing specific and detailed hospital plans; and facilitating quality improvement plans for hospitals. The programme is further responsible for the management of the national tertiary services grant and ensures that planning of health infrastructure meets the health needs of the country.

There are two budget sub-programmes:

- Health Facilities Infrastructure Management
- Hospital Systems (Hospital Management; Tertiary Health Policy and Planning)

Health Facilities Infrastructure Management

This sub-programme coordinates and funds health care infrastructure to enable provinces to plan, manage, modernise, rationalise, and transform infrastructure, health technology and hospital management, and improve the quality of care. This sub-programme is responsible for the direct health facility revitalisation grant and the health facility revitalisation component of the national health insurance indirect grant.

In 2022/23 financial year, the sub-programme surpassed all the set annual targets. A total 41 Primary Health Care facilities were constructed or revitalised, 25 hospitals were constructed or revitalised and a total of 157 public health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) were maintained, repaired and/or refurbished.

During the reporting period, the sub-programme assisted Provinces to accelerate revitalisation of health facilities and complying with Government Immovable Asset Management Act (GIAMA) by providing infrastructure funding through Health Facility Revitalisation Grant (HFRG), which is a direct funding implemented by provinces and In-Kind Grant, which is an indirect funding implemented by the NDoH. The HFRG in 2022/23 financial

year has been allocated R6, 779, 546 billion and R6, 460, 364 billion (95%) was spent by the end of March 2023. The In-Kind Grant budget in 2022/23 was R1, 010, 476 billion and R983, 861 million (97%) was spent. The underspend budget will be applied as a roll over in 2023/24 financial because they are contractual committed on site for projects that failed to reach their set milestones in 2022/23 financial year.

Hospital Systems (Hospital Management; Tertiary Health Planning and Policy)

This sub-programme focuses on the modernised and reconfigured provision of tertiary hospital services, identifies tertiary and regional hospitals that should serve as centres of excellence for disseminating quality improvements, and is responsible for the management of the national tertiary services grant.

Hospital Management focused on the following three (3) key priorities in the financial year 2022/23. Firstly, to finalize guidelines for the management of Regional and Tertiary Hospitals; secondly to finalize guidelines for Central hospitals to increase their delegation of authority. Thirdly to Review the Regulations relating to classification of hospitals, given the changes in bed occupancy, packages of care rendered, referral patterns and changes in number of communities accessing the different levels of hospitals.

A public hospitals governance and management systems framework has been developed to address urgent matters relating to the governance of all hospitals at all levels. It is responding to the two guidelines to be reviewed above.

This framework is aiming to align hospital governance and boards, ensure that hospitals appoint appropriate and competent organisational leadership and that within hospitals there is also competent clinical leadership. This framework will be implemented in all provinces.

The process to review the classification of hospitals will continue in 2023, as consultation is done with each province.

Outcomes, outputs, output indicators, targets and actual achievements

Table 1: report against the tabled Annual Performance Plan

Outcome	Output	Output indicator	Audited actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Packages of services available to the population is expanded on the basis of cost-effectiveness and equity	Draft Regulations relating to designation /classification of hospitals reviewed and published for comment	Regulations relating to the designation/classification of hospitals reviewed and published for comment.	New Indicator	Regulations relating to designation /classification of Hospitals reviewed and published for comment	Consultation on the Regulations relating to designation /classification of Hospitals done with Eastern Cape. The Regulations were presented to Tech NHC	Regulations relating to designation / classification of Hospitals not reviewed and published for comments	Tech instructed that further work be done on the Regulations and that the review should also include private sector hospitals
Financing and Delivery of Infrastructure projects improved	To assess User Assets Management Plans (UAMPs) for the PHC facilities	Number of UAMPs assessed for the PHC facilities to be constructed or revitalised	New Indicator	40 facilities constructed or revitalised (according to UAMPs assessed)	41 facilities constructed or revitalised (according to UAMPs assessed)	+1 facility	Additional project completed
Financing and Delivery of Infrastructure projects improved	To assess the Infrastructure Programme Management Plans (IPMPs) of the Health Provincial Departments	Number of IPMPs assessed for the Hospitals to be constructed or revitalised	New Indicator	21 Hospitals constructed or revitalised (according to IPMPs assessed)	25 Hospitals constructed or revitalised (according to IPMPs assessed)	+4 hospitals	Additional projects completed
Financing and Delivery of Infrastructure projects improved	To assess the Maintenance Plans for the Public Health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) to be maintained, repaired and/or refurbished	Number of Maintenance Plans assessed for the public health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) to be maintained, repaired and/or refurbished	New Indicator	120 public health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) maintained, repaired and/or refurbished according to the Maintenance Plans assessed	157 public health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) maintained, repaired and/or refurbished according to the Maintenance Plans assessed	+37 public health facilities	Additional projects completed

Strategy to overcome areas of under performance

The Department will prioritize the Tech NHC request regarding further work that needs to be done on Regulations relating to designation /classification of Hospitals before tabling at the National Health Council.

Linking performance with budgets

Three out of four outputs of this Programme were achieved, whereas the table below reflects an expenditure of 98%.

Sub-programmes	2022/2023			2021/2022	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	4 997	1 963	3 034	1 398	1 038
Health facilities infrastructure management	8 320 569	7 882 594	437 975	7 392 647	7 295 557
Hospital management	14 316 022	14 313 857	2 165	13 720 088	13 715 166
Total	22 641 588	22 198 414	443 174	21 114 133	21 011 761

2.4.6 Programme 6: Health System Governance and Human Resources

Purpose: Develop policies for planning, managing, and training and development of the health sector human resources planning, monitoring, evaluation and research in the sector. Provide oversight to all public entities in the sector and statutory health professional council in South Africa.

There are five budget sub-programmes:

- Policy Coordination and Integrated Planning
- Health Information, Research, Monitoring and Evaluation
- Nursing Services
- Quality Assurance
- Human Resources for Health
- Public Entities Management

Policy Coordination and Integrated Planning sub-programme

This sub-programme provides advisory and strategic technical assistance on policy and planning, coordinates the planning system of the health sector, and supports policy analysis and implementation. In 2022/23, technical oversight to provincial departments of health was provided through coordination of the review of the standardised indicators for the sector for 2023/24. A new criterion was developed for the assessment of the draft provincial Annual performance Plans for 2023/24 and comprehensive feedback was provided to all provinces on improving alignment of the plans with the prescribed requirements. A stakeholder engagement was facilitated to discuss the planning requirements with respect to the District Development Model and One Plans.

Quality Assurance

This sub-programme is responsible for providing provincial guidance on Patient Experience of Care (PEC) survey, complaints and waiting time management, patient safety incident reporting and Infection Prevention and Control. The sub-programme is also responsible for the roll out of the National Health Quality Improvement Plan and providing guidance for the development and implementation of the quality improvement system.

In the 2022/23 financial year, the quality learning centres for the National Health Quality Improvement Plan was

increased to 183 centres with 199 (51%) hospitals and 1490 (43%) Primary Health Care facilities that have conducted a self-assessment.

The revised National Guideline to manage complaints, compliments, suggestions, and the National Guideline for Patient Safety Incident reporting and learning was rolled out to all provinces. The revised second versions of the guidelines included the updating of the categories to ensure that improved aggregated reports can be generated to identify gaps in quality of services delivered at health facilities. Online training modules was rolled out on the Knowledge Hub for both revised guidelines.

All nine provinces have conducted the annual Patient Experience of Care survey and scored an aggregated 81% satisfaction rate. The National guideline on conducting annual patient experience of care survey is being reviewed to improve the reporting system.

Health Information, Research, Monitoring and Evaluation

This sub-programme develops and maintains an integrated national health information system, commissions and coordinates research, monitors and evaluates departmental performance as well as strategic health programmes.

As part of the District Health Information System (DHIS) capacity building, the webDHIS Expert Development and Technical Training Programme for data managers employed at National and Provincial Departments of Health, to the level of webDHIS super-users was developed. This 2-year programme took participants through a series of webDHIS modules to provide them with technical skills to be able to manage the webDHIS databases. Currently these "webDHIS Experts" are performing more than 50% of the data management tasks in the webDHIS. Completing the transition to these webDHIS Experts, requires full-time equivalent staffing. A revised transition plan was approved by the National Health Information Systems Committee of South Africa and training and mentoring of staff identified by provinces will commence in the 2023/24 financial year.

The National Health Research Ethics Council (NHREC) continued to provide leadership in Ethics in Health Research by tackling current challenges in the post pandemic and technologically advanced world and advising the research community accordingly.

The NHREC is commended for, among other accomplishments in this 2022-2023 period, completion

of the quality assurance and re-certification audit of the 47 Health/Human Research Ethics Committees (HRECs) registered with the Council. Additionally, for delivering on its responsibilities, which collectively rest on the need to ensure ethical integrity in research involving human participants and animal subjects; and that research is based on sound scientific principles.

As part of the revision of the Department of Health 2015 Ethics in Research Guidelines, sections that are relevant to the Animal Research Ethics Committee (AREC) were updated to include a better description of the guiding principles and governance. Addition of a comprehensive, unifying ethical framework for animal research ethics (12Rs Framework), new minimum requirements for the composition of ARECs to better serve health research and standards regarding research ethics training for ARECs, requirements for interinstitutional collaborative work, informed consent for animal owners whose animals are used in research and general alignment with the new South African National Standards 10386:2021.

The National Health Research Committee (NHRC) held a summit/symposium in 2022 where stakeholders from the health research community and related stakeholders discussed critical issues, shared research findings, and identified research priorities. The 2022 summit additionally focused on assessing the role of South African researchers/research organizations in responding to the COVID-19 pandemic and the impact of COVID-19 on research for health. The summit highlighted the need for greater investment in research for health, addressing health disparities and social determinants of health, and enhancing the capacity of the health research workforce to enable better preparedness for future emerging health challenges.

Human Resources for Health

This sub-programme is responsible for medium to long-term health workforce planning, development, and management in the public health sector. This entails facilitating implementation of the national human resources for health strategy, health workforce capacity development for sustainable service delivery, and co-ordination of transversal human resources management policies and provision of in-service training of the health workforce.

During 2022/23 financial year, the Regulations related to Human Resources were drafted in collaboration with the Provinces and Tshwane Municipality. The Draft Regulations were presented to the National Human Resources Committee, a sub-committee of the Tech NHC.

In line with pursuing Goal two (2) of the 2030 Human Resources for Health Strategy (Institutionalized data-driven and research-informed workforce policy, planning, management and investment), the Department of Health has developed a Human Resources Information and Management System (HRIS). The System will address the current existing Human Resources information systems that are fragmented, inefficient and unable to inform health resource planning, management and development. During the reporting period, the Department managed to incorporate data from various primary data sources (i.e., PERSAL, Professional Councils, Department of Higher Education and Training, Internship and Community

Service Programme, Correctional Services, National Health Laboratory Services and the Non-PERSAL Data of Mortuary personnel).

In the 2022/2023 financial year, the Department managed to allocate and appoint 10 913 (medical interns 2 721 and community service 8192) newly qualified health professionals required to perform a statutory employment obligation. These newly appointed personnel augmented health services in the public health sector's rural and underserved area. Further to that, the Department completed and signed-off a concept document to review the Community Service Policy.

Nursing Services

This sub-programme is responsible to lead and support the implementation of the National Strategic Direction for Nursing Education and Practice: A road map for Strengthening Nursing and Midwifery in South Africa. This strategy focuses mainly on strengthening nursing education and practice contributions towards achievement of the goals of Universal Health Coverage.

In the 2022/23 financial year, the sub-programme supported provinces to quantify nurses according to demographic profile and category. This information was used to develop provincial training plans based on the healthcare service needs in each province. The sub-programme steered the coordination of efforts between the National Department of Health, Department of Higher Education and Training, the South African Nursing Council and Council on Higher Education which culminated in finalisation of articulation pathways from legacy nursing programmes into the Higher Education Qualifications Sub-framework aligned nursing programmes and will enlarge the pool of nurses who will be able to continue their careers towards nursing specialisations.

Public Entities Management

This sub-programme is responsible to support the executive authority's oversight function and provides guidance to health public entities and statutory health professional councils (health councils) that fall within the mandate of health legislation with regards to planning and budget procedures, performance and financial reporting, remuneration, governance, and accountability.

In 2022/23 financial year, the unit continued to support and advice on health Councils and public entities governance matters to ensure compliance with legislation and monitor public entities financial management and performance in line with the reporting requirements. The public entities annual performance plans were reviewed for alignment with entities mandate and government priorities, approved by the Minister and timeously tabled in Parliament. The unit also processed entities' and health councils' requests that required Minister's concurrence and/or approval in line with the legislative provisions. The Minister appointed members to the following Boards for a new term of office: Office of Health Standards Compliance and the South African Medical Research Council for a three-year term of office. Minister also re-appointed three (3) members to the National Health Laboratory Service.

Outcomes, outputs, output indicators, targets and actual achievements

Table 1: report against the tabled Annual Performance Plan

Outcome	Output	Output indicator	Audited actual achievement 2021/22	Planned target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
Quality and Safety of Care Improved	Improved corporate governance practices through establishment of effective governance structures for regulation of health practitioners and service delivery	Number of Boards/Councils appointment recommendations made prior expiry of the term of office	New Indicator	Two (2) Boards appointment recommendations made prior expiry of the term of office (SAMRC and OHSC)	Two (2) Boards appointment recommendations made prior expiry of the term of office (SAMRC and OHSC)	None	Not Applicable
Quality and Safety of Care Improved	Entities governance and performance monitored for compliance with applicable legislation, policies and guidelines	Statutory Health Professional Councils and Public Entities governance report produced	New Indicator	Bi-annual governance report produced	Bi-annual governance report produced	None	Not Applicable
Quality and safety of care improved	Nursing Colleges supported to develop training plans for nurse/midwife specialists	Number of nursing colleges supported to develop training plans for nurse/midwife specialists.	New Indicator	9 Nursing Colleges supported to develop training plans for nurse/midwife specialists.	9 Nursing Colleges supported to develop training plans for nurse/midwife specialists.	None	Not applicable
Adaptive learning and decision making is improved through use of strategic information and evidence	National Health Research Priorities identified to generate the required knowledge for the South African health system	Annually Revised set of Health research priorities produced	Revised Health Research priorities produced	Revised set of Health Research Priorities produced	Revised set of Health Research Priorities produced	None	Not applicable
Adaptive learning and decision making is improved through use of strategic information and evidence	Performance dashboard for national, provincial and district levels developed	Performance dashboards for national, provincial and district levels developed	New Indicator	Performance dashboards for national, provincial and district levels developed	Performance dashboards for national, provincial and district levels were developed	None	Not Applicable
Quality and Safety of Care Improved	PHC Facilities and Hospitals implementing the National Health Quality Improvement Programme	Number of health facilities implementing the National Quality Improvement Programme	90 PHC Facilities, 102 Hospitals & 25 EMS implementing the National Quality Improvement Programme	100 PHC Facilities and 80 Hospitals implementing the National Health Quality Improvement Programme	1490 PHC Facilities and 199 Hospitals implementing the National Health Quality Improvement Programme	+1390 PHC facilities +119 Hospitals	Provinces duplicated the quality learning centres to cover the entire province.
Quality and Safety of Care Improved	PHC facilities that qualify as ideal Clinics	Number of Primary Health Care facilities that qualify as ideal clinics	1928 PHC facilities attained ideal status	2200 PHC facilities qualify as ideal Clinics	2046 PHC facilities qualify as ideal Clinics	-154 PHC facilities	Facilities that lacked non-negotiable vital equipment.
Staff equitably distributed and have right skills and attitude	Community service policy reviewed	Community service policy review report and recommendations produced	New Indicator	Community service policy review report with recommendations finalised and presented to Tech NHC	Draft Community service policy review report with recommendations finalised	Community service policy review report not presented to Tech NHC	Draft Community service policy review report was presented to the National Human Resources Committee (a sub-committee of the Tech NHC), on 28 March 2023
Staff equitably distributed and have right skills and attitude	Facilitate implementation of the HRH plan 2020/21-2024/25 to address human resources requirements	HR Information System implemented National DoH and Provincial Head Office	New Indicator	HR Information System implemented at National DoH and Provincial Head Offices	HR Information System implemented at National DoH and Provincial Head Offices	None	Not applicable

Strategy to overcome areas of underperformance.

National procured the required essential equipment for facilities that lacked Automatic External Defibrillators as non-negotiable vitals for the Ideal Clinic initiative. However, the supply chain process timelines were slow and equipment could not be delivered on time. Continuous close monitoring is needed to ensure early identification of resources gaps and early procurement is actioned to avoid delays with deliver of needed essential equipment. Provinces need to budget and procure these essential pieces of equipment on time as national office provides a top up and close the gaps. The final Community service policy review report will be presented to Tech NHC in the new financial year.

Linking performance with budgets

Seven out of nine outputs of this Programme were achieved, the table below reflects an expenditure of 99.5%.

Sub-programmes	2022/23			2021/22	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	4 937	4 315	622	6 224	5 402
Policy and Planning	12 096	11 230	866	7 607	5 770
Public Entities Management and Laboratories	1 954 157	1 937 028	17 129	2 034 065	1 982 294
Nursing Services	19 184	18 990	194	9 397	8 560
Health Information, Monitoring and Evaluation	67 263	47 750	19 513	62 571	37 831
Human Resources for Health	5 469 649	5 468 133	1 516	4 322 858	4 320 673
Total	7 527 286	7 487 446	39 840	6 442 722	6 360 530

2.5 Transfer payments

Transfer payments to Public Entities

Name of the public entity	Key outputs/Service rendered by public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievement of the public entity
Compensation Commissioner for Occupational Diseases (CCOD)	The CCOD is responsible for the payment of benefits to workers and ex-workers in controlled mines and works who have been certified to be suffering from cardiopulmonary diseases because of work exposures	R1 544	R341	<ul style="list-style-type: none"> - The transfer payment is solely for the payment of monthly pensions to ex-mine workers and their widows in terms of sections 79 and 83 of ODMWA of 1973. - For 2022/23 financial year, a total 27 pensioners were each eligible for a maximum monthly pension payment of R2 010.00. The transfer payment was not fully utilised because monthly pensions were only paid to those pensioners who submitted life certificates. Those who did not submit life certificates will be paid all outstanding cumulative pensions as and when they finally submit their life certificates.
South African Medical Research (SAMRC)	To improve the nation's health and quality of life through promoting and conducting relevant and responsive health research	R779 523	R768 365	<ul style="list-style-type: none"> - The SAMRC appointed six Deputy Directors as part of the Building Leadership Pipeline. - The SAMRC and NRF were appointed to represent South Africa as institutional members of the International Human Frontier Science Programme. South Africa is the 16th country to be admitted, and the only country from Africa. This membership underscores the value that South Africa places on supporting fundamental research in the understanding of complex mechanisms in the life sciences to advance industry, health, and human well-being. - The Wastewater Surveillance and Research Programme continues to track SARS-CoV-2 viral RNA in wastewater across 78 wastewater treatment plants in South Africa. The trends of SARS-CoV-2 in wastewater have been used as an indicator of Covid-19 presence in communities and contribute to the management of Covid-19. - The Chan Soon-Shiong Family Foundation (CSSFF)- SAMRC Biomanufacturing Capacity Development Programme commenced in the 2022/23 financial year with the first cohort of studentships. This is an ambitious program to build a vaccine manufacturing workforce, with a commitment of R100M over 5 years from the Chan Soon-Shiong Family Foundation and co-funding from the SAMRC. - The first South Africa's Covid-19 Antigen Self-test was launched by the Medical Diagnostech (Pty) Ltd. This project was funded by the SAMRC, and the self-test has a mobile phone application called HealthPulse TestNow. - The Sisonke and Sisonke Homologous Boost studies delivered the Johnson and Johnson Ad26.COVID. S vaccine and boost to 496,424 and 230,488 participants, respectively, during 2021. Follow up and data analysis on these studies have continued during 2022/23 with a total follow up time of 2 years included in the protocol. Final results from the study will be published during 2023/24. - The SAMRC convened a consortium of development partners known as the South African mRNA Vaccine Consortium (SAMVAC), comprising of the University of the Witwatersrand, the University of Cape Town, the African Health Research Institute, the University of Stellenbosch, North-West University, the National Institute for Communicable Diseases and Afrigen Biologics. SAMVAC is leveraging off existing research expertise and prior SAMRC and DSI investments to develop a portfolio of (m)RNA vaccine candidates by Africa for Africa. The SAMVAC Program commenced in January 2022, focusing initially on vaccine candidates for African COVID-19 variants and rapidly expanding to include research and development on TB and HIV vaccine candidates.
Council for Medical Schemes (CMS)	Regulation of the Medical Schemes Industry with reference to Alignment to NHI processes	R6 272	R6 000	-

Name of the public entity	Key outputs/Service rendered by public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievement of the public entity
National Health Laboratory Services (NHLS)	The NHLS supports the Department of Health by providing cost-effective laboratory services to all public clinics and hospitals	R772 521	R772 521	<ul style="list-style-type: none"> - The NHLS contributed to updating the Influenza vaccination guidelines considering new data on effectiveness and safety when co-administering vaccines. It conducted a range of COVID-19-related research activities, mainly focused on the burden of disease, transmission, seroepidemiology and viral sequencing. - The NHLS was actively involved in cholera case investigations, field investigations and contact tracing activities for all confirmed cholera cases. Technical support was provided to the National Department of Health through clinical management advisories and technical advice on the public health management of confirmed cases. - The subdistrict TB and DRTB surveillance reports have been provided to the National TB Control Programme and all nine provincial programme managers incorporating the new WHO pre-XDR and XDR definitions and probabilistic linkages between EDRWeb and laboratory-confirmed DR-TB cases. Weekly electronic email alerts for Rifampicin Resistant, Rifampicin Susceptible and M/DRX alerts as per the agreement with NDOH and all nine Provincial Departments of Health, continue to be distributed every week. These reports assist the provincial and district managers with patient tracing activities to reduce the gap between diagnosis and treatment and thereby reduce loss to follow up. - The National Institute for Communicable Diseases (NICD) provided routine HIV laboratory reports and supported validation of facility District Health Information System (DHIS) data and validation in meeting the UNAIDS targets for the number of HIV-positive people who know their status and the number of HIV-positive people on treatment and virally suppressed. HIV and SARS-CoV-2 virology section was involved with COVID-19-related research, focusing on characterising immune responses to variants of concern in various epidemiological cohorts and COVID-19 clinical trial vaccines. - The National Institute of Occupational Health (NIOH) is recognized as a centre of excellence for occupational health and functions as a national and regional source of knowledge and expertise to the South African government, industry and labour, the Southern African Development Community (SADC) countries and the African continent. - The average turn-around times for occupational health laboratory tests were maintained within the pre-defined times (98,84%). This financial year, the NIOH managed to perform 20 health and safety assessments and produce 5 occupational health surveillance reports: an increase of 5 assessments and 1 surveillance report respectively. The improvement was made possible by the recruitment of additional staff that stabilized the departments' operations. - The National Economic Development and Labour Council (Nedlac) has since requested the NIOH to develop and produce occupational health and safety related information and training material including, but not limited to, COVID-19 specific topics that can be used by workplaces to create awareness, inform, and educate at appropriate organizational levels over 12 months. Six such training events have been done and received well by business and organised labour. This has attracted about R2,7mil for the NIOH. - The National Biobank within NIOH plays a pivotal role for researchers in securing and managing bio-specimen for both current and future research extending outside the NHLS. The biobank has currently over 1,2 million samples (and is expanding) with the capacity of 4 million and it generated revenue from universities and other entities to afford NHLS researchers to collaborate in various projects. - On 1 April 2022, the Forensic Chemistry Laboratories were fully integrated into the NHLS. Since the integration, the NHLS has focused on implementing structures to improve efficiencies in the FCLs and filling critical posts. The NHLS managed to appoint the Head of Laboratories and fill some critical technical posts. Other support structures were put in place, e.g., the appointment of a dedicated procurement officer, finance manager and human resources manager. The laboratories are currently implementing the backlog strategy to catch up with all the outstanding testing.
Office of Health Standard Compliance (OHSC)	To protect and promote the health and safety of health services users	R157 509	R157 509	<ul style="list-style-type: none"> - A total of twenty-three planned targets, 68% (15) have been achieved, 32% (7) targets have not been achieved. - A total of seven hundred and eighty-one (781) public health establishments and fifty-one (51) private health establishments were inspected to assess their compliance with the regulated national norms and standards, as prescribed by the Minister of Health. - Ninety-three (93.53) percent of low-risk complaints were resolved within twenty-five (25) working days of lodgement in the call centre. This is 13.53 more than the target of 80%. - A total of two hundred and fifty-one (251) health establishments were certified and enforcement actions were taken by issuing written warning letters against hundred (100) health establishments that were found to be non-compliant with the regulated norms and standards. - Three (3) recommendations report for improvement in the healthcare sector were produced and submitted to relevant authorities. These reports include one (1) recommendation report for Limpopo Province, one (1) National Annual Returns recommendation and one (1) National Early Warning System recommendation report.

Name of the public entity	Key outputs/Service rendered by public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievement of the public entity
South African Health Products Regulatory Authority (SAHPRA)	Provides for the monitoring, evaluation, regulation, investigation, inspection, registration and control of medicines, scheduled Substances, clinical trials, medical devices, in vitro diagnostics and related matters in the public interest	R149 965	R149 965	<ul style="list-style-type: none"> - As the coronavirus disease (COVID-19) continued to have an impact in the world, SAHPRA responded by being agile and fast tracking the consideration of priority health products to protect and save lives. In implementing its mandate, SAHPRA continued to ensure that it applies its three pillars of efficacy, safety and quality. - During the 2022/23 financial year, SAHPRA achieved the following: - SAHPRA has achieved maturity level 3 for vaccines and maturity level 4 for Lot release which demonstrates that for Lot Release activity SAHPRA with the SANCL is operating at an advanced level, is well-functioning and is continuously improving. - The backlog applications for medicine registration and medicine variations were cleared by 100%. - The implementation of Risk Based Assessment review pathway for medicines was approved and Piloted in the Business-As-Usual to accelerate registration and access to medicines to patients. - The approach is to conduct assessment of quality (Q) and bioequivalence (BE) aspect of finished pharmaceutical products. - All 91 (100%) New Chemical Entities were finalised within the prescribed 490 working days whilst 58% of generic medicine applications were finalised within the prescribed 250 working days. Products registered included therapeutic areas such as antigens (Covid-19), tuberculostatics, anti-convulsants, anti-inflammatory, anti-depressants, anti-coagulants, anti-acids, anti-infectives, oncology and antiviral. - Out of the 297 health product quality complaints received, 215 (72%) reports were produced within 30 working days. - SAHPRA continued to help the COVID-19 therapeutics efforts by authorising 27 Section 21 remdesivir requests. - All COVID-19 clinical trials protocol although the number of applications has decrease recently, a significant number was still submitted and dealt with urgently (within 90 working days), as part of continuing efforts to increase treatment options in this therapeutic area. - As South Africans continued to receive COVID-19 immunisation, SAHPRA closely monitored the COVID-19 adverse events following immunisation through the MedSafety App. - Co-chair of the African Medical Device Forum and appointed Chair of African Medicines Regulatory Harmonisation Initiative. - Assessed the COVID-19 self-test or home-based self-test kits with approval of Antigen test kits, self-test kit products and Antibody test kits. - Radiation Control Unit underwent an intensive introductory training on the Regulatory Authority Information System (RAIS)+, which is an information system developed by the International Atomic Energy Agency (IAEA) to support Member States

Transfer payments to all Non-Profit Institutions

Name of transferee	Type of the organisation	Purpose for which funds were used	Did the Dept. comply with the S38(1)(j) of the PFMA	Amount transferred R'000	Amount spent by entity R'000	Reasons for the funds unspent by the entity
Life Line	NGO	To manage the AIDS Helpline, which is a toll-free Call Centre. The Call Centre provides anonymous and confidential telephonic lay counselling, support and referral services 24 hours a day; it also offers HIV and TB treatment support to clinicians, and serves as a helpdesk for the HIV Nerve Centre, which monitors operational issues such as availability of ARVs and test kits, and lay counsellors in health facilities	Yes	28,875	28,875	N/A
LoveLife	NGO	To support the Department in the implementation of HIV youth prevention interventions, including peer educators through Ground Breakers and Mphint's and the live Chat Groups to facilitate dialogues and information sharing among youth	Yes	64,327	59,221	Late transfer of the second tranche delayed spending by the NGO
National Council Against Smoking (NCSA)	NGO	To prevent tobacco, use and promote tobacco cessation among users. NCAS manages a call centre that addresses queries and questions about tobacco and educates the public about tobacco use	Yes	1,164,000	1,100,000	N/A
South African Renal Registry	NGO	To collate critical information on End-stage kidney disease and Renal Replacement Therapy (RRT) by the South African Renal Registry (SARR) to inform health service planning, research decision making and delivery	Yes	460,000	460,000	N/A
South African National AIDS Council	NGO		Yes	19,380	19,380	N/A
Soul City	NGO	To support the Department in the implementation of HIV youth prevention interventions and contribute to the She Conquers Campaign. Soul City's focus includes youth support structures that facilitate dialogues and learning from peer to peer, and campaigns focusing on girls and young women (SHE Conquers)	Yes	25,065	23,896	Late transfer of the second tranche delayed spending by the NGO
South African Community Epidemiology Network on Drug Abuse (SACENDU)	SA MRC	Monitor trends on alcohol and drug abuse for the Department by gathering data from substance abuse treatment centres in the country	Yes	669,000	669,000	N/A
SA Council for the Blind	Eye Health NGO	Cataract Surgery to reduce the backlog in the private sector	Yes	1,092,000	1,092,000	N/A
South African Federation for Mental Health	NGO	Promote mental health in the population and ensure that mental health care users are integrated into the mainstream of community life and that their human rights in those communities are upheld	Yes	488,000	488,000	N/A
HIV & AIDS NGOs	HIV&AIDS: NGO	Form partnerships with NGOs rooted in communities to support the Department in extending health services				
Alliance Against HIV&AIDS (AAHA)	HIV&AIDS: NGO	Prevention strategies and treatment adherence support focusing on youth	Yes	R2,788,191.00	R2,788,191.00	Not applicable
Boithuti Lesedi Project	HIV&AIDS: NGO	HIV testing services and prevention strategies	Yes	R3,249,549.00	R3,249,549.00	Not applicable
Centre for Positive Care (CPC)	HIV&AIDS: NGO	HIV prevention strategies targeting sex workers.	Yes	R3,477,731.00	R3,477,731.00	Not applicable
Community Responsiveness Programme (CPR)	HIV&AIDS: NGO	HIV prevention strategies and treatment adherence clubs	Yes	R3,074,641.00	R3,074,641.00	Not applicable
Educational Support Services Trust (ESST)	HIV&AIDS: NGO	HIV prevention strategies, treatment adherence and TB/ NCD screening	Yes	R3,957,725.00	R3,957,725.00	Not applicable
Essa Christian AIDS Programme	HIV&AIDS: NGO	HIV prevention strategies and PLHIV (people living with HIV) support	Yes	R2,353,740.00	R2,353,740.00	Not applicable
Friends for Life	HIV&AIDS: NGO	HIV prevention strategies and treatment adherence support	Yes	R3,437,550.00	R3,437,550.00	Not applicable
Get Down Productions	HIV&AIDS: NGO	Social mobilisation and demand creation for HIV counselling and testing, MMC (medical male circumcision) and NCD	Yes	R4,592,135.00	R4,592,135.00	Not applicable
Get Ready	HIV&AIDS: NGO	Psycho-social support and treatment adherence support	Yes	R2,673,889.00	R2,673,889.00	Not applicable

