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2021/22



health

Department:
Health
REPUBLIC OF SOUTH AFRICA





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Table of Content

PART A: GENERAL INFORMATION.....	6
1.1 Department's General Information.....	7
1.2 List of Abbreviations and Acronyms.....	8
1.3 Foreword by the Minister.....	11
1.4 Statement by the Deputy Minister.....	13
1.5 Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa...	15
1.6 Statement of Responsibility and Confirmation of the Accuracy of the Annual Report.....	21
1.7 Strategic Overview.....	22
1.8 Legislative and Other Mandates.....	22
1.9 Organisational Structure.....	23
1.10 Entities Reporting to the Minister.....	24
PART B: PERFORMANCE INFORMATION.....	25
2.1 Auditor-General Report: Pre-determined Objectives.....	26
2.2 Overview of Departmental Performance.....	26
2.3 Strategic Outcome Oriented Goals.....	27
2.4 Performance Information by Programme.....	27
2.4.1 Programme 1: Administration.....	27
2.4.2 Programme 2: National Health Insurance.....	32
2.4.3 Programme 3: Communicable and Non-Communicable Diseases.....	36
2.4.4 Programme 4: Primary Health Care Services.....	42
2.4.5 Programme 5: Hospital Systems.....	49
2.4.6 Programme 6: Health System Governance and Human Resources.....	51
2.5 Transfer Payments.....	56
2.6 Conditional Grants.....	64
2.7 Donor Funds.....	70
2.8 Capital Investment.....	72
PART C: GOVERNANCE.....	73
3.1 Introduction.....	74
3.2 Risk Management.....	74
3.3 Fraud and Corruption.....	74
3.4 Minimising Conflict of Interest.....	74
3.5 Code of Conduct.....	74
3.6 Health Safety and Environmental Issues.....	74
3.7 Portfolio Committees.....	75
3.8 Standing Committee on Public Accounts(SCOPA)Resolutions.....	76
3.9 Prior modifications to audit reports.....	76
3.10 Internal Control Unit.....	76

3.11 Audit and Risk Audit Committee Report.....	77
3.12 B-BBEE Compliance Performance Information.....	78
PART D: HUMAN RESOURCE MANAGEMENT.....	79
4.1 Introduction.....	80
4.2 Human Resources Oversight Statistics.....	81
4.3 Employment and Vacancies.....	82
4.4 Filling of SMS Posts.....	83
4.5 Job Evaluation.....	84
4.6 Employment Changes.....	85
4.7 Employment Equity.....	88
4.8 Signing of Performance Agreements by SMS Members.....	90
4.9 Performance Rewards.....	90
4.10 Foreign Workers.....	92
4.11. Leave Utilisation.....	93
4.12 HIV&AIDS and Health Promotion Programmes.....	95
4.13 Labour Relations.....	96
4.14 Skills development.....	97
4.15 Injury on Duty.....	98
4.16 Utilisation of Consultants.....	98
4.17 Severance Packages.....	98
PART E: FINANCIAL INFORMATION.....	99
Report of the Auditor-General to Parliament on Vote No. 18: National Department of Health.....	100
Appropriation Statement.....	104
Notes to the Appropriation Statement.....	110
Statement of Financial Performance.....	112
Statement of Financial Position.....	113
Statement of Changes in Net Assets.....	113
Cash Flow Statement.....	114
Accounting Policies.....	115
Notes to the Annual Financial Statements.....	120
Annexures.....	142



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
AFS	Annual Financial Statement
AGSA	Auditor-General of South Africa
AIDS	Acquired Immune Deficiency Syndrome
AMD	Affordable Medicines
AMBCI	Associate Member Business Continuity Institute
APP	Annual Performance Plan
ARC	Audit and Risk Committee
AREC	Animal Research Ethics Committee
ART	Antiretroviral Treatment
ARV	Antiretroviral drug
ASSA	Academy of Science of South Africa
AYFS	Adolescent and Youth Friendly Services
BAS	Basic Accounting System
B-BBEE	Broad-Based Black Economic Empowerment
BCoM	Bachelor of Commerce
BM-NHSP	Bongani Mayosi National Health Scholars Programme
BRRR	Budgetary Review and Recommendations Report
CBD	Central Business District
CCMDD	Centralised Chronic Medicine Dispensing and Distribution
CCM	Country Coordinating Mechanism
CCOD	Compensation Commissioner for Occupational Diseases
CCS	Complaints Complements and Suggestions
CDC	Centres for Disease Control
CDC-HQ	Centres for Disease Control Head Quarters
CDC-SA	Centres for Disease Control South Africa
CDU	Chronic Dispensing Unit
CFO	Chief Financial Officer
CGE	Commission for Gender Equality
CHC	Community Health Centre
CHWs	Community Health Workers
CIA	Certified Internal Auditor
CISA	Certified Information Systems Auditor
CISNA	Committee of Insurance, Securities and Non-Banking Financial Authorities
CMS	Council for Medical Schemes
CoE	Compensation of Employees
COSATU	Congress of South African Trade Unions
COS	Community Outreach Services
COVID-19	Coronavirus Disease
CPAP	Continuous Positive Airway Pressure
CPC	Centre for Positive Care
CRP	Community Responsiveness Programme
CSE	Comprehensive Sexuality Education
DAFF	Department of Agriculture Forestry and Fisheries
DATCOV	Data for COVID-19
DBSA	Development Bank of South Africa
DDG	Deputy Director General
DG	Director General
DHIS	District Health Information System
DIRCO	Department of International Relations and Cooperation
DMoC	Differentiated Models of Care
DORA	Division of Revenue Act
DPME	Department of Planning Monitoring and Evaluation
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
DR-TB	Drug-Resistant Tuberculosis
EAP	Employee Assistance Programme
ECD	Early Childhood Development
EHP	Environmental Health Practitioner
EMS	Emergency Medical Services
EPI	Expanded Programme on Immunisation
ESST	Educational Support Services Trust
EVDS	Electronic Vaccination Data System
EXCO	Executive Committee
FCL	Forensic Chemistry Laboratory
FTSS	Full Time Shop Stewards
FY	Financial Year
GATS	Global Adult Tobacco Survey
GCIS	Government Communication and Information System
GEMS	Government Employee Medical Scheme
GP	General Practitioner
HASA	Hospital Association of South Africa
HCT	HIV Counselling and Testing

HEAPS	Highveld East AIDS Projects Support
HFRG	Health Facility Revitalisation Grant
HISP	Health Information System Programme
HIV	Human Immunodeficiency Virus
HoD	Head of Department
HMIS	Health Management Information System
HP	Health Professional
HPCSA	Health Professions Council of South Africa
HPRS	Health Patient Registration System
HPV	Human Papillomavirus
HRH	Human Resources for Health
HRM&D	Human Resources Management and Development
IAA	Internal Audit Activity
ICD	International Classification of Diseases
ICSP	Intern and Community Service Programme
ICT	Information and Communication Technology
ICU	Intensive Care Unit
IEC	Information Education and Communication
IHR	International Health Regulations
IPT	Isoniazid Preventive Therapy
IRS	Indoor Residual Spraying
ISHP	Integrated School Health Programme
ITHPCSA	Interim Traditional Health Practitioners Council of South Africa
JLN	Joint Learning Network
KZN	KwaZulu-Natal
MAC	Ministerial Advisory Committee
MAP	Muslim AIDS Programme
MCoM	Masters of Commerce
MBOD	Medical Bureau for Occupational Diseases and Compensation
MDR-TB	Multidrug-Resistant Tuberculosis
MEC	Members of the Executive Council
MFL	Master Facility List
MMC	Medical Male Circumcision
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPNH	Maternal Perinatal Neonatal Health
MPSA	Ministry of Public Services Administration
MRNA	Messenger Ribonucleic Acid
MSM	Men who have Sex with Men
MTSF	Medium Term Strategic Framework
NAC	National Anti-Corruption
NATJOINTS	National Joint Operational and Intelligence Structure
NCAS	National Council against Smoking
NCDs	Non-Communicable Diseases
NCOP	National Council of Provinces
NDIS	National Dietary Intake Survey
NDoH	National Department of Health
NDP	National Development Plan
NEHAWU	National Education, Health and Allied Workers Union
NEMLC	National Essential Medicine List
NGO	Non-Government Organisation
NHA	National Health Act
NHC	National Health Council
NHI	National Health Insurance
NHLS	National Health Laboratory Services
NHRC	National Health Research Committee
NHREC	National Health Research Ethics Committee
NICD	National Institute for Communicable Diseases
NICDAM	National Institute Community Development and Management
NIDS	National Indicator Data Set
NIOH	National Institute for Occupational Health
NLGBTHI	National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health
NPFSPC	National Policy Framework and Strategy on Palliative Care
NPC	National Planning Commission
NQIP	National Quality Improvement Programme
NRF	National Research Fund
NRP	National Reference Pricelist
NISEC	National Immunisation Safety Expert Committee
NSC	National Surveillance Centre
NSP	National Strategic Plan
NT	National Treasury
NTSG	National Tertiary Service Grant
OAG	Office of Accountant General
OB	Office Bearers

ODMWA	Occupational Diseases in Mines and Works Act
OHS	Occupational Health and Safety
OHSC	Office of Health Standards Compliance
OIG	Office of Inspector General
OPSC	Office of Public Service Commission
PAYE	Pay As You Earn
PCR	Polymerase Chain Reaction
PEE	Pharmaceutical Economic Evaluation
PEPFAR	President's Emergency Plan for AIDS Relief [US]
PFMA	Public Finance Management Act
PHC	Primary Health Care
PhD	Doctor of Philosophy
PHEF	Public Health Enhancement Fund
PHEIC	Public Health Emergency of International Concern
PILIR	Policy and Procedure on Incapacity Leave and Ill-Health Retirement
PLHIV	People Living with HIV
PMB	Prescribed Minimum Benefits
PMTCT	Prevention of Mother-to-Child Transmission of HIV
PoE	Points of Entry
POPI	Protection of Personal Information
PPE	Personal Protective Equipment
PrEP	Pre-Exposure Prophylaxis
PuPs	Pick up Points
PSF	Private Sector Forum
QLCs	Quality Learning Centres
RCCE	Risk Communication and Community Engagement
RR-TB	Rifampicin-Resistance TB
RRT	Renal Replacement Therapy
RVA	Risk and Vulnerability Assessment
SA	South Africa
SACENDU	South African Community Epidemiology Network on Drug Abuse
SACP	South African Communist Party
SADC	Southern African Development Community
SAHPRA	South African Health Products Regulatory Authority
SAIPA	South African Institute of Professional Accounting Organisation
SLA	Service Level Agreement
SALGA	South African Local Government Authority
SALRC	South African Law Reform Commission
SAMHS	South African Military Health Services
SAMRC	South African Medical Research Council
SANC	South African Nursing Council
SANS	South African National Standards
SAPC	South African Pharmacy Council
SAPS	South African Police Services
SAOPHA	South African Organisation for People Living with HIV and AIDS
SARR	South African Renal Registry
SARS	South African Revenue Service
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SIU	Special Investigative Unit
SMS	Senior Management Service
SOE	State Owned Enterprise
SOP	Standard Operating Procedure
SRH	Sexual and Reproductive Health
STIs	Sexually Transmitted Infections
TB	Tuberculosis
TIPHC	Training Institution for Primary Health Care
TWG	Technical Working Group
UHC	Universal Health Coverage
UK	United Kingdom
UNAIDS	United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNISA	University of South Africa
USCDC	United States Centre for Disease Control
VMMC	Voluntary Medial Male Circumcision
WBPHCOTs	Ward Based Primary Health Care Outreach Teams
WC	Western Cape
WITS	University of the Witwatersrand
WHO	World Health Organization
WSW	Women who have Sex with Women
XDR-TB	Extensively drug resistant TB

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 year 2021-22, undoubtedly, the most challenging period for the nation's health system.

Two years into the pandemic there is still a need to focus on COVID-19 in this report because 2021/2022 was dominated by efforts to contain the pandemic through vaccinations, with unprecedented disruptions to health care delivery and more importantly to the lives of vulnerable communities

Those of us who are alive today, can speak about our experiences in the past tenses. Billions of people were in lockdown, unable to visit one another, go to work, attend school, or meet one another in public places. Heads of States and ordinary citizens alike were in desperate straits, struggling at home, in care homes and in intensive care units, dying of COVID-19, separated from our loved ones in their hours of need. At times of existential danger, we instinctively desired to be close to our family and friends, hold their hands and embrace them – but now we were restricted to do so by the fear that physical contact – every expression of physical loving-kindness and compassion – could bring illness and death.

The COVID-19 pandemic demonstrated to us the value of freedom to move, to be with those we love, to live in dignity and security – whether it is for ourselves or for those around us, from our loved ones to the refugees and the have-nots. Above all, it showed us the importance of recognising the true purpose of our health system, businesses and economies, political parties, faith-based organisations, governments, non-government organisations, community-based organisations, international organisations, conventions, and ideologies, and all our other systems, to serve human needs and purposes. We can meet the needs and purposes of humans within societies and in the natural world by pursuing more than just our individual, self-interested payoffs, but also all the overarching communal goals articulated in our religious and cultural traditions.

The COVID-19 pandemic demonstrated to us that our economic, political, and social systems can serve our needs and purposes only when they induce us to cooperate at the appropriate scale. The pandemic demonstrated to us that if the public and private sectors and civil society join hands, many lives could be saved. The Departments of Health worked in partnership with local and international agencies and community members to tackle the spread and impact of the virus. The magnificent team response achieved during the past year has relied upon the strong

networks we already have in our routine immunisation campaigns and other health programmes. I believe we have shown how, in a time of genuine crisis, our people can come together to work efficiently and creatively to provide support to those most in need.

It has been truly inspiring and heart-warming to see how our health workers, overstretched as they were, pulled together during such sad and devastating times. The spirit of healthcare as a calling seems to have been restored. We pay tribute to all health workers including those who succumbed to COVID-19 whilst saving lives.

Our COVID-19 interventions have resulted in sustained decline in COVID-19 infections to date. As at the 31 March 2022, we had an accumulative figure of 3 718 953 COVID-19 positive cases, 23 839 911 tests were done, unfortunately 100 032 people lost their lives, though 96.9% of those affected had recovered.

The Department commenced the implementation of the National Vaccination with the Sisonke Programme for Healthcare workers in February 2021. As of 31 March 2022, South Africa had administered about 33 738 165 vaccine doses to the general population. A cumulative total 19 398 289 (48.74%) of adults 18 years and older had been vaccinated; and this include 68.8% of adults 60 years and older who are at highest risk of severe disease and death from COVID-19.

As the country recovers from the pandemic, we need to deal with the setbacks, leverage the gains made and move forward with health priorities. The pandemic had resulted in diversion of health system resources, overstretched health systems especially human resources, disrupted health services, worsened the state of non-communicable diseases (including mental health), and exacerbated existing inequalities and poverty.

At a population level, South Africa was on a positive trajectory pre-2021, with gains largely attributed to the continued expansion of the government antiretroviral programme. However, these gains in life expectancy have recently been reversed by an increase in deaths due and/or related to COVID-19.

We still have a lot of hard work ahead of us to reach pre-COVID 19 performance levels for service delivery and population health. To this end, we have developed recovery plans of services that were disrupted by the pandemic.

COVID-19 further highlighted the growing challenge of

non-communicable diseases in our communities. The Department developed a National Strategic Plan on the Prevention and Control of Non-Communicable Diseases (NCD) 2022 – 2027, which will strengthen health systems to respond to NCDs and mitigate risk factors for people with chronic conditions. Furthermore, interventions are also in place to improve mental health services such as building capacity for planning and mental health system strengthening at district and primary health care level by establishing district specialist mental health teams to plan, coordinate and facilitate integrated mental health services across the priority programmes

In effort to combat HIV and AIDS, South Africa's performance against the UNAIDS 90-90-90 strategy for control of the HIV pandemic is 93-78-90, meaning that as at the end of March 2022, 93% of people living with HIV knew their status, 78% of people living with HIV were on anti-retroviral treatment (ART), and 90% of the estimated

proportion of patients on ART, were virally suppressed at 12 months. Our commitment to finding all persons living with active TB in our communities continues. Through the massive TB screening campaign, 95 325 459 people were screened for TB and those eligible, were put on treatment. We are accelerating TB control efforts to help reach our global commitment to End TB in South Africa.

I look forward to building on the strong foundations created during this past year to ensure that the immediate and long-term impacts of the pandemic, as well as the health inequalities that exist in our communities, are fully addressed.



Dr MJ Phaahla, MP
Minister of Health

1.4 Statement by the Deputy Minister



Dr S Dhlomo, MP

Deputy Minister of Health

We are forging ahead with the philosophy of social health and of health for all as the responsibility of the state and not of the market. Health should not be a purchasable commodity. We are convinced, as the founders of the World Health Organization were, that healthcare is a basic human right, the most basic building block for any nation to advance in economic development.

The COVID-19 pandemic greatly disrupted the provision and uptake of health services in the past two years. The Department has now begun to integrate COVID-19 management into essential routine health services. It is important that communities are mobilised to get back to healthy lifestyle activities, health promotion and preventative care. We are dealing with the challenges of non-communicable diseases which began to rise before COVID-19, as well as its impact on mental health.

As a country, we are moving from measures that do the least to lower the quadruple burden of diseases and the overall mortality to those steps that do the most to save lives. While doctors today do wonders by seeking to cure people after they are already sick, this may come too late to save many of them. Preventive measures, like vaccinations or mosquito abatement, are nearly always less expensive and can often obviate the need for costly curative steps. In particular, the provisioning of adequate supplies of potable water and sanitation in rural communities saves even more lives and is especially critical in reducing infant mortality, especially from diarrhoea. Progress in lowering infant mortality is most valuable of all, for when a child's life is saved, they can ordinarily go on to expect to live a long life. As you well know, progress in lowering infant mortality does the most to improve a nation's overall population life expectancy.

The Central Chronic Medicine Dispensing and Distribution (CCMDD) continues to evolve and adapt to patients needs and the overarching public health response in South Africa. The CCMDD follows a patient-centric approach as it aims to provide an alternative mechanism to facilitate access to medicine for stable patients, which assisted in ensuring chronic medication access during the pandemic when the lockdown restrictions were implemented. The CCMDD has a footprint in 8 provinces, 46 districts, and over 3 587 public health facilities. It has contracted over 2 860 external pick-up points which patients may opt to collect their medication from, and these include retail pharmacies, doctor's practices, nurse practices, businesses as well

as innovations such as smart lockers and retrofitted containers.

But the most effective way to improve public health is to reduce poverty and inequality. People who can afford to buy adequate food supplies will benefit from the protection of their more robust immune system; when exposed to disease, a well-nourished individual's own natural immune system has a better chance to mark and clear any invading affliction. Poverty and inequality are the leading killers in our world today. A country with greater inequality will have worse average health status than a country with a more egalitarian distribution of a country's wealth. Inequality kills. As Dr. Martin Luther King once remarked, "of the forms of injustice, inequality in healthcare is the most shocking and inhumane".