Name of transferee	Type of the organisation	Purpose for which funds were used	Did the Dept. comply with the S38(1)(j) of the PFMA	Amount transferred R'000	Amount spent by entity R'000	Reasons for the funds unspent by the entity
Healthcare Development and Training Institute	HIV&AIDS: NGO	HIV testing services, MMC promotion, NCD screening and treatment support	N/A	0	0	N/A
Highveld East Aids Projects Support (HEAPS)	HIV&AIDS: NGO	Prevention strategies and treatment support	Yes	R4,829,998.00	R4,829,998.00	Not applicable
Humana People to People	HIV&AIDS: NGO	HIV testing services, training, prevention strategies targeting sex workers and truckers	Yes	R2,453,004.00	R2,453,004.00	Not applicable
Leandra Community Centre	HIV&AIDS: NGO	HIV testing services, prevention strategies and treatment adherence support	Yes	R2,851,927.00	R2,851,927.00	Not applicable
Leseding Care Givers	HIV&AIDS: NGO	Prevention strategies and treatment adherence support	Yes	R1,631,983.00	R1,631,983.00	Not applicable
Muslim Aids Programme (MAP)	HIV&AIDS: NGO	Prevention strategies and treatment support	Yes	R2,434,437.00	R2,434,437.00	Not applicable
National Institute Community Development and Management (NICDAM)	HIV&AIDS: NGO	Prevention strategies and treatment adherence support	Yes	R3,031,122.00	R3,031,122.00	Not applicable
National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health (NLGBTI)	HIV&AIDS: NGO	Advocacy and prevention strategies for MSM (men who have sex with men) and WSW (women who have sex with women)	Yes	R3,885,796.00	R3,885,796.00	Not applicable
Ramotshinyadi HIV/AIDS	HIV&AIDS: NGO	Prevention strategies and treatment adherence support	Yes	R3,092,637.00	R3,092,637.00	Not applicable
SAOPHA	HIV&AIDS: NGO	Prevention strategies and treatment adherence support	Yes	R2,296,160.00	R2,296,160.00	Not applicable
Sunrise Wellness Centre	HIV&AIDS: NGO	Treatment adherence support and prevention strategies	Yes	R2,296,160.00	R2,296,160.00	Not applicable
The Training Institution for Primary Health Care (TIPHC)	HIV&AIDS: NGO	Prevention strategies	Yes	R2,306,949.00	R2,306,949.00	Not applicable
Ukamba Projects	HIV&AIDS: NGO	HIV testing services, treatment support and NCD screening	Yes	R3,049,381.00	R3,049,381.00	Not applicable
Zakheni Training and Development	HIV&AIDS: NGO	HIV testing services, treatment support and TB/NCD screening	Yes	R3,564,295.00	R3,564,295.00	Not applicable
Total				R67 329 000,00	R67 329 000,00	

2.6 Conditional Grants

Conditional grants and earmarked funds paid

Statutory Human Resources & HP Training & Development

Department that transferred the grant	National Department of Health
Purpose of the grant	To appoint statutory positions in the health sector for systematic realisation of the human resources for health strategy and the phase-in of NHI Support provinces to fund service costs associated with clinical training and supervision of health science trainees on the public service platform
Expected outputs of the grant	<ul style="list-style-type: none"> - Number and percentage of statutory posts funded from this grant (per category and discipline) and other funding sources. - Number and percentage of registrars' posts funded from this grant (per discipline) and other funding sources - Number and percentage of specialists' posts funded from this grant (per discipline) and other funding sources
Actual outputs achieved	The Department successfully allocated 2 546 medical interns and 7 688 community service personnel into funded positions through the Compensation of Employment (CoE) Equitable Share and the Human Resources Training Grant (HRTG)
Amount per amended DORA (R'000)	5 499 066
Amount received (R'000)	5 499 066
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	5 430 899
Reasons for deviations on performance	None
Measures taken to improve performance	Enhanced collaboration between National Department of Health and Provincial Departments of Health
Monitoring mechanism by the receiving department	Provincial visits and grant reviews

National Tertiary Service Grant

Department that transferred the grant	National Department of Health
Purpose of the grant	Ensure provision of tertiary health services in South Africa To compensate tertiary facilities for the additional costs associated with provision of these services
Expected outputs of the grant	<ul style="list-style-type: none"> - 661 228 Inpatient separations - 520 109-day patient separations - 1 314049 Outpatient first attendances - 2 818 533 Outpatient follow up attendances. - 5 142 989 Inpatient days - 6,5 days Average length of stay - 110% bed utilisation rate by facility
Actual outputs achieved	<ul style="list-style-type: none"> - 701 010 Inpatient separations - 631 884 -day patient separations - 1 544840 Outpatient first attendances - 3 295 791 Outpatient follow up attendances. - 5 745 330 Inpatient days - 6,6 days Average length of stay - 111 bed utilization rate by facility
Amount per amended DORA (R'000)	R 14 306 059
Amount received (R'000)	R 14 306 059
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	R 14 108 801
Reasons for deviations on performance	Gauteng Province has underspent by 10%. The province has applied for a rollover as those funds have been committed.
Measures taken to improve performance	Facility visits and constant communication with facilities and provinces improves performance
Monitoring mechanism by the receiving department	Monitoring is done through quarterly reports and site visits.

District Health Programme Grant

Department that transferred the grant	National Department of Health
Purpose of the grant	<p>HIV/AIDS Programme To enable the health sector to develop and implement an effective response to HIV/AIDS Prevention and protection of health workers from exposure to hazards in the workplace</p> <p>TB Programme To enable the health sector to develop and implement an effective response to TB.</p> <p>COS Programme To ensure provision of quality community outreach services through WBPHCOTs by ensuring Community Health Workers (CHWs) receive remuneration, tools of trade and training in line with scope of work.</p> <p>HPV Programme To enable the health sector to prevent cervical cancer by making available HPV vaccinations for grade five schoolgirls in all public and special schools and progressive integration of HPV into integrated school health programme.</p> <p>Malaria Programme To enable the health sector to develop and implement an effective response to support the effective implementation of the malaria elimination strategic plan</p>

Department that transferred the grant	National Department of Health
Expected outputs of the grant	<p>HIV/AIDS Programme</p> <ul style="list-style-type: none"> - 653, 540 Number of new patients started on antiretroviral therapy. - 5,760,914 Total number of patients on antiretroviral therapy remaining in care. - 702,692,768- Number of male condoms distributed. - 26,430,603 Number of female condoms distributed. - 133,340 Number of infants tested through the polymerase chain reaction test at 10 weeks - 18,140,784 Number of clients tested for HIV (including antenatal) - 584,839 Number of medical male circumcisions performed. - 409,654 Number of HIV positive clients initiated on TB preventative therapy. <p>TB Programme Number of patients tested for TB using Xpert Number of eligible HIV positive patients tested for TB using urine lipoarabinomannan assay. Drug sensitive TB treatment start rate (under five years and five years and older combined) Rifampicin Resistance confirmed treatment start rate.</p> <p>COS Programme Number of community health workers receiving a stipend: 48 230 Number of community health workers (CHW) trained: 28 114. Number of HIV defaulters traced: 590 315. Number of TB defaulters traced: 45 170.</p> <p>HPV Programme 80 per cent of grade five school girls aged nine years and older vaccinated with HPV first dose 80 per cent of schools with grade five girls reached by the HPV vaccination team with HPV first dose. 80 per cent of grade five schoolgirls aged nine years and older vaccinated for HPV second dose. 80 per cent of schools with grade five girls reached by the HPV vaccination team with second dose.</p> <p>Malaria Programme 21 of malaria endemic municipalities with > 95% indoor residual spray (IRS) coverage 60% confirmed cases notified with 24 hours of diagnosis in the endemic districts. 65% of confirmed cases investigated and classified within 72 hours in the endemic districts. 100% Percentage of identified health facilities with recommended treatment in stock 90% of identified health workers trained on malaria elimination. 90% of social mobilisation information education and communication (IEC) campaigns conducted 90% of vacant funded malaria positions filled. 10 Number of malaria camps refurbished and/or constructed</p>
Actual outputs achieved	<p>HIV/AIDS Programme</p> <ul style="list-style-type: none"> -428,923 new patients started on antiretroviral therapy. -5,453,928 patients on antiretroviral therapy remaining in care. -390,572,443 male condoms distributed. 27,128,988 female condoms distributed. - 176,679 infants tested through the polymerase chain reaction test at 10 weeks -18,479,472 clients tested for HIV (including antenatal) -520,344 medical male circumcisions performed. -261,812 HIV positive clients initiated on TB preventative therapy. <p>TB Programme 2 556 895 of patients tested for TB using Xpert 100 176 eligible HIV positive patients tested for TB using urine lipoarabinomannan assay. 95 per cent of all TB clients (5 years and older) started on treatment. 75 per cent of confirmed TB Rifampicin Resistant started on treatment.</p> <p>COS Programme Number of community health workers receiving a stipend: 46 019 Number of community health workers (CHW) trained: 9 157. Number of HIV defaulters traced: 515 915. Number of TB defaulters traced: 52 325.</p> <p>HPV Programme 82.6 per cent grade 5 schoolgirl learners aged nine and above vaccinated for HPV with first dose (400 957 out of 485 035 grade 5 girls) 94 per cent schools with grade 5 girls reach by HPV vaccination teams with first dose. Incomplete data per cent grade 5 schoolgirl learners aged nine and above vaccinated for HPV with second dose. Incomplete data per cent schools with grade 5 girls reach by HPV vaccination teams with second dose.</p> <p>Malaria Programme 19/21 <input type="checkbox"/> of malaria endemic municipalities with > 95% indoor residual spray (IRS) coverage 51% <input type="checkbox"/> confirmed cases notified with 24 hours of diagnosis in the endemic districts. 80% <input type="checkbox"/> of confirmed cases investigated and classified within 72 hours in the endemic districts. 100% <input type="checkbox"/> Percentage of identified health facilities with recommended treatment in stock 100% <input type="checkbox"/> of identified health workers trained on malaria elimination. 90% <input type="checkbox"/> of social mobilisation information education and communication (IEC) campaigns conducted 90% <input type="checkbox"/> of vacant funded malaria positions filled. 10 - Number of malaria camps refurbished and/or constructed</p>
Amount per amended DORA (R'000)	29 023 118
Amount received (R'000)	29 023 118
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	27 459 983

Department that transferred the grant	National Department of Health
Reasons for deviations on performance	<p>TB Programme The target for RR-TB treatment start rate was not attained due to weak community outreach systems for tracing patients and linking them to treatment. Poor capturing of data into the electronic systems resulting in incomplete data. Data on urine lipoarabinomannan assay is manually calculated and incomplete due to a moratorium on the revision of the TIER system to enable capturing and generation of reports. The provinces have also not scaled up the urine lipoarabinomannan assay to all facilities, hence the underperformance on this indicator. Non-adherence to the TB Diagnostic algorithm is the reason for underperformance on the Xpert testing. There are still people who are diagnosed using smear or culture or diagnosed clinically for TB.</p> <p>COS Programme Decline of CHW Stipend</p> <ul style="list-style-type: none"> - CHWs figures decline: The number of Community Health Workers nationally had declined due to natural attrition and provinces unable to employ more as there are not enough funds for CHWs replacement and the annual increase of stipend. <p>CHW Training The following provinces did not meet their target: FS, KZN, LP, MP, NC, and WC. The reasons cited were:</p> <ul style="list-style-type: none"> - No formal training in WC even though the target was set, therefore there was no data collected on training. - Limited training conducted due to the measles campaigns. - In Free State the WBPHCOTs program and Provincial Regional Training were conducting audits in the districts regarding the actual number of CHWs who are still awaiting Foundation Phase training. training was not conducted during that period of audits. - Limited training materials due to limited training budget in Mpumalanga that limited the number of training sessions. - NC regional training centre had shortages of staff, and no training took place the whole year 2022. <p>HIV Defaulter tracing The following provinces did not meet their target: EC, KZN, LP and NC due over targeting.</p> <p>HPV Programme The February/March 2023 HPV vaccination campaign overlapped with the measles outbreak response activity of vaccinating children aged 5-years to under 15 years in schools. This delayed the HPV vaccination teams as they had to vaccinate all learners (grade R to 7) in schools visited with measles vaccine, and not only administer HPV vaccine to grade 5 girls. The campaign had to be extended to 30 April 2023, thus affecting completeness of HPV vaccination data which is still incomplete.</p>
Measures taken to improve performance	<p>TB Programme Scale up of the use of the urine lipoarabinomannan assay in PLHIV to all health facilities treating people with HIV, the PEPFAR partners have been engaged to support this intervention. Deep dive meetings will be conducted to address data quality in selected poor performing and high burden district. The districts with low Xpert testing have been identified and will be targeted for training and close monitoring using the QI methodology.</p> <p>COS Programme</p> <ul style="list-style-type: none"> - Advocate that National Treasury increase the budget for stipend to cater for replacement of left CHWs or new ones to cater for both annual stipend increase and employment of new CHWs. <p>CHW Training</p> <ul style="list-style-type: none"> - Outstanding groups for training to be prioritized in 2023-24 financial year. - Regional Training Centres to facilitate a process of updating manuals both electronic and printed materials including screening tools (Communicable disease and non-communicable disease screening tools). - Increase in the training budget to be given attention in the following financial year. - NC to attend to staffing issues of the regional training centres. <p>HIV Defaulter tracing</p> <ul style="list-style-type: none"> - Facilitate reasonable target setting within provincial/ district capacity. <p>Close monitoring of provinces to achieve targets they have set on training, tracing of defaulters for TB and HIV /AIDS</p> <p>HPV Programme Mop up of unreached learners and schools to ensure that all eligible learners with consent forms are immunised.</p>
Monitoring mechanism by the receiving department	<p>TB Programme Quarterly meetings with the provinces to monitor progress against DORA and APP indicators. Quarterly Support visits to selected province targeting poor performing districts.</p> <p>COS Programme Provinces to be advised on risk management and mitigating factors early in the financial year when early quarterly targets are not achieved. Continuous close monitoring of on the targets that were not achieved and provision of support on time to cap the challenges.</p> <p>HPV Programme Intra campaign data verification and data clean up conducted in districts and provinces.</p>

Health Facility Revitalisation Grant (Direct Grant)

Department that transferred the grant	National Department of Health
Purpose of the grant	<ul style="list-style-type: none"> - To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organizational development systems and quality assurance. - To enhance capacity to deliver health infrastructure. - To accelerate the fulfilment of Occupational Health and Safety
Expected outputs of the grant	<ul style="list-style-type: none"> - 40 PHC facilities constructed or revitalised. - 21 Hospitals constructed or revitalized. - 120 Facilities maintained, repaired and/or refurbished
Actual outputs achieved	<ul style="list-style-type: none"> - 41 PHC facilities constructed or revitalised. - 24 Hospitals constructed or revitalized. - 157 Facilities maintained, repaired and/or refurbished
Amount per amended DORA (R'000)	6,779,546
Amount received (R'000)	6,779,546
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	6,460,364
Reasons for deviations on performance	The set targets were exceeded and that was due to some projects being completed ahead of the scheduled time.
Measures taken to improve performance	Continuous monitoring and oversight and regular engagements with the provinces to monitor project performance.
Monitoring mechanism by the receiving department	Regular review of project data quality and data quality reviews with provinces to ensure accurate reporting. Regular project inspections as part of monitoring and oversight by project leaders.

National Health Insurance Grant: Health Facility Revitalisation Component

Department that transferred the grant	National Department of Health
Purpose of the grant	<ul style="list-style-type: none"> - To create an alternative track that will improve spending, performance as well as monitoring and evaluation on infrastructure in preparation for National Health Insurance (NHI) - To enhance capacity and capability of delivering infrastructure for NHI - To accelerate the fulfilment of occupational health and safety requirements.
Expected outputs of the grant	<ul style="list-style-type: none"> - Number of primary health care facilities constructed or revitalised (1) - Number of hospitals constructed or revitalised (0) - Number of facilities maintained, repaired and/or refurbished (5)
Actual outputs achieved	<ul style="list-style-type: none"> - Number of primary health care facilities constructed or revitalised (2) - Number of hospitals constructed or revitalised (0) - Number of facilities maintained, repaired and/or refurbished (1)
Amount per amended DORA (R'000)	1,010,476
Amount received (R'000)	1,010,476
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	983,952
Reasons for deviations on performance	Grant expenditure was slightly lower to ensure no overspending occurred
Measures taken to improve performance	<p>Monitoring of projects and expenditure monthly</p> <p>A Governance framework was distributed to facilitate compliance by Implementing Agents and Project Managers.</p>
Monitoring mechanism by the receiving department	Quarterly reviews and site visits

Personal Services HP Contracting Capitation

Department that transferred the grant	National Department of Health
Purpose of the grant	To expand the access to healthcare service benefits through the strategic purchasing of primary health care services from healthcare providers
Expected outputs of the grant	<p>Number of proof-of-concept contracting units for primary health care (CUPs) established.</p> <p>Number of private primary healthcare providers participating in then CUPs and contracted through capitation arrangements</p>
Actual outputs achieved	<p>CUPs: 5</p> <p>Private providers: 0</p>
Amount per amended DORA (R'000)	85,357
Amount received (R'000)	85,357
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	0
Reasons for deviations on performance	There were delays in filling the new posts in the NHI Branch. The workload needed to begin the anticipated activities was too high for the capacity available in the Branch due to this shortfall. However, much preliminary work has been done within the capacity of the Branch. This includes building a project team with workstreams to systematically develop the necessary frameworks and processes for accreditation and contracting, payment models, service benefits and the digital system. CUP sites have been identified and frequent engagements with provincial departments of health have enabled us to establish the structure of CUPs, and to move towards implementing functional CUPs.
Measures taken to improve performance	Continue the recruitment processes to fill posts and capacitate the Branch to undertake the Grant activities swiftly. Frequent monitoring of the project and the use of the Grant.
Monitoring mechanism by the receiving department	Quarterly review of the financial and non-financial performance of the Grant.

National Health Insurance Grant: Non-Personal Services Component

Department that transferred the grant	National Department of Health
Purpose of the grant	<p>CCMDD To develop and roll out new health information systems in preparation for NHI.</p> <p>Ideal Clinic To enable the health sector to address the deficiencies in primary health care facilities systematically and to yield fast results through the implementation of the Ideal Clinic Programme.</p>
Expected outputs of the grant	<p>CCMDD To improve:</p> <ul style="list-style-type: none"> - The number of primary health care facilities implementing an electronic stock monitoring system - The number of hospitals implementing an electronic stock management system. - The number of fixed health establishments reporting medicines availability to the national surveillance centre <p>Ideal Clinic 2200 Facilities to be Ideal at the end of 2022/23 Financial Year</p> <p>PIS 3200 Public Health facilities with the Health Patient Registration System Installed 60 million of the population registered on the Health Patient Registration System Functional National data centre hosting environment for NHI Information systems established managed and maintained. 2023 Normative Standards framework for Digital Health Interoperability published. Master Facility List Policy developed, and implementation commenced.</p>
Actual outputs achieved	<p>CCMDD No. of primary health care facilities implementing an electronic stock monitoring system</p> <ul style="list-style-type: none"> - Q4 BP Target: [2963] - Q4 Actual Output: 3304 <p>No. of hospitals implementing an electronic stock management system.</p> <ul style="list-style-type: none"> - Q4 BP Target: [379] - Q4 Actual Output: 376 <p>Number of fixed health establishments reporting medicines availability to the national surveillance centre</p> <ul style="list-style-type: none"> - Q4 BP Target: 3850 - Q4 Actual Output: 3862 <p>Ideal Clinic No. and percentage of primary health care facilities achieving an ideal status.</p> <ul style="list-style-type: none"> - Q4 BP Target: 2200 annual target - Q4 Actual Output: 2046 which is 93%% of 2200 annual target facilities that conducted baseline status determination by PPTICRMs, Peer reviews and Peer Review Updates. <p>PIS 3206 Public Health facilities with the Health Patient Registration System Installed 65 247 909 million individual registrations recorded on the Health Patient Registration System Functional National data centre hosting environment for NHI Information systems established managed and maintained. 2023 Normative Standards framework for Digital Health Interoperability published. Master Facility List Policy developed and submitted for approval.</p> <p>ICSP Finalized the allocation of eligible South African Citizens and Permanent Residents into funded medical internship and community service posts during the reporting period</p>
Amount per amended DORA (R'000)	614,660
Amount received (R'000)	614,660
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	554,928
Reasons for deviations on performance	<p>CCMDD Funds were shifted to support CCMDD activities.</p> <p>Ideal Clinic Not all planned ICSM Trainings were conducted due to some provinces not submitting required documentation for catering for trainings and trainings were cancelled. Received AEDs during March 2023 invoice not paid at the end of the financial year</p>
Measures taken to improve performance	<p>CCMDD Engagements with contracted suppliers to continue. The relationship with SCM to be strengthened for purchase orders to be issued on time and invoices to be paid on time.</p> <p>Ideal Clinic Ongoing consultation with the Provincial Ideal Clinic Champions to adhere to</p>
Monitoring mechanism by the receiving department	<p>CCMDD Engagements with contracted suppliers to continue. The relationship with SCM to be strengthened for purchase orders to be issued on time and invoices to be paid on time.</p> <p>Ideal Clinic Ongoing monitoring of the Grant activities.</p>

National Health Insurance Direct Grant

Department that transferred the grant	National Department of Health
Purpose of the grant	To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers
Expected outputs of the grant	<ul style="list-style-type: none"> - Number of health professionals contracted - Percentage increase in the number of clients of all ages seen at ambulatory (non-inpatient) 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	<ul style="list-style-type: none"> - 216 health professionals contracted - 174 376 clients seen by contracted mental health practitioners at primary healthcare level - 829 forensic mental observations conducted by contracted mental health practitioners - 17 417 patients seen for cancer services
Amount per amended DORA (R'000)	693,747
Amount received (R'000)	693,747
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	670,158
Reasons for deviations on performance	The recruitment of healthcare professionals has proven to be difficult across all components of the Grant, particularly in outlying areas. Reasons for this include the nature and administration of the contracts – it is temporary and too short, there are delays in the recruitment processes and salary payments.
Measures taken to improve performance	Discussions will take place with provincial Grant teams to review contracts and determine appropriate ways to improve the recruitment of healthcare professionals, moving towards contracting within an NHI framework.
Monitoring mechanism by the receiving department	Quarterly reports are prepared and submitted to the transferring officer.

2.7 Donor Funds

Name of donor	Centre for Disease Prevention and Control (United States)
Full amount of the funding (R'000)	R 29 088
Period of the commitment	01 October 2022 – 30 September 2023
Purpose of the funding	Enhance the National Department of Health's Coordination and Leadership on HIV and TB Programs in South Africa under the President's Emergency Plan for AIDS Relief (PEPFAR)
Expected outputs	<ul style="list-style-type: none"> - Rollout the implementation of PrEP to 3465 targeted facilities across the provinces - Conducts trainings for various HIV and Tb programmes in the department. - Resources information system for decision-making to develop an integrated Human Resource management. - Strengthening of MomConnect programme for pregnant women at facility levels - Bilateral relation with NDoH and US government to strengthen HIV and TB programmes. - Printing of IEC material for Medical Male Circumcision programmes.
Actual outputs achieved	<ul style="list-style-type: none"> - Over 70% of the targeted PHC facilities are now implementing PrEP (3034/3465) - The programme developed the draft policy for the implementation of the long-acting PrEP (Dapavirine-ring) following the approval by SAHPRA. - Conducted a PrEP training in the FS on the 05th-06th July 2022 for the implementing and non-implementing facilities, and partners. - National Indicator Data Sets (NIDS) trainings - Conducted female condom training in GP for 60 participants instead of 45 on the 13th and 14th October 2022 - HRIS training material (HRIS & Change Coach Sponsor courses) transferred to NDOH Knowledge Hub. - HRIS Face to face training conducted with provinces focusing on in-depth understanding of HRIS and data quality. - The MOU which intends to establish a Bilateral Health Forum to provide a platform for discussing the broad range of health programs, partnerships, and other collaborations between the SAG and USG was signed on 3 of June 2022 by NDOH and PEPFAR representatives. - Use MomConnect (mHealth) messaging platform to educate, raise awareness and create demand for pregnant and breastfeeding women. - Compiled online training hub case study aimed at documenting the successful transitioning of the training platform from USAID to the National Department of Health knowledge hub. - Worked with the HIV Prevention ACSM unit to print IEC material for MMC programme.
Amount received (R'000)	R 20 730
Amount spent by the department (R'000)	R155 390
Reasons for the funds unspent	The over expenditure to the amount in the region of R129 million has been carried forward from 2021/22 financial year as the amount was not recovered from the CDC by end of the year under review.
Monitoring mechanism by the donor	<ul style="list-style-type: none"> - Dashboard developed to monitor program progress - Monthly finance reports - Quarterly program progress reports - Bi-monthly meeting with CDC SA to monitor progress, identify potential challenges and problem mitigation.

Name of donor	Global Fund - New Funding Model
Full amount of the 3-year funding period	5,317,642
Period of the commitment	2,200,563
Purpose of the funding	Investing for impact against TB and HIV
Expected outputs	<ul style="list-style-type: none"> - TCP-1 Number of notified cases of all forms of TB (i.e. bacteriologically confirmed + clinically diagnosed), new and relapse cases. 111 720 - TCP-2 Treatment success rate- all forms: Percentage of TB cases, all forms, bacteriologically confirmed plus clinically diagnosed, successfully treated (cured plus treatment completed) among all TB cases registered for treatment during a specified period, new and relapse cases. 87% - TCP-5.1 Number of people in contact with TB patients who began preventive therapy. 7 748 - TB/HIV-6 Percentage of HIV-positive new and relapse TB patients on ART during TB treatment. 90% - TB/HIV-7 Percentage of PLHIV on ART who initiated TB preventive therapy among those eligible during the reporting period. 93% - MDR TB-2 Number of TB cases with RR-TB and/or MDR-TB notified. 4 669 - MDR TB-3 Number of cases with RR-TB and/or MDR-TB that began second-line treatment. 4 203 - MDR TB-9 Treatment success rate of RR TB and/or MDR-TB: Percentage of cases with RR and/or MDR-TB successfully treated. 69% - M&E-2a Completeness of facility reporting: Percentage of expected facility monthly reports (for the reporting period) that are actually received. 99% - TCS-1.1 Percentage of people on ART among all people living with HIV at the end of the reporting period. 70%
Actual outputs achieved	<ul style="list-style-type: none"> - TCP-1 Number of notified cases of all forms of TB (i.e. bacteriologically confirmed + clinically diagnosed), new and relapse cases. 90 557 - TCP-2 Treatment success rate- all forms: Percentage of TB cases, all forms, bacteriologically confirmed plus clinically diagnosed, successfully treated (cured plus treatment completed) among all TB cases registered for treatment during a specified period, new and relapse cases. 79% - TCP-5.1 Number of people in contact with TB patients who began preventive therapy. 7 742 - TB/HIV-6 Percentage of HIV-positive new and relapse TB patients on ART during TB treatment. 89% - TB/HIV-7 Percentage of PLHIV on ART who initiated TB preventive therapy among those eligible during the reporting period. 88% - MDR TB-2 Number of TB cases with RR-TB and/or MDR-TB notified. 5 094 - MDR TB-3 Number of cases with RR-TB and/or MDR-TB that began second-line treatment. 4 003 - MDR TB-9 Treatment success rate of RR TB and/or MDR-TB: Percentage of cases with RR and/or MDR-TB successfully treated. 64% - M&E-2a Completeness of facility reporting: Percentage of expected facility monthly reports (for the reporting period) that are actually received. 99.2% - TCS-1.1 Percentage of people on ART among all people living with HIV at the end of the reporting period. 67%
Amount received (R'000)	922,803
Amount spent by the department (R'000)	809,341
Reasons for the funds unspent	The grant has spent 88% of the funds received by end of March 2023. The underspending is due to late start of grant implementation. Grant funds were also received late from the funder, only received towards the end of January 2023. This affected the placement of order for the procurement of medications for the provinces. The National Department of Health is working with the National Treasury to improve lead times on transfer of funds to the Department of Health.
Monitoring mechanism by the donor	<p>To monitor grant implementation and performance of funded activities, the National Department of Health in its role as the Principal Recipient of the Global Fund grant conducts the following activities:</p> <ul style="list-style-type: none"> - On-site data verification at implementation levels to verify the accuracy of the data reported. - Support visits to grant implementers to ensure compliance with grant requirements. - Quarterly data review meetings to monitor grant performance. - Quarterly workshops and meetings with sub-recipients for programme management. - Data deep dive meetings. - Internal audits and annual external audits. <p>In addition, the Global Fund Country Team conducts regular country visits which include site visits at implementation levels. The NDoH submits reports which are verified by the Local Funding Agent (LFA) prior submission to Global Fund on six monthly basis. NDOH submits a report to the National Treasury to support programme performance and justify the disbursement requests on six-monthly basis. The NDoH also submits quarterly reports to South African National AIDS Council which serves as Country Coordinating Mechanism (CCM) for Global Fund grants in the country. The Global Fund also conducts spot checks as part of quality checks through the LFA. The Global Fund commissions audit through the Office of the Inspector-General (OIG) as part of weighing Global Fund's investments and identifying risks.</p>

2.8 Capital Investment

Capital investment, maintenance, and asset management plan

Infrastructure projects	2022/23			2021/2022		
	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)
Infrastructure - Excluding Limpopo Academic						
Current (Goods and Services)	175 594	148 116	27 478	38 000	196 083	(158 083)
Capital (Buildings and other fixed structures)	828 628	(13 746)	(13 746)	716 163	556 530	159 633
Machinery and Equipment	7 207	12 793	12 793	48 726	45 080	3 646
Total Infrastructure (excluding Limpopo Academic Hospital)	983 952	26 524	26 524	802 889	797 693	5 196
Infrastructure – Limpopo Academic						
Capital (Buildings and other fixed structures)**	498 615	101 622	396 993	122 511	45 595	76 916
Current (Goods and Services)	-	984	(984)	-	-	-
Total	1 509 091	1 086 557	423 517	925 400	843 288	82 112



PART C

GOVERNANCE

3.1 Introduction

The objective of the Internal Audit Activity (IAA) in the Department is to provide an effective, independent objective assurance and consulting activity designed to add value and improve the Department's operations. It achieves this by evaluating and improving the effectiveness of risk management, control, and governance processes in the Department.

The IAA performed audits in the approved Internal Audit plan. The scope of the IAA's work was derived from the Risk-Based Three-Year Strategic and Annual Plan approved by the Audit and Risk Committee for the 2022/23 financial year.

3.2 Risk Management

The Department recognises that risk management is a valuable management tool, which improves and assists management in minimising any negative impacts and optimising opportunities emanating from its operating environment. The risk management framework (Policy, Strategy, and Implementation plan) was discussed and recommended by Audit and Risk Committee for approval by the Director-General during 2022/23 financial year. Risk Registers were developed by management and aligned to the Annual Performance Plan 2022/23. The Risk Management Implementation was monitored by the Audit and Risk Committee.

The Risk Assessment was conducted and aligned to Annual Performance Plan of the NDoH. The Action Plans to address the audit findings of the Auditor-General South Africa were monitored monthly through the Chief Directorate: Internal Audit and Risk Management and reported to the Audit and Risk Committee.

3.3 Fraud and Corruption

The Department, as part of the Health Sector Anti-Corruption Forum (HSACF), acknowledges the importance of collaboration, consultation, mutual support, and co-operation regarding aspects such as the disclosure of information and in general, mutual co-operation and assistance in relation to the corruption, maladministration, and fraud in the health sector. Cases are investigated by both internal and external forensic services to unearth irregularities, corruption, and maladministration.

During 2022/23 financial year, the Department approved a Fraud Prevention Plan. The Fraud Prevention Plan includes the 'Whistle Blowing' Policy Statement. The Department subscribes to the National Anti-Corruption (NAC) Hot-Line housed at the Office of Public Service Commission. All the cases received via the NAC Hot-Line, the Department will investigate and provide feedback to the OPSC at prescribed or regular intervals accordingly on the progress of investigations as required. Other cases are reported to the Department anonymously by employees and members of public, and these are investigated accordingly. The Department also reports some of the cases with the South African Police Services (SAPS) and other law enforcement agencies. Once the investigations

are concluded, some cases are referred for disciplinary process whilst others that are of a criminal nature, are handed over to the SAPS.

Various strategies are in place in collaboration with the Special Investigating Unit and United Nations Office on Drugs and Crime to be used to combat corruption. These include education, training, promoting ethical leadership, preventing victimisation, monitoring the unauthorised disclosure and promoting accountability.

3.4 Minimising Conflicts of Interest

The Department adopted the Code of Conduct prescribed by the Department of Public Service and Administration for minimising conflicts of interest. This is enforced by the policies established and adopted by the Department regarding risk management, risk control and fraud prevention.

Senior managers and other stakeholders are required in terms of the policy to disclose any conflict of interest inherent in doing business with the Department. Continued analysis of trends through identifying risks. Prohibiting unacceptable forms of private interest. Raising awareness of the circumstances in which conflicts can arise. Building capacities to prevent conflict of interest through training.

3.5 Code of Conduct

The Department applies the disciplinary code and procedure for the public service. This is applicable to all employees. In addition, the Senior Management Service's (SMS) handbook is used for SMS members. New employees attend an orientation and induction course, which covers the Public Service's code of conduct and disciplinary procedures. In the event of a breach of the code of conduct, disciplinary procedures are followed as prescribed. All SCM officials and other role-players in SCM, such as appointed bid adjudication committee members, have signed the National Treasury's code of conduct in line with Treasury Regulations 16A.8.2 and the National Treasury Practice Note on Code of Conduct for Bid Committees

3.6 Health Safety and Environmental Issues

The National Department of Health has an active Occupational Health and Safety (OHS) Committee, which had nominations from trade unions and management. In addition, first aiders and fire wardens were appointed in line with the provisions of the Occupational Health and Safety Act, 85 of 1993 and provincial by-laws. The OHS Committee worked with the service provider to conduct Hazard Identification and Risk Assessments (HIRA) at Port Health facilities and the Medical Bureau for Occupational Diseases. Medical screening of employees (on a voluntary basis) in line with the Biological Hazardous regulations were also undertaken. OHS committee members accompanied the service provider during the HIRA assessments and were capacitated in undertaking such assessments of the workplace.

3.7 Portfolio Committees

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
PORTFOLIO COMMITTEE ON HEALTH		
14 April 2022	Regulations relating to the surveillance and the control of notifiable medical conditions, with Minister	The Minister of Health and the Department virtually briefed the Portfolio Committee on proposed amendments to the Health Regulations relating to the surveillance and the control of notifiable medical conditions. The Department noted that there were three sets of regulations that it was amending in addition to the notifiable medical conditions. There were regulations that related to the management of human remains, environmental health and public health measures at points of entry.
22 April 2022	Department of Health 2022/23 Annual Performance Plan; with Minister & Deputy Minister	The National Department of Health briefed the Portfolio Committee on Health in the National Assembly on the Annual Performance Plan (APP) and Budget for the 2022/23 financial year.
04 May 2022	Health Budget: Committee Report	The Portfolio Committee on Health met virtually to consider and adopt its Budget Vote Report for the Department of Health. The Committee observed the Department of Health report. Though concerned about other issues members appreciated the comprehensive report it received
18 May 2022	National Health Insurance (NHI) Bill: Motion of desirability	The Bill was tabled in Parliament and referred to the Committee on 8 August 2019. The Committee voted in favour of the motion of desirability of the NHI Bill, with seven members voting in favour of the motion and four members rejecting the motion.
01 June 2022	National Health Insurance (NHI) Bill: clause 2 to 4 deliberations	The Portfolio Committee commenced the clause-by-clause deliberations on the Bill. The Democratic Alliance (DA), Economic Freedom Fighters (EFF) and Freedom Front Plus (FF+) indicated their opposition to the Bill upfront and the varying reasons for this.
08 June 2022	National Health Insurance (NHI) Bill: clause 5 to 6 deliberations, with Deputy Minister	The Committee deliberated on the Bill, with a specific focus on clauses 5 and 6. Members of the Committee expressed their party's position on the various sub-clauses.
23 August 2022	National Health Insurance (NHI) Bill: clause 7 to 22 deliberations	In this hybrid meeting, the Committee continued with clause-by-clause deliberations on the Bill, from Clause 7 to Clause 22. Committee members expressed their party position on the clauses
24 August 2022	National Health Insurance (NHI) Bill: clause 23 to 33 deliberations: with Deputy Minister	In this hybrid meeting, the Committee continued with clause-by-clause deliberations on the Bill, from Clause 34 to 36. Committee members expressed their party's position
31 August 2022	National Health Insurance (NHI) Bill: Clause 34 to 36 deliberations, with Deputy Minister	In this hybrid meeting, the Committee continued with clause-by-clause deliberations on the Bill, from Clause 34 to 36. Committee members expressed their party's position
07 September 2022	National Health Insurance (NHI) Bill: Clause 34 to 36 deliberations, with Deputy Minister	The Committee deliberated on the NHI Bill from Clause 37 to 39 they were supported by the ANC with some proposals for amendments.
14 September 2022	National Health Insurance (NHI) Bill: clause 40 to 42 deliberations	The Committee deliberated on the NHI Bill from Clause 40 to 42. The DA supported both clauses. The DA raised concerns about the specificity and detail present in the clauses. Concern was also raised about the excessive powers given to the Minister in relation to the Minister being able to determine when and how service providers would be paid.
21 September 2022	National Health Insurance (NHI) Bill: clause 42 to 47 deliberations	The Committee deliberated on the NHI Bill from Clause 40 to 42. The DA supported both clauses.
28 September 2022	Covid-19 Vaccines, Health regulations, Monkeypox, Operations backlog: with Ministry	The National Department of Health (NDOH) gave a briefing on the status of Covid 19, the Covid vaccines, monkeypox, the draft health regulations and surgical backlogs. The National Department of Health also acknowledged the public outcry on the impact of load shedding on healthcare facilities.
14 October 2022	Department of Health Annual Report 2021/22; with Minister	The Committee convened a virtual meeting to consider the Department of Health's 2021/22 Annual Report. The Department received a qualified audit opinion, achieved 62% of targets and incurred irregular expenditure amounting to R61.4 million during this period
19 October 2022	Health Budgetary Review and Recommendations Report	The Portfolio Committee on Health met on the virtual platform to consider and adopt its Budgetary Review and Recommendations Report (BRRR) for the Department of Health and entities. During the deliberation, Members raised a number of concerns and made a few suggestions.
02 November 2022	National Health Insurance (NHI) Bill: clauses 51 to 56 deliberations	The Committee continued its clause-by-clause deliberations on the National Health Insurance (NHI) Bill. Members deliberated through Clauses 48 to 51, to which the majority party, the ANC, agreed to in totality. However, the DA, EFF, and FF+ rejected all or most of the clauses, with their main criticisms focusing on the following concerns

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
09 November 2022	National Health Insurance (NHI) Bill: clauses 57 to 59 deliberations	The Committee continued its clause-by-clause deliberations on the National Health Insurance (NHI) Bill and worked through Clauses 51 to 56 most of which the majority party agreed to. Members of the opposition parties either rejected the clauses or put forward suggestions to modify some of them.
16 November 2022	Repeal / Amendment of Acts Affected by NHI Bill; with Deputy Minister	National Department of Health (NDOH) presented the repeals and amendments that were made to 11 pieces of legislation affected by the National Health Insurance (NHI) Bill.
17 November 2022	NHI Bill: Health Minister's response to comments	The Minister of Health gave a response to concerns raised during the NHI Bill public hearings and by Committee members in deliberations
22 November 2022	National Health Insurance (NHI) Bill: summary of public comments	The Committee received a briefing by its Content Advisor on the submissions made on the National Health Insurance (NHI) Bill. The matrix document consolidated and summarised all stakeholder comments, recommendations and proposed amendments for each chapter and clause of the NHI Bill.
30 November 2022	National Health Insurance (NHI) Bill: Health Department response to concerns, with Deputy Minister	The National Department of Health (NDOH) responded to the concerns that the Portfolio Committee members and the public had raised on the NHI Bill.
22 February 2023	Engagement with European Parliament's Special Committee for Covid-19	The Portfolio Committee on Health met with the European Parliament's Special Committee to discuss the Covid-19 pandemic, a potential international treaty on pandemics and the approach to vaccine diplomacy and global solidarity.
15 March 2023	National Health Insurance NHI Bill: Parliamentary Legal Services & State Law Advisors input	<p>The Portfolio Committee met with parliamentary legal advisers to discuss the overarching concerns surrounding the National Health Insurance (NHI) Bill, which involved the Bill's constitutionality.</p> <ul style="list-style-type: none"> - The parliamentary legal advisers gave a detailed breakdown of the ways in which several sections in the Bill potentially presented a constitutional challenge. Sections identified included: - Section 4(2): Excludes asylum seekers and undocumented foreigners from healthcare service coverage. - Section 3(5): Demonstrates the vague composition of the Bill. This section leaves it to the discretion of the NHI Fund to decide on a case-by-case basis what "health care services for the purpose of the bill" means. - Sections 12 and 13: The bill vests too much power in the Minister of Health, as these were powers exclusively exercised by the President. - Section 3(5): Replaces competitive bargaining between healthcare providers with a system of price regulation by the Fund through blanket exemptions against the Competition Act in the Bill, reducing the number of stakeholders to whom the rules of the Competition Act apply. - Section 33: Restricting the function of medical aid schemes to being simply a provider of complementary cover. <p>After careful consideration to ensure that the Bill was aligned with the provisions of the Constitution, members of the committee were satisfied that its provisions did not infringe any of the fundamental rights entrenched in the Bill of rights unlawfully.</p>
22 March 2023	National Health Insurance (NHI) Bill: deliberations on Legal Advisors input; with Deputy Minister present	<p>The Portfolio Committee on Health convened in Parliament to deliberate on the Parliamentary Legal Advisor and State Law Advisor's inputs on the National Health Insurance Bill.</p> <p>Some committee members requested for postponement of the meeting, failure to which they walked out. The remaining Members deliberated on the opinions of Parliament's Legal Services and the State Law Advisor and shared their views on a number of provisions in the Bill. They noted that there were no major differences between the two legal opinions received from the Parliamentary Legal Services and the State Law Advisor. The Parliamentary Legal Services did not pronounce on any clause whether the Bill is unconstitutional, whereas the State Law Advisors pronounced its position.</p>
29 March 2023	National Health Insurance (NHI) Bill: opposition postponement request to seek legal opinion.	The Portfolio Committee on Health was supposed to consider final amendments to the National Health Insurance Bill however, the Committee agreed to give opposition parties more time to get legal opinions after the FF+ and DA wrote to the House Chairperson. They argued that a postponement was valid because this is an important piece of legislation and the documents received from the Parliamentary Legal Advisor and State Law Advisor were conflicting, so it was not unreasonable to request more time to do justice to those documents. The Committee would endeavour to meet during the constituency period to finalise the bill.
SELECT COMMITTEE ON SOCIAL SERVICES		
17 May 2022	Department of Health 2022/23 Annual Performance Plan; with Minister	The Annual Performance Plan for the 2022/23 financial year is presented by the National Department of Health (NDOH) detailing some of its key responsibilities in monitoring at the provincial department level. The overall budget is R64.5 billion with 86% transferred to support provinces, across-the-board communicable diseases, support for vaccination and containment measures. The major challenge remains the depletion of the budget due to medical legal claims.
07 June 2022	National Health Insurance (NHI) Bill: Department of Health briefing; with Deputy Minister	The Department of Health briefed the Select Committee on the National Health Insurance (NHI) Bill. The Bill sought to establish and maintain a NHI Fund in South Africa to provide sustainable and affordable universal access to quality health services. A chapter-by-chapter outline of the Bill was presented.

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
14 March 2023	Department of Health 2021/22 Annual Report	<p>The Select Committee on Health and Social Services met with the Department of Health (DoH) to receive a briefing on its annual report for 2021/22.</p> <p>The Department provided an overview of its performance in the context of the Covid-19 pandemic and the vaccination rollout, which occupied the national interest throughout the financial year, and informed the Committee of its achievements and highlights.</p> <p>Key report highlights included progress on the National Health Insurance (NHI). The Department indicated that it was halfway through implementing the medium-term strategic framework (MTSF) for the 2019-2024 period.</p> <p>The Committee members expressed concern about:</p> <ul style="list-style-type: none"> - The Department's qualified audit, and called for improved audit outcomes, particularly in poor-performing provinces. - The budget allocation reduction and subsequent under-spending, the backlog in surgeries, medical-legal cases linked to poor administration, and the high vacancy rate in provinces such as the Northern Cape. <p>Committee members noted the importance of proper administration and the need for increased capacity development at hospitals. They recommended that the Department enhance its contingency planning for future pandemics and collaborate with the Department of Science and Innovation for the local production of vaccines and medication.</p>

3.8 Standing Committee on Public Accounts (SCOPA) Resolutions

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
None	Not applicable	Not applicable	Not applicable	Not applicable

3.9 Prior modifications to audit reports

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter*
None	Not applicable	Not applicable

3.10 Audit and Risk Committee

We are pleased to present our report for the financial year ending 31 March 2023.

Audit and Risk Committee Responsibility

The Audit and Risk Committee (ARC) reports that it has complied with its responsibilities arising from section 38 (1) (a) (ii) of the Public Finance Management Act, 1999 (Act 1 of 1999) and Treasury Regulations 3.1.13. The ARC also reports that it has adopted appropriate formal terms of reference as its Charter, which is reviewed annually and has regulated the affairs of the Committee in compliance with this charter. The ARC further confirm that it has discharged all its responsibilities as contained in the charter.

Composition and Meetings of the Audit and Risk Audit Committee

The Audit and Risk Committee comprises of three (3) independent members who have sufficient qualifications and experience to render the required Audit Committee function as stipulated in the committee terms of reference.

Name	Qualifications	Designation	Date appointed	End of term	Number of meetings attended
Dr C Motau	<ul style="list-style-type: none"> - Doctor Technologiae: Computer Science and Data Processing - Master Degree in Business Leadership - Master Degree in Information Technology - Bachelor of Commerce - Higher Diploma in Computer Auditing - Certificate in Information Technology Projects Management - Certificate in Human Resource Management - Certificate in Executive Leadership 	Non-Executive Member	01/09/2019	31/08/2025	6
Ms ZM Kabini	<ul style="list-style-type: none"> - MCom in Business Management - BCom Hons in Informatics - BCom in Informatics - Diploma in Business Analysis - Management Development Programme 	Non-Executive Member	01/09/2019	31/03/2024	5
Mr C de Kock	<ul style="list-style-type: none"> - Professional Accountant (SAIPA) - Masters Business Degree in Auditing - Bachelor of Commerce Accounting, - Bachelor of Commerce Accounting (Honours). - Certified Information Systems Auditor (CISA) - Global certification - Certified Internal Auditor (CIA) – Global certification 	Non-Executive Member	25/05/2018	24/02/2024	6

3.11 Audit and Risk Committee Report

Effectiveness of Internal Controls

The systems of internal control are designed to provide cost effective assurance in achieving the Department's objectives by ensuring that assets are safeguarded, operations are effective and efficient, financial and performance information is reliable and that there is compliance with laws and regulations.

The Audit and Risk Committee provided oversight on the operations and business activities of the Department through the quarterly reporting processes by Management as well as the internal audit reviews as prioritised in the approved risk-based Annual Audit Plan. The systems of internal control within the Department were not entirely effective for the year under review and the Audit and Risk Committee is of the opinion that both the AGSA and Internal Audit findings should be addressed timely for effective systems of internal controls, in particular the AGSA repeat findings.

Internal Audit effectiveness

In line with the PFMA and the King IV Report requirements relating to Public Sector, Internal Audit provides the Audit and Risk Committee and Management with assurance that the internal controls are adequate and effective. This is achieved by means of an appropriate quarterly reporting process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

The Audit and Risk Committee is satisfied with the activities of the Internal Audit function including its annual work programme, coordination with the external auditors and follow-ups on management corrective action plans. Based on the Internal Audit reports, there are indications that systems of internal control were adequate in most areas. However, there is still room for improvement in areas where control deficiencies and deviations from prescripts and policies were highlighted. The Audit and Risk Committee, with respect to its evaluation of the adequacy and effectiveness of internal controls, receives reports from Internal Audit on a quarterly basis, assesses the effectiveness of Internal Audit function, reviews and approves the IA annual- and Three-Year Audit Rolling Plans.

The Audit and Risk Committee monitored and reviewed, where appropriate, actions taken by Management regarding adverse IA findings. The Audit and Risk Committee has overseen a process by which Internal Audit has performed audits according to a risk-based audit plan where the effectiveness of risk management and internal controls were evaluated. These evaluations were the main input considered by the Audit Committee in reporting on the effectiveness of internal controls. The Audit Committee is satisfied with the independence and effectiveness of the Internal Audit function.

Governance and Ethics

The Department has adopted the corporate governance principles of the King Codes of Governance in South Africa applicable to the Public Sector. The Audit and Risk Committee continues to monitor the key governance interventions of the Department as required, however due to its nature there is a need for continued improvement in this area.

There is focus on Ethics within the Department to imbed further enhancement of awareness and understanding of Ethics at all levels within the Department. Furthermore, the Department requires that all members of the Senior Management Services (SMS), Middle Management Service, Supply Chain Management and Finance officials complete a financial disclosure declaration.

Information and Communication Technology (ICT) Governance

The Audit and Risk Committee reviewed the progress with respect to ICT Governance in line with the ICT Governance Policy Framework issued by the Department of Public Service and Administration. The Audit and Risk Committee noted the misalignment of the ICT structure to the ICT Strategy resource requirements to deliver on the technology roadmap. The Committee further noted that the ICT Steering Committee has been established, however it is not operating effectively and there is a need to establish governance structures for ICT projects and allocation of budget for ICT projects.

Main activities undertaken by the Audit Committee during the financial year:

The Audit and Risk Committee is pleased to report that it has complied with its responsibilities arising from its terms of reference, including relevant legislative requirements. For the financial year ended 31 March 2023, the Audit and Risk Committee reviewed:

- Quarterly Financial Statements and Performance Reports;
- Unaudited Annual Financial Statements before submission to the AGSA;
- Audited Annual Financial Statements to be included in the Annual Report;
- The AGSA's Audit Report, Management Report and Management's response thereto;
- The appropriateness of Accounting Policies and Procedures;
- The effectiveness of the system of Risk Management;
- Compliance with relevant laws and regulations;
- The system of ICT Governance;
- The audit plans and reports of Internal Audit and the AGSA;
- The Audit Committee and Internal Audit Charters.

The Audit Committee also conducted separate meetings with the assurance providers.

In-Year Management and Monthly/Quarterly Reports

We reviewed the in-year quarterly reports submitted together with the Internal Audit comments thereon. The Audit and Risk Committee is satisfied with the content and quality of the quarterly reports prepared and issued by the Acting Accounting Officer and Management during the year under review. In some instances, the committee made recommendations for improvement and the Committee noted managements' improvements. The department has been reporting monthly and quarterly to the National Treasury as is required by the PFMA. There continues to be a notable improvement in the quality of the financial management and performance information reports as well as management's commitment to implementing corrective action plans to address the previous AGSA and Internal Audit findings. However, there are several prior findings that require immediate attention.

Risk Management

The Audit and Risk Committee chaired by an independent person, plays an oversight role on the system of risk management. Strategic and Operational risk assessments were conducted for the year under review. The Committee also reviewed the Risk Management Policy, Strategy and Implementation Plan and recommended same for approval by the Director-General. The Committee monitored the implementation of the approved risk management plan on a quarterly basis and is satisfied with the implementation of risk management process. The external audit assurance also gave a positive assessment on the system of risk management in the department. The Committee also noted the positive assessment of Risk Management in the department through an independent review.

Evaluation of Annual Financial Statements and Performance Information

The Committee has:

- i. Reviewed the draft AFS and Performance Information Report to be included in the Annual Report;
- ii. Noted the AGSA's Management and Audit Reports as presented and Management responses thereto;
- iii. Noted adjustments to the AFS resulting from the audit;

- iv. Reviewed changes in accounting policies and practices; and
- v. Reviewed departmental compliance with applicable regulatory provisions.

Compliance with laws and regulations

During the 2022/23 financial year, the committee:

- Considered the system and processes the Department uses to ensure compliance to regulations.
- Monitored compliance with laws and regulations.
- Reviewed both the internal and external audit reports to identify any compliance issues.

Conclusion

The Committee is pleased to note the Auditor-General's opinion that the Financial Statements fairly present the financial position of the Department for the year ending March 2023. The Committee is pleased that the audit outcome has improved from a qualified opinion to an unqualified audit opinion.

The Committee concurs and accepts the conclusions of the Auditor General South Africa on the Annual Financial Statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor General South Africa.

Appreciation

The Committee expresses its appreciation to the Director-General, Senior Management team, Internal Audit and the Auditor-General South Africa, for their continued support and dedication during the year under review.



Dr Charles Motau (AMBCI)
Chairperson of the Audit and Risk Committee
National Department of Health

Date:

3.12 B-BBEE Compliance Performance Information

Has the Department 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	SCM has no role to play in this type of activities as these are end user specific.
Developing and implementing a preferential procurement policy?	Yes	The department utilises the 2017 Preferential Regulations as it is for compliance. Some of tenders were issued in compliance with 2017 Regulations regarding pre-qualification requirements.
Determining qualification criteria for the sale of state-owned enterprises?	No	The department does not have any state-owned enterprises.
Developing criteria for entering partnerships with the private sector?	No	The department in most cases follows an open tender process and in cases where tender process is not followed a non SCM related regime is followed such as MOUs and MOAs.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	The department did not have any activity related to this requirement in the year under review.



PART D

HUMAN RESOURCE MANAGEMENT

Legislation and policies that govern Human Resources Management

POLICY	OBJECTIVE
Basic Condition of Employment Act.	To give effect to the right to fair Labour Practices referred to in Section 23(1) of the constitution by establishing and making provision for the regulation of Basic Condition of Employment Act.
Constitution of the Republic of South Africa	Provides supreme law of the Republic, any law or conduct that is inconsistent with it; is invalid.
Employee Relations Act 66 of 1995	Advances economic development, social justice, labour peace and the democratisation of the workplace by fulfilling the primary objectives of the Act.
Employment Equity Act 55 of 1998	Achieves equity in the workplace by promoting equal opportunity and fair treatment through the elimination of unfair discrimination and implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, to ensure their equitable representation in all occupational categories and levels in the workplace.
Human Resource Development Strategy for public services Vision 2015	Addresses the major Human Resource capacity constraints currently hampering the effective and equitable delivery of public services.
National Human Resource Development Strategy	Maximises the potential of the people of SA, through the acquisition of knowledge and skills, to work productively and competitively to achieve a rising quality of life for all, and to establish an operational plan, together with the necessary institutional arrangements, to achieve this.
Occupational Health and Safety Act 85 of 1993	Provide for occupational health and safety standards that need to be adhered to by the department and the monitoring and evaluation thereof.
Public Finance Management Act, 1 of 1999	Provide for the administration of state funds by functionaries, their responsibilities, and the incidental matters.
Public Service Regulations, 2016	Provide a new framework for the management of the Public Service; include decentralised decision-making and planning within the boundaries of national strategies, programmes, and policies.
Skills Development Act 97 of 1998	Establishes a high-quality skills development system that is cost-effective and accountable, meets skills needs, and promotes employment generated and economic growth.
White Paper on Human Resource Management in the Public Service	Ensures that Human Resource Management in Public Service becomes a model of excellence, in which the management of people is seen as everyone's responsibility and is conducted in a professional manner.
White Paper on Public Service Delivery (Batho Pele)	Establishes a framework of values, norms, and standards to improve public service delivery.

4.1 Introduction

Human Resources Management and Development (HRM&D) component continued to provide strategic and improvement HR value chain services of high quality to clients. For the financial year under review, the Chief Directorate: HRM&D provided strategic and administrative support to line functionaries in implementing human resources practices required to attract, develop, reward, and manage employees towards the attainment of Departmental Annual Performance Plan (APP) deliverables.

4.1.1 Human Resources Charter

The HR Services Charter was monitored on a continuous basis in ensuring that services provided are in line with the set standards and meet the expectations of clients. The National Treasury's cost containment measures resulted in a need for the adjustment of APP targets as well as a review of service standards. Clients were timeously alerted of these changes as per the redress provision contained in the Human Resource Charter.

4.1.2 Recruitment

Recruitment, Selection and Appointment functions were effectively managed and implemented in ensuring the achievement of the strategic and service delivery objectives of department.

4.1.3 Performance Management

The Department continued institutionalizing performance culture, whilst enhancing an alignment between individual and organizational performance. For the financial year

under review, the Department implemented employee development interventions and performance incentives in a consultative manner in enhancing employees' morale and maintaining harmonious labour relations.

4.1.4 Employee Wellness

The Department implemented Wellness Services and productivity enhancement programmes. These Programmes included but were not limited to periodic health screening of employees, counselling and support services, commemoration of Health and Wellness Programmes as well as sport and recreation activities.

4.1.5 Labour Relations

The Department enhanced Union engagements and Collective Bargaining process on matters of mutual interests. The Department also facilitated dispute prevention measures to pre-empt the occurrence of disputes within the sector, and the resolution of all sector-wide labour disputes speedily and to the satisfaction of all parties involved. Grievances, disputes, and disciplinary matters were effectively managed during the financial year under review.

4.1.6 HR Challenges

The main HR challenges encountered during the financial year under review was partial compliance to legislative framework and isolated cases of misconduct and incapacity.

4.2 Human Resources Oversight Statistics

4.2.1 Personnel Related Expenditure

Table 4.2.1.1 - Personnel expenditure by programme for the period 1 April 2022 to 31 March 2023

Programme	Total Expenditure (R'000)		Personnel Expenditure (R'000)	Training Expenditure (R'000)	Personnel expenditure as a % of total expenditure *1	No. of employees *3	Average personnel cost per employee (R' *2)
	Amount (R'000)	% of total personnel cost *1					
Administration	645 316	235 241	3 156	36,5	425	553 509	
NHI, Health PLN & Sys Enable	1 366 050	48 072	0	3,5	61	788 074	
HIV & Aids, TB & Chii Health	26 049 572	120 458	14	0,5	90	1 338 424	
Primary Health Care Services	5 149 242	228 050	0	4,4	397	574 433	
Hosp, Tertiary Ser & HR Dev	22 198 414	22 433	0	0,1	83	270 279	
Health Regul & Compliance MNG	7 487 446	106 710	0	1,4	95	1 123 258	
Z=Total as on Financial Systems (BAS)	62 896 040	760 965	3 170	1,2	1151	661 134	

* 1: Compensation of employees expenditure divided by total voted expenditure multiplied by 100

* 2: Compensation of employees expenditure divided by number of employees per programme

* 3: Total number of permanent employees plus additional positions on the establishment.