We need a health system that focuses on family and community health, disease prevention, and directing scarce resources toward the groups most in need, especially expectant mothers, infants, children, and the infirm elderly. We need to build a health system that deals more with the conditions that lead to poor health – nutrition, clean water, sanitation, vaccination, mosquito control in those areas of our country that have malaria – giving less focus to expensive curative treatments.

As a country, we are committed to the malaria eliminating agenda throughout the SADC region, and this is shown through our commitment and collaboration in various initiative within the region such as Malaria Elimination 8 initiative (E8) and the Lubombo Spatial Development Initiative, which is a malaria cross border initiative among South Africa, Eswatini and Mozambique. Malaria elimination can only be achieved through a concerted cross-border effort, which aims to harmonise malaria polices, optimise intervention coverages, and synchronize operations.

To date South Africa, has 2 617 medical doctors trained in Cuba through the Nelson Mandela Fidel Castro medical training programme. Their training speaks to the underlying philosophy of the National Health Insurance we seek to implement.

Like the Cuban Health System, the cornerstone of NHI is on the prevention of diseases, hygiene, diet, sports, and the fight against risk factors.

In 2014, the United Nations cited Cuba as an example: “Cuba has a lot to teach the world about its preventive health system, which has achieved important results such as low mortality, long life expectancy, and universal coverage”. The organisation appealed to governments to follow the example offered by the island: “Health must cease to be a privilege for the few and become a right for all”. We call upon all our policymakers to assist in realising this noble ideal.



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) COVID-19 was declared by the World Health Organization (WHO) to be a Public Health Emergency of International Concern (PHEIC) on 30 January 2020 and subsequently a pandemic on 11 March 2020. The first cluster of imported cases in South Africa were confirmed on 5 March 2020. The COVID-19 pandemic in South Africa has been with us for more than two years since the first cluster of imported cases were confirmed on 05 March 2020. The Initial phase of intense community transmission lasted from late May to mid-July 2020, and subsequently, the country plunged into a second wave of increasing infections reaching a peak in January 2021 that was higher than the first wave. The magnitude of the second wave was attributed to the high transmissibility of the Beta variant of the SARS-COV2 virus while the third wave had a mix of Alpha, Beta, and Delta variants. On 03 of December 2021, South Africa officially entered the fourth wave of the pandemic, driven by a new COVID-19 Omicron variant, (B.1.1.529): SARS-COV-2 which was first detected in South Africa on 14 November 2021. Cumulatively, as at 31 March 2022, South Africa had a total 3 718 953 positive cases, conducted 23 839 911 COVID-19 tests by the public and private sector laboratories, 100 032 associated lives were lost, though 96.9% of those infected had recovered. Of concern is that South Africa continues to have the highest number of cases accounting for 65.8% of all cases and 77.1% of all reported death within the SADC Region.
- b) South Africa is experiencing a reversal on the gains made in life expectancy at birth and slow downward Maternal, Child and Infant mortality trends, which have been largely attributable to recent increase in deaths due and/or related to COVID-19. The table below depicts progress made with 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	62.0 years	Mid-year population estimates 2021. Statistics South Africa
Life Expectancy of at least 61.5 years amongst males	60.0 Years	59.3 years	Mid-year population estimates 2021. Statistics South Africa
Life Expectancy of at least 67 years amongst females	65.8 years	64.6 years	Mid-year population estimates 2021. Statistics South Africa
≤ 25 under 5 deaths per 1,000 live births	32 under 5 deaths per 1,000 live births (2017)	30.8 deaths per 1000 live births	Mid-year population estimates 2021. Statistics South Africa
8 neonatal deaths per 1000 live births	14 neonatal deaths per 1000 live births	12 deaths per 1000 live births	Rapid Mortality Surveillance Report 2019 & 2020
≤ 20 infant deaths per 1000 live births	23 infant deaths per 1000 live births (2017)	24.1 deaths per 1000 live births	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 per 100 000 live births	Rapid Mortality Surveillance Report 2019 & 2020

- c) The Department of Health continues to build a strong integrated national health system to respond to the priority challenges, including:
- 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. The associated mortality is compounded by a high maternal mortality ratio, child mortality rates as well as high rates of violence, injuries, and trauma.
 - serious concerns about the quality of public health care.
 - an ineffective and inefficient health system; and
 - spiralling private health care costs.

- d) The Department is implementing Universal Health Coverage through the National Health Insurance (NHI). 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 related 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.
- e) The National Development Plan (NDP) 2030 sets out the vision for the South African health system to achieve “A long and healthy life for all South Africans”. NDP also sets out long term goals and 2030 targets as:
- 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.
- f) The Department continues to fast track the implementation of the Presidential Health Compact interventions that lagged due to COVID-19 disruptions. This is a critical component for health systems strengthening for the entire health sector. The Presidential Health Summit, held in 2018, is regarded as a critical consultation process which identified key challenges facing the health system, and most importantly sort solutions to prevent further deterioration of the quality of the health system. The deliberations of the Presidential Health Summit resulted in Presidential Health Compact to strengthen the quality of the health system. The Presidential Health Compact, adopted by all stakeholders, comprised of the following thematic pillars:
- **Pillar 1:** Augment Human Resources for Health (HRH);
 - **Pillar 2:** Ensure improved access to essential medicines, vaccines, and medical products through better management of supply chains, 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 a focus on primary health care;
 - **Pillar 6:** Improve the *efficiency* of public sector financial management systems and processes;
 - **Pillar 7:** Strengthen the 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.
- g) The Department is half-way the implementation of the Medium-Term Strategic Framework (MTSF) 2019-2024. The MTSF is aligned to the Strategic Plan and the Annual Performance Plan of the department and supports realisation of NDP goals.
- The MTSF 2019-24 commitments are:
- 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.

1.2 Significant Events that have taken place during the year

- a) South Africa commenced with the National Coronavirus Vaccination Implementation Plan in February 2021. The implementation of the National Vaccination Programme took a three-phased approach to the roll-out of the vaccines across the country, commencing with frontline health care providers, followed by other essential workers, people above 60 years, people living in custodial centres such as old age homes, and then the rest of the population above the age of 18.
- b) The Sisonke Study was launched on 17 February 2021 providing early access to first COVID-19 vaccination in the country for healthcare workers. The vaccine roll-out to the general population began on 17th May 2021 initially targeting individuals 60 years and older, additional age groups were incrementally added.
- c) As of 31 March 2022, South Africa had administered 33 738 165 vaccine doses. A total 19 398 289 adults had been vaccinated. A cumulative 1 958 752 individuals aged 12-17 years were vaccinated with 1 555 880 having received their first dose and 402 866 had their second dose. 48.74% of adults have therefore received at least one dose of vaccine; this includes 68.77% of adults 60 years and older who are at highest risk of severe disease and death from COVID-19.
- d) The country continued to implement COVID-19 non-pharmaceutical interventions i.e. hand washing, social distancing and wearing of masks remained in place even when most restrictions had been removed. The Department has integrated COVID-19 resurgence planning, surveillance and response in all provinces; as well as vigilance, tracking and timely response to emerging hot-spots.
- e) The NDoH has been hard at work revising its regulations to control notifiable infectious diseases. The Disaster Management was meant to be a temporary tool to assist the State to deal with the COVID-19 disaster, and the National Department of Health has embarked on the process of amending 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 notifiable medical conditions outside the National State of Disaster.
- f) Amendment and public consultations of the following set of Regulations were undertaken:
 - Regulations Relating to the Surveillance and the Control of Notifiable Medical Conditions;
 - Regulations Relating to Public Health Measures in Points of Entry;
 - Regulations Relating to the Management of Human Remains; and
 - Regulations Relating to Environmental Health.
- g) The Department continued to collaborate with partners to implement the National Quality Improvement Programme (NQIP). Since its launch, the Programme identified Quality Learning Centres (QLCs) for participation in which health facilities will be capacitated on measures to improve quality. To date the programme is being implemented in 8 provinces where 21 QLCs were established. The Office of Health Standard Compliance is providing support on the roll-out of the NQIP.
- h) The Department continued its efforts to curb the impact of medico-legal litigations on the public health sector. The forensic investigations are continuing. Investigations of the top law firms that were litigating against the State on medico-legal matters were completed. The Department is awaiting the National Proclamation on Medico-Legal Claims to be signed to provide the Forensic Report by the Service Providers to the SIU for further investigation. External assistance is being provided to provinces in the handling of medico-legal cases.
- i) The CCMD reached a footprint in 8 provinces, 46 districts, and over 3 587 public health facilities. It has contracted over 2860 external pick-up points which patients may opt to collect their medication from, and these include retail pharmacies, doctor's practices, nurse practices, businesses as well as innovations such as smart lockers and retrofitted containers. Under the leadership of the Director-General of Health, CCMD programme submitted its innovations to the Centre for Public Service Innovation, on Innovation Harnessing Technology, ICT and other frontier technologies. This was open to all public sector departments of South Africa. At the awards ceremony, CCMD was awarded the winner in three categories, which are winner for GEMS Award; Innovation Harnessing Technology and lastly, Innovator of the Year.

1.3 Major projects undertaken or completed during the year

- a) The 2030 Human Resources for Health Strategy: Investing in the Health Workforce for Universal Health Coverage was published and shared with a wide range of stakeholders. This Strategy is inclusive of the HRH Plan 2020/21 - 2024/25. The Strategy is rooted in South Africa's National Development Plan (NDP), the policy on National Health Insurance (NHI) and in delivering quality universal health coverage (UHC) to all people in South Africa. The Strategy makes a case for the strengthening of health workforce analysis and planning function at the national level, supported by a comprehensive, integrated, and accurate human resource for health information system. The Strategy provides on the numbers of health worker categories needed for health promotion and disease prevention, as well as curative, therapeutic, rehabilitative, and palliative services.

- b) Despite disruptions to the academic years 2020-2021 by COVID-19, 2 429 Medical Interns and 8 346 Community Service Personnel (including, amongst others, Medical Doctors, Nurses, and Pharmacists) were placed during this reporting period. This additional employment, immensely assisted South Africa in planning, executing, and managing the public health systems' response to COVID-19.
- c) A key development over the COVID-19 period was the deployment of community health workers (CHWs) for the COVID-19 community screening and testing campaign. At the end of March 2021, a total of 48 443 CHWs received remuneration against the MTSF 2024 target of integrating 50 000 CHWs into the public health system. CHWs continue to drive the implementation of COVID-19 interventions and integrating other health programmes with a focus on health promotion, prevention, and adherence to treatment in the communities. CHWs have also been vital in the implementation of the National Welcome Back Campaign which is aimed at re-engaging patients lost to follow on ART and TB treatment. They trace those that have defaulted on treatment and refer them back to the clinic to re-start treatment.
- d) The Electronic Vaccination Data System (EVDS) was implemented to capture vaccination event and provide data to monitor and report on vaccinations administered. The EVDS records vaccines received from a vaccinator registered on the EVDS at an approved vaccine site registered on the Master Facility List (MFL) on a specific date and time. The development and implementation of the EVDS is utilising the Health Information Exchange platform developed for the NHI Digital Health Platform to allow for different components of the EVDS Ecosystem to interface. This is the first time in the South African history that a system developed by government has been embraced and adopted for implementation by both the public and private sector. This is demonstrative of a use-case of the current functionality of interoperability between data systems (between public and private sector systems).
- e) As part of the preparations for the transition from ICD-10 coding standard to ICD-11, South Africa participated in ICD-11 Webinar Series held on 7, 20 and 29 September 2021. A Clinical and Diagnostic Coding Technical Working Group (TWG) was established. The objective of the TWG is to review the available coding systems and standards and provide a recommendation for the formal adoption and regulation of the suite of codes to be used in the South African Health Sector.
- f) The Bongani Mayosi National Health Scholars Programme (BM-NHSP) is an initiative led by the National Health Research Committee (NHRC) and a partnership between the National Department of Health (NDoH), the Public Health Enhancement Fund (PHEF) and the South African Medical Research Council (SAMRC). The BM-NHSP remains one of the nationally coordinated programmes devoted to doctoral development of young scientists from all health professions. Over the past eight (8) years the BM-NHSP has supported the training and development of an academic pipeline of clinical and health researchers. The profile of its PhD graduates reflects the programme's commitment to address racial and gender imbalances within the health research space. Since inception, the programme has funded 145 scholars (130 PhD and 15 MSc scholars) and 82 (70 PhD and 12 MSc) of which more than 50% are Africans.
- g) The Department has implemented the National Guideline to Manage Complaints, Compliments and Suggestions (CCS) to guide health facilities to manage CCS effectively to ensure that patient's right to complain about health services they receive, are upheld. The Guideline was implemented on 1 April 2018 and updated in 2022. An accompanying web-based information system was developed where health facilities can capture all CCS that they receive, this information system provides data on the two indicators for complaints (complaints resolution and complaints resolution within 25 working days) and the type of complaints that are lodged to identify areas for quality improvement at all levels in the health system. A Complaints App for smart phones was launched in December 2021 where the public can lodge complaints about health services provided at public health facilities. These complaints are synced with the complaints web-based information system to ensure that there is one information system where all complaints are recorded for public health facilities.
- h) Health Patient Registration System (HPRS) which is the 'backbone' of the digital system, reached a milestone of 57 000 000 individuals registered in 3111 public health facilities. Building on this, further work will be done this year towards establishment of the single, portable patient record and interoperability of the entire digital system to support the reformed health care system.
- i) South Africa's performance against the UNAIDS 90-90-90 strategy for control of the HIV pandemic is 93-78-90, meaning that, 93 % of people living with HIV knew their status, 78% of people living with HIV are on anti-retroviral treatment (ART), while 90% of the estimated proportion of patients on ART were virally suppressed at 12 months. In total, six districts (4 in KwaZulu-Natal; 1 in Free State & 1 in Mpumalanga provinces) have reached the 90-90-90 cascade. For KwaZulu-Natal - Ugu, Umzinyathi, Umkhanyakhude Districts Have reached the target in December 2019; and Harry Gwala in March 2020. On the other hand, Thabo Mofutsanyana District in Free State reached the target in September 2020, while Ehlanzeni District in Mpumalanga reached it in March 2021.

2. Overview of the financial results of the department:

2.1 Departmental receipts

	2021/22			2020/21		
	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	1203 103	425 640	777 463	3 222	3 301	-79
Interest, dividends and rent on land	15 826	17 469	-1 643	2 700	336	2 364
Financial transactions in assets and liabilities	154 320	77 914	76 406	312	136	176
Sales: Scrap, waste, and other goods	-	-	-	1	0	1
TOTAL	1 373 249	521 023	852 226	6 235	3 773	2 462

2.2 Programme Expenditure

	2021/22			2020/21		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	828 730	672 727	156 003	663 552	550 965	112 587
National Health Insurance	1 025 966	838 153	187 813	1 200 556	1 021 911	178 645
Communicable and Non-Communicable Diseases	35 741 509	35 595 481	146 028	28 624 113	28 348 440	275 673
Primary Health Care	255 112	251 526	4 179	277 085	314 971	-37 886
Hospital Systems	21 114 133	21 011 761	102 372	21 219 600	21 188 507	31 093
Health System Governance and Human Resources	6 442 722	6 360 530	82 192	6 680 006	6 661 283	18 723
Direct charge against the national revenue fund	500 000	407 253	92 747			
TOTAL	65 908 765	65 137 431	771 334	58 664 912	58 086 077	578 835

The Department has spent R64,092 billion of its allocation from the budget of R64,771 billion, representing 99,0% spending rate.

- a) **Compensation of Employees:** Expenditure amounted to R848,239 million which represents 95,0% from the budget of R892,621 million.
- b) **Goods and services:** Expenditure amounted to R9,129 billion with the spending rate of 95,6% from the allocated budget of R9,548 billion.
- c) **Transfer payments:** Expenditure of R54,492 billion (100,0%) was incurred from the budget of R54,493 billion.
- d) **Purchase of Capital Assets:** An amount of R660,304 million (68,4%) was spent on capital payments from the budget of R965,761 million.
- e) **Direct charges against the National Revenue Fund:** An amount totalling R500 million was funded directly from the NRF for COVID-19 Vaccines programme.

2.3 Reasons for under/(over) expenditure

Compensation of Employees

- There were some delays in filling of vacant positions, which emanated from reprioritization exercise in filling of posts. Further, an additional R38 million was received from National Treasury during Adjustment Estimates budget to cater for anticipated salary increase.
- Additional funds were allocated during the Budget Adjustment period, as a result contributed to the Department underspending on COE.

Goods & Services

- Outstanding invoices from Department of Public Works could not be processed by 31 March 2022 due to insufficient supporting documents.
- Procurement process for the Security System of the Department is underway.
- The underspending on Medicine Stock Surveillance and Health Patient Registration Systems is caused by delays in payment of invoices, which emanated from the revision of the HPRS business plan to consider COVID-19 IT activities.
- The Ideal Clinics Peer reviews were cancelled due to COVID-19 pandemic.
- Procurement in Forensic Chemistry Laboratories (FCL) was stopped on 31 August 2021 due to FCLs' function shift from NDoH to National Health Laboratory Services as of 01 April 2022.

Purchase of Capital Assets

The underspending is attributed to slow kick off of infrastructure projects due to COVID-19 pandemic.

2.4 Virements

Approval was obtained from the National Treasury to vire funds after the Adjustments Budget, totalling to an amount of R13,098 million. The virements were from Goods and Services to Transfers and Subsidies.

2.5 Roll overs

None received.

2.6 Unauthorised expenditure

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

2.7 Fruitless and wasteful expenditure

As of 31 March 2022, an amount of R1,5 million was recorded under this item and is R500 000.00 less compared to previous financial year.

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)
204	R30 165 611.13

The Department processes transactions through the open bidding process as depicted in the table below. The open bidding process is for transactions above R1 000 000.

Number of Tenders	Value (R'000)
5	R14 999 184.78

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	151	R36 910 769.00
Level 2	15	R2 085 738.00
Level 3	4	R296 688,96
Level 4	12	R1 642 446,31
Level 5	0	-
Level 6	1	R10 250,00
Level 7	1	R180 281,21
Level 8	0	-
Non-Compliant	25	R4 484 873,00

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 R70,324,328.7 and non-cash assets addition to the value of R0 and Disposals to the value of R94,419,767.84.