Table 4.2.1.2 - Personnel costs by salary band for the period 1 April 2022 to 31 March 2023

Salary Bands	Personnel Expenditure (R'000)		% of total personnel cost *1		No. of employees *3	Average Personnel cost per employee (R' *2)
	Amount (R'000)	% of total personnel cost *1	Amount (R'000)	% of total personnel cost *1		
Lower Skilled (Levels 1-2)	993	0,1	6	6		165 468
Skilled (Levels 3-5)	82 897	10,9	267	267		310 476
Highly Skilled production (Levels 6-8)	256 417	33,7	473	473		542 108
Highly Skilled supervision (Levels 9-12)	286 171	37,6	306	306		935 201
Senior and Top Management (Levels 13-16)	134 486	17,7	99	99		1 358 449
TOTAL	760 965	100,0	1151	1151		661 134

* 1: Includes Minister and Deputy Minister and are accounted for on level 16

* 2: Compensation of employees divided by total Personnel cost for Department multiplied by 100

* 3: Compensation of employees per salary band divided by number of employees per salary band (in hundreds)

* 4: Total number of permanent employees plus additional positions on the establishment.

Table 4.2.1.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2022 to 31 March 2023

Programme	Salaries		Overtime		HOA		Medical Aid		Total personnel cost /programme (R'000)
	Amount (R'000)	Salaries as % of Personnel cost *1	Amount (R'000)	Overtime as % of personnel cost *2	Amount (R'000)	HOA as % of personnel cost *3	Amount (R'000)	Medical subsidy as % of personnel cost *4	
Administration	150 355	63,9	4 466	1,9	6 242	2,7	11 017	4,7	235 241
NHI, Health PLN & Sys Enable	32 475	67,6	300	0,6	943	2,0	1 776	3,7	48 072
HIV&AIDS, TB & Chii Health	83 502	69,3	415	0,3	2 645	2,2	4 476	3,7	120 458
Primary Health Care Services	146 231	64,1	14 394	6,3	5 784	2,5	11 836	5,2	228 050
Hosp, Tertiary Ser & HR Dev	15 294	68,2	10	0,0	363	1,6	659	2,9	22 433
Health Regulations & Compliance MNG	73 863	69,2	1 006	0,9	2 640	2,5	5 085	4,8	106 710
Total	501 720	65,9	20 591	2,7	18 618	2,4	34 850	4,6	760 965

* 1: Salaries divided by total Compensation of employees expenditure in table 4.2.1.2 multiplied by 100

* 2: Overtime divided by total Compensation of employees expenditure in table 4.2.1.2 multiplied by 100

* 3: Home Owner's allowance divided by total Compensation of employees' expenditure in table 4.2.1.2 multiplied by 100

* 4: Medical Subsidy divided by total Compensation of employees expenditure in table 4.2.1.2 multiplied by 100

Table 4.2.1.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band for the period 1 April 2022 to 31 March 2023

Salary bands	Salaries				Overtime			HOA		Medical Aid		Total Personnel Cost per Salary Band (R'000)
	Amount (R'000)	Salaries as % of personnel cost *1	Amount (R'000)	Overtime as % of Personnel cost *2	Amount (R'000)	HOA as % of personnel cost *3	Amount (R'000)	Medical subsidy as % of personnel Cost *4				
Lower Skilled (Levels 1-2)	643	64,8	0	0,0	69	6,9	55	5,6	993			
Skilled (Levels 3-5)	48 604	58,6	3 735	4,5	4 707	5,7	9 362	11,3	82 897			
Highly Skilled production (Levels 6-8)	168 728	65,8	13 440	5,2	8 052	3,1	15 947	6,2	256 417			
Highly Skilled supervision (Levels 9-12)	199 126	69,6	3 416	1,2	4 282	1,5	8 402	2,9	286 171			
Senior and Top Management (Levels 13-16)	84 618	62,9	0	0,0	1 508	1,1	1 083	0,8	134 486			
TOTAL	501 720	65,9	20 591	2,7	18 618	2,4	34 850	4,6	760 965			

* 1: Salaries divided by total Compensation of employees expenditure in table 4.2.1.2 multiplied by 100

* 2: Overtime divided by total Compensation of employees expenditure in table 4.2.1.2 multiplied by 100

* 3: Home Owner's allowance divided by total Compensation of employees' expenditure in table 4.2.1.2 multiplied by 100

* 4: Medical Subsidy divided by total Compensation of employees expenditure in table 4.2.1.2 multiplied by 100

4.3 EMPLOYMENT AND VACANCIES

Table 4.3.1 - Employment and vacancies by programme as on 31 March 2023

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate *1	Number of employees additional to the establishment
Administration	511	421	16,8	4
NHI & COO	75	51	18,7	10
HIV & AIDS TB Maternal & Child Health	124	90	27,4	0
Primary health care	478	397	16,9	0
Hospitals tertiary service &HRD	115	80	27,8	3
Health regulation & compliance management	132	94	28,0	1
TOTAL	1435	1133	19,8	18

* 1: (Number of approved posts minus number of filled posts) divided by number of approved posts

Office note: Post listed includes only Voted Funds

Table 4.3.2 - Employment and Vacancies by Salary Band as on 31 March 2023

Salary Band	Number of Posts on approved establishment	Number of posts filled	Vacancy Rate *1	Number of employees additional to the establishment
Lower skilled (1-2)	17	6	64,7	0
Skilled (3-5)	313	267	14,7	0
Highly skilled production (6-8)	576	465	17,9	8
Highly skilled supervision (9-12)	399	301	23,3	5
Senior Management (13-16)	130	94	23,8	5
TOTAL	1435	1133	19,8	18

* 1: (Number of approved posts minus number of filled posts) divided by number of approved posts multiplied by 100

Office note: Post listed includes only Voted Funds

Table 4.3.3 - Employment and vacancies by critical occupation as on 31 March 2023

Critical Occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate *1	Number of employees additional to the establishment
Administrative Related	50	35	30,0	0
Artisan Project And Related Superintendents	1	1	0,0	0
Auxiliary And Related Workers	50	48	4,0	0
Biochemistry Pharmacol. Zoology & Life Scie. Techni	27	18	33,3	0
Cleaners In Offices Workshops Hospitals Etc.	52	42	19,2	0
Client Inform Clerks(Switchb Receipt Inform Clerks)	4	3	25,0	0
Communication And Information Related	11	7	27,3	1
Computer Programmers.	1	1	0,0	0
Dental Specialists	1	1	0,0	0
Dental Therapy	1	0	100,0	0
Dieticians & Nutritionists	9	4	55,6	0
Emergency Services Related	3	2	33,3	0
Engineering Sciences Related	2	1	50,0	0
Engineers & Related Professionals	2	2	0,0	0
Environmental Health	274	238	13,1	0
Finance Economics Related	3	1	66,7	0
Financial & Related Professionals	40	28	30,0	0
Financial Clerks &Credit Controllers	25	20	20,0	0
Head Of Department/Chief Executive Officer	1	1	0,0	0
Health Sciences Related	124	91	24,2	3
Human Resources & Organisat Developm & Relate Prof	45	38	15,6	0
Human Resources Related	6	4	33,3	0
Information Technology Related	25	14	32,0	3
Legal Related	3	1	66,7	0
Library Mail & Related Clerks	17	13	23,5	0
Light Vehicle Drivers	2	1	50,0	0
Logistical Support Personnel	65	56	13,8	0
Medical Practitioners	5	3	40,0	0
Medical Technicians/Technologists	2	2	0,0	0
Messengers Porters And Deliverers	13	11	15,4	0
Other Administration & Related Clerks & Organisers	146	111	24,0	0
Other Administrative Policy Related Officers	91	76	16,5	0
Other Information Technology Personnel.	9	3	0,0	6
Other Occupations	2	2	0,0	0
Pharmacists	15	14	6,7	0
Professional Nurse	15	8	46,7	0
Radiography	2	1	50,0	0
Secretaries & Other Keyboard Operating Clerks	105	84	20,0	0
Security Officers	55	52	5,5	0
Senior Managers	127	91	24,4	5
Social Work & Related Professionals	3	3	0,0	0
Staff Nurses & Pupil Nurses	1	1	0,0	0
Total	1435	1133	19,8	18

* 1: (Number of approved posts minus number of filled posts) divided by number of approved posts multiplied by 100
Office note: Post listed includes only Voted Funds

4.4 FILLING OF SMS POSTS

Table 4.4.1 - SMS post information as on 31 March 2023

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled *1	Total number of SMS posts vacant	% of SMS posts vacant *2
Director-General / HoD	1	1	100,0	0	0,0
Salary Level 16, but not HoD	2	2	100,0	0	0,0
Salary Level 15	10	8	80,0	2	20,0
Salary Level 14	34	21	61,8	13	38,2
Salary Level 13	83	67	80,7	16	19,3
Total	130	99	76,2	31	23,8

*1: Total number of SMS Posts Filled per level divided by Total number of funded SMS posts per level multiplied by 100

*2: Total number of SMS posts vacant per level divided by Total Number of Funded SMS Posts per level multiplied by 100

Table 4.4.2 - SMS post information as on 30 September 2022

SMS Level	Total Number of funded SMS Posts	Total number of SMS posts filled	% of SMS posts filled *1	Total number of SMS posts vacant	% of SMS posts vacant *2
Director-General / HoD	1	1	100,0	0	0,0
Salary Level 16, but not HoD * ₂	2	2	100,0	0	0,0
Salary Level 15	11	7	63,6	4	36,4
Salary Level 14	31	20	64,5	11	35,5
Salary Level 13	84	66	78,6	18	21,4
Total	129	96	74,4	33	25,6

*1: Total number of SMS Posts Filled per level divided by Total number of funded SMS posts per level multiplied by 100

*2: Total number of SMS posts vacant per level divided by Total Number of Funded SMS Posts per level multiplied by 100

Table 4.4.3 - Advertising and filling of SMS posts for the period 1 April 2022 to 31 March 2023

SMS Level	Advertising		Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months	
Director-General/ HoD	0	0	0	0
Salary Level 16	0	0	0	0
Salary Level 15	0	0	0	0
Salary Level 14	0	0	0	0
Salary Level 13	2	2	1	1
TOTAL	2	2	1	1

Table 4.4.4 - Reasons for not having complied with the filling of funded vacant SMS posts - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2022 to 31 March 2023.

Reasons for vacancies not advertised within six months

The Department is currently going through a restructuring process where all vacancies are being rationalised and prioritised, as such, what might appear as vacancy on the establishment is not a true reflection of reality. Once the process of consultation and concurrence with MPESA on the proposed new structure has been concluded, a more valid establishment will be yielded from that process.

Reasons for vacancies not filled within twelve months

The Department is currently going through a restructuring process where all vacancies are being rationalised and prioritised, as such, what might appear as vacancy on the establishment is not a true reflection of reality. Once the process of consultation and concurrence with MPESA on the proposed new structure has been concluded, a more valid establishment will be yielded from that process.

Table 4.4.5 - Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2022 to 31 March 2023.

Reasons for vacancies not advertised within six months

None

Reasons for vacancies not filled within twelve months

None

4.5 JOB EVALUATION

Table 4.5.1 - Job Evaluation by Salary Band for the period 1 April 2022 to 31 March 2023

Salary Band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated per salary band *1	Posts Upgraded		Posts Downgraded	
				% of posts evaluated *2	Number	% of posts evaluated *3	Number
Lower Skilled (Level 1-2)	17	0	0,0	0	0	0	0
Skilled (Levels 3-5)	313	0	0,0	0	0	0	0
Highly Skilled production (Levels 6-8)	576	7	1,2	0	0	0	0
Highly Skilled supervision (Levels 9-12)	399	35	8,8	0	0	0	0
Senior Management Service Band A	83	22	26,5	0	0	0	0
Senior Management Service Band B	34	9	26,5	0	0	0	0
Senior Management Service Band C	10	0	0,0	0	0	0	0
Senior Management Service Band D	3	0	0,0	0	0	0	0
TOTAL	1435	73	5,1	0	0,0	0	0,0

*1 Number of posts Evaluated divided by Total Number of Post multiplied by 100

*2 Number of posts Upgraded divided by Total Number of Post multiplied by 100

*3 Number of posts Downgraded divided by Total Number of Post multiplied by 100

Table 4.5.2 - Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2022 to 31 March 2023

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	0	0	0	0

Table 4.5.3 - Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2022 to 31 March 2023

Total number of employees whose salaries exceeded the level determined by job evaluation
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Table 4.5.4 - Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 to 31 March 2023.

Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2022 to 31 March 2023.
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4.6 EMPLOYMENT CHANGES

Table 4.6.1 - Annual turnover rates by salary band for the period 1 April 2022 to 31 March 2023

Salary Band	Number of employees at beginning of period 1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate *1
Lower Skilled (Levels 1-2)	6	0	6	100,0
Skilled (Levels 3-5)	296	0	68	23,0
Highly Skilled Production (Levels 6-8)	558	11	206	36,2
Highly Skilled Supervision (Levels 9-12)	316	15	71	21,5
Senior Management Service Band A	65	4	8	11,6
Senior Management Service Band B	21	0	2	9,5
Senior Management Service Band C	8	2	1	10,0
Senior Management Service Band D	4	0	0	0,0
TOTAL	1274	32	362	27,7

*1: Terminations divided by (employment at beginning of period plus Appointments) multiplied by 100

Table 4.6.2 - Annual turnover rates by critical occupation for the period 1 April 2022 to 31 March 2023

Critical Occupations	Number of employees at beginning of period 1 April 2022	Appointments and transfers into the department	Terminations and transfers out of the department
Administrative related	38	3	0
Artisan project & related superintendents	1	0	0
Auxiliary & related workers	49	0	49
Biochemistry pharmacol. Zoology & life scie.techni	33	0	2
Cleaners in Offices Workshops Hospitals Etc.	46	0	14
Client inform clerks (switchb receipt inform clerks)	3	0	0
Communication and information related	8	0	0
Computer programmers.	1	0	0
Dental specialists	1	0	0
Dental therapy	0	0	0
Dieticians & nutritionists	7	0	3
Emergency services related	1	1	0
Engineering sciences related	1	0	0
Engineers & related professionals	2	0	0
Environmental health	297	11	228
Finance & economics related	1	0	0
Financial & related professionals	30	0	2
Financial clerks credit controllers	20	0	0
Head of department/chief executive officer	1	0	0
Health sciences related	96	3	7
Hr & organisat developm & relate prof	42	2	5
Human resources clerks	0	0	0
Human resources related	4	0	0
Information technology related	16	2	1
Legal related	1	0	0
Library mail & related clerks	13	0	0
Light vehicle drivers	3	0	1
Logistical support personnel	58	0	3
Medical practitioners	3	0	0
Medical research & related professionals	0	0	0
Medical specialist	0	0	0
Medical technicians/technologists	2	0	0
Messengers porters & deliverers	13	0	2
Other administrat & related clerks & organisers	115	1	12
Other administrative policy related officers	77	0	6
Other information technology personnel.	3	0	0
Other occupations	2	0	0
Pharmacists	12	3	1
Professional nurse	10	0	8
Radiography	1	0	0
Secretaries & other keyboard operating clerks	90	1	7
Security officers	75	0	0
Senior managers	94	5	11
Social sciences related	3	0	0
Staff nurses & pupil nurses	1	0	0
Total	1274	32	362

*1: Terminations divided by (employment at beginning of period plus Appointments) multiplied by 100

Table 4.6.3 - Reasons why staff left the department for the period 1 April 2022 to 31 March 2023

Termination Type	Number of employees terminated	% of Total Terminations *1
Death,	4	1,1
Resignation,	16	4,4
Expiry of contract,	1	0,3
Dismissal - operation changes	0	0,0
Dismissal - misconduct	2	0,6
Dismissal - inefficiency	0	0,0
Discharged due to ill health	1	0,3
Retirement,	32	8,8
Transferred Out of the Dept	7	1,9
Other, (Transfer to Stat Council)	299	82,6
TOTAL	362	100,0
Total number of employees who left as a % of total employment ²		28,4%

*1 Number of employees terminated divide by Total Termination multiplied by 100

Table 4.6.4 - Promotions by critical occupation for the period 1 April 2022 to 31 March 2023

Occupation	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employment *1	Progressions to another notch within salary level	Notch progressions as a % of employment *2
Administrative related	38	2	5,3	29	76,3
Artisan project and related superintendents	1	0	0,0	0	0,0
Auxiliary & related workers	49	0	0,0	0	0,0
Biochemistry pharmacol. Zoology & life scie.techni	33	2	6,1	12	36,4
Cleaners in Offices Workshops Hospitals Etc.	46	0	0,0	24	52,2
Client inform clerks(switchboard recept inform clerks)	3	0	0,0	2	66,7
Communication and information related	8	0	0,0	6	75,0
Computer programmers.	1	0	0,0	0	0,0
Dental specialists	1	0	0,0	0	0,0
Dental therapy	0	0	0,0	0	0,0
Dieticians and nutritionists	7	0	0,0	3	42,9
Emergency services related	1	0	0,0	1	100,0
Engineering sciences related	1	0	0,0	0	0,0
Engineers & related professionals	2	0	0,0	1	50,0
Environmental health	297	38	12,8	48	16,2
Finance & economics related	1	0	0,0	0	0,0
Financial and related professionals	30	1	3,3	28	93,3
Financial clerks & credit controllers	20	1	5,0	20	100,0
Head of department/chief executive officer	1	0	0,0	0	0,0
Health sciences related	96	0	2,1	85	88,5
HR & organisational development & relate prof	42	1	2,4	35	83,3
Human resources clerks	0	0	0,0	0	0,0
Human resources related	4	0	0,0	4	100,0
Information technology related	16	5	31,3	13	81,3
Legal related	1	0	0,0	0	0,0
Library mail & related clerks	13	0	0,0	12	92,3
Light vehicle drivers	3	0	0,0	0	0,0
Logistical support personnel	58	0	0,0	44	75,9
Medical practitioners	3	0	0,0	0	0,0
Medical Research & Related Professionals	0	0	0,0	0	0,0
Medical specialist	0	0	0,0	0	0,0
Medical technicians/technologists	2	0	0,0	2	100,0
Messengers, porters & deliverers	13	0	0,0	10	76,9
Other administration, related clerks & organisers	115	4	3,5	89	77,4
Other administrative policy and related officers	77	6	7,8	47	61,0
Other information technology personnel.	3	0	0,0	4	133,3
Other occupations	2	0	0,0	0	0,0
Pharmacists	12	1	8,3	6	50,0
Professional nurse	10	0	0,0	0	0,0
Radiography	1	0	0,0	1	100,0
Secretaries & other keyboard operating clerks	90	1	1,1	71	78,9
Security officers	75	0	0,0	50	66,7
Senior managers	94	5	3,2	31	33,0
Social sciences related	3	0	0,0	2	66,7
Staff nurses and pupil nurses	1	0	0,0	0	0,0
Total	1274	67	5,3	680	53,4

*1 Promotions to another Salary Level divided by employment at beginning of period multiplied with 100

*2 Progressions to another Notch within Salary Level divided by employment at the beginning of the period multiplied by 100

Table 4.6.5 – Promotions by salary band for 1 April 2022 to 31 March 2023

Salary Band	Employees 1 April 2022	Promotions to another salary level	Salary level promotions as a % of employment ^{*1}	Progressions to another notch within salary level	Notch progressions as a % of employment ^{*2}
Lower skilled (levels 1-2)	6	0	0,0	0	0,0
Skilled (levels 3-5)	296	0	0,0	183	61,8
Highly skilled production (levels 6-8)	558	34	6,1	242	43,4
Highly skilled supervision (levels 9-12)	316	28	8,9	224	70,9
Senior management (level 13-16)	98	5	5,1	31	31,6
Total	1274	67	5,3	680	53,4

*1 Promotions to another Salary Level divided by Employment at beginning of period multiplied with 100

*2 Progressions to another Notch within Salary Level divided by Employment at the beginning of the period multiplied by 100

4.7 Employment Equity

Table 4.7.1 - Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2023

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Legislators, senior officials and managers	43	2	3	5	34	5	3	3	98
Professionals	84	1	1	4	114	2	2	18	225
Technicians and associate professionals	157	5	7	6	282	9	8	18	486
Clerks	47	0	1	1	158	5	2	13	232
Service and sales workers	40	0	1	0	14	0	0	0	55
Skilled agriculture and fishery worker	17	0	0	0	36	0	0	0	53
Craft and related trades workers,	1	0	0	0	0	0	0	0	1
Plant and machine operators and assemblers	0	0	0	1	1	0	0	0	1
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	389	8	13	17	639	21	15	52	1151
Employees with disabilities	1	0	0	1	1	0	0	1	4

Table 4.7.2 - Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2023

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Top management,	5	0	1	1	2	2	0	0	11
Senior management	39	2	2	4	32	3	3	3	88
Professionally qualified, experienced specialists & mid-management,	102	4	6	7	146	5	6	21	297
Skilled technical, academically qualified workers, junior management & supervisors, foreman	133	2	3	1	308	10	6	27	490
Semi-skilled & discretionary decision making,	109	0	1	2	145	1	0	1	259
Unskilled & defined decision making,	1	0	0	0	5	0	0	0	6
Total	389	8	13	15	638	21	15	52	1151

Table 4.7.3 - Recruitment for the period 1 April 2022 to 31 March 2023

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Top management,	2	0	0	0	0	0	0	0	2
Senior management	2	0	0	0	2	0	0	0	4
Professionally qualified and experienced specialists and mid-management,	6	0	0	0	9	0	0	0	15
Skilled technical, academically qualified workers, junior management, supervisors, foreman	1	0	0	0	10	0	0	0	11
Semi-skilled & discretionary decision making,	0	0	0	0	0	0	0	0	0
Unskilled & defined decision making,	0	0	0	0	0	0	0	0	0
Total	11	0	0	0	21	0	0	0	32
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 4.7.4 - Promotions for the period 1 April 2022 to 31 March 2023

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	3	0	1	0	5
Professionally qualified and experienced specialists and mid-management	13	0	0	1	13	0	1	0	28
Skilled technical and academically qualified workers, junior management, supervisors, foreman	11	0	0	0	21	1	1	0	34
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	25	0	0	1	37	1	3	0	67
Employees with disabilities	0	0	0	0	1	0	0	0	0

Table 4.7.5 - Terminations for the period 1 April 2022 to 31 March 2023

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Top Management	0	0	0	0	0	0	1	0	1
Senior Management	2	1	0	1	5	1	0	0	10
Professionally qualified and experienced specialists and mid-management	16	4	2	2	39	3	2	3	71
Skilled technical and academically qualified workers, junior management, supervisors, foreman	45	1	3	1	144	6	5	1	206
Semi-skilled and discretionary decision making	28	0	0	0	39	1	0	0	68
Unskilled and defined decision making	1	0	0	0	5	0	0	0	6
Total	92	6	5	4	232	11	8	4	362
Employees with disabilities	1	0	0	0	1	1	0	0	3

Table 4.7.6 - Disciplinary action for the period 1 April 2022 to 31 March 2023

Disciplinary Action	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Non-disclosure of financial interest	5	0	0	0	7	0	0	0	12
Absentism	1	0	0	0	0	0	0	0	1
Corruption and Maladministration	1	0	1	0	1	0	1	0	4
Total	7	0	1	0	8	0	1	0	17

Table 4.7.7 - Skills development for the period 1 April 2022 to 31 March 2023

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, White	Female, African	Female, Coloured	Female, Indian	Female, White	Total
Legislators, Senior Officials and Managers	17	2	0	0	12	1	0	1	33
Professionals	16	2	0	0	53	1	1	3	76
Technicians and Associate Professionals	160	7	4	3	312	8	7	1	502
Clerks	13	0	1	0	39	2	0	1	56
Service and Sales Workers	27	0	0	0	10	0	0	0	37
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0
Craft and related Trades Workers	1	0	0	0	0	0	0	0	1
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0
Elementary Occupations	3	0	0	0	12	0	0	0	15
Total	237	11	5	3	438	12	8	6	720
Employees with disabilities	1	0	0	0	0	0	0	0	1

4.8 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 4.8.1 - Signing of Performance Agreement by SMS members as on 31 May 2022

SMS level	Total nr of funded SMS posts	Total nr of SMS members	Total nr of signed performance agreements	Signed performance agreements as % of total nr of SMS members ^{*1}
Director-General / Head of Department	1	1	1	100,0
Salary Level 16, but not HOD ^{*3}	2	0	0	0,0
Salary Level 15	10	8	6	75,0
Salary Level 14	30	20	19	95,0
Salary Level 13	85	62	62	100,0
Total	128	91	88	96,7

*1: Total Number of signed Performance Agreements per level divided by Total Number of SMS Members per level multiplied by 100

Please take note that the total number of SMS must exclude the following members: -

* Minister and Deputy Minister are Political Office Bearers and sign their PAs with President;

* The Interim Registrar (SL14) signs PA with the Interim Traditional Health Practitioners Council of South Africa (ITHPCSA) and;

* The Cuban Co-ordinator (SL-13) signs his Performance Agreement with the relevant High Commissioner and DIRCO is facilitating the process of Performance contracting with the relevant High Commissioner.

*3: The total number is inclusive of all DDGs and all employees who are paid at salary level 15.

Table 4.8.2 - Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2023

Reasons
*five (5) members who did not sign Performance Agreement (PAs) is due to re-organisation of the Department re-organisation of the departmental functions

Table 4.8.3 - Disciplinary steps taken against SMS members for not having concluded Performance agreement as on 31 March 2023

Reasons

4.9 PERFORMANCE REWARDS

Table 4.9.1 - Performance Rewards by race, gender and disability for the period 1 April 2022 to 31 March 2023

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total employment	% of total employment *1	Cost (R 000)	Average Cost per beneficiary (R) *2
African, female	0			0	
African, male	0			0	
Asian, female	0			0	
Asian, male	0			0	
Coloured, female	0			0	
Coloured, male	0			0	
White, female	0			0	
White, male	0			0	
Employees with a disability*3	0			0	
Total	0	0	0,0	0	0

*1: Number of beneficiaries divided by Total Employment multiplied by 100

*2: Cost divided by Number of beneficiaries

*3: The numbers for disability is not included in total, as the numbers form part of the race and gender number.

Table 4.9.2 - Performance rewards by salary band for personnel below Senior Management Services for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary profile			Cost	
	Number of beneficiaries	Total employment	% of total employment *1	Cost (R000)	Average cost per beneficiary (R) *2
Lower Skilled (Levels 1-2)	0			0	
Skilled (3-5)	0			0	
Highly skilled production (6-8)	0			0	
Highly skilled supervision (9-12)	0			0	
TOTAL	0	0	0,0	0	0

*1: Number of beneficiaries divided by Total Employment multiplied by 100

*2: Cost divided by Number of beneficiaries multiplied by 100

Table 4.9.3 - Performance Rewards by critical occupation for the period 1 April 2022 to 31 March 2023

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Total employment	%of Total employment *1	Cost (R000)	Average cost per beneficiary (R) *2
Administrative related	0			0	
Artisan project and related superintendents	0			0	
Auxiliary & related workers	0			0	
Biochemistry pharmacol. Zoology & life scie.techni	0			0	
Cleaners in offices workshops hospitals etc.	0			0	
Client inform clerks(switchb recept inform clerks)	0			0	
Communication & information related	0			0	
Computer programmers.	0			0	
Dental specialists	0			0	
Dental therapy	0			0	
Dieticians & nutritionists	0			0	
Emergency services related, permanent	0			0	
Engineering sciences related	0			0	
Engineers and related professionals	0			0	
Environmental health	0			0	
Finance & economics related	0			0	
Financial & related professionals	0			0	
Financial clerks & credit controllers	0			0	
Head of department/chief executive officer	0			0	
Health sciences related	0			0	
Human resources & organisational development & relate prof	0			0	
Human resources related	0			0	
Information technology related	0			0	
Legal related	0			0	
Library mail and related clerks	0			0	
Light vehicle drivers	0			0	
Logistical support personnel	0			0	
Medical practitioners	0			0	
Medical technicians/technologists	0			0	
Messengers porters & deliverers	0			0	
Other administrat & related clerks and organisers	0			0	
Other administrative policy & related officers	0			0	
Other information technology personnel	0			0	
Other occupations	0			0	
Pharmacists	0			0	
Professional nurse	0			0	
Radiography	0			0	
Secretaries & other keyboard operating clerks	0			0	
Security officers	0			0	
Senior managers	0			0	
Social Work & related professionals	0			0	
Staff nurses & pupil nurses	0			0	
Total	0	0	0,0	0	0

*2: Number of beneficiaries divided by cost

Table 4.9.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service for the period 1 April 2022 to 31 March 2023

Salary band	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total employment *1	Cost (R000)	Average cost per beneficiary (R) *2
Band A (13)	0			0	
Band B (14)	0			0	
Band C (15)	0			0	
Band D (16)	0			0	
TOTAL	0	0		0	0

*1: Number of beneficiaries divided by Total Employment multiplied by 100

*2: Cost divided by Number of beneficiaries

4.10 FOREIGN WORKERS

Table 4.10.1 - Foreign workers by salary band for the period 1 April 2022 to 31 March 2023

Salary Band	01 Apr 22		31 March 23		Change	
	Employment at beginning period	% of total *1	Employment at end of period	% of total *2	Change in employment	% of total *3
Lower Skilled	0	0,0	0	0,0	0	0,0
Highly skilled production (Levels 6-8)	0	0,0	0	0,0	0	0,0
Highly Skilled supervision (Levels 9-12)	1	0,0	1	33,3	0	0,0
Contract (Levels 9-12)	0	100,0	0	0,0	0	0,0
Contract (Level 13-16)	2	100,0	2	66,7	0	0,0
TOTAL	3	100,0	3	100,0	0	0,0

*1: Employment at beginning period within the salary band divided total employment at beginning of period multiplied by 100

*2: Employment at end of period within the salary band divided employment at end of period multiplied by 100

*3: Change in employment within the salary band divided by total change in employment multiplied by 100

Table 4.10.2 - Foreign Workers by major occupation for the period 1 April 2022 to 31 March 2023

Major occupation	01 April 22		31 March 23		Change	
	Employment at beginning period	% of total *1	Employment at end of period	% of total *2	Change in employment	% of total *3
Senior officials and managers	2	66,7	2	66,7	0	0,0
Technicians and associated professional	0	0,0	0	0,0	0	0,0
Professionals	1	33,3	1	33,3	0	0,0
Total	3	100,0	3	100,0	0	0,0

*1: Employment at beginning period divided Total Employment at beginning of period multiplied by 100

*2: Employment at end of period divided by Total Employment at end of period multiplied by 100

*3: Change in employment divided by Total Change in Employment multiplied by 100

4.11 LEAVE UTILISATION

Table 4.11.1 – Sick leave for the period 1 April 2022 to 31 March 2023

Salary band	Total days	% days with medical certification *1	Number of employees using Sick leave	% of total employees using sick leave *2	Total number of days with medical certification
Lower skilled (Levels 1-2)	33	54,5	6	0,8	18
Skilled (Levels 3-5)	1704	67,7	198	24,9	1154
Highly skilled Production (Levels 6-8)	2646	63,3	375	47,1	1676
Highly skilled supervision (Levels 9-12)	1257	66,6	179	22,5	837
Top and senior management (Levels 13-16)	284	82,4	38	4,8	234
TOTAL	5924	66,2	796	100,0	3919

Table 4.11.2 Disability Leave (Temporary and permanent) for the period 1 April 2022 to 31 March 2023

Salary band	Total days	% days with medical certification *1	Number of employees using disability leave	% of total employees using disability leave *2	Total number of days with medical certification
Lower Skilled (Levels 1-2)	0	0	0	0	0
Skilled (Levels 3-5)	44	100,0	1	11,1	44
Highly Skilled Production (Levels 6-8)	406	100,0	5	55,6	406
Highly Skilled Supervision (Levels 9-12)	99	100,0	2	22,2	104
Top and Senior Management (Levels 13-16)	27	100,0	1	11,1	27
TOTAL	576	100,0	9	100,0	581

Table 4.11.3 - Annual Leave for the period 1 January 2022 to 31 December 2022

Salary band	Total days taken	Average days per employee *1	Number of employees who took leave
Lower skilled (levels 1-2)	85	14	6
Skilled (levels 3-5)	6762	24	280
Highly skilled production (levels 6-8)	12139	20	606
Highly skilled supervision (levels 9-12)	6736	20	330
Top and Senior Management (Levels 13-16)	1847	20	93
Total	27569	21	1315

*1: Total Days Taken divided by Number of employees who took leave

Table 4.11.4 Capped Leave for the period 1 January 2022 to 31 December 2022

Salary Band	Total days taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee
Lower Skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0
Highly Skilled Production (Levels 6-8)	0	0	0	0
Highly Skilled Supervision (Levels 9-12)	0	0	0	0
Top and Senior Management (Levels 13-16)	0	0	0	0
TOTAL	0	0	0	0

Table 4.11.5 Leave pay-outs for the period 1 January 2022 to 31 December 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2022/2023 due to non-utilisation of leave for the previous cycle.	0	0	0
Capped leave pay-outs on termination of service for 2022/2023	1 295	22	59
Current leave payout on termination of service for 2022/2023	3 772	34	111
TOTAL	5 067	56	90

4.12 HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 4.12.1 - Steps taken to reduce the risk of occupation exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	

Table 4.12.2 - Details of Health Promotion and HIV/AIDS Programmes [tick Yes/No and provide required information]

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.	X		Adv MT Ngake; Chief Negotiator is the chairperson of the integrated employee health and wellness committee
2. Does the department have a dedicated unit or have you designated specific staff members to promote 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.	X		4 Employees are currently employed.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	X		The EAP core service is to identify troubled employees, offer counselling, do referrals and follow-up and look at prevention programmes that will enhance productivity. Health and wellness workshops, seminars and awareness campaigns in line with health calendar.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		The Health and Wellness Unit is reconstituting the committee to be inclusive of all the pillars of the strategic framework.
5. Has the department reviewed the employment policies and practices of your department 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.	X		Yes. All departmental policies/ workplace guidelines are developed to ensure that no discrimination exists against employees on the basis of HIV/Aids status, for example Recruitment and Leave policy.
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.	X		Employee policy on HIV&AIDS and STI and TB in the workplace has been reviewed and is waiting for management approval. Employees and prospective employees have the right to confidentiality with regard to their HIV/Aids status, if an employee informs an employer of their HIV/Aids status. The Unit works closely with Employment Equity, HIV Care and Support Unit and Employment Relations in stigma mitigation and prevention of cases of discrimination. Breaching of confidentiality and acts of discrimination constitutes misconduct.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		On consultation with the Employee Assistance Programme Officer and the Departmental nurse, employees are counselled and encouraged to subject themselves to voluntary testing. Every year the department organises testing facilities for diseases of lifestyle. Where employees are encouraged to test for diseases such as diabetes, hypertension, HIV etc.
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators.		X	Through the Employee Health and Wellness/health promotion programme indicators are committed in the annual performance plan which are monitored quarterly and annually. Remedial actions are required for any deviations from the committed measures or indicators. It is measured through statistics, reports and surveys. Number targeted employees are measured against the actual achieved target.

4.13 LABOUR RELATIONS

Table 4.13.1 - Collective Agreement for the period 1 April 2022 to 31 March 2023

Subject matter	Date
None	

Table 4.13.2 - Misconduct and disciplinary hearing finalised for the period 1 April 2022 to 31 March 2023

Outcomes of disciplinary hearings	Number	% of Total
Final written warning	12	41,4
Dismissal	1	3,4
Closed	1	3,4
Demotion	2	6,9
Suspension without pay	1	3,4
Case withdrawn	12	41,4
Total	29	100,0

Table 4.13.3 - Types of misconduct addressed at disciplinary hearings for the period 1 April 2022 to 31 March 2023

Type of misconduct	Number	% of Total
Non-disclosure of Financial Interest	24	82,8
Absentism	1	3,4
Corruption and Maladministration	4	13,8
Total	29	100,0

Table 4.13.4 - Grievances Lodged for the period 1 April 2022 to 31 March 2023

Number of grievances addressed	Number	% of Total
Number of grievances resolved	10	76,9
Number of grievances not resolved	3	23,1
Total number of grievance lodged	13	100,0

Table 4.13.5 - Disputes lodged with council for the period 1 April 2022 to 31 March 2023

Number of disputes addressed	Number	% of total
Number of disputes upheld	1	50,0
Number of disputes dismissed	1	50,0
Total number of disputes lodged	2	100,0

Table 4.13.6 - Strike Actions for the period 1 April 2022 to 31 March 2023

Strike Actions	Number
Total number of person working days lost	10
Total cost(R'000) of working days lost	16
Amount (R'000) recovered as a result of no work no pay	0

Table 4.13.7 - Precautionary suspensions for the period 1 April 2022 to 31 March 2023

Precautionary Suspensions	Number
Number of people suspended	6
Number of people whose suspension exceeded 30 days	5
Average number of days suspended	365
Cost (R'000) of suspensions	5 023

4.14 SKILLS DEVELOPMENT

Table 4.14.1 - Training needs identified for the period 1 April 2022 to 31 March 2023

Occupational Categories	Gender	Number of employees as of 1 April 2022	Training needs identified at start of the reporting period			Total
			Internship	Skills programmes & other short courses	Other forms of training	
Legislators, senior officials & managers	Female	47	0	33	2	35
	Male	50	0	6	3	9
Professionals	Female	135	0	162	18	180
	Male	90	0	98	15	113
Technicians & associate professionals	Female	361	35	628	12	675
	Male	210	30	276	6	312
Clerks	Female	189	0	185	8	193
	Male	52	0	41	7	48
Service & sales workers	Female	22	0	20	0	20
	Male	55	0	40	1	41
Skilled agriculture and fishery workers	Female	38	0	0	0	0
	Male	21	0	0	0	0
Craft & related trades workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant, machine operators & assemblers	Female	1	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations (Labourers & Related Workers)	Female	0	0	24	0	24
	Male	0	0	4	0	4
Gender sub totals	Female	793	35	1052	40	1127
	Male	481	30	465	32	527
Total		1274	65	1517	72	1654

Table 4.14.2 - Training provided for the period 1 April 2022 to 31 March 2023

Occupational Categories	Gender	Number of employees as of 1 April 2022	Training provided within the reporting period			Total
			Internship	Skills programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	47	0	14	0	14
	Male	50	1	17	1	19
Professionals	Female	135	0	53	5	58
	Male	90	0	16	2	18
Technicians and associate professionals	Female	361	39	284	5	328
	Male	210	33	138	3	174
Clerks	Female	189	0	37	5	42
	Male	52	0	12	2	14
Service and sales workers	Female	22	0	10	0	10
	Male	55	0	27	0	27
Skilled agriculture and fishery workers	Female	38	0	0	0	0
	Male	21	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	1	0	1	0	1
Plant and machine operators and assemblers	Female	1	0	0	0	0
	Male	2	0	0	0	0
Elementary occupations	Female	0	0	12	0	12
	Male	0	0	3	0	3
Gender sub totals	Female	793	39	410	15	464
	Male	481	34	214	8	256
Total		1274	73	624	23	720

4.15 INJURY ON DUTY

Table 4.15.1 - Injury on duty for the period 1 April 2022 to 31 March 2023

Nature of injury on duty	Number of employees	% of total
Required basic medical attention only	1	100,0
Temporary Total Disablement	0	0,0
Permanent Disablement	0	0,0
Fatal	0	0,0
Total	1	100,0

4.16 UTILISATION OF CONSULTANTS

Table 4.16.1 - Report on consultant appointments using appropriated funds for the period 1 April 2022 to 31 March 2023

Project Title	Total number of consultants that worked on the project	Duration: work days	Contract value in Rand
No Data			

Table 4.16.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs for the period 1 April 2022 to 31 March 2023

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
No Data			

Table 4.16.3 - Report on consultant appointments using Donor funds for the period 1 April 2022 to 31 March 2023

Project Title	Total number of consultants that worked on the project	Duration: work days	Donor and Contract value in Rand
No Data			

Table 4.16.4 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs for the period 1 April 2022 to 31 March 2023

Project Title	& ownership by HDI groups	% management by HDI groups	No. of Consultants from HDI groups that work on the project
No Data			

4.17 SEVERANCE PACKAGES

Table 4.17.1 - Granting of employee-initiated severance packages for the period 1 April 2022 to 31 March 2023

Category	No. of applications received	No. of applications referred to the MPSA	No. of applications supported by MPSA	No. of Packages approved by department
Lower Skilled (Salary Level 1-2)	0	0	0	0
Skilled (Salary Level 3-5)	0	0	0	0
Highly Skilled Production (Salary Level 6-8)	0	0	0	0
Highly Skilled Production (Salary Level 9-12)	0	0	0	0
Senior Management (Salary Level 13 and higher)	0	0	0	0
Total	0	0	0	0



PART E

PFMA COMPLIANCE REPORT

5.1 Information on Irregular, Fruitless and Wasteful, Unauthorised Expenditure and Material Losses

5.1.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	359 301	297 888
Add: Irregular expenditure confirmed	-	61 413
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	359 301	359 301

Reconciling notes

Description	2022/2023	2021/2022 ¹
	R'000	R'000
Irregular expenditure that was under assessment in 2021/22	359 301	297 888
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	61 413
Irregular expenditure for the current year	-	-
Total	359 301	359 301

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description ²	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	147 888	147 888
Irregular expenditure under determination	16 548	16 548
Irregular expenditure under investigation	150 000	150 000
Total ³		

¹ Record amounts in the year in which it was incurred.

² Group similar items

³ Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation)

Additional disclosure relating to Inter-Institutional Arrangements

5.1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	1 513	2078
Add: fruitless and wasteful expenditure confirmed	45	-
Less: fruitless and wasteful expenditure condoned	20	565
Less: fruitless and wasteful expenditure recoverable		
Closing balance	1 538	1 513

Reconciling notes

Description	2022/2023	2021/2022 ⁴
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 20XX/YY	1 513	1 513
Fruitless and wasteful expenditure that relates to 20XX/YY and identified in 20YY/ZZ	-	-
Fruitless and wasteful expenditure for the current year	45	-
Total	1 558	1 513

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description ⁵	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure under assessment	1 513	1 513
Fruitless and wasteful expenditure under determination	45	
Fruitless and wasteful expenditure under investigation		
Total ⁶	1 558	1 513

⁴ Record amounts in the year in which it was incurred

⁵ Group similar items

⁶ Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation)

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and wasteful expenditure written off	20	565
Total		

5.1.3 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	19 161	19 161
Add: Unauthorised expenditure confirmed		
Less: Unauthorised expenditure approved with funding		
Less: Unauthorised expenditure approved without funding		
Less: Unauthorised expenditure recoverable		
Less: Unauthorised expenditure not recovered and written off ⁷		
Closing balance	19 161	19 161

Reconciling notes

Description	2022/2023	2021/2022 ⁸
	R'000	R'000
Unauthorised expenditure that was under assessment in 2021/22	19 161	19 161
Unauthorised expenditure that relates to 2021/22 and identified in 2022/23	-	-
Unauthorised expenditure for the current year	-	-
Total	19 161	19 161

b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

Description ⁹	2022/2023	2021/2022
	R'000	R'000
Unauthorised expenditure under assessment	19 161	19 161
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total¹⁰	19 161	19 161

⁷ This amount may only be written off against available savings

⁸ Record amounts in the year in which it was incurred

⁹ Group similar items

¹⁰ Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

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

No data

5.2 Information on late and / or non-payment of suppliers

Description	Number of Invoices	Consolidated Value
		R'000
Valid invoices received	7665	2,682,588
Invoices paid within 30 days or agreed period	4917	2,544,157
Invoices paid after 30 days or agreed period	2736	134,359
Invoices older than 30 days or agreed period (unpaid and without dispute)	12	4072
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

5.3 Information on Supply Chain Management Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Hosting, managing, maintaining and assisting with migrating of the ICPS (Internship and Community Service Programme) for a period of three (3) months	HISP-SA	Deviation as a Single-Source	NDOH 14/2022-2023	R2 488
Appointment of the South African Qualifications Authority as a Sole Supplier to render the verification services of senior management services (SMS) qualifications within the Department for a period of 5 (five) years.	South African Qualifications Authority (SAQA)	Deviation as a Sole Provider	NDOH 15-2022/2023	Rate-based as per the Amendment Verification of National qualification tariffs from 1 April 2020
Deviation to contract SABC Education to Broadcast side-by-side radio drama.	SABC Education	Deviation as a Sole Provider	NDOH 21-2022/2023	R3 563
Total				R6 051 excluding the rate-based above

5.4 Contract variations and expansions

Project description	Name of supplier	Contract modification type (expansion or variation)	Contract number	Original contract value R'000	Value of previous contract expansion/s or variation/s (if applicable) R'000	Value of current contract expansion or variation R'000
Expansion and Variation order a supported by National Treasury for additional fund for professional services	LDM Consulting (Pty) Ltd	Expansion and Variation	NDOHF04/2013-2014	R13 553	R15 066	R28 619
Total						



PART F

FINANCIAL INFORMATION

Report of the auditor-general to parliament on vote no. 18: National Department of Health

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the National Department of Health set out on pages 95 to 149, which comprise the appropriation statement, statement of financial position as at 31 March 2023, 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 National Department of Health as at 31 March 2023 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and Division of Revenue Act 5 of 2022 (Dora).

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 National Department of Health 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 31 to the financial statements, the corresponding figures for 31 March 2022 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2023.

Underspending of the vote

8. As disclosed in the appropriation statement, the department materially underspent the budget by R1 659 690 000. The majority of the underspending was on programme 3: Communicable and non-communicable diseases by R874 451 000 followed by Programme 5: Hospital systems by R443 174 000.

Other matters

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

National Treasury Instruction Note No. 4 of 2022-23: PFMA Compliance and Reporting Framework

10. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 23 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of National Department of Health. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the auditees.
11. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

Unaudited supplementary schedules

12. The supplementary information set out on pages 150 to 158 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
14. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

17. 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 department is responsible for the preparation of the annual performance report.
18. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measure the Department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2–National Health insurance	30-32	Achieve universal health coverage by improving the quality and coverage of health services through the development and implementation of policies and health financing reforms.
Programme 3 - Communicable and Non-Communicable diseases	32-38	Develop and support the implementation of national policies, guidelines, norms and standards, and the achievement of targets for the National response needed to decrease morbidity and mortality associated with communicable and non-communicable diseases. Develop strategies and implement programmes that reduce Maternal and child mortality.

19. 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.
20. 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
 - the indicators are well defined and verifiable to ensure that they are easy to understand and

apply consistently and 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 what was 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
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

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

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

Programme 2: National Health Insurance

Percentage of funded posts in the NHI organogram filled.

23. An achievement of 85% of the funded posts in the NHI organogram filled was reported against a target of 70% funded posts in the NHI organogram filled. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the target was not achieved.

Programme 3: Communicable and Non-communicable diseases

Number of Facilities offering HIV Self screening

24. An achievement of 694 facilities that offered HIV self-screening services was reported against a target of 200 facilities that are offering HIV self-screening services. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the achievement against the target was lower than reported.

Number of clinicians who enrolled in SRH modules focusing on maternal, neonatal and reproductive health modules.

25. The indicator was included in the approved annual performance plan and strategic plan but was not clearly defined during planning processes. It was also not determined how the related target would be measured. Consequently, the information might be less useful for measuring performance.

26. An achievement of 6065 clinicians completed one of

the SRH module online was reported against a target of 400 clinicians who completed one of the SRH module online. However, the audit evidence counts the number of clinicians each time they complete the module. Consequently, it is likely that the target was still achieved.

Achievement of planned targets

27. The annual performance report includes information on reported achievements against planned targets

Key service delivery indicators not achieved	Planned target	Reported achievement
Programme 2 –National Health Insurance Targets achieved: 75% Budget spent: 87%		
NHI Fund purchasing health services by 2024-25	Portfolio Committee and NCOP public hearings on the NHI Bill in Parliament attended	Portfolio Committee public hearings on the NHI Bill in Parliament attended
Programme 3 Communicable and non-communicable diseases Targets achieved: 52% Budget spent: 97%		
Proportion of adults 50 years and older vaccinated against covid-19 (at least one dose)	75% of adults (50 years and older) vaccinated against covid-19 (at least one dose)	66.2% of adults 50 years and older vaccinated against covid-19 (at least one dose)
Proportion of adults 35-49 years vaccinated against covid-19 (at least one dose)	65% of adults 35 - 49 years vaccinated against covid-19 (at least one dose)	55.2% of adults 35 - 49 years vaccinated against covid-19 (at least one dose)
Proportion of young people (12-34 years) vaccinated against covid-19 (at least one dose)	60% of young people (12-34 years) vaccinated against covid-19 (at least one dose)	39.0% of young people (12 - 34 years) vaccinated against covid-19 (at least one dose)
School mass drug administration of schistosomiasis preventive chemotherapy according to the approved plan	Schistosomiasis Mass Drug Implementation Plan in place	Schistosomiasis Mass Drug Implementation Plan finalised

29. Reasons for the underachievement of targets are included in the annual performance report on pages 31 and 36.

Material misstatements

30. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 2: National Health Insurance and Programme 3: Communicable and non-communicable diseases, management did not correct all the misstatements and I reported material findings in this regard.

Report on compliance with legislation

31. 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 department is responsible for the department's compliance with legislation.

32. 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.

33. 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

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.

28. The department plays a key role in delivering services to South Africans. The annual performance report includes the following service delivery achievements against planned targets:

requirements are included in the annexure to this auditor's report.

34. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statement, performance and annual report

35. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 40(1) (a) and (b) of the PFMA.

36. Material misstatements of disclosure items identified by the auditors in the submitted financial statement were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Expenditure management

37. 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 majority of these payments are due to the department's intervention to assist the provincial departments of Health with long outstanding medico-legal claims.

Other information in the annual report

38. The department is responsible for the other information included in the annual report, which includes the audit committee's 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 programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
39. 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.
 40. 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 programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
 41. 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

42. 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.
43. 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.
44. Leadership did not exercise oversight responsibility regarding financial and performance reporting and compliance as well as related internal controls, which resulted in material misstatements and material findings reported in the audit report.
 45. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant, and accurate information was available to support financial and performance reporting, resulting in the material findings reported.
 46. Management did not implement controls over daily and monthly processing and reconciling of transactions to ensure accurate and complete financial reporting.
 47. Management did not adequately review reported achievement in the annual performance report to ensure that actual achievements are supported by appropriate evidence.
 48. Management did not adequately review the indicators and targets to ensure that they are clearly defined during planning processes, such that data will be collected consistently.

Auditor-General

Pretoria
31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

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 National Department of Health'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 '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 National Department of Health to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a 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.

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Sections - 51(1)(b)(i), 51(1)(b)(ii), 51(1)(e)(iii), 53(4), 54(2)(c) Sections - 54(2)(d), 55(1)(a), 55(1)(b), 55(1)(c)(i); 57(b)
National Treasury Regulations issued in terms of the PFMA	Regulations - 16A3.2, 16A6.1, 16A6.2(a) & (b) Regulations - 16A6.3 (a) &(b), 16A6.3(c), 16A6.6,16A.7.1 Regulations - 16A.7.3, 16A.7.6, 16A.7.7, 16A8.3; 16A8.4, Regulations - 16A9.1(b)(ii), 16A9.1(d), 16A9.1(e); 16A9.1(f), Regulations - 16A9.2(a)(ii), 8.2.1 and 8.2.2, 30.1.1, 30.1.3(a) Regulations -, 30.1.3(b) , 30.1.3(d), 30.2.1, 31.1.2(c) Regulations - 31.2.1; 31.3.3; 33.1.1, 33.1.
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Section - 2(1)(a) and (b); 2(1)(f)
Preferential Procurement Regulations of 2017 (PPR)	Regulations - 4(1) & 4(2); 5(1) & 5(3); 5(6); 5(7) ; 6(8), 7(8), Regulations - 8(2); 8(5); 9(1); 10(1)&(2) & 11(1)
Preferential Procurement Regulations of 2022 (PPR)	Regulation 4(4)
Construction Industry Development Board Act 38 of 2000	Section - 18(1)
Construction Industry Development Board Regulations	Regulations – 17, 25(7A)
Prevention and Combatting of Corrupt Activities Act 12 of 2004	PRECCA 34(1)
National Treasury Instruction note 4 of 2015/16	Paragraphs – 3.4
National Treasury Instruction 4A of 2016/17	Paragraphs – 6
National Treasury Instruction 07 of 2017/18	Paragraphs – 4.3
National Treasury Instruction 01 of 2021-22	Paragraphs – 4.1
SCM Instruction Note 02 of 2021-22	Paragraphs – 3.2.1, 3.2.4, 3.3.1,
PFMA SCM instruction note 03 of 2021/22	Paragraphs – 4.1, 4.2 (b), 4.3, 4.4, 7.2, 3.2.4 (b)

Health Vote 18
APPROPRIATION STATEMENT
for the year ended 31 March 2023

Appropriation per programme	2022/23					2021/22			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Programmes									
Programme 1: Administration	786 134	-	(54 145)	731 989	645 318	88 671	88,2%	828 730	672 727
Programme 2: National Health Insurance	1 534 102	-	42 000	1 576 102	1 366 050	210 052	86,7%	1 025 966	838 153
Programme 3: Communicable and Non-Communicable Diseases	26 916 722	-	7 300	26 924 022	26 049 571	874 451	96,8%	35 741 509	35 595 481
Programme 4: Primary Health Care	5 153 649	-	1 095	5 154 744	5 149 242	5 502	99,9%	255 705	251 526
Programme 5: Hospital Systems	22 641 588	-	-	22 641 588	22 198 414	443 174	98,0%	21 114 133	21 011 761
Programme 6: Health System Governance and Human Resources	7 523 536	-	3 750	7 527 286	7 487 446	39 840	99,5%	6 442 722	6 360 530
Direct Charge against National Revenue Fund								500 000	407 253
Total	64 555 731	-	-	64 555 731	62 896 041	1 659 690	97,4%	65 908 765	65 137 431
Reconciliation with statement of financial performance ADD:									
Departmental receipts				1 165 733				521 023	
Aid assistance				943 533				1 454 588	
Actual amounts per statement of financial performance (total revenue) ADD:				66 664 997				67 884 376	
Aid assistance					829 502				996 355
Actual amounts per statement of financial performance (total expenditure)					63 725 543				66 133 786

Appropriation per economic classification		2022/23						2021/22		
		Adjusted appropriation	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification										
Current payments										
Compensation of employees	4 792 826	(13 412)	-	-	4779 414	3 601 584	1 177 830	75,4%	10 941 147	10 384 123
Salaries and wages	812 052	-	-	-	812 052	760 962	51 090	93,7%	892 621	848 238
Social contributions	680 309	(4887)	-	-	685 196	663 522	21 674	97,6%	787 102	739 694
Goods and services	131 743	4887	-	-	126 856	97 440	29 416	73,8%	105 519	108 544
Administrative fees	3 980 774	(13 412)	-	-	3 967 362	2 840 619	1 126 743	71,6%	10 048 526	9 535 885
Advertising	409	(30)	-	-	379	160	219	42,2%	380	152
Minor assets	23 116	(6 672)	(8 500)	(8 500)	7 944	4 789	3 155	60,3%	24 465	6 688
Audit costs: External	23 522	13 170	(1 480)	(1 480)	35 212	27 460	7 752	78,0%	6 473	1 341
Bursaries: Employees	48 450	(15 004)	(7 350)	(7 350)	26 096	24 572	1 524	94,2%	35 072	23 995
Catering: Departmental activities	1 650	(364)	-	-	1 286	1 245	41	96,8%	1 550	746
Communication (G&S)	9 283	1 602	(275)	(275)	10 610	5 842	4 768	55,1%	6 509	937
Computer services	28 445	(1 673)	(1 010)	(1 010)	25 762	21 437	4 325	83,2%	41 831	35 381
Consultants: Business and advisory services	191 608	(26 128)	(14 420)	(14 420)	151 060	150 598	462	99,7%	236 456	187 413
Legal services	443 374	(11 801)	5 450	5 450	437 023	294 370	142 653	67,4%	284 834	335 574
Contractors	19 626	(1 700)	-	-	17 926	17 854	72	99,6%	9 360	9 180
Agency and support / outsourced services	509 322	78 588	43 090	43 090	631 000	530 938	100 062	84,1%	470 556	403 962
Entertainment	6 288	3 211	8 450	8 450	17 949	13 648	4 301	76,0%	10 585	451
Fleet services (including government motor transport)	72	(40)	-	-	32	39	(7)	121,9%	45	1
Inventory: Clothing material and supplies	40 685	(5 518)	2 795	2 795	37 962	40 158	(2 196)	105,8%	45 190	46 104
Inventory: Food and food supplies	4 650	(2 790)	(10)	(10)	1 850	719	1 131	38,9%	2 427	1 246
Inventory: Fuel, oil and gas	487	26	-	-	513	125	388	24,4%	422	31
Inventory: Medical supplies	3 427	(205)	(3 010)	(3 010)	212	31	181	14,6%	2 275	451
Inventory: Medicine	46 470	400	-	-	46 870	33 945	12 925	72,4%	73 283	38 298
Inventory: Other supplies	2 034 781	-	-	-	2 034 781	1 313 745	721 036	64,6%	7 762 534	7 588 559
Consumable supplies	3 051	(3 051)	-	-	-	15	(15)	-	10 872	6 264
Stationery, printing and office supplies	4 411	(1 558)	(5)	(5)	2 848	935	1 913	32,8%	2 914	373
Operating leases	26 767	(8 559)	(3 410)	(3 410)	14 798	5 252	9 546	35,5%	23 463	1 333
Property payments	154 034	(7 284)	(130)	(130)	146 620	102 983	43 727	70,2%	156 798	160 545
Travel and subsistence	33 531	(2 500)	(1 600)	(1 600)	29 431	18 285	11 146	62,1%	4 9389	24 884
Training and development	97 473	13 845	(4 385)	(4 385)	106 933	103 773	3 160	97,0%	82 054	49 371
Operating payments	11 123	(1 036)	(3 400)	(3 400)	6 687	4 035	2 652	60,3%	14 299	4 207
Venues and facilities	197 263	(34 800)	(10 000)	(10 000)	152 463	104 038	48 425	68,2%	175 096	189 745
	16 286	4 479	(800)	(800)	19 965	13 197	6 768	66,1%	18 644	11 040

Appropriation per economic classification	2022/23										2021/22	
	Adjusted appropriation	Shifting of funds	Virement	Final budget	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
Rental and hiring	1 170	1 980	-	3 150	6 521	(3 371)	207,0%	750	362			
Transfers and subsidies	58 330 880	4 830	-	58 335 710	58 334 288	1 422	100,0%	54 493 502	54 491 902			
Provinces and municipalities	56 251 536	-	-	56 251 536	56 251 536	-	100,0%	52 462 220	52 462 220			
Provinces	56 251 536	-	-	56 251 536	56 251 536	-	100,0%	52 462 220	52 462 220			
Provincial revenue funds	56 251 536	-	-	56 251 536	56 251 536	-	100,0%	52 462 220	52 462 220			
Departmental agencies and accounts	1 890 344	-	-	1 890 344	1 889 076	1 268	99,9%	1 842 101	1 842 100			
Social security funds	1 544	-	-	1 544	1 544	-	100,0%	1 437	1 437			
Departmental agencies and accounts	1 888 800	-	-	1 888 800	1 887 532	1 268	99,9%	1 840 664	1 840 663			
Non-profit institutions	189 000	-	-	189 000	189 000	-	100,0%	183 000	181 401			
Households	-	4 830	-	4 830	4 676	154	96,8%	6 181	6 181			
Social benefits	-	4 830	-	4 830	4 676	154	96,8%	6 181	6 181			
Payments for capital assets	1 432 025	7 247	-	1 439 272	958 842	480 430	66,6%	965 761	660 304			
Buildings and other fixed structures	1 313 497	-	-	1 313 497	930 251	383 246	70,8%	838 674	591 320			
Buildings	1 313 497	-	-	1 313 497	930 251	383 246	70,8%	838 674	591 320			
Machinery and equipment	117 328	4 247	-	121 575	28 591	92 984	23,5%	127 087	68 984			
Transport equipment	-	-	-	-	-	-	-	800	-			
Other machinery and equipment	117 328	4 247	-	121 575	28 591	92 984	23,5%	126 287	68 984			
Software and other intangible assets	1 200	3 000	-	4 200	-	4 200	-	-	-			
Payments for financial assets	-	1 335	-	1 335	1 327	8	99,4%	8 355	8 355			
Total	64 555 731	-	-	64 555 731	62 896 041	1 659 690	97,4%	65 408 765	65 544 684			