The overall assets register of the department has 39134 assets to the value of R653,810,904.06 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

Items	Quantities	Sources
Glove Examination (Top gloves) XS	20 000	WHO
Glove Examination (Top gloves) S	30 000	WHO
Glove Examination (Top gloves) SM	40 000	WHO
Glove Examination (Top gloves) M	30 000	WHO
Glove Examination (Top gloves) ML	31 000	WHO
Glove Examination (Top gloves) L	20 000	WHO
Glove Examination (Top gloves) XL	30 000	WHO
N95 Masks	11 520	UNDP
Gloves Examination (Nitrile) M	7 100	UNDP
Gloves Examination (Nitrile) L	7 400	UNDP
Coveralls (XL)	960	UNDP
Coveralls (XI)	2 480	UNDP
Coveralls (L)	2 520	UNDP
Coveralls (M)	1 000	UNDP

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

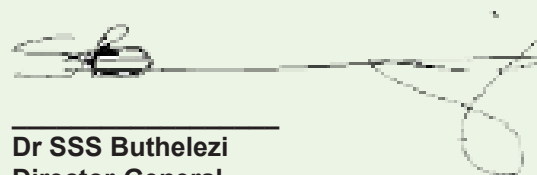
Project Description	Name of Supplier	Actual Value of Contract (R'000)	Reason for the Deviation
Renewal of the LABWARE LIMS software maintenance and support for the four (4) FLC	Labware Africa (Pty) Ltd	R1 871 912,50	Sole supplier

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
Date: 31 May 2022

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 E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for 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 2022.

Yours faithfully



Dr SSS Buthelezi
Director-General
Date: 31 May 2022

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.

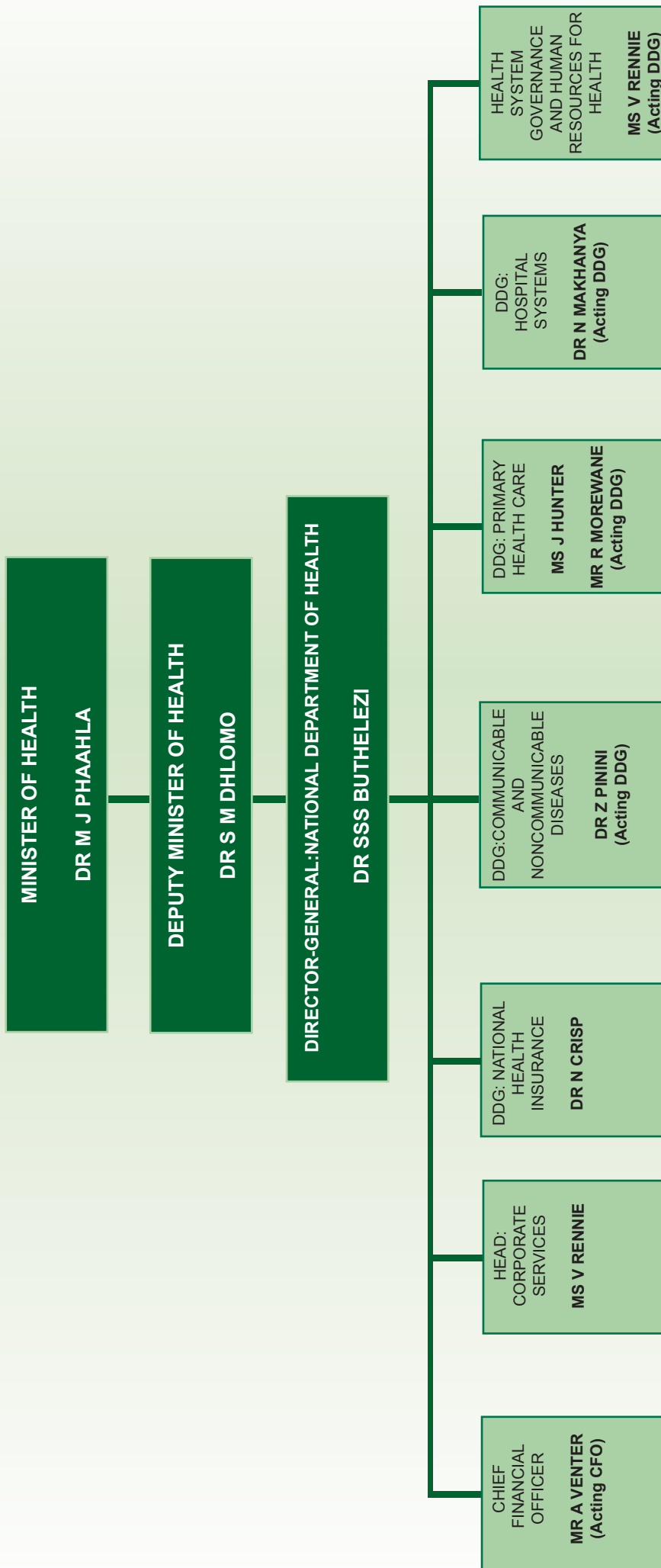
Legislation falling under the Portfolio of the Minister of Health

- 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;
- 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	Provides cost-effective laboratory services to all public sector healthcare providers
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 registers 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 council
Interim Traditional Health Practitioners Council	Traditional Health Practitioners Act, 2007 (Act No 22 of 2007)	Funds Meetings of 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, investigation, inspection, 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 performs 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 to management.

Refer to page 100 of the Report of the Auditor General to Parliament, published in Part E: 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 9 October 2016 and commenced implementation from 1 April 2017.

The following table reflect progress made in 2021/22:

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)	18.8% [2 102 out of 20 022] tested within 90 days
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	90% of claims finalised in the year were finalised within 90 days of receipt of claim documents

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	Key stakeholders were consulted in health sector especially in the efforts to ensure the spread of COVID-19 is contained

Service Delivery Information tool

Current/actual tools	Desired information tool	Actual achievements
Personal interaction, circulars, briefingsto management, induction sessions and workshops	Existing tools	Weekly electronic newsletter (Supatsela), internal circulars, policies and notices were circulated to all employees through e-mail system

Complaint's 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 2021/22 financial year, 18 098 of the 19 476 (93%) complaints that were lodged by provinces were resolved. Of the 18 098 complaints that were resolved, 17 156 (95%) were resolved within 25 working days.
MomConnect for pregnant women and mothers	Improved response time, investigations of complaints and their satisfactory resolutions	MomConnect services support maternal health using cell phone-based technologies, the services are free to the user, and messages are available in all our 11 official languages. By 31 March 2022, a cumulative total of 4276397 pregnant women were registered on MomConnect. A total cumulative 16474 compliments were received by April 2021 to 31 March 2022. The total number of complaints received from 1 April 2021 to 31 March 2022 were 375

Organisational environment

Following the publication of the NHI Bill by parliament, the mandate to conduct an organisational review was issued. It became necessary for the department to determine whether the functions of the NHI branch that has been part of the organogram, which was approved in 2014, were in sync with the provision of the NHI Bill. The organizational structure was reviewed to maximize the achievements of the department's strategic priorities. The success of the implementation thereof is highly dependent on alignment with the allocated available budget.

The review of the organizational structure of the department has been concluded, however, due to funding limitations it will be implemented in phased in approach during the 2022/23 financial year. The department is currently operating within the approved organogram and maximizing the existing personnel while discussions are ongoing between Treasury and the Department of Public Service and Administration.

During the year under review, the national department moved from its former head office located at the Civitas Building in the Pretoria CBD and relocated to new office building located at Dr AB Xuma; 1112 Voortrekker Road in the Thaba Tshwane area-Pretoria. This relocation resulted in the end of the internal employees' impasse emanating from the concerns raised at the Civitas Building regarding occupational health and safety, which affected productivity and optimal functionality of the department over a period of three years.

Key policy developments and legislative changes

In its focus on health, the National Development Plan (NDP) states: "We envisage that in 2030, South Africa has a life expectancy rate of at least 70 years for men and women. The generation of under-20s is largely free of HIV. The quadruple burden of disease has been radically reduced compared to the two previous decades, with an infant mortality rate of less than 20 deaths per thousand live births and an under-five mortality rate of less than 30 deaths per thousand live births. There has been a significant shift in equity, efficiency, effectiveness, and quality of health care provision".

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 through the implementation of NHI Policy. Furthermore, the Department is responsible to directly lead and support the implementation of the Pillars, Interventions, Activities and Targets of the Presidential Health Compact. The Pillars have also found their expressions in the Annual Performance Plan of the Department, its various programmes, and projects.

The National Development Plan ('Vision 2030')

The 2021/22 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 relates to improving the health and well-being of the population, and the other four deals 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: Administration

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

During 2021/22 financial year, the NDoH had a vacancy rate of 16.9%. This is due to budget cuts on the Compensation of Employees (CoE) that were affected by National Treasury over the years. As such, the department has several vacant posts that are unfunded. Nevertheless, the NDoH aims to embark on a robust reprioritisation process to ensure that critical posts are filled as soon as possible and posts that cannot be accommodated fiscally

are abolished timeously. These measures will ensure that the department is within the Department of Public Service and Administration's (DPSA) recommended 10% vacancy rate.

Legal Resource 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 administered by the NDoH and contracts; provision of legal advice and management of litigation by and against the Department of Health.

In 2021/22 financial year, the process to develop Legislation to manage medico-legal claims in South Africa was initiated. The Bill will be drafted in line with the recommendations of the South African Law Reform Commission (SALRC). The SALRC has been requested to do a holistic investigation on medico-legal claims in the public health sector, hence the Bill must be in line with those recommendations. A Discussion Paper was issued in October 2021, for public comments and the Department of Justice commenced with analysis of the public comments received on the Discussion Paper. Once the SALRC recommendations are finalised on the required reforms, the legislative process will commence.

The National Department of Health has adopted a Case Management System to manage medico-legal claims in the country. The Case Management system is being implemented in four Provinces (KwaZulu-Natal, Free State, Northern Cape and North West) and there are four outstanding Provinces (Eastern Cape, Gauteng, Limpopo and Mpumalanga) in which the System must still be rolled out. The Western Cape Department of Health has opted not to participate in the Case Management System since they already have a provincial monitoring system in place. Implementation of the system is such that all the historical outstanding cases are recorded 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 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.

As the COVID-19 pandemic continued to be a challenge in the health system, the department realised the importance of multidimensional characteristic of risk communication and risk perception to promote community engagement in recommended behaviours and adherence to non-

pharmaceutical measures as one of the most important policies and strategies to control the infection.

When the COVID-19 pandemic entered its second year in 2021, the communication cluster, which led the country's Risk Communication and Community Engagement team set:

- To ensure that people have the life-saving information they need to protect themselves and others from the virus and to reduce its impact on health, social life, and the economy.
- To ensure effective feedback mechanisms are in place and used to ensure two-way communication between health/response authorities and communities, the public and stakeholders.
- To ensure that health workers know how to engage with patients and care givers, detect possible cases, communicate with patients about COVID-19, and report to the relevant health authorities.
- To ensure that health workers know how to protect themselves in the context of their exposure to the disease.
- To position country health officials as the main/first trusted source of information about COVID-19
- To ensure consistency in information and language from all partners and avoid misinformation.
- To inform the public on how the public health response to COVID-19 is being conducted in monitoring, detecting, and preventing the spread of COVID-19.
- To ensure participation of and engagement with relevant communities to increase uptake of public health measures and address barriers to their implementation.

It became evident for effective communication in general, and especially in an emergency, that it is very important to identify or segment and target the sub-groups. With the support of partners, the following were used: broadcast media (TV, radio), social media (Facebook, Twitter, Instagram, and WhatsApp), websites (from trusted organisations/sources), influencers and community leaders.

The thrust of the departmental messages was that in the context of COVID-19, all persons are potentially at risk in the absence of preventive practices (which includes vaccination). It has been a vote of confidence in the government communication to see the communication products the DoH produced being used by actors in the private sector.

The Risk Communication and Community Engagement (RCCE) Committee included the vaccination programme in the RCCE Strategy. Government set a target to vaccinate 70% of the eligible South African population by the end of December 2021. To achieve this goal, a task team for vaccine demand creation was established under the leadership of the national Department of Health. This team consisting of partners, stakeholders, civil society, and non-government organisations, developed several demand creation strategies, including:

- Providing signage to all vaccination sites.
- *Vooma* Weekends where political, community and traditional leaders visited communities during designated weekends to drum up support for the vaccination programme.
- The *Ke Ready* and UN *Zwakala* campaigns aimed at young people.
- Below and above the line campaigns to address vaccine hesitancy and promote vaccinations.
- The Social Listening Stream of the RCCE expanded its scope to monitor mis/disinformation around vaccination. The stream produced weekly social listening reports, which were used to inform the communication priorities of the RCCE for the upcoming weeks.

Outcomes, outputs, output indicators, targets and actual achievements

Table 1: Report against the tabled Annual Performance Plan

Outcome	Output	Output Indicator	Actual achievement 2020/21	Planned Target 2021/22	Actual achievement 2021/22	Deviation from Planned Target to actual achievement 2021/22	Reasons for Deviations
Financial Management strengthened in the health sector	Audit outcome of National DoH	Audit outcome of National DoH	Unqualified Audit opinion for 2019/20	Unqualified audit opinion for 2020/21 FY received	Unqualified audit opinion for 2020/21 FY received	None	Not applicable
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	A policy and legal framework developed to manage medico-legal claims in South Africa (also referred to as Litigation Strategy) drafted	A policy and legal framework gazette to manage medico-legal claims in South Africa	Nil	A policy and legal framework to manage medico-legal claims in South Africa not gazetted	The South African Law Reform Commission (SALRC) published the Discussion paper on Medico-Legal Claims Project 141 to come up with the Legal Framework to manage Medico-Legal claims in South Africa. After consideration of public comments, the SALRC will finalize the Report with a proposed Bill.
Contingent liability reduced to under 60% of the backlog in value	A secure case management system developed and implemented to streamline case management and reduce contingent liability	A secure case management system developed and implemented to streamline case management	Case management system developed and implemented in 3 provinces	Case Management System used to manage new medico-legal claims in 7 provinces	Case Management System used to manage new medico-legal claims in 4 provinces (Free State, KwaZulu-Natal, Northern Cape & North West	-3 provinces	Gauteng, Mpumalanga and Limpopo: to further engage the Service Provider regarding the integration of their system with the Case Management System. Data cleaning of medico-legal cases is underway in Eastern Cape
Premature mortality due to NCDs reduced to 26% (10% reduction)	100 Health Promotion messages actively marketed through social media	Number of Health promotion messages broadcasted on social media to supplement other channels of communication	New Indicator	100 health promotion messages broadcasted on social media	443 health promotion messages broadcasted on social media	+343 health promotion messages broadcasted on social media	Effective collaboration with partners. Invested in social media campaigns for all eligible groups for vaccinations and Safer Holidays during the Festive Season. Vooma vouchers, TB, Vaccine boost, Vaccine safety, Vaccine myths, KeReady, Reproductive Health, and Health Awareness days health promotional messages boosted the numbers.

Strategy to overcome areas of under performance

As soon as the SALRC has made their recommendations on the required reforms, then the legislative process to manage medico-legal claims in South Africa will be initiated. The Department has engaged the remaining Provinces and the Service Provider to ensure that they fast track integrating the provincial systems with the Departmental Case Management System. Both CAJV and Norton Rose Fulbright are continuing to assist the Provinces in the handling of Medico-Legal cases.

Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	geographical locational (provincial, district/local municipality)	no of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget allocated	budget spent per intervention	contribution to the output of APP where applicable	immediate outcomes
Programme 1	Effectively engage communities through demand creation and social mobilisation, to address hesitancy and improve vaccine uptake.	All 9 provinces and 52 districts	All residents in South Africa	Demographic segmentation; Youth (12-35 years), Men (18-49 years), People (50 years and older) Undocumented persons People living with chronic diseases	No budget allocated	Not applicable	Placement of health promotion messages on social media platforms	Paid social media campaign was set up. Ad placement is currently on Facebook, Twitter and Instagram. Newsfeeds targeting+ 2 million followers (Facebook), 369 000 followers (Twitter) and 2 685 followers (Instagram). Monitoring conversations, concerns, sentiments, and misinformation to health messages, and produce a social listening report, which informs communication priorities and new messaging.

Linking performance with budgets

Two of the four outputs of this Programme were fully achieved whereas the remaining two outputs were not fully achieved.

Sub-programmes	2021/2022			2020/2021		
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry Management	41 294	32 965	8 329	35 815	32 188	
Corporate Services	9 267	7 153	2 114	9 380	7 089	
Office Accommodation	430 533	356 216	74 317	345 461	310 887	
Financial Management	186 400	172 949	13 451	175 892	112 939	
Total	161 236	103 444	57 792	97 004	87 862	
	828 730	672 727	156 003	663 552	550 965	

2.4.2 Programme 2: National Health Insurance

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 sub-programme is responsible for developing and implementing systems to ensure sustained availability and equitable access to pharmaceutical commodities. This is achieved through the development of the governance frameworks to support:

- the selection and use of essential medicines and the development of standard treatment guidelines,
- the administration and management of pharmaceutical tenders,
- the development of provincial pharmaceutical budgets.
- the reformation of the medicine supply chain; and
- licensing of persons and premises that deliver pharmaceutical services.

The sub-programme has also implemented several reforms aimed at improving the resilience of the medicine supply chain. The reforms were enabled by the implementation of information systems to support the establishment of the National Surveillance Centre (NSC) on medicine availability thus providing visibility across the medicine supply chain. Relevant stock information from the NSC is used to support the planning processes required for a responsive and resilient medicine supply chain.

During the 2021/22 financial year, the Affordable Medicines Directorate (AMD) successfully led the financing request, procurement and logistics activities related to the COVID-19 vaccine roll out. Furthermore, AMD provided secretariat and technical support to various Ministerial-appointed advisory committees, i.e. the Ministerial Advisory Committee (MAC) on COVID-19, Ministerial Advisory Committee (MAC) on COVID-19 Vaccines and National Essential Medicines List Committee on COVID-19 therapeutics (NEMLC C-19T). The NEMLC C-19T provides specific patient-focused evidence-based recommendations to support therapeutic and preventative therapies for COVID-19, as well as being supportive agents for the management of comorbid diseases, for inclusion in the Clinical Management of Suspected or Confirmed COVID-19 Disease Guideline. During 2021/22, 12 technical reviews were conducted to support the recommendations made.

Furthermore, to support access to vaccination sites, AMD facilitated the issue of 4 936 permits in terms of Section 22A (15) of the Pharmacy Act.

Using data from facility level stock visibility and management systems, as well as supplier provided data, AMD was able to develop appropriate demand and supply

plans to maintain overall stock availability in the country at over 85%, despite global supply chain disruptions. All information is available on the National Surveillance Centre and a COVID-19 specific dashboard was created to track availability of items considered to be a priority during the pandemic. In addition, during this period, pharmaceutical contracts to the value of R28,659,364,930.09 were awarded to successful bidders.

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 sub-programme commissions research on health financing, develops policy for the medical schemes industry, provides technical oversight of the Council for Medical Schemes, and manages the national health insurance indirect grant. The sub-programme also implements the single exit price regulations, including policy development and implementation initiatives in terms of dispensing and logistical fees.