Programme 1: Administration									
2022/23									
Sub programme	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	2021/22	
								R'000	R'000
1. Ministry	43 954	-	-	43 954	38 778	5 176	88,2%	41 294	32 965
2. Management	10 186	(893)	-	9 293	6 182	3 111	66,5%	9 267	7 153
3. Corporate Service	391 426	63 418	(43 795)	411 049	398 053	12 996	96,8%	430 533	356 216
4. Property Management	163 701	-	-	163 701	114 219	49 482	69,8%	186 400	172 949
5. Financial Management	176 867	(62 525)	(10 350)	103 992	88 087	15 905	84,7%	161 236	103 444
Total for sub programmes	786 134	-	(54 145)	731 989	645 318	86 671	88,2%	828 730	672 727
Economic classification									
Current payments	767 904	(7 424)	(54 145)	706 335	628 890	77 445	89,0%	800 789	653 563
Compensation of employees	250 134	-	-	250 134	235 241	14 893	94,0%	247 826	246 153
Salaries and wages	208 455	-	-	213 552	205 028	8 524	96,0%	218 123	215 612
Social contributions	41 679	-	-	36 582	30 213	6 369	82,6%	29 703	30 541
Goods and services	517 770	(7 424)	(54 145)	456 201	393 646	62 555	86,3%	552 963	407 410
Administrative fees	239	(25)	-	214	98	116	45,8%	280	76
Advertising	12 868	(2 981)	(8 000)	1 887	1 843	44	97,7%	11 332	4 611
Minor assets	1 980	(390)	-	1 590	84	1 506	5,3%	1 578	272
Audit costs: External	44 600	(14 993)	(7 350)	22 257	21 266	991	95,5%	33 572	21 426
Bursaries: Employees	1 650	(364)	-	1 286	1 245	41	96,8%	1 500	746
Catering: Departmental activities	1 669	(250)	-	1 419	419	1 000	29,5%	832	170
Communication (G&S)	18 327	(1 200)	-	17 127	15 850	1 277	92,5%	15 302	11 778
Computer services	51 970	34 372	(14 400)	71 942	71 287	655	99,1%	91 174	51 659
Consultants: Business and advisory services	29 181	29 665	(3 095)	55 751	55 359	392	99,3%	46 402	42 739
Legal services	19 626	(1 700)	-	17 926	17 854	72	99,6%	9 360	9 180
Contractors	38 357	(27 562)	(1 000)	9 795	7 306	2 489	74,6%	35 856	10 803
Agency and support / outsourced services	155	140	-	295	-	295	-	60	6
Entertainment	27	-	-	27	39	(12)	144,4%	40	1
Fleet services (including government motor transport)	20 913	(5 295)	-	15 618	13 474	2 144	86,3%	16 591	18 096

Programme 1: Administration	2022/23										2021/22	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure	2021/22		
										R'000	R'000	R'000
Inventory: Clothing material and supplies	2 200	(1 300)	-	900	-	900	-	12	29			
Inventory: Food and food supplies	157	7	-	164	54	110	32,9%	103	12			
Inventory: Fuel, oil and gas	3 241	(195)	(3 000)	46	8	38	17,4%	640	27			
Inventory: Medical supplies	-	400	-	400	-	400	-	5	-			
Inventory: Other supplies	-	-	-	-	15	(15)	-	50	1			
Consumable supplies	1 636	(466)	-	1 170	629	541	53,8%	1 274	222			
Consumable: Stationery, printing and office supplies	13 498	(4 538)	(2 000)	6 960	3 759	3 201	54,0%	12 555	941			
Operating leases	143 080	(1 802)	-	141 278	99 636	41 642	70,5%	141 678	150 885			
Property payments	31 841	(2 050)	(1 600)	28 191	17 692	10 499	62,8%	47 764	24 169			
Travel and subsistence	36 179	14 579	(1 000)	49 758	5 8072	(8 314)	116,7%	37 498	27 786			
Training and development	7 878	(1 036)	(3 300)	3 542	3 156	386	89,1%	9 152	426			
Operating payments	34 094	(20 284)	(9 400)	4 410	2 305	2 105	52,3%	33 257	26 800			
Venues and facilities	1 304	224	-	1 528	1 697	(169)	111,1%	5 046	4 550			
Rental and hiring	1 100	(380)	-	720	499	221	69,3%	50	-			
Transfers and subsidies	2 530	1 335	-	3 865	3 697	168	95,7%	4 858	4 858			
Departmental agencies and accounts	2 530	-	-	2 530	2 362	168	93,4%	2 536	2 536			
Departmental agencies and accounts	2 530	-	-	2 530	2 362	168	93,4%	2 536	2 536			
Households	-	1 335	-	1 335	1 335	-	100,0%	2 322	2 322			
Social benefits	-	1 335	-	1 335	1 335	-	100,0%	2 322	2 322			
Payments for capital assets	15 700	5 810	-	21 510	12 456	9 055	57,9%	16 600	7 823			
Machinery and equipment												
Transport equipment	-	-	-	-	-	-	-	800	-			
Other machinery and equipment	15 700	2 810	-	18 510	12 455	6 055	67,3%	15 800	7 823			
Software and intangible assets	-	3 000	-	3 000	-	3 000	-	-	-			
Payments for financial assets	-	279	-	279	276	3	99,3%	6483	6483			
Total	786 134	-	(54 145)	731 989	645 318	86 671	88,2%	828 730	672 727			

Programme 2: National Health Insurance									
2022/23					2021/22				
Sub programme	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Programme Management	6 919	3 508	-	10 427	10 152	275	97,4%	5 968	4 639
2. Affordable Medicines	55 987	(4 468)	-	51 519	46 383	5 136	90,0%	50 703	37 299
3. Health Financing and National Health Insurance	1 471 196	960	42 000	1 514 158	1 309 515	204 641	86,5%	969 295	796 215
Total for sub programmes	1 534 102	-	42 000	1 576 102	1 366 050	210 052	86,7%	1 025 966	838 153
Economic classification									
Current payments	784 754	(155)	42 000	826 599	667 842	158 757	80,8%	727 073	553 639
Compensation of employees	51 936	-	-	51 936	48 073	3 863	92,6%	45 916	42 656
Salaries and wages	45 574	(26)	-	45 548	42 718	2 830	93,8%	37 681	37 426
Social contributions	6 362	26	-	6 388	5 355	1 033	83,8%	8 235	5 230
Goods and services	732 818	(155)	42 000	774 663	619 769	154 894	80,0%	681 157	510 983
Administrative fees	30	-	-	30	-	30	-	10	-
Advertising	2 930	(1 135)	-	1 795	1 524	271	84,9%	871	55
Minor assets	15 911	(14 000)	-	1 911	3 137	(1 226)	164,2%	2 067	914
Catering: Departmental activities	960	(200)	-	760	113	647	14,9%	384	16
Communication (G&S)	365	-	-	365	227	138	62,2%	20 341	17 613
Computer services	136 897	(59 800)	-	77 097	78 872	(1 775)	102,3%	142 205	88 889
Consultants: Business and advisory services	81 698	(19 920)	-	61 778	2 848	58 930	4,6%	74 565	4 369
Contractors	463 364	104 650	42 000	610 014	518 508	91 506	85,0%	415 799	381 438
Fleet services (including government motor transport)	1 331	(100)	-	1 231	1 103	128	89,6%	922	1 525
Inventory: Food and food supplies	65	-	-	65	7	58	10,8%	141	2
Inventory: Fuel, oil and gas	60	-	-	60	-	60	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	184	197
Inventory: Medicine	-	-	-	-	2 800	(2 800)	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	2
Consumable supplies	930	(900)	-	30	1	29	3,3%	485	2

Programme 2: National Health Insurance									
2022/23					2021/22				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable: Stationery, printing, and office supplies	4 725	(2 020)	-	2 705	57	2 648	2,1%	1 634	4
Operating leases	7 449	(5 180)	-	2 269	1 618	651	71,3%	11 233	8 403
Property payments	-	-	-	-	-	-	-	25	-
Travel and subsistence	8 363	(1 400)	-	6 963	5 406	1 557	77,6%	1 637	314
Training and development	3 000	100	-	3 100	865	2 235	27,9%	5 057	3 781
Operating payments	3 040	(500)	-	2 540	893	1 647	35,2%	3 082	2 686
Venues and facilities	1 630	250	-	1 880	1 790	90	95,2%	515	773
Rental and hiring	70	-	-	70	-	70	-	-	-
Transfers and subsidies	693 747	155	-	693 902	693 901	1	100,0%	268 966	268 966
Provinces and municipalities	693 747	-	-	693 747	693 747	-	100,0%	268 677	268 677
Provinces	693 747	-	-	693 747	693 747	-	100,0%	268 677	268 677
Provincial Revenue Funds	693 747	-	-	693 747	693 747	-	100,0%	268 677	268 677
Households	-	155	-	155	154	1	99,4%	289	289
Social benefits	-	155	-	155	154	1	99,4%	289	289
Payments for capital assets	55 601	-	-	55 601	4 307	51 294	7,7%	29 927	15 548
Machinery and equipment	54 401	-	-	54 401	4 307	50 094	7,9%	29 927	15 548
Other machinery and equipment	54 401	-	-	54 401	4 307	50 094	7,9%	29 927	15 548
Software and other intangible assets	1 200	-	-	1 200	-	1 200	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 534 102	-	42 000	1 576 102	1 366 050	210 052	86,7%	1 025 966	838 153

Programme 3: Communicable and Non-Communicable Diseases									
2022/23					2021/22				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Programme Management	7 899	-	15 300	23 199	19 421	3 778	83,7%	5 456	2 898
HIV, AIDS and STIs	24 568 163	-	-	24 568 163	24 505 577	62 586	99,7%	28 167 522	28 115 123
Tuberculosis Management	27 608	-	-	27 608	24 176	3 432	87,6%	26 324	16 734
Women's Maternal and Reproductive Health	17 419	-	(1 000)	16 419	12 849	3 570	78,3%	17 334	10 580
Child, Youth and School Health	28 255	(2 639)	(1 000)	24 616	21 920	2 696	89,0%	30 913	22 579
Communicable Diseases	2 151 315	110	(4 000)	2 147 425	1 378 680	768 745	64,2%	7 380 885	7 371 212
Non-Communicable Diseases	83 895	2 529	(2 000)	84 424	56 952	27 472	67,5%	78 706	28 732
Health Promotion and Nutrition	32 168	-	-	32 168	29 996	2 172	93,2%	34 369	27 623
Total for sub programmes	26 916 722	-	7 300	26 924 022	26 049 571	874 451	96,8%	35 741 509	35 595 481
Economic classification									
Current payments	2 554 952	(1 513)	7 300	2 560 739	1 703 951	856 788	66,5%	7 768 601	7 629 352
Compensation of employees	140 446	-	-	140 446	120 457	19 989	85,8%	144 477	127 388
Salaries and wages	116 229	-	-	116 229	105 113	11 116	90,4%	123 853	111 460
Social contributions	24 217	-	-	24 217	15 344	8 873	63,4%	20 624	15 928
Goods and services	2 414 506	(1 513)	7 300	2 420 293	1 583 494	836 799	65,4%	7 624 124	7 501 964
Administrative fees	10	-	-	10	2	8	20,0%	-	8
Advertising	5 490	(2 245)	(500)	2 745	730	2 015	26,6%	11 171	1 655
Minor assets	2 192	28 230	(1 045)	29 377	24 128	5 249	82,1%	1 021	-
Catering: Departmental activities	5 720	2 212	(275)	7 657	5 191	2 466	67,6%	4 566	726
Communication (G&S)	6 376	(675)	(1 010)	4 691	1 878	2 813	40,0%	2 128	970
Computer services	151	-	(20)	131	-	131	-	20	44 598
Consultants: Business and advisory services	99 360	(19 795)	12 695	92 260	62 804	29 456	68,1%	75 763	58 232
Contractors	2 876	1 740	2 090	6 706	2 959	3 747	44,1%	2 296	51
Agency and support / outsourced services	5 933	2 071	-	8 004	5 205	2 799	65,0%	6 835	125
Fleet services (including government motor transport)	6 344	(476)	-	5 868	6 126	(258)	104,4%	14 259	5 250
Inventory: Food and food supplies	85	(5)	-	80	18	62	22,5%	88	3
Inventory: Fuel, oil and gas	101	(5)	(10)	86	5	81	5,8%	15	4
Inventory: Medical supplies	46 300	-	-	46 300	33 945	12 355	73,3%	72 849	38 017

Programme 3: Communicable and Non-Communicable Diseases									
	2022/23					2021/22			
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Inventory: Medicine	2 034 781	-	-	2 034 781	1 310 945	723 836	64,4%	7 262 484	7 181 306
Inventory: Other supplies	3 051	(3 051)	-	-	-	-	-	-	-
Consumable supplies	286	(25)	-	261	214	47	82,0%	278	11
Consumable: Stationery, printing and office supplies	3 776	(1 246)	(910)	1 620	664	956	41,0%	6 397	4
Operating leases	935	(30)	(130)	775	297	478	38,3%	841	244
Property payments	-	-	-	-	-	-	-	-	38
Travel and subsistence	28 111	(1 148)	(3 085)	23 878	19 891	3 987	83,3%	20 590	8 934
Training and development	105	(100)	-	5	14	(9)	280,0%	-	-
Operating payments	153 142	(12 658)	(500)	139 984	97 642	42 342	69,8%	131 927	157 650
Venues and facilities	9 381	3 583	-	12 964	4 852	8 112	37,4%	10 596	4 078
Rental and hiring	-	2 110	-	2 110	5 984	(3 874)	283,6%	-	60
Transfers and subsidies	24 342 901	1 171	-	24 344 072	24 343 920	152	100,0%	27 965 856	27 964 257
Provinces and municipalities	24 134 521	-	-	24 134 521	24 134 521	-	100,0%	27 752 876	27 752 876
Provinces	24 134 521	-	-	24 134 521	24 134 521	-	100,0%	27 752 876	27 752 876
Provincial Revenue Funds	24 134 521	-	-	24 134 521	24 134 521	-	100,0%	27 752 876	27 752 876
Departmental agencies and accounts	19 380	-	-	19 380	19 380	-	100,0%	28 901	28 901
Departmental agencies and accounts	19 380	-	-	19 380	19 380	-	100,0%	28 901	28 901
Non-profit institutions	189 000	-	-	189 000	189 000	-	100,0%	183 000	181 401
Households	-	1 171	-	1 171	1 019	152	87,0%	1 079	1 079
Social benefits	-	1 171	-	1 171	1 019	152	87,0%	1 079	1 079
Payments for capital assets	18 869	200	-	19 069	1 559	17 510	8,2%	5 180	-
Machinery and equipment	18 869	200	-	19 069	1 559	17 510	8,2%	5 180	-
Other machinery and equipment	18 869	200	-	19 069	1 559	17 510	8,2%	5 180	-
Payments for financial assets	-	142	-	142	141	1	99,3%	1 872	1 872
Total	26 916 722	-	7 300	26 924 022	26 049 571	874 451	96,8%	35 741 509	35 595 481

Programme 4: Primary Health Care									
2022/23					2021/22				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Programme Management	6 954	(796)	-	6 158	4 530	1 628	73,6%	4 544	4 022
District Health Services	4 909 881	(723)	(2 000)	4 907 158	4 906 387	771	100,0%	15 469	14 409
Environmental and Port Health Services	228 423	624	3 095	232 142	229 252	2 890	98,8%	228 016	226 370
Emergency Medical Services and Trauma	8 391	895	-	9 286	9 073	213	97,7%	7 676	6 725
Total for sub programmes	5 153 649	-	1 095	5 154 744	5 149 242	5 502	99,9%	255 705	251 526
Economic classification									
Current payments	262 530	(1 452)	1 095	262 173	258 578	3 595	98,6%	251 653	250 224
Compensation of employees	231 044	-	-	231 044	228 049	2 995	98,7%	223 489	223 260
Salaries and wages	199 451	(184)	-	199 267	198 049	1 218	99,4%	203 114	194 970
Social contributions	31 593	184	-	31 777	30 000	1 777	94,4%	20 375	28 290
Goods and services	31 486	(1 452)	1 095	31 129	30 529	600	98,1%	28 164	26 964
Administrative fees	80	(5)	-	75	60	15	80,0%	60	68
Advertising	530	(50)	-	480	-	480	-	230	20
Minor assets	1 199	(165)	(435)	599	65	534	10,9%	702	151
Bursaries: Employees	-	-	-	-	-	-	-	50	-
Catering: Departmental activities	330	(130)	-	200	57	143	28,5%	320	19
Communication (G&S)	1 830	126	-	1 956	1 887	69	96,5%	1 525	1 021
Computer services	200	-	-	200	166	34	93,0%	200	159
Consultants: Business and advisory services	700	(50)	(650)	-	-	-	-	-	-
Contractors	1 405	-	-	1 405	391	1 014	27,8%	770	473
Agency and support/outourced services	150	-	-	150	2	148	1,3%	150	-
Entertainment	45	(40)	-	5	-	5	-	5	-
Fleet services (including government motor transport)	10 070	511	3 095	13 676	17 598	(3 922)	128,7%	11 395	19 425
Inventory: Clothing material and supplies	2 450	(1 490)	(10)	950	719	231	75,7%	2 400	1 217
Inventory: Food and food supplies	55	(1)	-	54	14	40	25,9%	30	3
Inventory: Fuel, oil and gas	-	-	-	-	15	(15)	-	-	2
Inventory: Other supplies	-	-	-	-	-	-	-	150	-

Programme 4: Primary Health Care									
2022/23									
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	277	(76)	(5)	196	60	136	30,6%	239	55
Consumable: Stationery, printing and office supplies	1 556	(195)	(300)	1061	131	930	12,3%	400	13
Operating leases	900	10	-	910	1037	(127)	114,0%	794	290
Property payments	190	-	-	190	120	70	63,2%	230	5
Travel and subsistence	6 074	612	-	6686	7204	(518)	107,7%	6 228	3 777
Training and development	40	-	-	40	-	40	-	-	-
Operating payments	2 185	(516)	-	1669	891	778	53,4%	1 686	69
Venues and facilities	1 220	7	(600)	627	112	515	17,9%	600	197
Transfers and subsidies	4 888 597	749	-	4 889 346	4 889 346	-	100,0%	1 074	1 074
Provinces and municipalities	4 888 597	-	-	4 888 597	4 888 597	-	100,0%	-	-
Provinces	4 888 597	-	-	4 888 597	4 888 597	-	100,0%	-	-
Provincial Revenue Funds	4 888 597	-	-	4 888 597	4 888 597	-	100,0%	-	-
Households	-	749	-	749	749	-	100,0%	1 074	1 074
Social benefits	-	749	-	749	749	-	100,0%	1 074	1 074
Payments for capital assets	2 522	580	-	3 102	1 195	1 907	38,5%	2 978	228
Machinery and equipment	2 522	580	-	3 102	1 195	1 907	38,5%	2 978	228
Other machinery and equipment	2 522	580	-	3 102	1 195	1 907	38,5%	2 978	228
Payments for financial assets	-	123	-	123	123	-	100,0%	-	-
Total	5 153 649	-	1 095	5 154 744	5 149 242	5 502	99,9%	255 705	251 526

Programme 5: Hospital Systems		2022/23						2021/22		
		Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme										
Programme Management		4 997	-	-	4 997	1 963	3 034	39,3%	1 398	1 038
Health Facilities Infrastructure Management		8 320 569	-	-	8 320 569	7 882 594	437 975	94,7%	7 392 647	7 295 557
Hospital System		14 316 022	-	-	14 316 022	14 313 857	2 165	100,0%	13 720 088	13 715 166
Total for sub programmes		22 641 588	-	-	22 641 588	22 198 414	443 174	98,0%	21 114 133	21 011 761
Economic classification										
Current payments		221 796	(341)	-	221 455	174 855	46 600	79,0%	82 968	232 190
Compensation of employees		30 181	-	-	30 181	22 433	7 748	74,3%	30 715	23 306
Salaries and wages		24 805	-	-	24 805	19 784	5 021	79,8%	27 942	20 556
Social contributions		5 376	-	-	5 376	2 649	2 727	49,3%	2 773	2 750
Goods and services		191 615	(341)	-	191 274	152 422	38 852	79,7%	52 253	208 884
Administrative fees		10	-	-	10	-	10	-	-	-
Advertising		310	(88)	-	222	159	63	71,6%	311	44
Minor assets		512	-	-	512	-	512	-	215	-
Catering: Departmental activities		169	-	-	169	-	169	-	120	-
Communication (G&S)		215	-	-	215	146	69	67,9%	175	165
Consultants: Business and advisory services		180 154	-	-	180 154	149 643	30 511	83,1%	43 000	206 189
Contractors		40	-	-	40	-	40	-	-	-
Fleet services (including government motor transport)		262	-	-	262	154	108	58,8%	543	90
Inventory: Food and food supplies		20	-	-	20	2	18	10,0%	6	1
Inventory: Fuel, oil and gas		-	-	-	-	-	-	-	-	1
Inventory: Other supplies		-	-	-	-	-	-	-	-	699
Consumable supplies		804	-	-	804	-	804	-	120	-
Consumable: Stationery, printing and office supplies		405	-	-	405	-	405	-	362	-
Operating leases		230	-	-	230	19	211	8,3%	294	10
Travel and subsistence		7 756	(253)	-	7 503	2 147	5 356	28,6%	6 677	1 685
Operating payments		473	-	-	473	152	321	32,1%	330	-
Venues and facilities		255	-	-	255	-	255	-	100	-
Transfers and subsidies		21 085 605	341	-	21 085 946	21 085 946	-	100,0%	20 143 171	20 143 171
Provinces and municipalities		21 085 605	-	-	21 085 605	21 085 605	-	100,0%	20 142 986	20 142 986
Provinces		21 085 605	-	-	21 085 605	21 085 605	-	100,0%	20 142 986	20 142 986
Provincial Revenue Funds		21 085 605	-	-	21 085 605	21 085 605	-	100,0%	20 142 986	20 142 986
Households		-	341	-	341	341	-	100,0%	185	185
Social benefits		-	341	-	341	341	-	100,0%	185	185
Payments for capital assets		1 334 187	-	-	1 334 187	937 613	396 574	70,3%	887 994	636 400
Buildings and other fixed structures		1 313 497	-	-	1 313 497	930 251	383 246	70,8%	838 674	591 320
Buildings		1 313 497	-	-	1 313 497	930 251	383 246	70,8%	838 674	591 320
Machinery and equipment		20 690	-	-	20 690	7 362	13 328	35,6%	49 320	45 080
Other machinery and equipment		20 690	-	-	20 690	7 362	13 328	35,6%	49 320	45 080
Payments for financial assets		-	-	-	-	-	-	-	-	-
Total		22 641 588	-	-	22 641 588	22 198 414	443 174	98,0%	21 114 133	21 011 761

Programme 6: Health System Governance and Human Resources									
2022/23					2021/22				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
Programme Management	8237	(3 300)	-	7 937	4 315	622	87,4%	6 224	5 402
Policy and Planning	7140	4 956	-	12 096	11 230	866	92,8%	7 607	5 770
Public Entities Management and Laboratories	1 954 569	(412)	-	1 954 157	1 937 028	17 129	99,1%	2 034 065	1 982 294
Nursing Services	10 322	412	8 450	19184	18 990	194	99,0%	9 397	8 560
Health Information, Monitoring and Evaluation	71 919	(1 656)	(3 000)	67 263	47 750	19 513	71,0%	62 571	37 831
Human Resources for Health	5 471 349	-	(1 700)	5 469 649	5 468 133	1 516	100,0%	4 322 858	4 320 673
Total for sub programmes	7 523 536	-	3 750	7 527 286	7 487 448	39 840	99,5%	6 442 722	6 360 530
Economic classification									
Current payments	200 890	(2 527)	3 750	202 113	167 468	34 645	82,9%	310 063	250 649
Compensation of employees	108 311	-	-	108 311	106 709	1 602	98,5%	200 198	185 475
Salaries and wages	85 795	-	-	85 795	92 830	(7 035)	108,2%	176 389	159 670
Social contributions	22 516	-	-	22 516	13 879	8 637	61,6%	23 809	25 805
Goods and services	92 579	(2 527)	3 750	93 802	60 759	33 043	64,8%	109 865	65 174
Administrative fees	40	-	-	40	-	40	-	30	-
Advertising	988	(173)	-	815	533	282	65,4%	550	301
Minor assets	1 728	(505)	-	1 223	46	1 177	3,8%	890	4
Audit costs: External	3 850	(11)	-	3 839	3 306	533	86,1%	1 500	2 569
Catering: Departmental activities	435	(30)	-	405	62	343	15,3%	287	6
Communication (G&S)	1 332	76	-	1 408	1 449	(41)	102,9%	2 360	3 834
Computer services	2 390	(700)	-	1 690	273	1 417	16,2%	2 857	2 108
Consultants: Business and advisory services	52 281	(1 702)	(3 500)	47 080	23 716	23 364	50,4%	45 104	24 045
Contractors	3 280	(240)	-	3 040	1 774	1 266	58,4%	15 835	11 197
Agency and support / outsourced services	50	1 000	8 450	9 500	8 441	1 059	88,9%	3 540	321
Fleet services (including government motor transport)	1 765	(158)	(300)	1 307	1 703	(396)	130,3%	1 480	1 718
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	15	-

Programme 6: Health System Governance and Human Resources											
	2022/23					2021/22					
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Inventory: Food and food supplies	105	25	-	130	30	100	23,1%	54	10		
Inventory: Fuel, oil and gas	25	(5)	-	20	3	17	15,0%	1 620	417		
Inventory: Medical supplies	170	-	-	170	-	170	-	245	84		
Inventory: Medicine	-	-	-	-	-	-	-	50	-		
Inventory: Other supplies	-	-	-	-	-	-	-	10 672	5 562		
Consumable supplies	478	(91)	-	387	31	356	8,0%	518	83		
Consumable: Stationery, printing and office supplies	2 807	(560)	(200)	2 047	641	1 406	31,3%	2 115	371		
Operating leases	1 440	(292)	-	1 158	286	872	24,7%	1 958	713		
Property payments	1 500	(450)	-	1 050	473	577	45,0%	1 370	672		
Travel and subsistence	10 990	1 455	(300)	12 145	11 053	1 092	91,0%	9 424	6 875		
Training and development	100	-	(100)	-	-	-	-	90	-		
Operating payments	4 329	(842)	(100)	3 387	2 155	1 232	63,6%	4 814	2 540		
Venues and facilities	2 496	415	(200)	2 711	4 746	(2 035)	175,1%	1 787	1 442		
Rental and hiring	-	250	-	250	38	212	15,2%	700	302		
Transfers and subsidies	7 317 500	1 079	-	7 318 579	7 317 478	1 101	100,0%	6 109 577	6 109 576		
Provinces and municipalities	5 449 066	-	-	5 449 066	5 449 066	-	100,0%	4 297 681	4 297 681		
Provinces	5 449 066	-	-	5 449 066	5 449 066	-	100,0%	4 297 681	4 297 681		
Provincial Revenue Funds	5 449 066	-	-	5 449 066	5 449 066	-	100,0%	4 297 681	4 297 681		
Departmental agencies and accounts	1 868 434	-	-	1 868 434	1 867 334	1 100	99,9%	1 810 664	1 810 663		
Social security funds	1 544	-	-	1 544	1 544	-	100,0%	1 437	1 437		
Departmental agencies and accounts	1 866 890	-	-	1 866 890	1 865 790	1 100	99,9%	1 809 227	1 809 226		
Households	-	1 079	-	1 079	1 078	1	99,9%	1 232	1 232		
Social benefits	-	1 079	-	1 079	1 078	1	99,9%	1 232	1 232		
Payments for capital assets	5 146	657	-	5 803	1 713	4 090	29,5%	23 082	305		
Machinery and equipment	5 146	657	-	5 803	1 713	4 090	29,5%	23 082	305		
Other machinery and equipment	5 146	657	-	5 803	1 713	4 090	29,5%	23 082	305		
Payments for financial assets	-	791	-	791	787	4	99,5%	-	-		
Total	7 523 536	-	3 750	7 527 286	7 487 446	39 840	99,5%	6 442 722	6 360 530		

Programme 7: Direct charge against the national revenue fund									
2022/23									
	Adjusted appropriation R'000	Shifting of funds R'000	Virement R'000	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final appropriation R'000	Actual expenditure R'000
Sub programme									
Section 16 of the PFMA payment: COVID-19 Vaccinate rollout									
Total for sub programmes	-	-	-	-	-	-	-	500 000	407 253
Economic classification									
Current payments	-	-	-	-	-	-	-	500 000	407 253
Goods and services	-	-	-	-	-	-	-	500 000	407 253
Inventory: Medicine	-	-	-	-	-	-	-	500 000	407 253
Total	-	-	-	-	-	-	-	500 000	407 253

Health Vote 18

NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2023

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 on 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 R'000	Variance as a % of final budget
Programme 1: Administration	731 989	645 319	86 670	12%

Underspending is due to outstanding invoices from Department of Public Works because of disputes on invoices, delays in payments for travel accounts and fleet services. Procurement processes for OHS for cleaning services and equipment is underway.

Programme 2: National Health Insurance	1 576 102	1 366 050	210 052	13%
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Underspending resulted from the delay in the recruitment of the NHI Staff. The 2022/2023 Business Plan for the NHI indirect grant personal services component detailed targets that where feasible to achieve within the timeframe capacity challenges of NHI.

Programme 3: Communicable and Non-Communicable Diseases	26 924 022	26 049 571	874 451	3%
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Savings realised under COVID-19 budget as there is enough vaccine stock on hand.

Programme 4: Primary Health Care	5 154 744	5 149 242	5 502	0%
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Programme 5: Hospital Systems	22 641 588	22 198 414	443 174	2%
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The underspending is attributed to slow kick off from various infrastructure projects.

Programme 6: Health System Governance and HR	7 527 286	7 487 446	39 840	1%
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4.2 Per economic classification

	Final appropriation R'000	Actual expenditure R'000	Variance R'000	Variance as a % of final appropriation R'000
Current payments				
Compensation of employees	812 052	760 962	51 090	6%
Goods and services	3 967 362	2 840 622	1 126 740	28%
Provinces and municipalities	56 251 536	56 251 536	-	0%
Departmental agencies and accounts	1 890 344	1 889 076	1 268	0%
Non-profit institutions	189 000	189 000	-	0%
Households	4 830	4 675	155	3%
Payments for capital assets				
Buildings and other fixed structures	1 313 497	930 251	383 246	29%
Machinery and equipment	121 575	28 592	92 983	76%
Software and other intangible assets	4 200	-	4 200	100%
Payments for financial assets	1 335	1 327	8	1%

Compensation of employees:

Slow spending is due to vacant posts, some of which are in the process of being filled.

Goods and services:

Savings realised under COVID-19 budget are because of sufficient vaccine stock on-hand. The underspending on project management consultants' fees is attributed to slow initiation of infrastructure projects.

Payment for capital assets:

Underspending is attributed to slow initiation of various infrastructure projects and the delay in procuring medical equipment for provinces under Chronic Disease Prevention fund. Procurement of IT equipment for Electronic Medicine Stock System for province is underway.

Health Vote 18**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2023**

4.3 Per conditional grant	Final budget	Actual expenditure	Variance	Variance as a % of final budget
	R'000	R'000	R'000	R'000
National Tertiary Service Grant	14 306 059	14 306 059	-	0%
Communicable & Non-Communicable Diseases	24 134 521	24 134 521	-	0%
Primary Health Care	4 888 597	4 888 597	-	0%
Health Facility Revitalisation Grant	6 779 546	6 779 546	-	0%
Statutory Human Resources Grant: Health Professions Training and Development	2 815 256	2 815 256	-	0%
Statutory Human Resources Grant: Human Resources Capacitation	2 633 810	2 633 810	-	0%
National Health Insurance Grant	693 747	693 747	-	0%
Indirect Grants				
NHI Indirect: Health Facility Revitalisation Component: Other	1 010 476	706 251	304 225	30%
NHI Indirect: Health Facility Revitalisation Component: Limpopo Academic Hospital	498 615	51 211	447 404	90%
NHI Indirect Personal Services	85 357	-	85 357	100%
NHI Indirect Non-personal Services	614 660	554 899	59 761	10%

NHI Indirect: Health Facility Revitalisation Component:

The underspending is attributed to slow kick-off of various infrastructure projects.

NHI Indirect Personal Services:

Appointment of Health Care Providers will commence once the establishment of CUPs is finalized.

NHI Indirect Non-personal Services:

Procurement for IT equipment is in progress.

Health Vote 18
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
REVENUE			
Annual appropriation	1	64 555 731	65 908 765
Departmental Revenue	2	1 165 733	521 023
Aid assistance	3	943 533	1 454 588
TOTAL REVENUE		66 664 997	67 884 376
EXPENDITURE			
Current expenditure			
Compensation of employees	4	760 964	848 238
Goods and services	5	2 840 620	9 128 632
Aid assistance	3	892 502	996 355
Total current expenditure		4 431 086	10 973 225
Transfers and subsidies			
Transfer and subsidies	7	58 334 287	54 491 901
Total transfers and subsidies		58 334 287	54 491 901
Expenditure for capital assets			
Tangible assets	8	958 843	660 304
Total expenditure for capital assets		958 843	660 304
Payment for financial assets	6	1 327	8 356
TOTAL EXPENDITURE		63 725 543	66 133 786
SURPLUS/(DEFICIT) FOR THE YEAR		2 939 454	1 750 590
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		1 659 690	771 334
Annual appropriation		1 659 690	771 334
Departmental revenue and NRF Receipts	13	1 165 733	521 023
Aid Assistance	3	114 031	458 233
SURPLUS/(DEFICIT) FOR THE YEAR		2 939 454	1 750 590

Health Vote 18
STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
ASSETS			
Current assets			
Cash and cash equivalents	9	1 309 226	170 501
Prepayments and advances	10	338 174	151 928
Receivables	11	237 411	395 629
Non-current assets			
Receivables	11	117 563	22 904
TOTAL ASSETS		2 002 374	740 962
LIABILITIES			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	12	1 637 000	(366 352)
Departmental revenue & NRF Receipts to be surrendered to the Revenue Fund	13	28 829	92 658
Payables	14	216 134	572 956
Aid assistance repayable	3	114 031	458 235
TOTAL LIABILITIES		1 995 994	757 497
NET ASSETS		6 380	(16 535)
Represented by:			
Recoverable revenue		25 541	2 626
Unauthorised expenditure		(19 161)	(19 161)
TOTAL		6 380	(16 535)

Health Vote 18
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2023

Note	2022/23 R'000	2021/22 R'000
Recoverable revenue		
Opening balance	2 626	8 442
Transfers:		
Debts recovered (included in departmental receipts)	22 915	(5 816)
	1 327	-
	(1 432)	(6 126)
Debts raised	23 020	310
Closing balance	25 541	2 626
Unauthorised expenditure		
Opening balance	(19 161)	(49 727)
Amounts recoverable	-	30 566
Closing balance	(19 161)	(19 161)
TOTAL	6 380	(16 535)

Health Vote 18
CASH FLOW STATEMENT
for the year ended 31 March 2023

	Note	2022/23 R'000	2021/22 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		66 642 119	66 746 692
Annual appropriated funds received	1.1	64 533 041	64 771 081
Departmental revenue received	2	1 156 564	503 554
Interest received	2.2	8 981	17 469
Aid assistance received	3	943 533	1 454 588
Net (increase)/decrease in working capital		(384 850)	74 764
Surrendered to Revenue Fund		(863 210)	(415 311)
Surrendered to RDP Fund/Donor		(458 235)	(114 456)
Current payments		(4 431 086)	(10 973 225)
Payments for financial assets		(1 327)	(8 356)
Transfers and subsidies paid		(58 334 287)	(54 461 333)
Net cash flow available from operating activities	15	2 169 124	848 775
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(958 843)	(660 304)
Proceeds from sale of capital assets	2.3	188	-
(Increase)/decrease in non-current receivables		(94 659)	31 139
Net cash flows from investing activities		(1 053 314)	(629 165)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		22 915	(5 816)
Net cash flows from financing activities		22 915	(5 816)
Net increase/(decrease) in cash and cash equivalents		1 138 725	213 794
Cash and cash equivalents at beginning of period		170 501	(43 293)
Cash and cash equivalents at end of period	16	1 309 226	170 501

Health Vote 18

NOTES TO THE ACCOUNTING POLICIES

for the year ended 31 March 2023

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds <ul style="list-style-type: none"> - Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation). - Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. - Appropriated funds are measured at the amount's receivable. - The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	Departmental revenue <ul style="list-style-type: none"> - 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.

Health Vote 18

NOTES TO THE ACCOUNTING POLICIES
for the year ended 31 March 2023

7.3	Accrued departmental revenue. Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: - it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.
8	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold. 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.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: - cost, being the fair value of the asset; or - the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

Health Vote 18

NOTES TO THE ACCOUNTING POLICIES
for the year ended 31 March 2023

9	Aid Assistance
9.1	<p>Aid assistance received.</p> <p>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.</p> <p>CARA Funds are recognised when receivable and measured at the amounts receivable.</p> <p>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.</p>
9.2	<p>Aid assistance paid</p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>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.</p>
11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p>
12	<p>Loans and receivables</p> <p>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.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>
14	Financial assets
14.1	<p>Financial assets (not covered elsewhere)</p> <p>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.</p> <p>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.</p>
14.2	<p>Impairment of financial assets</p> <p>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.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>

Health Vote 18
NOTES TO THE ACCOUNTING POLICIES
for the year ended 31 March 2023

16	Capital Assets
16.1	<p>Immovable capital assets</p> <p>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.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>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.</p> <p>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.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	<p>Intangible assets</p> <p>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.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>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.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>

Health Vote 18

NOTES TO THE ACCOUNTING POLICIES
for the year ended 31 March 2023

16.4	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 after completion
17	Provisions and Contingents
17.1	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.
17.2	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.
17.3	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.
17.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
18	Unauthorised expenditure Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure. Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: - approved by Parliament or the Provincial Legislature with funding and the related funds are received; or - approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or - transferred to receivables for recovery. Unauthorised expenditure 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. - The movement of unauthorised expenditure is recorded in the annual report.
19	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-of 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. - The movement of fruitless and wasteful expenditure is recorded in the annual report.

Health Vote 18

NOTES TO THE ACCOUNTING POLICIES
for the year ended 31 March 2023

20	<p>Irregular expenditure</p> <p>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.</p> <p>Irregular expenditure is recorded in the notes to the financial statements when and at amounts confirmed and comprises of:</p> <ul style="list-style-type: none"> - 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. - The movement of irregular expenditure is recorded in the annual report.
21	<p>Changes in accounting estimates and errors</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>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.</p>
22	<p>Events after the reporting date</p> <p>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.</p>
23	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement for DBSA, Coega and IDT. In terms of the arrangement the department is the principal and is responsible for providing funds for identified projects. 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.</p>
24	<p>Departures from the MCS requirements</p> <p>Management has concluded that the financial statements present fairly the department's primary and secondary information. The department complied with MCS as required,</p>
25	<p>Capitalisation reserve</p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed, and the related funds are received.</p>
26	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
27	<p>Related party transactions</p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>The full compensation of key management personnel is recorded in the notes to the financial statements.</p>

Health Vote 18

NOTES TO THE ACCOUNTING POLICIES
for the year ended 31 March 2023

28	<p>Inventories</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>This will be disclosed as per instruction from National Treasury. The movement of inventories is disclosed as secondary information in the annexure</p>
29	<p>Public-Private Partnerships</p> <p>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.</p> <p>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.</p>
30	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p> <p>Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.</p> <p>The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
31	<p>Transfers of functions</p> <p>Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.</p> <p>Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.</p>
32	<p>Mergers</p> <p>Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.</p> <p>Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.</p>

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

1 Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2022/23			2021/22		
	Final budget	Actual funds received	Funds not requested/ not received	Final budget	Appropriation received	Funds not requested / not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	785 743	782 068	3 675	828 730	828 730	-
National Health Insurance	1 531 647	1 527 756	3 891	1 025 966	1 025 966	-
Communicable & Non-Communicable Diseases	26 916 147	26 913 374	2 773	35 741 509	35 103 825	637 684
Primary Health Care	5 154 374	5 150 593	3 781	255 705	255 705	-
Hospital Systems	22 643 213	22 639 432	3 781	21 114 133	21 114 133	-
Health System Governance & HR	7 524 607	7 519 818	4 789	6 442 722	6 442 722	-
Direct charge against revenue Fund	-	-	-	500 000	-	500 000
Total	64 555 731	64 533 041	22 690	65 908 765	64 771 081	1 137 684

1.2 Conditional grants

Note

		2022/23 R'000	2021/22 R'000
Total grants received	32	2 209 108	1 550 949
Provincial grants included in Total Grants received	33	56 215 536	52 462 220

2. Departmental revenue

		2022/23 R'000	2021/22 R'000
Sales of goods and services other than capital assets	2.1	1 151 210	425 640
Interest, dividends and rent on land	2.2	8 981	17 469
Sales of capital assets		188	-
Transactions in financial assets and liabilities	2.3	5 354	77 914
Departmental revenue collected		1 165 733	521 023

The major contribution of the receipts was generated by the vaccine sales.

2.1 Sales of goods and services other than capital assets

		2022/23 R'000	2021/22 R'000
Sales of goods and services produced by the department	2	1 151 210	425 640
Sales by market establishment		101	112
Administrative fees		3 399	3 075
Other sales		1 147 710	422 453
Total		1 151 210	425 640

2.2 Interest, dividends and rent on land

		2022/23 R'000	2021/22 R'000
Interest	2	8 981	17 469
Total		8 981	17 469

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

2.3 Sales of capital assets

		2022/23	2021/22
		R'000	R'000
	2		
Tangible assets		188	-
Machinery, equipment, and vehicles		188	-
Total		188	-

2.4 Transactions in financial assets and liabilities

		2022/23	2021/22
		R'000	R'000
	Note 2		
Other Receipts including Recoverable Revenue		5 354	77 914
Total		5 354	77 914

3 Aid assistance

		2022/23	2021/22
		R'000	R'000
Opening Balance		458 235	114 458
Prior period error			-
As restated		458 235	114 458
Transferred from statement of financial performance		114 031	458 233
Paid during the year		(458 235)	(114 456)
Closing Balance		114 031	458 235

The total transfer received from National Treasury in respect of Donor funds is R1, 047 226 billion. Included in this amount was a R92, 507 million and R11, 186 million for Global Funds and EU funds respectively. These amounts were directly utilised to clear receivables which were raised due to over expenditure recorded in the previous financial years. The total amount recorded as revenue in the Donor Exchequer Account amounted to R943, 533 million.

3.1 Analysis of balance by source

		2022/23	2021/22
		R'000	R'000
Aid assistance from RDP		114 031	458 235
Closing balance	3	114 031	458 235

3.2 Analysis of balance

		2022/23	2021/22
		R'000	R'000
Aid assistance repayable		114 031	458 235
Closing balance	3	114 031	458 235

3.3 Aid assistance expenditure per economic classification

		2022/23	2021/22
		R'000	R'000
Current		829 502	996 355
Capital	8	-	-
Total aid assistance expenditure		829 502	996 355

Health Vote 18**NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023****3.4 Donations received in-kind (not included in the main note)**

	2022/23 R'000	2021/22 R'000
Pfizer Covid Child Vaccine	10 783	-
Mebendazole Tablets: National Deworming program	-	43 791
453 doses of JNJAD26: SARS.Co.2Vaccine-Sisonke2	-	58 968
Pfizer -Covax facility-7 877 610 doses	-	1 263 647
Total	10 783	1 366 406

4 Compensation of employees**4.1 Salaries and wages**

	2022/23 R'000	2021/22 R'000
Basic salary	501 720	551 812
Performance award	1 214	6 742
Service Based	889	1 054
Compensative/circumstantial	29 061	36 838
Other non-pensionable allowances	130 638	143 250
Total	663 522	739 696

4.2 Social contributions

	2022/23 R'000	2021/22 R'000
Employer contributions		
Pension	62 216	68 931
Medical	35 062	39 438
Bargaining council	92	107
Insurance	72	66
Total	97 442	108 542
Total compensation of employees	760 964	848 238
Average number of employees	1 480	1 696

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

5 Goods and services

	Note	2022/23 R'000	2021/22 R'000
Administrative fees		160	152
Advertising		4 789	6 687
Minor assets	5.1	27 453	1 341
Bursaries (employees)		1 245	746
Catering		5 842	938
Communication		21 434	35 380
Computer services	5.2	150 599	156 768
Consultants: Business and advisory services		294 371	335 574
Legal services		17 854	9 180
Contractors		530 938	403 962
Agency and support / outsourced services		13 647	451
Entertainment		39	1
Audit cost – external	5.3	24 572	23 996
Fleet services		40 158	46 100
Inventories	5.4	1 348 573	7 713 906
Consumables	5.5	6 201	1 708
Operating leases		102 894	160 543
Property payments	5.6	18 284	24 884
Rental and hiring		6 520	362
Travel and subsistence	5.7	103 777	53 152
Venues and facilities		13 198	11 042
Training and development		4 035	426
Other operating expenditure	5.8	104 037	141 333
Total		2 840 620	9 128 632

5.1 Minor assets

	5	2022/23 R'000	2021/22 R'000
Tangible assets		27 453	1 341
Machinery and equipment		27 453	1 341
Total		27 453	1 341

With the permanent move to AB Xuma Building, more items/assets with a value less than R5 000 were acquired.

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

5.2 Computer services

	5	2022/23 R'000	2021/22 R'000
SITA computer services		7 044	7 936
External computer service providers		143 555	148 832
Total		150 599	156 768

5.3 Audit cost – External

	5	2022/23 R'000	2021/22 R'000
Regularity audits		24 572	23 996
Total		24 572	23 996

5.4 Inventory

	5	2022/23 R'000	2021/22 R'000
Clothing material and accessories		719	1 247
Food and food supplies		125	32
Fuel, oil and gas		31	451
Materials and supplies		8	702
Medical supplies		33 945	38 298
Medicine		1 313 745	7 667 614
Other supplies	5.4.1	-	5 562
Total		1 348 573	7 713 906

5.4.1 Other supplies

	5.4	2022/23 R'000	2021/22 R'000
Other		-	5 562
Total		-	5 562

There was a drop in the procurement of the vaccines

5.5 Consumables

	5	2022/23 R'000	2021/22 R'000
Consumable supplies		949	375
Uniform and clothing		47	38
Household supplies		348	238
Building material and supplies		54	46
Communication accessories		2	3
IT consumables		363	6
Other consumables		135	44
Stationery, printing, and office supplies		5 252	1 333
Total		6 201	1 708

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NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

5.6 Property payments

	Note	2022/23	2021/22
		R'000	R'000
Municipal services	5	14 698	21 669
Property management fees		684	915
Other		2 902	2 300
Total		18 284	24 884

5.7 Travel and subsistence

	Note	2022/23	2021/22
		R'000	R'000
Local	5	72 104	45 257
Foreign		31 673	7 895
Total		103 777	53 152

5.8 Other operating expenditure

	Note	2022/23	2021/22
		R'000	R'000
Professional bodies, membership and subscription fees	5	68 323	68 200
Resettlement costs		109	567
Other		35 605	72 566
Total		104 037	103 777

6 Payments for financial assets

	Note	2022/23	2021/22
		R'000	R'000
Debts written off	6.1	1 327	8 356
Total		1 327	8 356

6.1 Debts written-off

	Note	2022/23	2021/22
		R'000	R'000
Recoverable revenue written off	6		
Theft and losses		1 327	8 356
Total		1 327	8 356
Total debt written-off		1 327	8 356

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

7 Transfers and subsidies

		2022/23	2021/22
		R'000	R'000
Provinces and municipalities	33	56 251 536	52 462 220
Departmental agencies and accounts	Annexure 1A	1 889 076	1 842 100
Non-profit institutions	Annexure 1B	189 000	181 401
Households	Annexure 1C	4 675	6 180
Total		58 334 287	54 491 901

8 Expenditure for capital assets

		2022/23	2021/22
		R'000	R'000
Tangible assets		958 843	660 304
Buildings and other fixed structures	28	930 251	591 321
Machinery and equipment	26	28 592	68 983
Intangible assets		-	-
Software		-	-
Total		958 843	660 304

Analysis of funds utilised to acquire capital assets – 2022/23

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	958 843	-	958 843
Buildings and other fixed structures	930 251	-	930 251
Machinery and equipment	28 592	-	28 592
Total	958 843	-	958 843

Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	660 304	-	660 304
Buildings and other fixed structures	591 321	-	591 321
Machinery and equipment	68 983	-	68 983
Total	660 304	-	660 304

9 Cash and cash equivalents

	Note	2022/23	2021/22
		R'000	R'000
Consolidated Paymaster General Account		1 279 536	170 478
Cash Receipts		29 667	-
Cash with Commercial Bank		23	23
Total		1 309 226	170 501

Cash and cash equivalent balances held by the Department are allocated to the relevant accounts. The Department does not have any undrawn borrowings facilities that may be available for future operating activities and to settle capital commitments.

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

10 Prepayments and advances

	Note	2022/23 R'000	2021/22 R'000
Advances paid (Not expensed)	10.1	338 174	151 928
Total		338 174	151 928

Analysis of Total Prepayments and advances

Current Prepayments and advances	338 174	151 928
Total	338 174	151 928

10.1 Advances paid (Not expensed)

	10	Balance as at 1 April 2022 R'000	Less: Amount expensed in current year R'000	Add or Less: other R'000	Add: Current Year advances R'000	Balance as at 31 March 2023 R'000
National departments		6 051	(19 212)	-	22 957	9 796
Provincial departments		84 240	-	-	-	84 240
Public entities		61 637	(1 001 038)	-	1 183 539	244 138
Total		151 928	(1 020 250)	-	1 206 496	338 174

	10	Balance as at 1 April 2021 R'000	Less: Amount expensed in current year R'000	Add or Less: other R'000	Add: Current Year advances R'000	Balance as at 31 March 2022 R'000
National departments		5 950	(6 046)	-	6 147	6 051
Provincial departments		107 886	(27 422)	-	3 776	84 240
Public entities		73 231	(576 098)	-	564 504	61 637
Total		187 067	(609 566)	-	574 7	151 928

11 Receivables

		2022/23			2021/22		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	11.1	211 893	115 014	326 907	392 349	20 731	413 080
Recoverable expenditure	11.2	(216)	-	(216)	(280)	-	(280)
Staff debt	11.3	151	126	278	509	10	519
Other receivables	11.4	25 583	2 423	28 005	3 051	2 163	5 214
Total		237 411	117 563	354 974	395 629	22 904	418 533

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NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

11.1 Claims recoverable

	11	2022/23 R'000	2021/22 R'000
National departments		3 119	18 649
Provincial departments		79 232	24 247
Public entities		109 702	146 614
Private enterprises		134 854	223 570
Total		326 907	413 080

11.2 Recoverable expenditure

	11	2022/23 R'000	2021/22 R'000
Salary Tax Debt		8	2
Salary Disallowance		(224)	(282)
Total		(216)	(280)

11.3 Staff debt

	11	2022/23 R'000	2021/22 R'000
Bursary Debt		72	154
Salary Overpayment		36	30
Leave Without Pay		100	205
Loss/Damage to State Property		70	111
Fruitless and Wasteful Expenditure		-	19
Total		278	519

11.4 Other receivables

	11	2022/23 R'000	2021/22 R'000
Fruitless and wasteful expenditure		100	54
Schedule 9 Medication		58	57
Infrastructure (Shomang Construction)		23 519	-
Ex Employees		4 328	5 103
Total		28 005	5 214

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

11.5 Impairment of receivables

	Note	2022/23 R'000	2021/22 R'000
Estimate of impairment of receivables		1 445	2 173
Total		1 445	2 173

12 Voted funds to be surrendered to the revenue fund

		2022/23 R'000	2021/22 R'000
Opening balance		(366 352)	(14 317)
As restated		(366 352)	(14 317)
Transfer from statement of financial performance (as restated)		1 659 690	771 334
Add: Unauthorised expenditure for current year		-	-
Voted funds not requested/not received	1.1	(22 690)	(1 137 684)
Paid during the year		366 352	14 315
Closing balance		1 637 000	(366 352)

13 Departmental revenue and NRF Receipts to be surrendered to the Revenue.

		2022/23 R'000	2021/22 R'000
Opening balance		92 658	1 261
Prior period error		-	-
As restated		92 658	1 261
Transfer from Statement of Financial Performance (as restated)		1 165 733	521 023
Paid during the year		(1 229 562)	(429 626)
Closing balance		28 829	92 658

14 Payables – current

		2022/23 R'000	2021/22 R'000
Advances received	14.1	215 795	572 497
Clearing accounts	14.2	339	651
Other payables	14.3	-	(192)
Total		216 134	572 956

14.1 Advances received

	14	2022/23 R'000	2021/22 R'000
National departments		4 087	301 541
Provincial departments		128 030	262 300
Public entities		-	278
Other institutions		83 678	8 378
Total		215 795	572 497

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

14. Clearing accounts

	14	2022/23 R'000	2021/22 R'000
PAYE		325	642
Pension Fund		1	-
Garnishee		1	6
Housing		12	3
Total		339	651

14.3 Other payables

	14	2022/23 R'000	2021/22 R'000
Telephone control		-	(192)
Total		-	(192)

15 Net cash flow available from operating activities

	2022/23 R'000	2021/22 R'000
Net surplus/(deficit) as per Statement of Financial Performance	2 939 454	1 750 590
Add back noncash/cash movements not deemed operating activities	(770 330)	(901 815)
(Increase)/decrease in receivables	158 218	(270 572)
(Increase)/decrease in prepayments and advances	(186 246)	35 139
Increase/(decrease) in payables – current	(356 822)	340 765
Proceeds from sale of capital assets	(188)	-
Expenditure on capital assets	958 843	660 304
Surrenders to Revenue Fund	(863 210)	(415 311)
Surrenders to RDP Fund/Donor	(458 235)	(114 456)
Voted funds not requested/not received	(22 690)	(1 137 684)
Net cash flow generated by operating activities	2 169 124	848 775

16 Reconciliation of cash and cash equivalents for cash flow purposes

	2022/23 R'000	2021/22 R'000
Consolidated Paymaster General account	1 279 536	170 478
Cash with Commercial Bank	29 667	-
Cash on hand	23	23
Total	1 309 226	170 501

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

17 Contingent liabilities and contingent assets

17.1 Contingent liabilities

	Note	2022/23 R'000	2021/22 R'000
Liable to			
Claims against the department	Annex 2	15 373	15 373
Intergovernmental payables (unconfirmed balances)	Annex 4	128 030	262 300
Total		143 403	277 673

Claims against the Department are handled by Legal Services. Details of the cases cannot be disclosed due to sensitivity of the matters. The possibility of reimbursement on interdepartmental claims is uncertain and can only be determined at the end of the Cuban Medical Project.

17.2 Contingent assets

	2022/23 R'000	2021/22 R'000
Vaccines from private sites	-	123 773
Total	-	123 773

18 Capital commitments

	2022/23 R'000	2021/22 R'000
Buildings and other fixed structures	8 727 280	2 635 428
Computer Equipment	7 500	2 929
Machinery and Equipment	277	5 836
Medical & Allied Equipment	14 319	8 405
Furniture & Office Equipment	676	193
Software & Other Intangible Assets	4 588	10 073
Total	8 754 640	2 662 864

Previous year's capital commitments were adjusted and aligned as per commitments register.

19 Accruals and payables not recognised

19.1 Accruals

		2022/23 R'000	2021/22 R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Goods and services	68 572	152 307	220 879
Transfers and subsidies	453	-	453
Capital assets	16 104	342	16 446
Other	238	36	274
Total	85 367	152 685	238 052

	2022/23 R'000	2021/22 R'000
Listed by programme level		
Administration	35 778	17 012
National Health Insurance	169 184	209 833
Communicable and Non-Communicable Diseases	5 793	1 531
Primary Health Care	660	38
Hospital Systems	18 349	429 862
Health System Governance and Human Resources	8 288	9 832
Total	238 052	668 108

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NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

19.2 Payables not recognised

			2022/23 R'000	2021/22 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	46 831	27 159	73 990	76 014
Interest and rent on land	-	-	-	4 759
Transfers and subsidies	1 085	-	1 085	562
Capital assets	126 714	10 734	137 448	1 121
Other	75	115	190	406
Total	174 705	38 008	212 713	82 862
Listed by programme level				
Administration			5 954	69 456
National Health Insurance			37 897	799
Communicable and Non-Communicable Diseases			25 026	3 661
Primary Health Care			1 349	494
Hospital Systems			142 075	6 639
Health System Governance and Human Resources			412	1 813
Total			212 713	82 862

Invoices from implementing agencies were received just before the financial year end.

20. Employee benefits

	Note	2022/23 R'000	2021/22 R'000
Leave entitlement		44 447	64 935
Service bonus		19 675	22 142
Performance awards		-	1 774
Capped leave		13 263	14 793
Other		-	-
Total		77 385	103 644

Included in leave entitlement is an amount of R169 152.92 (R55 530.03 for the current leave cycle and R113 622 in the previous leave cycle) which relates to leave implemented post the reporting period. Negative leave credits amount R429 023.64

21. Lease commitments

21.1 Operating leases

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
2022/23			
Not later than 1 year	68 079	1 288	69 367
Later than 1 year and not later than 5 years	315 496	1 738	317 234
Later than five years	-	-	-
Total lease commitments	383 575	3 026	386 601
2021/22			
Not later than 1 year	63 625	693	64 318
Later than 1 year and not later than 5 years	302 252	137	302 389
Later than five years	81 322	-	81 322
Total lease commitments	447 199	830	448 029

Only AB Xuma is under a lease agreement. Photocopy machines are leased and are utilized by the employees in the department.

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APPROPRIATION STATEMENT
for the year ended 31 March 2023

22 Accrued departmental revenue

	2022/23 R'000	2021/22 R'000
Sales of good and services other than capital assets	1 034 867	1 579 865
Interest, dividends and rent on land	724	2 208
Total	1 035 591	1 582 073

22.1 Analysis of accrued departmental revenue

	2022/23 R'000	2021/22 R'000
Opening balance	1 582 072	198
Less: amounts received	(1 156 951)	(1 480)
Add: amounts recognized	593 257	1 583 355
Other(specify)	17 212	-
Closing balance	1 035 591	1 582 073

Trade receivables with credit balances

22.2 Impairment of Accrued departmental revenue

	2022/23 R'000	2021/22 R'000
Estimate of impairment of accrued departmental revenue	82 014	-
Total	82 014	-

23. Unauthorised, Irregular, and Fruitless and wasteful expenditure

	2022/23 R'000	2021/22 R'000
Unauthorised Expenditure	-	19 161
Irregular Expenditure	-	359 301
Fruitless and Wasteful Expenditure	45	1 513
Total	45	379 975

The details of the balances are disclosed in the annual report.

24. Key management personnel

	2022/23 R'000	2021/22 R'000
Political office bearers (provide detail below)	5 497	5 004
Officials:		
Level 15 to 16	17 958	16 449
Level 13 to 14 (incl CFO if at a lower level)	43 024	38 697
Family members of key management personnel	1 185	1 165
Total	67 664	61 315

25. Provisions

	2022/23 R'000	2021/22 R'000
Long Service Awards	534	727
DBSA Infrastructure Provisions	715	6 729
Accrued Expense to provinces (Estimated fees)	98 440	11 657
Total	99 689	19 113

A provision to the amount of R87 192 is made for employees with 40 years of service, R239 767 is a provision made for employees with 30 years of service and R207 081 is for employees with 20 years of service. Provisions as listed for DBSA represents projects past ready for use which awaits the close out of the project and thus final account and payments. The assumptions made concerning the above relate to potential savings on projects that cannot be estimated at this time. An estimated accrued expenses to provinces related to unallocated deposits received from medical schemes for vaccine claims at public sites.