During the 2021/22, the Department attended all the Parliamentary Hearings of the Health Portfolio Committee in the National Assembly on the National Health Insurance Bill as part of the legislative process. The Department also provided responses to the Health Portfolio Committee on issues raised by stakeholders during the hearings.

The Department provided technical oversight to the Council for Medical Schemes (CMS) in addressing issues on regulation of the conduct of medical schemes and in resolving outstanding complaints brought to the attention of the Minister by Scheme members. In addition, regulatory support was provided to the CMS in respect of ensuring that COVID-19 vaccination becomes a prescribed minimum benefit (PMB) for members of medical schemes. Support was provided to the CMS in pursuing the finalisation of Section 59 Investigation Report. The Department provided technical guidance on the Health Market Inquiry Recommendations, the Conduct of Financial Institutions (COFI) Bill and the Financial Sector Regulation Act be considered by the health sector. Oversight was also provided in reducing the costs of COVID-19 PCR tests through facilitation of engagements between the CMS and the Competition Commission. The Department provided oversight on the CMS Annual budget, Annual Performance Plan (APP), annual levies for medical schemes and annual broker fee changes.

The CCMDD programme is an NHI initiative and is rolled out to 8 provinces, WC have their own programme called CDU. The CCMDD programme identified an opportunity to target the long-term therapy category and provide an alternative, more convenient solution for stable patients to access chronic medicine. Prescriptions are dispensed and packaged offsite and delivered to pre-assessed external pick-up points (PuPs) to provide the patient with a location that may be nearer to their homes or workplace. This results in reduced transport costs and decreases the economic burden on the patient.

Prescribing is done by clinicians in public health facilities and dispensing and PuP services are offered through private contracted parties. An ICT system was developed to manage the data transfers through the value chain from prescription to patient collection. The innovation digitises a patient's public health prescription at the public health facility. The platform is a web-based solution that allows for duplicate prescriptions or contraindicated medicines to be identified. The digital prescriptions and any necessary clinical notes are transferred to private courier pharmacies to dispense and distribute the patient's prescription to the patient's chosen PuP. More than 5 013 074 patients are registered into the programme of which 1 710 647 receive antiretroviral treatment, 380 432 receive antiretroviral scripts with other medicines for co-morbidities and 521 453 receive scripts for non-communicable diseases (NCDs). There are currently 3591 public sector pickup points and 2980 external pick-up points. 61% of patients collect their medication from external pickup points. The electronic system has been rolled out to 2348 health care facilities. During 2021/22 the indirect National Health Insurance grant was used to provide services under the CCMDD programme.

Pharmaceutical Economic Evaluations

The Pharmaceutical Economic Evaluations Directorate (PEE) reviewed the 2021 maximum dispensing fees for pharmacists and persons licensed in terms of Section 22 (C) (1)(A) and these were published for implementation on 26 March 2021 and 10 September 2021 respectively. The draft gazettes for 2022 dispensing fees were published for comment on 17 December 2021 and are yet to be finalised for implementation. As stipulated in terms of Regulation 8 of the medicines pricing regulations to Section 22G of the Medicines and Related Substances Act 101 of 1965 (Medicines Act), the Minister may annually adjust Single Exit Prices for medicines. The Minister approved the Single Exit Price adjustments of 3.68% for 2021 and 3.5% for 2022 and implementation thereof was finalised in June 2021 (16 659-line items) and April 2022 (17 329-line items).

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

Table 1: Report against the tabled Annual Performance Plan

Outcome	Output	Output Indicator	Audited Achievement 2020/21	Planned Target 2021/2022	Actual achievement 2021/22	Deviation from Planned Target to Actual Achievement 2021/22	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 2023/24	New Indicator	Portfolio Committee and NCOP public hearings on the NHI Bill in Parliament attended	The Department of Health attended all the public hearings on the NHI Bill in Parliament as scheduled by the Portfolio Committee	NCOP public hearings on the NHI Bill did not commence	NCOP public hearings on the NHI Bill delayed due to Portfolio Committee hearings that were still underway at the end of the financial year
	Medical Aid Beneficiaries registered on HPRS	Medical Aid Beneficiaries registered on HPRS	New Indicator	Medical Aid Beneficiaries registered on HPRS	The Department held discussions with the Council for Medical Schemes	Medical Aid Beneficiaries not registered on HPRS	The process to register beneficiaries is stalled by the Medical Aid Schemes referencing the POPI Act
Resources are available to managers and frontline providers, with flexibility to manage it according to their local needs	Technical Working Group appointed to draft the Service benefit framework for PHC	Technical Working Group appointed to draft the Service benefit framework for PHC	Terms of Reference drafted for the Technical Working Group	Service benefits framework for PHC completed	The Service Benefits Framework for PHC was developed	Service benefits framework for PHC not tabled at NHC for approval	NHC Agenda could not accommodate this presentation
	4.5 million Patients registered to receive medicines through the centralised chronic medicine dispensing and distribution (CCMDD) system	Total number of patients registered to receive medicines through the CCMDD system	4 321 755 patients enrolled for receiving medicines through the CCMDD programme (cumulative)	4.5 million	More than 5 million (5 013 074) patients enrolled for receiving medicines through the CCMDD programme (cumulative)	+513 074 patients enrolled	Due to the many positive offerings of the programme, more patients request to be enrolled into the programme. The COVID-19 pandemic has also forced many facilities to register more patients onto the programme, due to limited resources at facility level
Resources are available to managers and frontline providers, with flexibility to manage it according to their local needs	3830 health facilities reporting stock availability at national surveillance centre	Total number of health facilities reporting stock availability at national surveillance centre	3 825 (3323 clinics/ CHC/CDC, 379 Hospitals, 123 other medicine storage sites)	3830	3873	+43 health facilities	Additional sites came online

Strategy to overcome areas of under performance

The Department will attend the NCOP public hearings in Parliament when they commence in the new financial year. With regard to registration of Medical Aid Beneficiaries on the HPRS, the Legal advice received by the Department stipulates that the Act will need to be amended. Tabling of the Service Benefits Framework to the NHC will be prioritised in the 2022/23 financial year.

Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographical locational (provincial, district/local municipality)	No of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget allocated	Budget spent per intervention	Contribution to the output of APP where applicable	Immediate outcomes
Programme 2	Institutionalise the standard Treatment Protocols and Therapeutics use for COVID-19	National	All residents of South Africa		No budget allocated	Not Applicable		Rapid evidence-based reviews available to address urgent treatment policy decisions
	Ensure required health products commodities and supplies are available for the response	National, Provincial, District, Facility	All residents of South Africa				Total number of health facilities reporting stock availability at national surveillance centre	Availability of PPE at facility stabilised
		National	All residents of South Africa				Total number of health facilities reporting stock availability at national surveillance centre (NSC) COVID-19 and PPE dashboards were created on the NSC so that data at facility level (both public and private sector for vaccines) was available to all relevant stakeholders.	NSC data is utilized to develop demand and supply plans for PPEs Availability of PPE at facility stabilised Medicine availability maintained at above 85% during the entire pandemic period. Availability of first line ARV maintained at above 97%

Linking performance with budgets

Two of the five outputs of this Programme were fully achieved whereas the remaining three outputs were implemented but not fully achieved.

Sub-programmes	2021/2022		2020/2022	
	Final appropriation	Actual expenditure	Variance	Final appropriation
Programme Management	5 968	4 639	1 329	R'000
Affordable Medicine	50 703	37 299	13 404	4 772
Health Financing and National Health Insurance	969 295	796 215	173 080	42 091
TOTAL	1 025 966	838 153	187 813	1 200 556
				Actual expenditure
				R'000
				3 279
				32 421
				986 211
				1 021 911

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 entails ensuring the implementation of the health sector components of the 2017-2022 national strategic plan on HIV, TB and STIs. Other important functions of this sub-programme are the management and oversight of the HIV and AIDS component of the HIV, TB, malaria, and community outreach grant implemented by provinces, and the coordination and direction of donor 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 2021/22 financial year, the sub-programme managed to establish 1 264 youth zones intended at reducing HIV and AIDS and teenage pregnancy amongst the youth. The Medical male circumcision (VMMC) programme was reinstated following the COVID-19 challenges, circumcisions were scaled up to a total of 385 696, by February 2022 with a cumulative number since inception of the programme of 4 852 032. The total number of districts that have attained the graduation status for the 90-90-90 targets is six (6) while all 52 districts had achieved the first 90 by the end of the financial year with a total of 17 363 017 HIV tests conducted. The total number of newly initiated patients on ART was 452 219 while patients remaining on ART were 5 217 131.

South Africa's performance against the UNAIDS 90-90-90 strategy for control of the HIV pandemic is 93-78-90, meaning that as at the end of March 2022:

- 93 % of people living with HIV knew their status,
- 78% of people living with HIV are on anti-retroviral treatment (ART), and
- 90% of the estimated proportion of patients on ART, were virally suppressed at 12 months.

The subprogram has managed to increase the number of facilities initiating Pre-Exposure Prophylaxis (PrEP) to 2 224 out of a total of 3 465.

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 2017-2022 national strategic plan on HIV, TB and STIs.

During the 2021/22 financial year, the country screened 95,325,459 clients for TB and a total 173,015 were diagnosed with TB infection. There was a total of 91,145 (84,655 drug susceptible TB and 6,490 drug resistant TB) patients notified for the 2021/22 TB cohort. The treatment success rate for all drug susceptible TB was 78.5% with a loss to follow-up rate of 12.6% and a death rate of 8.1%. Regarding drug-resistant tuberculosis, there are two groups: the first group on 9 months regimen and the second group on 18 months regimen. Out of all Rifampicin Resistant / multi drug resistant (RR/MDR-TB) patients treated during 2019, 5 430 out of 8 277 (66%) were successfully treated, while of the 452 Extensively Drug Resistant (XDR-TB) patients treated during the same period, 270 (60%) were successfully treated. Several patients treated during the year 2020, were not evaluated; therefore, outcomes of patients on shorter treatment regimen were considered, wherein 2 836 out of 4430 (64%) were successfully treated.

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 2021/22, the sub-programme produced a new policy: South African Maternal, Perinatal, and Neonatal Health Policy (21 June 2021). The policy is based on the six building blocks for health system strengthening to improve the quality of service for mothers and new-borns. The objectives of the policy are:

1. Strengthen leadership's responsibilities and accountability structures for the provision of quality services and improve the uptake of comprehensive and integrated MPN care and treatment services across the continuum of health care,
2. Strengthen the health system delivery platforms by addressing the WHO recommendation on "building blocks" for quality Maternal Perinatal Neonatal Health (MPNH) services along the continuum of health care,
3. Promote access to respectful and non-judgmental maternal and neonatal services for women, new-borns, and communities,
4. Promote coordinated, meaningful, multi-sectoral community engagement to inform measures to improve care access to enhance positive pregnancy outcomes,
5. Develop a sustainable surveillance system for

maternal, perinatal and neonatal morbidity and mortality, including research developments in health system service delivery, quality improvement and innovative interventions.

The purpose of the policy is to mitigate the collateral damage due to COVID-19 pandemic. The revised guidelines created a framework for continuity of maternal and neonatal health services even during the pandemic situation. Further to that, a total of 14 modules on sexual and reproductive health curriculum were developed to improve the clinical skills of health care practitioners on maternal and neonatal services. The skills gap was aggravated by the loss of specialists and other support staff personnel working in the maternal and neonatal 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 focus on ensuring 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 and oversight of the HPV vaccination campaign, whilst improving access to adolescent sexual and reproductive health services both in-and-out of school settings remain a priority for improving adolescent health and well-being.

During 2021/22, the sub-programme focused on ensuring continuity and strengthening child and youth health services despite the ongoing COVID-19 pandemic. The second season of the Side-by-side radio shows which aim to support caregivers and parents to provide the full scope of family and household care required to optimise the health and well-being of young children were successfully concluded. The radio shows were broadcast in 10 official languages on 11 radio stations and reached 5.1 million listeners per week.

The Primary Health Care Utilisation Rate for children under five years of age remained low at 2.9 visits per child (under-five years). This was an increase from the 2.6 visits per child during 2020/21, but substantially lower than the 3.5 visits per child recorded in each of the three years preceding the pandemic. Building on the EPI catch-up campaigns implemented in all districts in 2020/21, immunisation coverage rates returned to pre-pandemic levels with slightly higher rates than those reported in the three years preceding the pandemic. However, it should be noted that the fully immunised under one year coverage of 84.6% and Measles 2nd dose coverage of 82.9% remain considerably lower than the global targets for 90% and 95% respectively.

However, activities associated with routine case-based surveillance of vaccine-preventable disease (especially measles and polio) were disrupted due to most staff being actively involved in COVID-19-related surveillance and response activities. Despite this, the EPI programme in collaboration with the Eastern Cape Department of Health successfully responded to a polio event (identification of Sabin-like virus Type 2) at the Brickfields Wastewater site in Gqeberha, Nelson Mandela Bay.

The need to improve identification, retention in care and viral suppression of children and adolescents living with HIV to reach the 90-90-90 targets was also highlighted. Key actions with Paediatric and Adolescent HIV implementation matrix interventions were identified across all nine provinces for inclusion in their HIV/TB catch-up plans.

Provision of school health services in schools was re-established. 389 707 girl learners were vaccinated during the second round of the 2021 HPV vaccination campaign. Modules on comprehensive sexuality education (CSE) and adolescent and youth friendly services (AYFS) were successfully incorporated into the national comprehensive sexual and reproductive health (SRH) online training for healthcare workers.

The sub-programme played an important role in implementing the COVID-19 Vaccination Programme. Key activities included development of guidelines and training materials, working with the public and private sector to establish a network of vaccination sites and training of vaccinators to provide COVID-19 vaccination. Existing EPI systems including the system for reporting of Adverse Events following Immunisation (overseen by the ministerial-appointed National Immunisation Safety Expert Committee (NISEC), were leveraged to support the COVID-19 Vaccination Programme. Other investments resulting from the COVID-19 Vaccination programme, including expansion of cold chain capacity and digital systems will also strengthen the routine immunisation system in future years.

Communicable Diseases

This sub-programme develops policies and supports provinces in ensuring 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 surveillance for disease detection; strengthens preparedness and core response capacity for public health emergencies in line with international health regulations; and facilitates the implementation of influenza prevention and control programmes, neglected tropical disease prevention and control programmes, and malaria elimination.

The sub-programme consists of two Directorates, namely:

- Communicable Disease Control
- Malaria and Other Vector-borne Diseases

In 2021/22 financial year, the sub-programme rendered technical support in the response to the COVID-19 pandemic. The sub-programme worked in collaboration

with the National Institute for Communicable Diseases (NICD) to monitor other medical notifiable medical conditions such as the typhoid fever which was reported in March 2022 in Gauteng and other parts of North West Province. A total of 871 910 seasonal influenza vaccines were distributed and 612,848 (70.3%) vaccines were administered. The country experienced challenges with the flu vaccines late arrival, while Limpopo province did not participate in 2021 flu vaccinations due to budgetary constraints.

The target of eliminating malaria in South Africa by 2023 is still attainable but can only be achieved through a concerted cross-border effort by harmonizing malaria policies, investing in thorough intervention coverage and by synchronizing operations. During the year under review, South Africa's malaria cases showed a 5% increase from 6 005 cases in 2020/21 to 6 329 cases in 2021/22 financial year. However, a 4 % decrease in malaria deaths was observed with 48 deaths reported in 2020/21 to 46 deaths reported in 2021/22 financial year. Delays in health-seeking behaviour (due to lockdown restrictions and fear of contracting COVID-19) by communities attributed to increased reported malaria deaths. Integration and strengthening of interventions such as advocacy/health promotion and case management at the community level would contribute to averted malaria deaths, especially as COVID-19 presents similar symptoms as that of malaria.

Non-Communicable Diseases

This sub-programme establishes policy, legislation, and guidelines, and assists provinces in implementing and monitoring services for chronic non-communicable diseases; disability and rehabilitation; older persons; eye health; palliative care; mental health and substance abuse; and forensic mental health.

The sub-programme consists of three Directorates, namely:

- Chronic Diseases, Disabilities and Geriatrics
- Mental Health and Substance Abuse
- Forensic Mental Health

The sub-programme achieved the following in 2021/22 financial year:

The National Strategic Plan (NSP) for Non-Communicable Diseases (NCD) was approved by the National Health Council (NHC) and will be launched for implementation on 31st May 2022. The National User Guide on the Prevention and Treatment of Hypertension in Adults at PHC Level was approved and Provinces were orientated on the Guide. Guidelines for the Continuum of Care for Lung Cancer were finalised and costed. National Strategy on Ageing and Health Strategy was developed and consultations with Provinces and relevant stakeholders are underway. This strategy is in response to the WHO Global Strategy and Action Plan on Ageing and Health (2017) and the United Nation's Decade of Healthy Ageing 2021-2030 (2020). A National Policy Framework and Strategy on Palliative Care

(NPFSPC) 2017-2022 was also developed. Draft one of the National User Guide on Palliative care for children and Palliative care continuum of care for adults' documents are being prepared.

The Mental Health and Substance Abuse programme undertook various initiatives in 2021/22 financial year towards improving quality of and access to mental health services in the country. The South African Federation for Mental Health was funded to operate a mental health information and support desk providing information on various mental health issues and linkage to services provided by other stakeholders where necessary.

A total of 1 273 people were assisted through the help desk. The district specialist mental health teams have been established in 4 provinces to plan, coordinate, and support integrated mental health services. Strategic purchasing of mental health services was implemented through contracting of Psychiatrists, Psychologists and Registered Counsellors to enhance screening, early detection, treatment, and referral for mental disorders at Primary Health Care Level. These categories have been expanded in 2022/23 to include Social Workers and Occupational Therapists. The draft Regulations for the licensing of community day care and residential care facilities for people with mental illness and severe or profound intellectual disability were approved by the NHC. Training was provided to 587 health care professionals on mental health to manage common mental health conditions for diagnosis and treatment of commonly occurring conditions. A review of the policy guidelines on 72-hour assessment of involuntary mental health care users was undertaken.

Government approved the recommendations made by the Truth and Reconciliation Commission regarding reparation and rehabilitation of victims and survivors of the gross human rights violations in terms of the Promotion of National Unity and Reconciliation Act, 1995 (Act No. 34 of 1995). Five (5) new Truth and Reconciliation Commission victims were referred by the Department of Justice and Constitutional Development and attended to for medical benefits/health services, over and above the referrals and follow-ups of previous referrals.

The demand for forensic mental health services is growing, based on the high prevalence and crime rate in the country, which forms the basis for the high referral rate from the Courts for this service. From January to December 2021, about 250 new State patients were referred for the necessary care, treatment, and rehabilitation in designated psychiatric hospitals. During the 2021/22 financial year, 290 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 National Prosecuting Authority on matters pertaining to forensic mental health services.