Health Vote 18
APPROPRIATION STATEMENT
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25.1 Reconciliation of movement in provisions – 2022/23

	HR Provision 1 R'000	INFRA Provision 2 R'000	VACC Provision 3 R'000	Total Provisions R'000
Opening balance	727	6 729	11 657	19 113
Increase in provision	534	715	86 783	88 032
Settlement of provision	(727)	(6 729)	-	(7 456)
Closing balance	534	715	98 440	99 689

Reconciliation of movement in provisions – 2021/22

	Provision 1	Provision 2	Provision 3	Total Provisions
Opening balance	1 137	-	11 657	12 794
Increase in provision	727	6 729	-	7 456
Settlement of provision	(1 137)	-	-	(1 137)
Closing balance	727	6 729	11 657	19 113

26. Movable Tangible Capital Assets

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery and Equipment	623 089	30 828	(221 538)	432 379
Transport assets	4 990	-	(676)	4 314
Computer equipment	186 470	17 301	(19 385)	184 386
Furniture and office equipment	13 088	441	(1 667)	11 862
Other machinery and equipment	418 541	13 086	(199 810)	231 817
Total movable tangible capital assets	623 089	30 828	221 538	432 379

26.1 Movement for 2021/22

Movement in tangible capital assets per asset register for the year ended 31 March 2022

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
Machinery and equipment	630 227	-	68 983	(76 121)	623 089
Transport assets	4 990	-	-	-	4 990
Computer equipment	221 128	-	23 549	(58 207)	186 470
Furniture and office equipment	18 170	-	216	(5 298)	13 088
Other machinery and equipment	385 939	-	45 218	(12 616)	418 541
Total movable tangible capital assets	630 227	-	68 983	(76 121)	623 089

26.2 Minor assets

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	-	-	-	30 720	30 720
Additions	-	-	-	27 451	27 451
Disposals	-	-	-	9 674	9 674
Total minor assets	-	-	-	48 497	48 497

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APPROPRIATION STATEMENT
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	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Total
					R'000
Number of minor assets at cost		-	-	-	121 635
I number of minor assets		-	-	-	121 635

26.3 Movement in minor capital assets per assets register for the year ended 31 march 2022

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	47 677	47 677
Additions				1 341	1 341
Disposals				18 298	18 298
Total minor assets	-	-	-	30 720	30 720

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Total
Number of minor assets at cost		-	-	17 293	17 293
Total number of minor assets				17 293	17 293

27 Movable tangible capital assets written off

Movement capital assets written off for year ended 31 March 2023

	Intangible Assets	Heritage Assets	Machinery & equipment	Closing balance
	R'000	R'000	R'000	R'000
Assets written off	-	-	209 902	209 902
Total intangible capital assets	-	-	209 902	209 902

Intangible Capital Assets

Movement in intangible capital assets pr asset register for the year ended 31 March 2023

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Software	74 816	-	-	74 816
Total intangible capital assets	74 816	-	-	74 816

27.1 Movement for 2021/22

Movement in intangible capital assets per asset register for the year ended 31 March 2022

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	73 768	1 013	35	-	74 816
Total intangible capital assets	73 768	1 013	35	-	74 816

27.2 Prior period error

	2021/22
	R'000
Relating to 2019/20 (affecting the opening balance)	1 013
DEVELOPMENT OF CMS -Omitted from FAR	346
Relating to 2020/21 (affecting the opening balance)	
DEVELOPMENT OF CMS -Omitted from FAR	667
Relating to 2021/22	
DEVELOPMENT OF CMS -Omitted from FAR	35
Total	1 048

28. Immovable Tangible Capital Assets

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2023

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
Buildings and other fixed structures	2 106 480	133 353	540 826	1 699 007
Other fixed structures	2 106 480	133 353	540 826	1 699 007
Total immovable tangible assets	2 106 480	133 353	540 826	1 699 007

Health Vote 18
APPROPRIATION STATEMENT
for the year ended 31 March 2023

28.1 Movement for 2021/22

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2022

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	2 121 419	(49 963)	167 824	132 800	2 106 480
Other fixed structures	2 121 419	(49 963)	167 824	132 800	2 106 480
Total immovable tangible capital assets	2 121 419	(49 963)	167 824	132 800	2 106 480

Prior period error

	2021/22
	R'000
Nature of prior period error	
Prior year errors moved to goods and service as part of an audit finding, as well review done on NDOH backlog Maintenance for any items that could be considered research.	(49 963)
Total	(49 963)

28.2 Immovable tangible capital assets: Capital Work-in-progress

Capital work-in-progress as at 31 March 2023

	Note Annexure 6	Opening balance 1 April 2022 R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2021 R'000
Buildings and other fixed structures		1 782 359	930 251	133 353	2 579 257
Total		1 782 359	930 251	133 353	2 579 257

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2022

	Annexure 7	Opening balance 1 April 2021 R'000	Prior period error R'000	Current Year WIP R'000	Ready for use (Assets to the AR) / Contracts terminated R'000	Closing balance 31 March 2022 R'000
Buildings and other fixed structures		1 298 983	60 330	591 321	168 275	1 782 359
TOTAL		1 298 983	60 330	591 321	168 275	1 782 359

Prior Year errors are amounts moved to goods and services as well as review done on NDOH Backlog Maintenance.

29 Principal-agent arrangement

29.1 Department acting as the principal.

	2022/23	2021/22
	R'000	R'000
DBSA	26 848	22 750
CDC	15 974	38 690
Total	42 822	61 440

DBSA, CDC and IDT have been appointed as Implementing Agents to the Health Facility Revitalization Indirect Grant. Their contracts are similar in nature and responsibilities and thus similar arrangements have been agreed to. Implementing agents are SOE that deliver implementation services to government entities to facilitate project delivery, reduce risks associated with projects and provide specialist services that the Department do not have. They are managed and monitored throughout the lifecycle to mitigate any risk associated. Their strength lies in their SCM and Contract Management abilities.

Should the agreement with the Principle Agents be terminated the National Department of Health would save on management fees but would run the risk of incurring additional costs through the appointment of more permanent staff, litigation of contracts and escalations of project due to delays.

The Agreement between the National Department of Health and their Implementers dictate the conditions of transferring of assets and liabilities. Financial assets in the form of Tranche payments are made to these agents whereby process for proper control is defined. Any interest incurred on these financial assets are paid back to the Department twice a year. Assets procured as part of the implementation process, where movable transferred directly to the provincial departments on occupation of the buildings. On project close out the immovable assets, which is recorded in the Asset Register of the National Department is transferred to Province. Contractual liabilities lay with the Implementers, but can be transferred to the National Department under certain conditions.

Health Vote 18
APPROPRIATION STATEMENT
for the year ended 31 March 2023

30 Change in accounting estimate

During the year the following changes were made to the estimations in the accounting for transactions, assets, liabilities, events, and circumstances.

	Value derived using the original estimate	Value derived using the amended estimate	R-value impact of change in estimates
Accounting estimate change 1:			
Change in the commitment value for the PSP due to the increase in construction value.			
Commitment for Bigen Africa increased	75 724	77 510	1 786

31 Prior period error

Assets: (e.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)

Nature of prior period error	Amount bef error correction	Prior period error	Restated amount
	R'000	R'000	R'000
Intangible assets (software)	73 768	1 048	74 816
Accrual departmental revenue	2 077 274	(497 409)	1 579 865
Immovable tangible capital assets	2 096 021	10 459	2 106 480
CWIP	1 782 451	(92)	1 782 359
Net effect	6 029 514	(485 994)	5 543 520

Accrued departmental revenue was adjusted with credits from private sites amounting to 82 million (vat inclusive), accrued expenditure to the amount of 379 824 million was reclassified as accrued departmental revenue. 72 115 million is a reclassification of provincial receipts and 42 343 million represents rejected claims from medical aids. A net figure of -92 million on CWIP comprises of -61 466 million worth of transfers relating to the prior year, and 61 374 million for stage 1 & 2 costs which were not properly accounted for in the previous year.

Liabilities: (e.g., Payables current, voted funds to be surrendered, Commitments, Provisions, etc)

Total CommitmentS	2 579 069	83 795	2 662 864
Net effect	2 579 069	83 795	2 662 864

Previous year's capital commitments were adjusted and aligned as per commitments register.

Health Vote 18
APPROPRIATION STATEMENT
for the year ended 31 March 2023

32 Statement of conditional grants received

NAME OF GRANT	GRANT ALLOCATION						SPENT				2021/22	
	Division of revenue Act/ provincial grants	Roll overs	DORA adjustments	Other adjustments	Total available	Amount received by department	Amount spent by department	Under / (over-spending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
NHI Indirect Grant: Personal Services Component	85 357	-	-	-	85 357	85 357	-	85 357	0%	17 776	17 776	
NHI Indirect Grant: Non-Personal Services Component	614 660	-	-	-	614 660	614 660	554 928	59 732	90%	607 773	499 794	
NHI Indirect Grant: Limpopo Academic Hospital	498 615	-	-	-	498 615	498 615	109 606	396 009	21%	122 511	47 381	
NHI Indirect Grant: Health Facilities Revitalization Component	1 010 476	-	-	-	1 010 476	1 010 476	983 952	26 524	97%	802 889	795 907	
TOTAL	2 209 108	-	-	-	2 209 108	2 209 108	1 641 486	567 622		1 550 949	1 360 858	

33 Statement of Conditional Grants paid to Provinces

Name of province / grant	GRANT ALLOCATION			TRANSFER			SPENT				2021/22		
	Division of Revenue Act	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	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
Summary by province	5 800 825	-	-	5 800 825	5 800 825	-	-	5 800 825	5 882 959	(82 134)	101%	5 404 492	5 404 492
Eastern Cape	3 883 975	-	-	3 883 975	3 883 975	-	-	3 883 975	3 993 962	(109 987)	103%	3 645 104	3 645 104
Free State	14 401 482	-	-	14 401 482	14 401 482	-	-	14 401 482	13 129 911	1 271 571	91%	13 312 721	13 312 721
Gauteng	11 841 778	-	-	11 841 778	11 841 778	-	-	11 841 778	11 841 778	-	100%	11 005 941	11 005 941
Kwazulu-Natal	4 155 861	-	-	4 155 861	4 155 861	-	-	4 155 861	4 358 190	(202 329)	105%	4 005 813	4 005 813
Limpopo	3 604 137	-	-	3 604 137	3 604 137	-	-	3 604 137	3 591 253	12 884	100%	3 375 488	3 375 488
Mpumalanga	1 869 305	-	-	1 869 305	1 869 305	-	-	1 869 305	1 737 936	131 369	93%	1 662 235	1 662 235
Northern Cape	3 293 825	-	-	3 293 825	3 293 825	-	-	3 293 825	3 346 575	(62 750)	102%	3 072 549	3 072 549
North West	7 400 349	-	-	7 400 349	7 400 349	-	-	7 400 349	7 442 393	(42 044)	101%	6 977 877	6 977 877
Western Cape	56 251 537	-	-	56 251 537	56 251 537	-	-	56 251 537	55 324 957	926 580		52 462 220	52 462 220
TOTAL	56 251 537	-	-	56 251 537	56 251 537	-	-	56 251 537	55 324 957	926 580		52 462 220	52 462 220

NAME OF PROVINCE / GRANT	GRANT ALLOCATION			TRANSFER			SPENT			2021/22			
	Division of Revenue Act	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	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
Summary by grant													
Statutory Human Resource and Health Professions Training Grant	5 449 066	-	-	5 449 066	5 449 066	-	-	5 449 066	5 427 544	21 522	100%	4 297 681	4 297 681
National Tertiary Services Grant	14 306 059	-	-	14 306 059	14 306 059	-	-	14 306 059	14 044 938	261 121	98%	13 707 798	13 707 798
HIV, TB, Malaria & Community Outreach Grant	29 023 118	-	-	29 023 118	29 023 118	-	-	29 023 118	28 561 278	461 840	98%	27 752 876	27 752 876
Health Facility Revitalisation Grant	6 779 546	-	-	6 779 546	6 779 546	-	-	6 779 546	6 654 925	124 621	98%	6 435 188	6 435 188
NHI Grant	693 748	-	-	693 748	693 748	-	-	693 748	636 272	57 476	93%	268 677	268 677
	56 251 537	-	-	56 251 537	56 251 537	-	-	56 251 537	55 324 957	926 580		52 462 220	52 462 220

Name of province / grant	GRANT ALLOCATION			TRANSFER			SPENT			2021/22				
	Division of Revenue Act	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	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	
Statutory Human Resource and Health Professions Training Grant														
Eastern Cape	578 756	-	-	578 756	578 756	-	-	578 756	578 743	13	100%	459 188	459 188	
Free State	264 004	-	-	264 004	264 004	-	-	264 004	264 036	(32)	100%	206 516	206 516	
Gauteng	1 872 229	-	-	1 872 229	1 872 229	-	-	1 872 229	1 850 708	21 521	100%	1 456 059	1 456 059	
Kwazulu-Natal	754 850	-	-	754 850	754 850	-	-	754 850	754 850	-	100%	585 586	585 586	
Limpopo	372 699	-	-	372 699	372 699	-	-	372 699	372 693	6	100%	246 091	246 091	
Mpumalanga	274 266	-	-	274 266	274 266	-	-	274 266	274 229	37	100%	201 118	201 118	
Northern Cape	155 608	-	-	155 608	155 608	-	-	155 608	155 631	(23)	100%	130 873	130 873	
North West	277 212	-	-	277 212	277 212	-	-	277 212	277 212	-	100%	210 874	210 874	
Western Cape	899 442	-	-	899 442	899 442	-	-	899 442	899 442	-	100%	801 376	801 376	
	5 449 066	-	-	5 449 066	5 449 066	-	-	5 449 066	5 427 544	21 522		4 297 681	4 297 681	
National Tertiary Services Grant														
Eastern Cape	1 148 953	-	-	1 148 953	1 148 953	-	-	1 148 953	1 177 961	(29 028)	103%	1 101 960	1 101 960	
Free State	1 225 196	-	-	1 225 196	1 225 196	-	-	1 225 196	1 208 734	16 462	99%	1 172 085	1 172 085	
Gauteng	5 083 886	-	-	5 083 886	5 083 886	-	-	5 083 886	4 789 509	294 377	94%	4 878 070	4 878 070	
Kwazulu-Natal	2 045 854	-	-	2 045 854	2 045 854	-	-	2 045 854	2 045 854	-	100%	1 955 628	1 955 628	
Limpopo	481 051	-	-	481 051	481 051	-	-	481 051	503 691	(22 640)	105%	453 296	453 296	
Mpumalanga	145 385	-	-	145 385	145 385	-	-	145 385	145 379	6	100%	142 411	142 411	
Northern Cape	420 514	-	-	420 514	420 514	-	-	420 514	420 514	-	100%	397 756	397 756	
North West	354 163	-	-	354 163	354 163	-	-	354 163	352 219	1 944	99%	333 611	333 611	
Western Cape	3 401 057	-	-	3 401 057	3 401 057	-	-	3 401 057	3 401 057	-	100%	3 272 981	3 272 981	
	14 306 059	-	-	14 306 059	14 306 059	-	-	14 306 059	14 044 938	261 121		13 707 798	13 707 798	
District Health Component Grant														
Eastern Cape	3 221 279	-	-	3 221 279	3 221 279	-	-	3 221 279	3 214 612	6 667	100%	3 116 484	3 116 484	
Free State	1 724 306	-	-	1 724 306	1 724 306	-	-	1 724 306	1 723 782	524	100%	1 636 925	1 636 925	
Gauteng	6 295 969	-	-	6 295 969	6 295 969	-	-	6 295 969	5 758 936	537 033	91%	5 962 862	5 962 862	
Kwazulu-Natal	7 547 069	-	-	7 547 069	7 547 069	-	-	7 547 069	7 547 069	-	100%	7 166 582	7 166 582	
Limpopo	2 621 492	-	-	2 621 492	2 621 492	-	-	2 621 492	2 707 737	(86 245)	103%	2 518 941	2 518 941	
Mpumalanga	2 638 302	-	-	2 638 302	2 638 302	-	-	2 638 302	6 636 505	1 797	100%	2 555 651	2 555 651	
Northern Cape	767 729	-	-	767 729	767 729	-	-	767 729	766 033	1 696	100%	734 736	734 736	
North West	1 938 678	-	-	1 938 678	1 938 678	-	-	1 938 678	1 938 310	368	100%	1 889 819	1 889 819	
Western Cape	2 268 294	-	-	2 268 294	2 268 294	-	-	2 268 294	2 268 294	-	100%	2 170 876	2 170 876	
	29 023 118	-	-	29 023 118	29 023 118	-	-	29 023 118	28 651 278	461 840		27 752 876	27 752 876	

34 BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

35 COVID-19 Response Expenditure

	Note	2022/23	2021/22
		R'000	R'000
Goods and services	Annexure 11	1 311 291	7 736 937
Transfers and subsidies		180	1 600 000
Total		1 311 471	9 336 937

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

ANNEXURE 1A

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2021/22	
	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 Sector Education and Training Authority	2 530	-	-	2 530	2 362	93%	2 536	2 536
Departmental Agency: Claims Against State (SANAC)	19 380	-	-	19 380	19 380	100%	28 901	28 901
Compensation Commissioner for Occupational Diseases	1 544	-	-	1 544	1 544	100%	1 437	1 437
Council for Medical Schemes	6 272	-	-	6 272	6 272	100%	6 181	6 181
National Health Laboratory Services	772 521	-	-	772 521	772 521	100%	643 547	643 547
Office of Health Standard Compliance	157 509	-	-	157 509	157 509	100%	157 998	157 998
South African Health Products Regulatory Authority	149 965	-	-	149 965	149 965	100%	146 287	146 287
South African Medical Research Council	780 623	-	-	780 623	779 523	100%	855 214	855 214
TOTAL	1 890 344	-	-	1 890 344	1 889 076		1 842 101	1 842 101

ANNEXURE 1B

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2021/22	
	Adjusted budget 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
Transfers								
South African Renal Registry	460	-	-	460	460	100%	447	447
South African Federation for Mental Health	488	-	-	488	488	100%	473	473
South African National Council for the Blind	1 092	-	-	1 092	1 092	100%	1 060	1 060
National Council Against Smoking	1 164	-	-	1 164	1 164	100%	1 130	1 095
Life Line SA	28 875	-	-	28 875	28 875	100%	28 030	28 030
LoveLife	64 327	-	-	64 327	64 327	100%	61 976	61 976
Soul City	25 065	-	-	25 065	25 065	100%	24 331	24 331
HIV and AIDS: NGO's	67 529	-	-	67 529	67 529	100%	65 553	63 989
Alliance Against HIV/AIDS	-	-	-	-	2 788	-	-	2 613
Boithuto Lesedi Project	-	-	-	-	3 249	-	-	3 046
Centre for Positive Care NDA	-	-	-	-	3 478	-	-	3 259
Community Responsiveness Programme (CRP)	-	-	-	-	3 075	-	-	2 882
Eagle Training (ECAP)	-	-	-	-	2 354	-	-	2 206
Educational Support Service Trust (ESST)	-	-	-	-	3 958	-	-	3 709

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2021/22	
	Adjusted budget 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
Friends for Life Welfare	-	-	-	-	3 438	-	-	3 222
Get Down Productions	-	-	-	-	4 592	-	-	4 304
Get Ready Information Services	-	-	-	-	2 674	-	-	2 506
Highveld East Aids Projects Support (HEAPS)	-	-	-	-	4 830	-	-	4 526
Humana People to People	-	-	-	-	2 453	-	-	2 300
Leandra Community Centre	-	-	-	-	2 852	-	-	2 673
Leseding Care Givers	-	-	-	-	1 832	-	-	1 717
Muslim Aids Programme (MAP)	-	-	-	-	2 434	-	-	2 282
National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health (NLGBTH)	-	-	-	-	3 886	-	-	3 642
National Institute Community Development and Management (NIC-DAM)	-	-	-	-	3 031	-	-	2 841
Ramotshinyadi HIV/AIDS	-	-	-	-	3 093	-	-	2 899
South African Organization for People living with HIV & AIDS SAOPHA)	-	-	-	-	2 296	-	-	-
Sunrise Wellness	-	-	-	-	2 296	-	-	2 152
The Training Institute for Primary Health Care (TIPHC)	-	-	-	-	2 307	-	-	2 162
Ukhamba Projects	-	-	-	-	3 049	-	-	3 556
Zakheni Training and Development	-	-	-	-	3 564	-	-	3 340
TOTAL	189 000	-	-	189 000	189 000	-	183 000	181 401

ANNEXURE 1C

Statement of transfers to households

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2021/22	
	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
Transfers	-	-	-	-	-	-	-	-
Leave Gratuity	-	4 495	-	4 495	4 495	100%	6 180	6 180
Claims against the state	-	-	330	330	180	55%	-	-
TOTAL	-	-	330	330	4 675	-	6 180	6 180

ANNEXURE 1D

Statement of gifts, donations and sponsorships received

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2022/23	2021/22
		R'000	R'000
Received in kind		10 783	-
Pfizer child vaccine			
Mebendazole Tablets: National Deworming programme		-	43 791
453 doses of JNJ AD26.SARS.CO.2 Vaccine		-	58 968
Pfizer -Covax facility -7 877 610 doses		-	1 263 647
TOTAL		10 783	1 366 406

ANNEXURE 1E

Statement of aid assistance received

NAME OF DONOR	PURPOSE	Opening balance	Revenue	Expenditure	Paid back on/by 31 March	Closing balance
		R'000	R'000	R'000	R'000	R'000
Received in cash						
CDC Fund	Tuberculosis, HIV and AIDS prevention	-	20 730	20 730	-	-
Global Fund	HIV & AIDS Prevention	458 233	922 803	808 772	458 233	114 031
TOTAL		458 233	943 533	829 502	458 233	114 031

The total transfer received from National Treasury in respect of Donor funds is R1, 047 226 billion. Included in this amount was a R92, 507 million and R11, 186 million for Global Funds and EU funds respectively. These amounts were directly utilised to clear receivables which were raised due to over expenditure recorded in the previous financial years. The total amount recorded as revenue in the Donor Exchequer Account amounted to R943, 533 million.

ANNEXURE 1F

Statement of gifts, donations and sponsorships made

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2022/23	2021/22
	R'000	R'000
Made in kind		
435 Vials of the Comirnaty Vaccine (MRNA COVID-19 Vaccine) to Aurum Institute	-	422
TOTAL	-	422

ANNEXURE 2

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

Nature of Liability	Opening balance	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance
	1 April 2022				31 March 2023
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Barry Mellor vs Kagiso Tholo	15	-	-	-	15
Dr D P Mahlangu	2 195	-	-	-	2 195
ZLD Panel beaters vs The Minister of Health	400	-	-	-	400
Nomusa Mabaso	5 000	-	-	-	5 000
Simphiwe Mhlauli	154	-	-	-	154
National and Overseas Modular and Timber Construction (Pty) Ltd	4 609	-	-	-	4 609
M Madavha	3 000	-	-	-	3 000
TOTAL	15 373	-	-	-	15 373

ANNEXURE 3

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Defence			1 646	1 646	1 646	1 646	-	-
Provincial Health: Mpumalanga			2 267	2 635	2 267	2 635	-	-
Provincial Health: Gauteng			37 695	9 846	37 695	9 846	-	-
Provincial Health: Free State			2 275	2 015	2 275	2 015	-	-
Provincial Health: Eastern Cape			38	-	38	-	-	-
Provincial Health: KwaZulu/Natal			10 962	9 750	10 962	9 750	-	-
National Treasury: Aid Assistance			-	16 709	-	16 709	-	-
NSF Growth			-	293	-	293	-	-
Agric Land reform and Rural Dev			39	-	39	-	-	-
Dirco: Cuban Students			1 433	-	1 433	-	-	-
Provincial Health: North West			1 349	-	1 349	-	-	-
Provincial Health: Northern Cape			1 881	-	1 881	-	-	-
Provincial Health: Western Cape			22 765	-	22 765	-	-	-
			82 350	42 894	82 350	42 894		
Other Government Entities								
Global Funds (SARS VAT)			87 540	108 900	87 540	108 900	-	-
CDC (VAT) & Over-expenditure			156 294	167 531	156 294	167 531	-	-
SAHPRA			-	1 073	-	1 073	-	-
Global Fund.			-	92 507	-	92 507	-	-
Digital Vibes (Private Entity)			176	175	176	175	-	-
NHLS			547	-	547	-	-	-
			244 557	370 186	244 557	370 186		
TOTAL			326 907	413 080	326 907	413 080		

Health Vote 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

ANNEXURE 4

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Provincial Health: Eastern Cape	-	-	19 967	31 407	19 967	31 407	-	-
Provincial Health: Free State	-	-	19 486	27 707	19 486	27 707	-	-
Provincial Health: Northern Cape	-	-	1 461	22 182	1 461	22 182	-	-
Provincial Health: Gauteng	-	-	6 155	36 752	6 155	36 752	-	-
Provincial Health: Limpopo	-	-	31 006	56 217	31 006	56 217	-	-
Provincial Health: KZN	-	-	10 091	32 816	10 091	32 816	-	-
Provincial Health: North West	-	-	25 610	26 834	25 610	26 834	-	-
Provincial Health: Mpumalanga	-	-	13 782	23 483	13 782	23 483	-	-
Provincial Health: Western Cape	-	-	472	4 902	472	4 902	-	-
Total intergovernmental payables	-	-	128 030	262 300	128 030	262 300	-	-

ANNEXURE 5

INVENTORIES

Inventories for the year ended 31 March 2023

	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	5 236	-	-	-	5 236
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	1 348 573	-	-	-	1 348 573
Add: Additions - Non-cash	10 783	-	-	-	10 783
(Less): Disposals	-	-	-	-	-
(Less): Issues	(1 353 237)	-	-	-	(1 353 237)
Add/(Less):	-	-	-	-	-
Add/(Less): Adjustments	3 689 445	-	-	-	3 689 445
Closing balance	3 700 800	-	-	-	3 700 800

Inventories for the year ended 31 March 2021

	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Insert major category of inventory	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	8 594	-	-	-	8 594
Add/(Less): Adjustments to prior year balances	-	-	-	-	-
Add: Additions/Purchases – Cash	7 634 851	-	-	-	7 634 851
Add: Additions - Non-cash	183	-	-	-	183
(Less): Disposals	(7 643 036)	-	-	-	(7 643 036)
(Less): Issues	4 668	-	-	-	4 668
Add/(Less): Received current, not paid (Paid current year, received prior year)	-	-	-	-	-
Add/(Less): Adjustments	(24)	-	-	-	(24)
Closing balance	5 236	-	-	-	5 236

Health Vote 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT
for the year ended 31 March 2023

ANNEXURE 6**MOVEMENT IN CAPITAL WORK IN PROGRESS****Movement in capital work in progress for the year ended 31 March 2023**

Opening balance	Current year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
R'000	R'000	R'000	R'000

Buildings and other fixed structures

Other fixed structures	1 782 358	930 251	133 353	2 579 256
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TOTAL	1 782 358	930 251	133 353	2 579 256
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Movement in capital work in progress for the year ended 31 March 2022

Opening balance	Prior period errors	Current year Capital WIP	Ready for use (asset register) / Contract terminated	Closing balance
R'000	R'000	R'000	R'000	R'000

BUILDINGS AND OTHER FIXED STRUCTURES

	1 298 983	60 330	591 320	168 275	1 782 359
Other fixed structures	1 298 983	60 330	591 320	168 275	1 782 359

TOTAL	1 365 243	60 330	591 320	168 275	1 782 359
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ANNEXURE 7A**INTER-ENTITY ADVANCES PAID (note 14)**

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
DIRCO	-	-	8 815	101	8 815	101
GCIS	-	-	981	5 950	981	5 950
Subtotal	-	-	9 796	6 051	9 796	6 051
PROVINCIAL DEPARTMENTS						
Provincial Health: Eastern Cape	-	-	1 820	1 820	1 820	1 820
Provincial Health: Gauteng	-	-	50 450	50 450	50 450	50 450
Provincial Health: North West	-	-	2 557	2 557	2 557	2 557
Provincial Health: Mpumalanga	-	-	27 229	27 229	27 229	27 229
Provincial Health: KwaZulu/ Natal	-	-	2 184	2 184	2 184	2 184
Subtotal	-	-	84 240	84 240	84 240	84 240
PUBLIC ENTITIES						
DBSA FET (94 Clinics)	-	-	142 439	-	142 439	-
COEGA	-	-	68 892	61 637	-	61 637
IDT	-	-	31 807	-	31 807	-
Subtotal	-	-	244 138	61 637	244 138	61 637
TOTAL	-	-	338 174	151 928	338 174	151 928

ANNEXURE 7B

INTER-ENTITY ADVANCES RECEIVED

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Current						
National Treasury (Conditional Grants)	-	-	4 087	299 787	4 087	299 787
DIRCO	-	-	-	1 754	-	1 754
Subtotal	-	-	4 087	301 451	4 087	301 541
PROVINCIAL DEPARTMENTS						
Current						
Provincial Health: Eastern Cape	-	-	19 967	31 407	19 967	31 407
Provincial Health: Free State	-	-	19 486	27 707	19 486	27 707
Provincial Health: Northern Cape	-	-	1 461	22 182	1 461	22 182
Provincial Health: Gauteng	-	-	6 155	36 752	6 155	36 752
Provincial Health: Limpopo	-	-	31 006	56 217	31 006	56 217
Provincial Health: KwaZulu/ Natal	-	-	10 091	32 816	10 091	32 816
Provincial Health: North West	-	-	25 610	26 834	25 610	26 834
Provincial Health: Mpumalanga	-	-	13 782	23 483	13 782	23 483
Provincial Health: Western Cape	-	-	472	4 902	472	4 902
Subtotal	-	-	128 030	262 300	128 030	262 300
PUBLIC ENTITIES						
Current						
DBSA	-	-	-	278	-	278
Subtotal	-	-	-	278	-	278
OTHER INSTITUTIONS						
Current						
Isibane	-	-	62 522	-	62 523	-
Sivicious Mdicious	-	-	20 620	-	20 620	-
UNISA	-	-	-	10	-	10
Botswana Embassy	-	-	-	139	-	139
Embassy Chattering	-	-	-	93	-	93
Botswana Chattering	-	-	-	136	-	136
Microsoft	-	-	-	8 000	-	8 000
Incon Health	-	-	1	-	1	-
Global Funds	-	-	535	-	535	-
Subtotal	-	-	83 678	8 378	83 678	8 378
TOTAL	-	-	215 795	572 497	215 795	572 497
Current	-	-	215 795	572 497	215 795	572 497

ANNEXURE 8

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2022/23					2021/22	
	Q1	Q2	Q3	Q4	Total	Total	
	R'000	R'000	R'000	R'000	R'000	R'000	
Compensation of employees						-	
Goods and services	6 220	2 735	9 455	1 292 881	1 311 291	7 736 937	
Administrative fees: Payment	-	-	-	-	-	8	
Inventory: Medicine: Vaccines	-	-	-	1 284 823	1 284 823	7 584 659	
Operating Payment	6 155	2 735	9 455	6 928	25 273	107 673	
Advertising	-	-	-	-	-	44 597	
Agency & Support/Outsourced Services	65	-	-	1 130	1 195	-	
Transfers and subsidies						1 600 000	
Departmental Agencies	-	-	-	-	-	100 000	
	-	-	-	-	-	1 500 000	
COVID -19: Provincial Conditional Grants							
Households	-	-	-	180	180	-	
Expenditure for capital assets						-	
Other expenditure and equipment	-	-	-	-	-	-	
TOTAL COVID-19 RESPONSE EXPENDITURE	6 220	2 735	9 455	1 293 061	1 311 471	9 336 937	





National Department of Health

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