Health Promotion and Nutrition

This sub-programme formulates and monitors 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 NCD's, but general preventive and promotive health and nutrition, to assure a healthy population is also fostered. During the 2021/22 financial year, the Directorate Food Control continued to administer the Foodstuffs component of the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No.54 of 1972) as amended, the main piece of legislation ensuring food safety in the country, It ensures that food sold is safe, wholesome and accurately and honestly labelled. The sub-programme developed working documents to facilitate stakeholder consultation in the areas of additives and maximum levels for pesticide residues in food. A stakeholder seminar was hosted to provide feedback on the critical research work necessary for the proposed front of pack labelling system for foods that is to be integrated into new revised labelling regulations that were finalised and being prepared for publication in the government gazette for public comments.

In 2021/22 financial year, the sub-programme conducted various campaigns including the National Nutrition Week campaign from 9 - 15 October under the theme "eat more vegetables and fruit every day." The theme was built on the strong focus towards reducing risk factors for NCDs through promotion of healthy eating. All 9 provinces participated in creating awareness on the theme. The approaches used included 1) the dissemination of five infographics in both print and social media formats, 2) a national social media campaign, 3) media interviews and articles generated from a national media release and 4) interpersonal talks/activations at health facilities, schools, and workplaces. The sub-programme also hosted the World Obesity Day webinar to discuss the 2022 theme 'Everybody needs to act to make healthier choices easier' on 4 March 2022. The NDoH collaborated with Department of Basic Education, Department of Social Development, South African Military Health Service (SAMHS) and several non-governmental organisations involved in Nutrition to conduct these campaigns. The second major campaign was around the World No Tobacco Day.

The sub-programme has also conducted two surveys. The first survey was on the National Dietary Intake Survey (NDIS), in rural, deep rural, farm areas, urban and peri-urban to determine foods and drinks consumed by various living standards measure groups in South Africa and to understand factors influencing their intake. A report on phase one of the survey was produced which includes a desktop review from foods procured in South Africa, using industry data, Living Conditions survey and other relevant surveys. Phase two of the survey is planned for 2022/23 financial year and will include data collection in households, schools and ECDs (registered and unregistered) in all provinces. The second survey was on the Global Adult Tobacco Survey (GATS), which is a nationally representative household survey collecting data on adult tobacco use and key tobacco control measures. The GATS will assist South Africa to strengthen policies around tobacco control, track implementation of effective tobacco control interventions, and also assist the country to compare results with that from other countries.

The sub-programme reviewed the Strategy for the Prevention and Control of Obesity in South Africa using interrogation of the theory of change in line with South Africa's international policy commitments and national legislation, policy and plans, a literature review of international and national best practices, wide stakeholder engagement through online survey and small physical meetings, and finally a national workshop with stakeholders. The best practices, stakeholder engagements and the review reports have been produced. Further to that, a National Multi-Sectoral Strategic Plan for control of Tobacco Products and Electronic Delivery Systems 2021-2025 was developed. The strategy clarifies roles and responsibilities of various sectors and stakeholders towards tobacco control. A National Oral Health Policy and Strategy was also developed, with the aim to guide implementation of Oral Health Services in the country.

As part of the effort to improve the quality of food services provided in public hospitals, the sub-programme assessed 113 public hospitals. A total of 100 hospitals (including 9 Tertiary hospitals) obtained above 75% using the food service quality assessment tool.

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 2021/2022	Actual achievement 2021/2022	Deviation from Planned Target to Actual Achievement 2021/2022	Reasons for Deviations
Morbidity and Mortality due to COVID-19 reduced	40 million persons vaccinated against COVID-19	Number of persons vaccinated against COVID-19	New Indicator	40 million persons vaccinated against COVID-19	More than 20 million (20 954 169) persons vaccinated	-19 045 831 persons	Poor uptake of COVID-19 vaccines
Quality and Safety of Care Improved	98 hospitals obtain 75% and above on the food service policy assessment tool	Number of hospitals compliant with the food service policy	Nil	98 hospitals obtain 75% and above on the food service policy assessment tool	100 hospitals obtain 75% and above on the food service policy assessment tool	+2 hospitals	More hospitals were assessed
HIV incidence among youth reduced	800 additional PHC facilities with youth zones	Number of PHC facilities with youth zones	652 PHC facilities with youth zones	1600 PHC facilities with youth zones	1 264 PHC Facilities with youth zones	-136 PHC facilities	Incomplete data due to non-reporting of some provinces
Premature mortality due to NCDs reduced to 26% (10% reduction)	National Strategic Plan (NSP) for Non-Communicable Diseases (NCDs) developed and published	NSP for NCDs developed and published	Draft NSP for NCDs developed	NSP for NCDs developed and published	NSP for NCDs approved by NHC	The NSP for NCDs not published	The NSP was only approved on 24 March 2022, and could not be published before the end of the financial year
Premature mortality due to NCDs reduced to 26% (10% reduction)	Multi-sectoral strategy to guide implementation of National strategy for tobacco control intervention	National strategy for tobacco control developed	New Indicator	Draft Multi-sectoral strategy to guide implementation of National tobacco control interventions	National Multi-Sectoral Strategic Plan for control of Tobacco Products and Electronic Delivery Systems 2022-2027 developed	None	Not Applicable
Improve quality and safety of care	75 State patients* admitted into designated psychiatric hospitals	Number of State patients admitted into designated psychiatric hospitals	New Indicator	75 State patients admitted into designated psychiatric hospitals	290 State patients admitted into designated psychiatric hospitals	+215 state patients	Improved monitoring and support to provinces and inter sectoral collaboration
Maternal, Child, Infant and neonatal mortalities reduced	500 medical officers and professional nurses** trained to improve their skills in clinical management of mental disorders	Number of medical officers and professional nurses trained to improve their skills in clinical management of mental disorders	New Indicator	500 medical officers and professional nurses trained to improve their skills in clinical management of mental disorders	510 medical officers and professional nurses were trained	+10 medical officers and professional nurses	There was more interest on the training in provinces
	Maternity care guidelines	Maternity care guidelines approved	New Indicator	Maternity care guidelines approved	Maternity care guidelines approved	None	Not Applicable
	Neonatal care guidelines	Neonatal care guidelines approved	New Indicator	Neonatal care guidelines approved	Neonatal care guidelines approved	None	Not Applicable

Strategy to overcome areas of under performance

With regards to improve COVID-19 vaccination, the Department will continue with demand creation activities especially amongst 18- to 34-year-olds and implement “Ke Ready” campaign. Facilities that scored below 75% on food service policy, will be revisited and supported to improve the scores in the next financial year. In addition, more facilities will be added for assessment. To improve the number of PHC facilities with Youth Zones, the Department conducted training and review meetings with the health care providers and will continue to monitor non-reporting provinces. The National Strategic Plan for Non-Communicable Diseases will be published in the first quarter of 2022/23.

Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographical locational (provincial, district/local municipality)	No of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget allocated (R'000)	Budget spent per intervention (R'000)	Contribution to the output of APP where applicable	Immediate outcomes
Programme 3: Communicable and Non-Communicable Diseases	Establish clear Continuum of care pathways for COVID-19 (Case detection, management, and clinical pathways)	9 provinces, 52 health districts and all local municipalities	All residents in South Africa	Gender, age-group, province, and district	No budget allocated	Not Applicable	It contributes directly to the overall purpose of the Sub-programme: Communicable Disease, which is mandated to develop policies and support provinces in ensuring 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 surveillance for disease detection; strengthens preparedness and core response capacity for public health emergencies in line with international health regulations; and facilitates the implementation of influenza prevention and control programmes, tropical disease prevention and control programmes, and malaria elimination	Non-Communicable Coordinators are engaged on monitoring the impact of COVID-19 on access to the continuum of care accessed by persons with chronic non-communicable diseases. During waves 1-3, it was observed that patients did not attend PHC facilities due to anxiety of being in crowded environments, which may lead to increased numbers of uncontrolled conditions and result in expensive complications especially among hypertension and diabetes; diagnostics and treatment at tertiary facilities were interrupted due to staff been relocated to COVID-19 services. While patients on the CCMDD platform continued to receive their medication, there is need to monitor if these patients remain controlled for diabetes and hypertension. It is envisaged that commencement of the implementation of National Strategic Plan for the Prevention and Control of Non-Communicable Diseases 2022 - 2027 will strengthen health systems to respond to NCDs at population and patient and community levels and mitigate against the impact of COVID-19 on persons at risk and patients with chronic conditions to build back better.
		Private and public Hospitals	All residents in South Africa	Gender, age-group, province, and district			DATCOV Surveillance Reports	
	Ensure adequate capacity and systems for early case detection	9 provinces, 52 health districts and all local municipalities	All COVID-19 suspected cases (excluding asymptomatic close contacts)	Gender, age-group, province, and district				23 838 911 cumulative COVID-19 tests; 54% (12 960 450) and 46% (10 878 461) tests performed in private and public sector laboratories respectively, Total tests positivity rate: 15.6%
		9 provinces, 52 health districts and all local municipalities	All identified laboratory confirmed COVID-19 positive persons	Gender, age-group, province, and district				1 119 119 contacts identified for tracing, 108 768 contacts traced, 45 444 untraceable contacts

Linking performance with budgets

Six of the nine outputs of this Programme were fully achieved whereas the remaining three outputs were not achieved.

Sub-programmes	2021/2022			2020/2021	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	5 456	2 898	2 558	3 991	3 094
HIV, AIDS and STIs	28 167 522	28 115 123	52 399	27 642 327	27 528 873
Tuberculosis Management	26 324	16 734	9 590	18 166	14 177
Women's Maternal and Reproductive Health	17 334	10 580	6 754	12 377	9 816
Child, Youth & School Health	30 913	22 579	8 334	24 794	17 996
Communicable Diseases	7 380 885	7 371 212	9 673	828 738	718 795
Non-Communicable Diseases	78 706	28 732	49 974	62 778	31 930
Health Promotion and Nutrition	34 369	27 623	6 746	30 942	23 759
Total	35 741 509	35 595 481	146 028	28 624 113	28 348 440

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. The sub-programme has been at the forefront of the COVID-19 response. The sub-programme has been able to procure and distribute over 11 000 ventilators to the hospitals including the consumables. The work also included the upgrading of the bulk oxygen infrastructure management in all hospitals that were managing COVID-19 patients. Over and above this work, the sub-programme supported Mpumalanga and Gauteng in the COVID-19 response. This included participating in their IMT meetings, leading the development of reviews and plans for the COVID-19 response. The sub-programme manager was later appointed to the chairperson of the Incident Management Team, which is fully responsible for the COVID-19 response in the department, this included participating in the meetings of the Ministerial Advisory Committee.

Ideal Clinic initiative

During the reporting period, the sub-programme conducted the baseline status determination in over 3400 clinics across the country. This was attained despite the key focus for the entire health system being the COVID-19 response. There were fewer staff members at the clinic level to ideally conduct the baseline status determination. However, the districts also managed to select, prepare and subject 183 new facilities through peer reviews. The number of facilities

that were turned ideal through this process was 51. To date in total there are 1928 (55%) primary health care facilities that has attained ideal status. This is a positive gain (484) since the drop in the number of ideal clinics in the previous year due to the shift of focuses to accommodate COVID -19 pandemic activities.

District Health Services

The Guidelines for measuring the effectiveness of clinic committees and the relevant M&E tools were tested in 331 Clinics/Community Health Centres and 57 Hospitals. This participation was with the involvement of members of Committees of Clinics/Community Health Centres and Hospital Boards respectively. The final drafts of the Training Manual, Facilitation Guide and Pocket Handbook for use by members of Hospital Boards have been completed and is currently being tested by subjecting it to training sessions for finalisation. The alignment of the Ideal Hospital Framework has been done for District and Regional Hospitals, by means of participation through the Provincial Departments of Health and the Office of Health Standards Compliance.

Community Outreach Services

During the 2021/22 financial year, the Department contracted 48 443 Community Health Workers (CHWs) across the country to provide primary care at household level. The number of PHC facilities (2 247) with Ward Based Primary Health Care Outreach Teams (WBPHCOTs) remained the same as there was no increase in number of CHWs due to budget contains. The CHW programme just like other essential health programme in the Department, experienced significant service disruptions in the last financial year due to COVID-19. CHWs were redirected from their daily activities to support COVID-19 interventions such as community screening, contact tracing and assisted registration for the elderly for COVID-19 vaccinations.

Furthermore, the sub-programme concluded the development of the Foundation Phase Training for CHWs. The Foundation Phase is a skills-based training for every person that enters the CHW programme and those that were never trained on any of the CHW trainings. The two sections of the training content namely, NCD and Mental Health were developed this year in line with CHW scope

of work. Some CHWs have been trained on the new NCD content, which included the use of the Blood Pressure machine to screen for blood pressure at household level.

The sub-programme further successfully established a committee comprising of multi-skilled professionals from different Government Department, Academia, and civil society to support the work of the cluster in preparation for WBPHCOTs Policy Framework and Strategy review. The members of the committee appointed by the Director General have begun with work related to the accreditation of the CHW training and the mid-term review of the implementation of the policy framework and strategy for WBPHCOTs.

Environmental and Port Health Services

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

Environmental Health:

During the 2021/22 financial year, the sub-programme conducted assessments of 12 Municipalities for compliance with National Environmental Health Norms and Standards, for Municipalities that performed below 65% or just above 65% during the previous assessments. The sub-programme engaged in Environmental Health Legislation Review process where Regulations Relating to Management of Human Remains, amended Environmental Health Regulations were also drafted and both were published for Public Comments. A process of drafting the National Environmental Health Bill was initiated, draft zero developed and a workshop convened with identified stakeholders to enrich the draft followed by meetings of sub working groups tasked to look at various sections of the draft Bill.

Three municipalities were provided with technical guidance to finalize the devolution process for finalising the long outstanding transfer of Municipal Health Services from Provincial Departments of Health and Local Municipality B to District Municipality C.

The sub-programme finalized the review of the National Environmental Health Norms and Standards, draft review Norms and standards, which are to be subjected to legal processes for the draft to be published for public comments in the 2022/2023 financial year. The National Environmental Health Norms and standards implementation guidelines were also developed. The National Hand Hygiene behavioural change Strategy was reviewed, the implementation progress reporting tool for data collection from Municipalities on behavioural change strategy was developed.

Department of Health's 4th Edition Environmental Management Plan 2020-2025 was finalised and submitted for publication in Government Gazette. The draft Environmental Management Systems Strategy for the public health sector was also developed. The cluster

supported and strengthened the implementation of water, sanitation and hygiene programmes by Provinces and municipalities for disease prevention. The national hand hygiene strategy 2015-2020 was reviewed and the reviewed strategy was approved by the DG during this financial year. Reporting templates were finalized for WASH data collection in health facilities facilitated.

The sub-programme further finalised the process of developing Lead in Paint and Hazardous Substances Regulations and published the drafts for public comments. The public comments process ended in January 2022 for consideration in finalisation of the Regulations. The sub-programme finalised the process on updating the Group I Category A & B Declarations which were published for public comments on 25 March 2022. Eight Provinces were trained on Guidelines on Group I hazardous substances, only Limpopo could not be trained. A total of 39 EHPs in Mpumalanga, Northern Cape and Western Cape Provinces were appointed under the Hazardous Substances Act, 1973 (Act No. 15 of 1973). A total of 30 licenses (Gauteng and North West Provinces) were issued under the Hazardous Substances Act, 1973 (Act No. 15 of 1973)

The sub-programme coordinated the Implementation of the Lead Exposure Prevention Strategy. Final Lead sampling guideline was developed after circulation to relevant key stakeholders for comments.

Guidelines for Investigation and Environmental Control of Human Chemical Exposure and Poisoning Cases developed for Environmental Health Practitioners (EHP). The sub-programme has been involved in ongoing engagements and involvement on fire incident at Cornubia, Durban. This included appearance before the Portfolio Committee on Forestry, Fisheries and Environment on the fire incident.

The sub-programme finalised the Heat health action guideline. Nine (9) provinces were workshoped on Health Risk and Vulnerability Assessment (RVA) tool. Fifty-one (51) districts RVA's were conducted, and the report will be incorporated on the final Climate Change and Health Adaptation Plan. Domestic Indoor Air Quality Guidelines were finalised, distributed for implementation of air quality focus group. Established. The sub-programme with WHO, Department of Forestry, Fisheries and Environment Nationally and Provincially, Municipalities and other stakeholders convened stakeholder meetings for conducting a baseline assessment of the health impacts of Ambient and Indoor air pollution in the Highveld and Waterberg-Bojanala High priority areas. A training manual on Vector Borne Diseases outbreaks was developed and a virtual capacity building workshop with Provinces and Municipalities conducted.

Port Health Services:

The sub-programme conducted self-assessment on 36 points of entry to assess compliance with the International Health Regulation requirements. 18 Points of entry were identified to undergo verification of evidence to confirm compliance. Two virtual sessions were held with the identified 18 ports of entry to verify the level of compliance, progress on the implementation of the action

plans and the evidence provided for compliance. All 18 ports of entry were found to be fully compliant with the IHR requirements. As part of monitoring 24 points of entry were visited and provided support on the implementation of IHR core capacity action plans, implementation of Port Health standard operating procedures and assess the availability of resources. A joint train the trainer session on COVID-19 was held for ports health officials from all 3 regions. Training was further implemented to the other port health officials by the trained personnel. The training was conducted in collaboration with US CDC. The training will assist the ports of entry in the development of the Public Health contingency plans, it was also used as a refresher for port health officials on the capacity to respond to public health emergencies.

A draft service delivery improvement plan and a draft guideline on the development of public health contingency plans was developed. Regulations on public health measures in points of entry were finalised and published for public comments. Further directions developed for management of COVID-19 during the National State of Disaster.

NDoH collaborated with Ports of entry stakeholders on the management of travellers to facilitate traveller's movements at all points of entry. Collaborated with the National Health Laboratories Services (NHLS) and ensured testing of travellers arriving at the ports of entry without the required COVID-19 PCR negative test. Responded to port health enquiries from public, media, and parliament. Held engagement on digitalization of health measures implementation tools at the ports of entry. Procured resources for the port of entry to assist in response to the pandemic. Successfully advocated for the allocation of donor funds from Global fund for support with resources to respond to the pandemic.

The sub-programme advocated the fund of 15 000 000 funding from Presidential Employment Stimulus Package to assisted in the appointment of thirty (38) Community Service EHPs and an additional 23 Community Service EHPs to augment Port Health Staff during the COVID-19 pandemic. Advocated for funding to National Treasury for appointment of additional Port Health Officials to address the historical challenge of shortage of staff. Senior managers from different units have been appointed to represent the Department on the Border Management Authority establishment process.

Engagement with the Department of Public Works (DPWI) for renewal of expired lease agreements processes and formalise the new leases with the private landlords, is still ongoing. Engagement with Infrastructure Unit to address challenges related to infrastructure at the ports, is still ongoing.

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 2021/22 financial year, the draft Regulations relating to Standards for Emergency Medical Services (EMS) were finalized following publication for public comments. Further to that, the Minister of Higher Education, Science and Innovation designated public EMS Colleges to offer EMS qualifications on the higher education qualifications sub-framework as an interim measure while the processes towards declaration as higher education colleges are underway.

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

Table 1: Report against the tabled Annual Performance Plan

Outcome	Output	Output Indicator	Audited Actual Achievement 2020/2021	Planned Target 2021/2022	Actual achievement 2021/2022	Deviation from Planned Target to Actual Achievement 2021/2022	Reasons for Deviations
Quality and Safety of Care Improved	100 PHC Facilities and 80 Hospitals implementing the National Quality Improvement Programme	Number of health facilities implementing the National Quality Improvement Programme	16 Quality Learning Centres identified to cover 80 hospitals and 64 PHC facilities	100 PHC Facilities and 80 Hospitals implementing the National Quality Improvement Programme	90 PHC Facilities, 102 Hospitals & 25 EMS implementing the National Quality Improvement Programme	-10 PHC Facilities +22 Hospitals 25 EMS	Due to vastness of some provinces, other provinces established 3 Quality Learning Centres instead of the proposed 2 and the inclusion of EMS. Where hospitals were too far apart from each other to form a QLC, provinces were allowed to add Primary Health Care facilities.
	2100 PHC facilities that qualify as Ideal Clinics	Number of primary health care facilities that qualify as ideal clinics	1 444 PHC facilities in the districts qualify as Ideal Clinics	2100 PHC facilities qualify as Ideal Clinics	1928 PHC facilities attained Ideal status	-172 PHC facilities	Provinces focused on the COVID-19 response and did not procure additional resources that were needed to improve clinic status. This led to the fewer clinic attaining ideal status
	Policy on Traditional Medicine approved, and implementation commenced	Policy on Traditional Medicine approved, and implementation commenced	Consultations for Policy and Implementation guidelines on Traditional Medicine was conducted to Provincial Departments and stakeholders in Traditional Medicine	Policy and implementation guidelines on Traditional Medicine approved and implementation commenced	Draft Policy on Traditional Medicine and implementation guidelines finalised and presented to EXCO	Implementation on Policy and implementation guidelines on Traditional Medicine has not commenced	Delays in finalising the Policy on Traditional Medicine and implementation guidelines
	18 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	9 ports of entry self-assessed for compliance with international health regulations	18 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	None	None

Outcome	Output	Output Indicator	Audited Actual Achievement 2020/2021	Planned Target 2021/2022	Actual achievement 2021/2022	Outcome	Reasons for Deviations
Community participation promoted to ensure health system responsiveness and effective management of their health needs	Monitoring system for measuring effectiveness of clinic committees tested in 200 clinics	Number of clinics testing the guidelines for measuring effectiveness of clinic committees	New Indicator	200 clinics testing the guideline for measuring effectiveness of clinic committees	393 clinics testing the guideline for measuring effectiveness of clinic committees	+193 clinics	Provinces increased their specified sample target for wider implementation
	250,000 clients lost to follow up for treatment traced by CHWs	Number of clients lost to follow up for treatment traced by CHWs	308 097	250,000	509 626	+259 626	CHWs worked with the health facilities on the HIV and TB catch up plans on finding clients lost to follow.
Quality and Safety of Care Improved	1,250 PHC Facilities with Ward Based Outreach	Number of PHC Facilities with Ward Based Outreach Teams	2 185	1,250	2247	+997	Increase in the number of facilities reporting on DHIS
	11 districts and metropolitan municipalities compliant with National Environmental Health Norms and Standards.	Number of Metropolitan and District Municipalities that performed below 65% assessed for compliance to National Environmental Health Norms and Standards	New Indicator	11 Metropolitan and District Municipalities that performed below 65% 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	+1 Metropolitan and District Municipality	One additional Municipality included
	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

With regards to the implementation of the National Quality Improvement Programme, the Office of Health Standards Compliance is in the process of finalizing inspection tools for the private EMS and General Practitioners and these will be included once the process is concluded. For the Ideal Clinic initiative, provinces will integrate COVID-19 activities into their PHC services. In this way, the ideal clinic program will be used to accelerate COVID-19 response at PHC level. Provincial and District Perfect Permanent Team for Ideal Clinic Realisation and Maintenance teams will not be divided between Ideal Clinic and COVID-19. Processes for presentation of the Policy and Implementation Guidelines on Traditional Medicine to the Tech NHC will be prioritised in 2022/23.

Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographical locational (provincial, district/local municipality)	No of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget allocated (R'000)	Budget spent per intervention (R'000)	Contribution to the output of app where applicable	Immediate outcomes
Programme 4: Primary Health Care	Enhance screening capacity at key ports of entry (PoE) and augment the environmental health Strengthen systematic screening of travellers	All opened Points of Entry (airports, harbours, and land borders), All mortuaries in the country	Travellers and Passengers at all opened Points of Entry.	Gender, age-group, province, and district	50 578	0	It contributes towards purpose of Sub-programme: Communicable Disease and Sub-programme: Environmental and Port Health services	Continue implementing screening measures utilising advanced technology thermal equipment. Facilitated testing of travellers arriving at the ports of entry without the required COVID-19 PCR negative test. A joint train the trainer session on COVID-19 was held for port health officials from all 3 regions. Training was further implemented to the other port health officials by the trained personnel. Amended health direction to facilitate movement of travellers in line with new developments on COVID-19. Appointed and deployed Community Services Environmental Health Practitioners, to respond to COVID-19. Participated in inter-sectoral and Intercountry collaboration and engagements. Secured funding for COVID-19 activities (Donor funding and presidential stimulus package) Provided training on newly developed legislation, health directions and reporting tools for the response. Drafted regulations relating to management of human remains and which has been submitted for public participation process. Drafted regulation relating environmental health, which has also been published for public comment. Developed and revised health directions on: -COVID-19 containment protocols for the NAT-JOINTS applicable to all members and service providers including inputs into the disaster regulations Participated in the NAT-JOINTS -Public Health Containment work stream and advised on various directions for Alert levels 3 to 1; IEC materials were developed, approved, and disseminated to Provinces, municipalities, and other interested and affected parties: -Alcohol-based hand sanitizers: do's and don't -Protect yourself from corona virus health and hygiene tips for informal waste recyclers and waste pickers. Trainings of stakeholders on the testing of people who die at home were conducted. Provinces, municipalities, funeral associations together with the funeral industries including the traditional leaders were trained on guidelines for management of human remains and all developments on the directions. The following guidelines/SOPs and strategic document were developed in response to guide measures to curb the spread of the diseases: -Guidelines on the Management of Health Care Risk Waste on the Roll Out of COVID-19 Vaccination Programme, Version 1, March 2021 Municipal Drive Campaigns were held. These campaigns were done to support the provinces and municipalities in monitoring and strengthening activities and response to the fourth wave and in planning for the fifth wave. A call centre for public complaints on non-compliant premises established with NICD and handled received complaints with most of those complaints being referred to provinces and municipalities for further investigation and resolution, sustained. Assisted and supported the World Bank Environmental and Social Review-site visits to selected vaccination sites in the Provinces during March 2022 in the country.
		9 provinces, 8 Metropolitan Municipalities, 44 District municipalities.	All residents of South Africa	- Gender, age-group, province and district				

Budget Programme	Intervention	Geographical locational (provincial, district/local municipality)	No of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget allocated (R'000)	Budget spent per intervention (R'000)	Contribution to the output of app where applicable	Immediate outcomes
Programme 4: Primary Health Care	Ensure adequate space and facilities are available for providing COVID-19 services: High Care, ICU Beds, Dedicated hospital/ facility spaces Isolation and Quarantine sites	Provincial and Facilities	All hospitals in the country	District hospitals; Regional hospitals; Tertiary Hospitals and central hospitals	No budget allocated	No applicable	Improvement in the quality of care in the hospitals Daily monitoring of oxygen supply to the hospitals Improvement in management of oxygen supply in the hospitals Improvement in availability of the respiratory support devices in the hospitals	<p>The cluster manager continued to preside over the health facilities readiness works stream, which was overseeing the bed availability and oxygen capability for the hospitals.</p> <p>28 hospitals were assisted with improvement for oxygen reticulation for the year under review. The process to procure cryogenic tanks was started and it will be completed in the new financial year. This is being funded through Global Fund</p> <p>The IMT established work stream that focuses on the continuity of essential health services, which ensures that the hospitals continue to deliver routine services while managing COVID-19 cases.</p> <p>All 9 provinces developed plans for continuity of essential health services. Towards the end of the financial year, around and after the fourth wave, it was discovered that Omicron did not lead to an increased in hospital admissions and as such, the hospitals were not under pressure.</p> <p>The team also conducted audit of deaths in the selected hospitals that had reported higher than normal deaths for COVID-19 cases.</p> <p>Despite all these, the work stream continued to monitor respiratory support devices, oxygen and hospitalisation through weekly reporting to the IMT.</p>

Linking performance with budgets

Six of the nine outputs of this Programme were fully achieved whereas the remaining three outputs were not achieved.

Sub-programmes	2021/2122			2020/2021	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	4 544	4 022	522	4 025	3 542
District Health Services	15 469	14 409	1 060	18 875	14 030
Environmental and Port Health Services	228 016	226 370	1 646	246 485	290 609
Emergency Medical Services and Trauma	7 676	6 725	951	7 700	6 790
Total	255 705	251 526	4 179	277 085	314 971

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 2021/22 financial year, a total of 52 CHC's and clinics were constructed or revitalized, 21 hospitals were constructed or revitalised and a total of 121 other public health facilities (Clinics, Hospitals, nursing colleges, EMS base stations) were maintained, repaired and/or refurbished.

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 2021/22: Review of the Regulations relating to designation/ classification of hospitals (NHA sec 35a); Policy Guidelines on increasing capacity to strengthening local decision making and accountability to facilitate semi-autonomy of central hospitals (NHA 35(b) and Policy Guidelines on improving accountability and effectiveness of provincial tertiary, regional and specialised hospitals through increased decision space in four (4) critical management domains (NHI).

A process was undertaken to review the Regulations relating to designation/ classification of hospitals, profiled information relating to catchment areas and clinical services rendered at each hospital level (secondary to quaternary), their corresponding size and layout, staff complement, equipment, supplies and drugs, reimbursement model, clinical areas to be covered, levels of autonomy, management cadre and capabilities, key performance areas.

A further review on the draft organisational structure for central hospitals was conducted following inputs previously received from Tech NHC indicating that the proposed structure was top heavy and thus not affordable. Part of the exercise entailed a scale down and elimination of fat to make the structure more affordable.

A process of refining the policy guidelines on improving accountability and effectiveness of provincial tertiary, regional and specialised hospitals was undertaken, following consultation in three provinces at the end of March 2021.

Outcomes, outputs, output indicators, targets and actual achievements

Table 1: report against the tabled Annual Performance Plan

Outcome	Output	Output Indicator	Audited Actual Achievement 2020/21	Planned Target 2021/22	Actual achievement 2021/22	Deviation from Planned Target to Actual Achievement 2021/22	Reasons for Deviations
Financing and Delivery of infrastructure projects improved	40 PHC facilities constructed or revitalised	Number of PHC facilities constructed or revitalised	55 PHC facilities constructed or revitalised	40 PHC facilities constructed or revitalised	52 PHC facilities constructed or revitalised	+12 PHC facilities	Additional projects completed
	24 Hospitals constructed or revitalised	Number of hospitals constructed or revitalised	25 Hospitals constructed or revitalised	21 Hospitals constructed or revitalised	21 Hospitals constructed or revitalised	None	Not Applicable
	120 public health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) maintained, repaired and/or refurbished	Number of public health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) maintained, repaired and/or refurbished	150 public health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) maintained, repaired and/or refurbished	120 public health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) maintained, repaired and/or refurbished	121 public health Facilities (Clinics, Hospitals, nursing colleges, EMS base stations) maintained, repaired and/or refurbished	+1 PHC facility	Additional project completed

Strategy to overcome areas of under performance

None.

Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographical locational (provincial, district/local municipality)	No of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget allocated (R'000)	Budget spent per intervention (R'000)	Contribution to the output of APP where applicable	Immediate outcomes
Programme 5: Hospital Systems	Ensure adequate space and facilities are available for providing COVID-19 services: High Care, ICU Beds, Dedicated hospital/ facility spaces Isolation and Quarantine sites	9 provinces and 52 health districts	Asymptomatic and symptomatic clients who are laboratory confirmed COVID -19 positive for admissions to public and private hospitals	Gender, age-group, province, and district	No budget allocated	Not Applicable	It contributes directly to the overall purpose of the Sub-programme: Communicable Disease, which is mandated to develop policies and support provinces in ensuring 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 surveillance for disease detection; strengthens preparedness and core response capacity for public health emergencies in line with international health regulations; and facilitates the implementation of influenza prevention and control programmes, tropical disease prevention and control programmes, and malaria elimination	As of 31 March 2022: (1) 515 258 (public and private sector) patients hospitalised (Please note that these numbers are on admissions not individual patients, meaning if the same person went to hospital 5 times, it would be 5 not 1). The number hospitalised was in the range of 58 to 2345 daily during FY and tended to decline; (2) number of patients in ICU ranged 0 to 133 patients and 99 267 patients on oxygen; and (7) Total recoveries (cumulative): 3 603 821; percentage recoveries: 96,9%
		9 provinces and all 52 health districts	Individuals requiring isolation and quarantine at public identified isolation and quarantine sites	Gender, age-group, province, and district				Not applicable. The function was transferred to Provinces

Linking performance with budgets

All three outputs of this Programme were fully achieved.

Sub-programmes	2021/2022			2020/2021	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	1 398	1 038	360	1 256	957
Health facilities infrastructure management	7 392 647	7 295 557	97 090	7 195 667	7 167 150
Hospital management	13 720 088	13 715 166	4 922	14 022 677	14 020 400
Total	21 114 133	21 011 761	102 372	21 219 600	21 188 507

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. Provide forensic laboratory services.

There are five budget sub-programmes:

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

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 2021/22, due to the COVID-19 pandemic, the Policy Coordination and Integrated Planning unit in the department had to re-prioritize resources to mitigate the effects of COVID-19.

A workgroup was established with partners to coordinate Provincial and District level planning for coordinating the setting up of vaccination sites across the country, including the establishing of processes for monitoring the user journey. The sub-programme provided support strategies for implementation to the roll-out the COVID-19 vaccine to the population.

Notwithstanding the additional priorities to mitigate COVID-19, the sub-programme continued to fulfil its obligation to provide strategic leadership in line with its mandate to produce, in collaboration with Provincial Departments, standardized indicators for the health sector - a set of selected indicators that all nine provinces report on their performance during every quarter. In addition, the National Annual Plan for 2021/22 was produced, which aligns with the National Development Plan; Sustainable Development Goals and the Medium Term Strategic Framework.

The sub-programme supported development of Annual Provincial Plans for 2021/22; in line with the revised

standardized framework for medium and long term plans as developed by Department of Planning Monitoring and Evaluation. Further to that, developing and reporting on the Estimates of National Expenditure (ENE) publications over the medium term expenditure period on key performance indicators for the department as required by National Treasury.

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.

South Africa has transitioned to web-based District Health Information System (DHIS2) using a phased approach. The current aim is to capture data for all fixed public health care facilities (3576) at the lowest level of care. As at 31 March 2022, the facility level online data capturing for the country was 77%, with hospitals at 98% and 74% for PHC facilities across 8 provinces implementing WebDHIS. The main constraint affecting the implementation of online facility level data capturing is the unavailability of Internet connectivity in the remaining health facilities.

As part of DHIS Capacity Building, the webDHIS Expert Development and Technical Training Programme for data managers employed at National and Provinces 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. Free State, KwaZulu-Natal and National are leading with more than 70% of the tasks performed by the “webDHIS Experts”.

Leadership and governance of the National Health Research System in South Africa continued through the National Health Research Committee (NHRC), and the National Health Research Ethics Council (NHREC). The NHREC successfully delivered on its mandate through various tasks that include registration and auditing of Research Ethics Committees, setting of Norms and Standards, which includes formulation and updating guidelines on health research, supporting the Department of Health and stakeholders through its advisory role, and assisting in addressing the health research challenges through its Complaints and Advisory committee.

The NHREC has conducted stakeholder consultations and subsequently developed the guidelines for conducting research under conditions of a pandemic or other public health emergency. The pandemic strongly accentuated the revolutionary shift in research methodological paradigms, forcing researchers to explore and adapt to new ways of doing research. The NHREC further embarked on the development of other guidelines such as an Internet Research Ethics-Based Framework, as a response to the change in the research landscape due to technological that were further accelerated by the pandemic. The developed guidelines have been circulated to identify key stakeholders for expert opinion.

The NHREC participated in the development of the code of conduct for research in respect of Protection of Personal Information Act (POPIA), a project led by Academy of Science of South Africa (ASSA). The Animals in Research Committee of the NHREC has been active in providing guidance to Animal Research Ethics Committees (AREC). As part of the revision of the DoH 2015 Ethics in Research Guidelines, sections that are relevant to the ARECs have been updated to better align with the revised South African National Standards: The Care and Use of Animals for Scientific Purposes (SANS-10386, 2021) and NHREC regulations. During 2021/22 financial year, the NHREC completed the quality assurance and re-certification audit of the 18 ARECs registered with Council. Audit is an important part of the quality management system, which for the NHREC, is helpful in creating and maintaining a robust ethics infrastructure that adheres to the Norms and Standards set to ensure the ethical conduct of research. The ARECs that achieved satisfactory audit outcome will be issued certificates of registration valid for a further five years.

The National Health Research Committee (NHRC) reviewed and updated Policy Research for Health revised in line with National development plan, the Medium-Term Strategic Framework 2019-2024 (MTSF), and the Department of Health Strategic Plan for 2020/21-2024/25. Revised National Research priorities for 2021 to 2024 were developed to ensure that health research agendas and research resources focus on priority health problems. Priorities developed after taking into consideration the burden of disease, cost-effective interventions, implementation pitfalls and the health needs of vulnerable groups and communities.

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.

In 2021/22 financial year, the sub-programme finalized the process of drafting of regulations related to Human Resources and they have been presented to the National Human Resources Committee for inputs. During the reporting period, through the introduction of the Presidential

Stimulus Package and the Human Resources Training Grant a total of 73 370 new posts were created (i.e. health related and support personnel), to strengthen services in the public health sector.

Despite disruptions to the academic year by COVID-19, 2 429 Medical Interns and 8 346 Community Service Personnel (including, amongst others, Medical Doctors, Nurses and Pharmacists) were allocated at the end of December 2021, to commence duty in January 2022. This additional employment, immensely assisted South Africa in planning, executing and managing the public health systems' response to COVID-19.

Nursing Services

This sub-programme develops and monitors the implementation of a policy framework for the development of required nursing skills and capacity to deliver effective nursing services.

In the 2021/22 financial year, nine public nursing colleges were supported to achieve accreditation for basic and specialist nursing and midwifery programmes. In addition, eight Provinces were supported to develop implementation plans for strengthening clinical governance.

Public Entities Management and Laboratories

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. It is also responsible for ante- and post-mortem analyses of blood alcohol levels for drunk driving, toxicology analyses of biological fluids and human organs in the event of unnatural deaths such as murder and suicide, and foodstuff analyses.

In 2021/22 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 revised strategic plans and 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/ Councils for a new term of office: The Allied Health Professions Council of South Africa for a five-year term of office and the South African Health Regulatory Authority for a three-year term of office. The Council for Medical Schemes Appeal Board was also appointed by the Minister during the period under review for a three - year term of office.

Outcomes, outputs, output indicators, targets and actual achievements
Table 1: report against the tabulated Annual Performance Plan

Outcome	Output	Output indicator	Audited actual achievement 2020/21	Planned target 2021/22	Actual achievement 2021/22	Deviation from planned target to actual achievement 2021/22	Reasons for deviations
Quality and safety of care improved	All 9 Public nursing colleges supported to achieve accreditation for basic and specialist nursing and midwifery programmes	Number of Public nursing colleges supported to achieve accreditation for basic and specialist nursing and midwifery programmes	3 public nursing colleges were accredited for the Advanced Diploma in Midwifery and 1 for the Diploma in Nursing.	9 Public nursing colleges accredited and registered to offer basic nursing and midwifery programmes	9 Public nursing colleges supported to achieve accreditation for basic and specialist nursing and midwifery programmes	None	Not applicable
	9 Provinces supported to develop implementation plans for strengthening clinical governance	Number of Provinces supported to develop implementation plans for strengthening clinical governance	Clinical governance system assessed and 1 supported province developed the implementation plan	9 Provinces supported to develop implementation plans for strengthening clinical governance	8 Provinces supported to develop implementation plans for strengthening clinical governance	Limpopo Province was not supported to develop the implementation plan for strengthening clinical governance	The Nursing Practice Directorate in Limpopo was dissolved
Staff equitably distributed and have right skills and attitude	Community service policy published	Community service policy published	Nil	Community service policy published	NHC took a decision to appoint a task team composing of four HoDs (GP, KZN, LP and WC) to advise on the formal review of the Community Service Policy	Community service policy not published	The process to review the policy is delayed as there is a strong case for a revised terms of reference for the formal review of the Community Service Programme, with a concept of taking a whole system view, within the wider health service delivery and related human resource policy context.
Information systems are responsive to local needs to enhance data use and improve quality of care	90% eligible students allocated to a health facility for community service	Percentage of eligible students allocated to a health facility for community service	New indicator	90% eligible students allocated to a health facility for community service	100% (8 346) eligible students allocated to a health facility for community service	None	Not Applicable
	500 COVID-19 vaccination sites registered on the EVDS to use the Electronic Vaccination Data System (EVDS)	Number of COVID-19 vaccination sites registered on EVDS to use the Electronic Vaccination Data System (EVDS)	New Indicator	500 COVID-19 vaccination sites registered on EVDS to use the Electronic Vaccination Data System (EVDS)	3674 COVID-19 vaccination sites registered on EVDS	+3174 COVID-19 vaccination sites registered on EVDS	The Expansion of the Vaccination programme require additional vaccination sites
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	Revised set of Health research priorities produced	National Health Research priorities identified	Revised set of Health research priorities produced	Revised Health Research priorities produced	None	Not Applicable
Information systems are responsive to local needs to enhance data use and improve quality of care	Alpha version of networked TB/HIV Plus Information System developed	Alpha version of networked TB/HIV Plus Information System developed	New Indicator	Alpha version of networked TB/HIV Plus Information System developed	Further continuation of a networked TB/HIV Plus Information System remains on pause, as part of the current information systems audit process underway at the NDoH	Alpha version of networked TB/HIV Plus Information System not developed	CDC-South Africa award for the October 2021-September 2022 funding cycle to support HIS at the NDOH was put on hold, pending an internal review of information systems processes

Strategy to overcome areas of under performance

With regards to provision of support to develop the implementation plan for strengthening clinical governance in Limpopo the Department NDoH engaged Limpopo on reinstating the Nursing Directorate or allocation of dedicated professional. Limpopo Province will be prioritized in the first quarter of 2022/23. The review of Community Service

Policy will be prioritized during 2022/2023 financial year. External funding is required for the development of the Alpha version of networked TB/HIV Plus Information system, as this is outside the scope of existing committed funds within the NDoH.

Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographical locational (provincial, district/local municipality)	No of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total budget allocated (R'000)	Budget spent per intervention (R'000)	Contribution to the output of APP where applicable	Immediate outcomes
Programme 6: Health System Governance and Human Resources	Ensure that adequate health workforce with appropriate skill-mix and competences is available to provide high quality COVID-19 services	9 provinces and 52 health districts	Health care Workers	Gender, age-group, province, and district	No budget allocated	Not applicable		In response to the COVID-19 Pandemic, for the period 2021-2022, Government introduced Presidential Stimulus package and COVID-19 response funding that assisted to employ a total of 32 811, health workers (i.e. 28 651 health related 4 160 administrative related appointments) on both permanent and contract positions to augment the serving personnel.
	Strengthen health information and surveillance systems for COVID-19 at national and provincial levels to monitor trends and guide preparedness and response actions		clinicians, nurses, undertakers, laboratory personnel and district officials					Up to 42 437 clinical staff in public sector facilities designated to offer COVID-19 vaccination were trained during 2021-2022. These included Doctors, Nurses and other Clinical categories. Training was also provided for clinical personnel in private sector facilities as and when requested.
	Put in place the appropriate health information systems to provide real time information on COVID-19 cases, surveillance, disease burden and trends Ensure that standardized data is collated, analysed and synthesized for action on regular basis		All SA citizens		No budget allocated	Not applicable		The Electronic Vaccination Data System (EVDS) was developed and adopted as the official system for capturing vaccination events at all vaccination sites. This web-based online system enables data collection to monitor the effect of the vaccination programme; design interventions for programme improvement; monitor national coverage, access, and vaccine usage. The EVDS enables initiation, messaging, coordination, monitoring, and evaluation of the vaccine rollout while collecting essential information to serve as a vaccination record and facilitate vaccine safety surveillance.
	Fast track the assessment of potential/ new diagnostics, therapeutics, and vaccines for compassionate use (especially consider issues around regulatory approval, market authorization, and/or post-market surveillance)							The DATCOV database, NHLS and private laboratory data are all linked, and the entire Health Information System and lab databases are integrated to the EVDS for analytics and targeted response to the pandemic. Collaborated with SAPHRA to provide expedited approval to use COVID-19 commodities, including vaccines, therapeutics and diagnostics

Linking performance with budgets

Four of the seven outputs of this Programme were fully achieved whereas the remaining three outputs were not fully achieved.

Sub-programmes	2021/22			2020/21	
	Final appropriation	Actual expenditure	Variance	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000
Programme Management	6 224	5 402	822	5 895	5 328
Policy and Planning	7 607	5 770	1 837	6 506	5 377
Public Entities Management and Laboratories	2 034 065	1 982 294	51 771	2 239 235	2 234 215
Nursing Services	9 397	8 560	837	8 418	7 405
Health Information, Monitoring and Evaluation	62 571	37 831	24 740	59 182	48 998
Human Resources for Health	4 322 858	4 320 673	2 185	4 360 770	4 359 960
Total	6 442 722	6 360 530	82 192	6 680 006	6 661 283

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	1 437	477	- 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 2021/22 financial year, a total 33 pensioners were each eligible for a maximum monthly pension payment of R1 918.00. 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.

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 Medical Research (SAMRC)	To improve the nation's health and quality of life through promoting and conducting relevant and responsive health research	R851 066	R851 066	<ul style="list-style-type: none"> - Extramural Research Units increased to 28 at 12 institutions of note, 54% are at Historically Disadvantaged institutions. The most recently awarded units were to four Black African Unit Directors, 36% of UDs are women, above the national average for senior academic staff in universities. - Continues to transform the executive management level, both on gender (62.5% females and 37.5% males) and racial (37.5% Africans, 25% coloureds and 37.5% whites) profiles. - Builds human capacity for the long-term sustainability of the South African health research by providing funding and supervision for the next generation of health researchers and science leaders, including Masters, PhDs, post doctorates, early and mid-year career scientists' programmes. - The South African component of the ChAdOx1 SARS-CoV-2 vaccine trial (Astra Zeneca vaccine), led by Prof Shabir Madhi, showed the reduced efficacy of the vaccine on the local variants. This changed the country's immediate vaccine strategy, resulting in a move to the Johnson and Johnson vaccine and the design and implementation of the Sisonke study by the SAMRC. - Sisonke study was conceptualized, finalized, approved, and implemented within a period of 2.5 weeks. The study raised R275 million from 5 different funders and SAMRC managed 49 sub-grants and procurement for the study. This was a real-world effectiveness monitoring study and large collaborative effort between SAMRC, NDOH, NICD, CAPRISA, W Cape DOH, Discovery Health, and Med Scheme. - The Wastewater Surveillance and Research Programme has been tracking SARS-CoV-2 viral RNA in wastewater across 70+ wastewater treatment plants in the Western Cape, Eastern Cape, Limpopo and Gauteng provinces of South Africa. To date, 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. - Collaboration with Biovac and Afrigen for establishment of the mRNA hub in South Africa in an endeavor to support vaccine development on the continent. - Collaboration with Dr Patrick Soon-Shiong on a scholarship programme to advance the development of bio-manufacturing expertise in South Africa, and enhancing the country's capability in vaccine discovery, evaluation and manufacturing. - Tracking weekly number of deaths from all causes and natural causes that occurred since the emergence of COVID-19. - The "Know Your Numbers" pilot project in Bushbuckridge, Mpumalanga, conducted by the SAMRC and SAMRC/WITS's Rural Public Health and Health Transitions Research Unit, is using the queues for old age grants as an opportunity to screen for hypertension to some of the most vulnerable people in the country. - The entity promotes good governance practices, as evidenced by 8 clean audits over the past 9 financial years. Entities systems are robust enough to address the issues raised by several stakeholders, including the Auditor General, Portfolio Committee on Health, etc.

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
Council for Medical Schemes (CMS)	Regulation of the Medical Schemes Industry with reference to Alignment to NHI processes	R6 181	R6 181	<ul style="list-style-type: none"> - The costing report on the Preventative and Primary Healthcare Package is now complete. A willingness to pay study as well as an Affordability assessment has been submitted to the Executive Authority for consideration. A phased implementation of the Preventative and Primary Healthcare Package will be considered in conjunction with stakeholders. A broader review of the current Diagnostic Treatment pairs and Chronic Diseases List is to be undertaken in the next cycle of the Prescribed Minimum Benefits Review. Industry stakeholder engagements around the outputs of the review are continuing. - The CMS team also represented South Africa in the Global Joint Learning Network (JLN) on Universal Healthcare Coverage, where the CMS, National Department of Health and National Treasury are part of the JLN South Africa Country Core Group (CCG) which was hosted in Bahrain in December 2019. - The CMS did a comparative analysis of the role of the private health funders across three countries that have implemented some form of NHI (France, the UK and Canada). In these countries, the private health funders either play a complementary or a supplementary role. The key feature of the complementary role is that it limits consumer choice as well and financial risk protection. The key feature of the supplementary role is that it creates a parallel system which can promote inequality in access to care. South Africa would need to consider measures to improve consumer choice and financial risk protection if they envisage that private health funders will play a complementary role in the NHI. - The CMS participated in the Private Sector Forum (PSF) meetings, including the PSF launch. The PSF deals with the South African private sector's response to the HIV, TB and STI epidemics. - The CMS completed a commentary and updated draft NHI bill in line with National Health Polices and presented to the National Department of Health - The CMS, as member of CISNA: SADC's Committee of Insurance, Securities and Non-Banking Financial Authorities, assisted with and lead the development of a model law in support of the harmonisation of the medical scheme (aid) regulations within the SADC."

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	761 000	761 000	<ul style="list-style-type: none"> - A NHLS portion of the transfer payment was utilized to subsidize in part of the time spent by NHLS Academics in the teaching and training of students. The NHLS trained 64 registrars, 31 intern medical scientists and 285 intern medical technologists, as well as research in the field of pathology medicine, publishing 688 peer reviewed articles - To advance the teaching, training, and knowledge sharing, the NHLS introduced a workforce skills development initiative that utilises the "Project Extension for Community Healthcare Outcomes (Project ECHO) video conferencing platform to support the teaching and training platform and enhance consultative initiatives. The NHLS Project ECHO has been effectively implemented in 92 hubs, spokes, and mini-hub sites at regional, tertiary, and national central laboratories in eight provinces. - The Centre for Respiratory Disease and Meningitis (CRDM) continued to play a leading role in responding to the COVID-19 pandemic in South Africa. CRDM supported the National COVID-19 Incident Management Team playing a leading role in the Epidemiology and Laboratory Streams. The Centre produced regular COVID-19 surveillance reports including but not limited to the Weekly Epidemiological Brief, the Weekly Testing Summary, the COVID-19 reproductive number, and the SARS-CoV-2 Sequencing Update. - The Centre of TB was primarily focused on the COVID-19 response, with senior staff providing critical support to the COVID-19 pandemic response. The representative from NICD served on the COVID-19 Ministerial Advisory Committee (MAC) and coordinated the South African COVID-19 Modelling Consortium (SACMC), which provided modelling support for multiple structures, including the National Department of Health (NDoH), the National COVID-19 Command Council (NCCC), MAC, National Treasury, and the public. - The multidisciplinary teams of the institute participated in a substantial number of OHS engagements, in both the public and private sectors, ranging from partaking in cutting-edge research at a national and global level, to supporting innovative programmes to assist vulnerable workers. The NIOH provided 98% of the test results within the acceptable turnaround times. - 100 webinars have been conducted with over 54 461 participants being trained on various COVID-19 topics. The NIOH online COVID-19 digital compendium from March 2020 to April 2022 summarised all the activities and is publicly available (www.nioh.ac.za/COVID-19-digital-compendium/). - The Occupational Health and Safety Information System (OHASIS) was adapted to cater for COVID-19 test results and provide weekly statistics for the NHLS EXCO and COVID-19 Compliance Officers.

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
Office of Health Standard Compliance (OHSC)	To protect and promote the health and safety of health services users	R151 889	R149 787	<ul style="list-style-type: none"> - The overall number of public sector health establishments inspected for compliance with the norms and standards regulations was 544, exceeding the 2021/2022 target of 299. Since the financial year 2019/2020, the OHSC has inspected a total of 1 678 out of 3 741 (45%) of all public sector health establishments. - As at the end of the 2021/22 financial year, 190 health establishments were issued with certificates of compliance. - A total of 2 756 out of 3 317 (83.09%) low risk complaints received from the public were resolved within the turn-around times set in the Annual Performance Plan. - The clearance of backlog medium- to high-risk complaints remained a priority, and as of 31 March 2022, the backlog was cleared by 94% (105 out of 112). - A total of 26 guidance workshops were conducted during the 2021/2022 financial year, exceeding the set target of 24. - Early Warning System based recommendations for improvement in the healthcare sector were made to eight (8) provincial health authorities. - Recommendations for improvement in the healthcare sector based on the analysis of the Annual Returns were made to Nine (9) provincial health authorities. - One (1) recommendation report on the review of norms and standards regulations was submitted to the Minister of Health - The Private Hospital inspection tool was finalised and approved by the Board and piloted in four (4) private hospitals during the 2021/2022 financial year. - Consultative workshops were conducted with representatives from the private sector groups to orientate them on the Private Hospital inspection tools prior to the inspection of the health establishments to ensure common understanding of the requirements of the regulations. - A total of 32 community stakeholder engagements to raise public awareness on the role and powers of the OHSC and Health Ombud were conducted to share information with the public about the work of the OHSC, exceeding the set target of 12. - A campaign to raise public awareness of the role and powers of OHSC was conducted with communities on 80 community radio stations hosted by Government Communication and Information System (GCIS) across the country.

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	R146 287	R146 287	<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. <p>During the 2021/22 financial year, SAHPRA achieved the following:</p> <ul style="list-style-type: none"> - The backlog applications for medicine registration and medicine variations were cleared by 94%. - The Policy on Priority Review Pathways for medicines was approved to facilitate greater accessibility and availability of medicines: <ul style="list-style-type: none"> - That address unmet clinical needs in the South African market (Novel/ Innovative medicine/ New Chemical Entities); - That show a major therapeutic advantage in safety or efficacy to existing treatment options; - For life threatening or seriously debilitating conditions; - For public health and animal health emergency; - For a limited target disease for a patient population (orphan disease); - In the event of national priorities guided by the National Department of Health (NDoH) or - Where security of supplies is a concern (guided by NDoH needs) and the Department of Agriculture. - All 44 (100%) New Chemical Entities were finalised within the prescribed 590 working days whilst 80% of generic medicine applications were finalised within the prescribed 250 working days. Generic medicine registrations included therapeutic areas such as anti-histamine, anti-acid, anti-infectives, oncology, antiviral and anti-tuberculosis. - Out of the 130 health product quality complaints received, 93 (72%) reports were produced within 30 working days. - Continued providing access to ivermectin for the treatment of COVID-19 through the controlled compassionate use programme which is under review based on the most recent scientific medical data available. - All COVID-19 clinical trial protocol application reviews were expedited with response times of between 7 - 10 working days. - 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. - Commenced with the assessment of the COVID-19 self-test or home-based self-test kits.

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
Health Information System Programme (HISP)	NGO	To support strengthening of the integrated routine health information system (District Health Information System maintenance, data management and transition to Web-DHIS); and to support NIDS (National Indicator Data Set) implementation	Yes	14 984	14 984	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
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	28 030	28 030	Not Applicable
LoveLife	NGO	To support the Department in the implementation of HIV youth prevention interventions, including peer educators through Ground Breakers and Mphinthi's and the live Chat Groups to facilitate dialogues and information sharing among youth	Yes	61 976	53 320	Delayed to transfer funds to LoveLife due to constant change of management which delay in approval of submission as names has to be changed during the processes. LoveLife implementation of activities were also affected by the COVID-19 pandemic
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	1 095	0	The transfer was delayed because the organisation did not submit audit report on time
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	433	433	Not Applicable
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	24 331	21 880	Delayed to transfer funds to Soul City due to the late submission of required documents from Soul City and alignment of business plan with the Departmental priorities. Due to this delay, Soul City could not execute all their activities for the 2021/22 financial year. Implementation of activities were also affected by the COVID-19 pandemic.

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
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	642	642	Not Applicable
SA Council for the Blind	Eye Health NGO	Cataract Surgery to reduce the backlog in the private sector	Not Applicable	1 026	0	Cancellation of elective surgery due to lockdown regulation as a result of COVID-19
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	459	459	Not Applicable
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	2 613	2 613	Not Applicable
Boithuti Lesedi Project	HIV&AIDS: NGO	HIV testing services and prevention strategies	Yes	3 046	3 046	Not Applicable
Centre for Positive Care (CPC)	HIV&AIDS: NGO	HIV prevention strategies targeting sex workers.	Yes	3 260	3 260	Not Applicable
Community Responsiveness Programme (CPR)	HIV&AIDS: NGO	HIV prevention strategies and treatment adherence clubs	Yes	2 882	2 882	Not Applicable
Educational Support Services Trust (ESST)	HIV&AIDS: NGO	HIV prevention strategies, treatment adherence and TB/ NCD screening	Yes	3 709	3 709	Not Applicable
Essa Christian AIDS Programme	HIV&AIDS: NGO	HIV prevention strategies and PLHIV (people living with HIV) support	Yes	2 206	2 206	Not Applicable
Friends for Life	HIV&AIDS: NGO	HIV prevention strategies and treatment adherence support	Yes	3 222	3 222	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	4 304	4 304	Not Applicable
Get Ready	HIV&AIDS: NGO	Psycho-social support and treatment adherence support	Yes	2 506	2 506	Not Applicable
Healthcare Development and Training Institute	HIV&AIDS: NGO	HIV testing services, MMC promotion, NCD screening and treatment support	Yes	0	0	Not Applicable
Highveld East Aids Projects Support (HEAPS)	HIV&AIDS: NGO	Prevention strategies and treatment support	Yes	4 526	4 526	Not Applicable
Humana People to People	HIV&AIDS: NGO	HIV testing services, training, prevention strategies targeting sex workers and truckers	Yes	2 300	2 300	Not Applicable
Leandra Community Centre	HIV&AIDS: NGO	HIV testing services, prevention strategies and treatment adherence support	Yes	2 673	2 673	Not Applicable
Leseding Care Givers	HIV&AIDS: NGO	Prevention strategies and treatment adherence support	Yes	1 717	1 717	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
Muslim Aids Programme (MAP)	HIV&AIDS: NGO	Prevention strategies and treatment support	Yes	2 282	2 282	Not Applicable
National Institute Community Development and Management (NICDAM)	HIV&AIDS: NGO	Prevention strategies and treatment adherence support	Yes	2 841	2 841	Not Applicable
National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health (NLGBTHI)	HIV&AIDS: NGO	Advocacy and prevention strategies for MSM (men who have sex with men) and WSW (women who have sex with women)	Yes	3 642	3 642	Not Applicable
Ramotshinyadi HIV/AIDS	HIV&AIDS: NGO	Prevention strategies and treatment adherence support	Yes	2 899	2 899	Not Applicable
SAOPHA	HIV&AIDS: NGO	Prevention strategies and treatment adherence support	Yes	2 152	2 152	Not Applicable
Sunrise Wellness Centre	HIV&AIDS: NGO	Treatment adherence support and prevention strategies	Yes	2 152	2 152	Not Applicable
The Training Institution for Primary Health Care (TIPHC)	HIV&AIDS: NGO	Prevention strategies	Yes	2 162	2 162	Not Applicable
Ukamba Projects	HIV&AIDS: NGO	HIV testing services, treatment support and NCD screening	Yes	3 556	3 556	Not Applicable
Zakheni Training and Development	HIV&AIDS: NGO	HIV testing services, treatment support and TB/NCD screening	Yes	3 340	3 340	Not Applicable
Total				196 966	185 859	

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	<ul style="list-style-type: none"> - To appoint statutory positions in the health sector for systematic realisation of human resources for health strategy and phased-in of National Health Insurance - 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"> - 1388 Statutory posts funded from this grant (per category and discipline) and other funding sources - 1272 Registrars posts funded from this grant (per category and discipline) and other funding sources - 189 specialist posts funded from this grant (per category and per discipline) and other funding sources
Actual outputs achieved	<ul style="list-style-type: none"> - 4825 Statutory posts funded from this grant (per category and discipline) and other funding sources - 1476 Registrars posts funded from this grant (per discipline) and other funding sources - 428 specialist posts funded from this grant (per category and per discipline) and other funding sources
Amount per amended DORA (R'000)	4 297 681
Amount received (R'000)	4 297 681
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	4 288 881
Reasons for deviations on performance	None.
Measures taken to improve performance	Provinces will be encouraged to fund capital requirements under NTSG or voted funds ¹
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	<ul style="list-style-type: none"> - 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"> - 644 876 inpatient separations - 388 399 day patient separations - 1 210 403 outpatient first attendances - 2 945 919 outpatient follow-up attendances - 4 055 840 inpatient days - 6,5 days Average length of stay - 110% bed utilization rate by facility
Actual outputs achieved	<ul style="list-style-type: none"> - 661 228 inpatient separations - 520 109 day patient separations - 1 314 049 outpatient first attendances - 2 818 533 outpatient follow-up attendances - 5 142 989 inpatient days
Amount per amended DORA (R'000)	13 707 798
Amount received (R'000)	13 707 798
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	13 385 416 (98% spent)
Reasons for deviations on performance	The following provinces has underspent - Gauteng underspent by 7%, Limpopo by 4% and North West province by 4%. With regards to Gauteng the overall underspending is mainly under machinery; however, the department has commitments to the value of R362,3 million, a rollover application has been submitted to Provincial Treasury.
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.

HIV, TB, COS, Malaria and HPV HIV/AIDS Component Grant

Department that transferred the grant	National Department of Health
Purpose of the grant	<p>HIV and AIDS Component: To enable the health sector to develop and implement an effective response to HIV and AIDS Prevention and protection of health workers of exposure to hazards in the workplace</p> <p>TB Component: To enable the health sector to develop and implement an effective response to TB</p> <p>Community Outreach Services Component: To ensure that every Community Health Worker contracted as part of the WBPHCOTs receives a remuneration, tools of trade and is trained to deliver on the approved scope of work</p> <p>Malaria Component: To enable the health sector to develop and implement an effective response to support the effective implementation of the National Strategic Plan on malaria elimination 2019-2023</p> <p>HPV Component: To enable the health sector to prevent cervical cancer by making available HPV vaccination for grade five schoolgirls in all public and special schools and progressive integration of HPV into ISHP</p> <p>Mental Health Services Component: To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers</p> <p>Oncology Services Component: To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers</p> <p>COVID-19 Component: To enable the health sector to rollout COVID-19 vaccine</p> <p>National Health Insurance Grant: To expand the healthcare service benefits through the strategic purchasing of services from healthcare providers</p>

Department that transferred the grant	National Department of Health
Expected outputs of the grant	<p>HIV and AIDS Component:</p> <ul style="list-style-type: none"> - 600 000 new patients that started on ART - 6 000 000 patients on ART remaining in care - 700 000 000 male condoms distributed - 30 000 000 female condoms distributed - 220 108 babies PCR tested at 10 weeks - 14 000 000 clients tested for HIV (including antenatal) - 600 000 Medical Male Circumcision performed - 600 000 HIV new positive eligible client initiated on TPT (Tuberculosis Preventive Therapy) - 3 010 085 ART patients decanted to DMOc (Differentiated Models of Care) <p>TB Component:</p> <ul style="list-style-type: none"> - 90% TB symptom clients screened in facility rate (under 5 yrs and 5 yrs and older) - 2 916 760 of patients tested for TB using Xpert - 340 806 of eligible HIV positive patients tested for TB using urine lipoarabinomannan assay - 90% of 5 years and older TB clients started on treatment rate - 90% of confirmed TB Rifampicin Resistant started on treatment rate - 3 000 eligible clients initiated on Delamanid containing regimen <p>Community Outreach Services Component:</p> <ul style="list-style-type: none"> - 49 105 Community Health Workers receiving stipend - 7 073 Community Health Workers trained - 358 151 HIV defaulters traced by CHWs - 25 484 TB defaulters traced by CHWs <p>Malaria Component:</p> <ul style="list-style-type: none"> - 21 of malaria endemic municipalities with > 95% indoor residual spray (IRS) coverage - 60% confirmed cases notified with 24 hours of diagnosis - 60% of confirmed cases investigated and classified within 72 hours in endemic areas - 100% of identified health facilities with recommended treatment in stock - 90% of identified health workers trained on malaria elimination - 70% of population reached through malaria information education and communication (IEC) on prevention and treatment - 13 malaria camps refurbished and/or constructed <p>HPV Component:</p> <ul style="list-style-type: none"> - 80 % of grade five schoolgirls aged 9 and above vaccinated for HPV 1st dose - 80 % of grade five schoolgirls aged 9 and above vaccinated for HPV 2nd dose - 80% of schools with grade five girls reached by the HPV vaccination team for 1st dose - 80% of schools with grade five girls reached by the HPV vaccination team for 2nd dose <p>Mental Health Services Component:</p> <ul style="list-style-type: none"> - 10 health professionals (psychiatrists) contracted (total and by discipline) - 20 health professionals (Clinical Psychologists) contracted (total and by discipline) - 15 000 increases in the number of all ages seen at ambulatory (non-inpatient) services for mental health conditions - 25% reduction in the backlog of forensic mental observations <p>Oncology Services Component:</p> <ul style="list-style-type: none"> - Three (3) health professionals contracted (total and by discipline) - 2 000 patients seen per type of cancer - 10% reduction in oncology treatment including radiation oncology backlog <p>COVID-19 Component:</p> <ul style="list-style-type: none"> - 40 000 000 clients fully vaccinated for COVID-19 <p>National Health Insurance Grant:</p> <ul style="list-style-type: none"> - 418 health professionals contracted - 650 000 patients seen by contracted health professionals

Department that transferred the grant	National Department of Health
Actual outputs achieved	<p>HIV and AIDS Component:</p> <ul style="list-style-type: none"> - 452 219 new patients that started on ART - 5 217 131 patients on ART remaining in care - 534 959 326 male condoms distributed - 17 303 835 female condoms distributed - 1 166 exposed infants HIV positive at 10 weeks PCR test - 17 363 017 clients tested for HIV (including antenatal) - 385 696 Medical Male Circumcision performed - 296 469 patients on ART initiated on isoniazid preventative therapy (IPT) <p>TB Component:</p> <ul style="list-style-type: none"> - 91.4% TB symptoms client screened in facility (under 5 years and 5 years and older) - 2 089 067 of patients tested for TB using Xpert - 28 522 Eligible HIV positive patients tested for TB using urine lipoarabinomannan assay - 96% of all TB clients (5 years and older) started on treatment - 77.6% of confirmed TB Rifampicin Resistant started on treatment - 861 Eligible clients initiated on Delamanid containing regimen <p>Community Outreach Services Component:</p> <ul style="list-style-type: none"> - 47 250 Community Health Workers receiving stipend - 15 462 Community Health Workers trained - 481 602 HIV defaulters traced by CHWs - 59 006 TB defaulters traced by CHWs <p>Mental Health Services Component: Total: 126 and by discipline)</p> <ul style="list-style-type: none"> - 11 health professionals (psychiatrists) contracted - 15 health professionals (Clinical Psychologists) contracted - 100 health professionals (Registered Counsellors) contracted - 49 331 increases in the number of all ages seen at ambulatory (non-inpatient) services for mental health conditions - 32% (449 of 1400) reduction in the backlog of forensic mental observations <p>Oncology Services Component:</p> <ul style="list-style-type: none"> - 5 health professionals contracted (total and by discipline) - 4500 patients seen per type of cancer - 10% reduction in oncology treatment including radiation oncology backlog <p>Malaria Component:</p> <ul style="list-style-type: none"> - 16 (85%) of targeted malaria endemic municipalities with > 95% indoor residual spray (IRS) coverage - 41% confirmed cases notified with 24 hours of diagnosis in the endemic districts - 66% of confirmed cases investigated and classified within 72 hours in the endemic districts - 100% identified health facilities with recommended treatment in stock - 118% of identified health workers trained on malaria elimination - 98% of social mobilisation information education and communication (IEC) campaigns conducted - 93% of vacant funded malaria positions filled - 6 malaria camps refurbished and/or constructed <p>HPV Component:</p> <ul style="list-style-type: none"> - 80,6% grade five schoolgirls aged 9 and above vaccinated for HPV 1st round - 93,0% schools with grade five girls reached by the HPV vaccination team 1st round - 81.4% grade five schoolgirls aged 9 and above vaccinated for HPV 2nd round - 83.9% schools with grade five girls reached by the HPV vaccination team 2nd round
Amount per amended DORA (R'000)	27 752 877
Amount received (R'000)	27 752 877
Reasons if amount as per DORA was not received	Not Applicable
Amount spent by the department (R'000)	26 676 102 (96 % spent)
Reasons for deviations on performance	The underspending is attributed to COS component, HIV and AIDS and COVID-19. Some provinces were unable to appoint the community health workers.
Measures taken to improve performance	Rolled over budgets to be spent in the first quarter of the financial year 2022/23.
Monitoring mechanism by the receiving department	Provincial (site) visits and grant reviews with both provincial health departments and national treasury.

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 revitalized - 21 Hospitals constructed or revitalized - 120 Facilities maintained, repaired and/or refurbished
Actual outputs achieved	<ul style="list-style-type: none"> - PHC: 52 - 4 new facilities constructed; 48 revitalized - Hospitals: 21 - 1 constructed; 20 revitalized - 120 Facilities maintained, repaired and/or refurbished
Amount per amended DORA (R'000)	6 445 188
Amount received (R'000)	6 445 188
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	6 245 892(97% spent)
Reasons for deviations on performance	None. All planned new facilities were completed. For PHC, some projects were completed ahead of schedule.
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.

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 to improve spending, performance, as well as monitoring and evaluation on infrastructure in National Health Insurance (NHI) - To enhance capacity and capability to deliver infrastructure for NHI - To accelerate the fulfilment of Occupational Health and Safety
Expected outputs of the grant	<ul style="list-style-type: none"> - Two (2) PHC facilities constructed or revitalised - 0 Hospitals constructed or revitalised - Five (5) Facilities maintained, repaired and/or refurbished
Actual outputs achieved	<ul style="list-style-type: none"> - 0 PHC facilities constructed or revitalised - 0 Hospitals constructed or revitalised - Three (3) Facilities maintained, repaired and/or refurbished
Amount per amended DORA (R'000)	R925 400
Amount received (R'000)	R925 400
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	843 288 (91% spent)
Reasons for deviations on performance	The grant shows an underspending due to delays in Limpopo Academic Hospital, which took longer than anticipated on the Gateway review.
Measures taken to improve performance	Monitoring of projects and expenditure monthly
Monitoring mechanism by the receiving department	Quarterly reviews and site visits

Personal Services GP Contracting (Capitation), Mental Health Services and Other Priority Services (Oncology Services)

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	- Number of general practitioners contracted through capitation arrangement
Actual outputs achieved	There were no outputs achieved as the Personal Services Component was reprioritised during the adjustment period. The capitation was reprioritised for Medical Internship programme and mental health and oncology services were converted to direct grant and reprioritised for Medical Internship programme.
Amount per amended DORA (R'000)	17 776
Amount received (R'000)	17 776
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	17 776 (100% spent)

Department that transferred the grant	National Department of Health
Reasons for deviations on performance	<p>CAPITATION The funding for capitation was reprioritised for Medical Internship programme to address the mid-year cycle placement shortage. The implementation of the capitation was postponed to next financial year. The reprioritisation came as the department appointed the Deputy Director-General: National Health Insurance (NHI) and his priority currently was to establish an NHI unit hence the postponement of the capitation.</p> <p>MENTAL HEALTH SERVICES The allocation for Mental Health Services was reprioritised as follows: <ul style="list-style-type: none"> - R36 million was reprioritised for Medical Internship programme - The balance of the allocation R40 million was converted to direct grant. - It should be noted that the reprioritised amounts for Medical Internship programme were converted to direct Statutory Human Resources component. </p> <p>ONCOLOGY SERVICES The whole oncology allocation was converted to direct grant during adjustment period.</p>
Measures taken to improve performance	To strengthen the monitoring of the component.
Monitoring mechanism by the receiving department	Monthly, Quarterly reporting and conditional grant reviews

National Health Insurance Grant: Non-Personal Services Component

Department that transferred the grant	National Department of Health
Purpose of the grant	<ul style="list-style-type: none"> - To expand the alternative models for the dispensing and distribution of chronic medication - To development and roll out of new Health Information Systems in preparation for NHI - To enable health sector to address the deficiencies in the Primary Health Care facilities systematically to yield fast results through the implementation of the Ideal Clinic programme - To maintain the Intern and Community Services Programme (ICSP) information systems which will be progressively integrated into the broader Human Resources for Health Information System/HRH Registry
Expected outputs of the grant	<ul style="list-style-type: none"> - 300 and X% of PHC facilities peer reviewed against Ideal Clinic Standards - 2 000 and X% of PHC facilities achieving an ideal status - 3 134 PHC facilities and 34 hospitals implementing the Health Patient Registration System - 62,345,043, individuals of the population registered on the Health Patient Registration System - Intern Community Service Programme (ICSP) system maintained, and improvements effected - Alternative chronic medicine dispensing, and distribution model implemented - 4 700 000 New and number of total patients registered in the programme - No. of primary health care facilities implementing an electronic stock monitoring system - No. of hospitals implementing an electronic stock management system. - Number of fixed health establishments reporting medicines availability to the national surveillance centre
Actual outputs achieved	<ul style="list-style-type: none"> - 300 and 203 (68%) of PHC facilities peer reviewed against Ideal Clinic Standards - 2 000 and 1925 (96,25%) of PHC facilities achieving an ideal status - Allocated 2461 medical interns and 8129 community service personnel - Alternative chronic medicine dispensing, and distribution model implemented - 5013 074 New and total patients registered in the programme broken down by <ul style="list-style-type: none"> - 1 710 647 Antiretroviral treatments - 380 432 Antiretroviral with co-morbidities - 521 453 non-communicable diseases - 2 980 Pickup points (non-state) and 3591 health establishments (state) rendering the CCMDD service - National data centre hosting environment for NHI information systems established - 3 873 Fixed health establishments reporting medicine availability to the national surveillance centre, of which: <ul style="list-style-type: none"> - Clinics 3 346 - Hospitals 381 - Other Types 146
Amount per amended DORA (R'000)	607 773
Amount received (R'000)	607 773
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	499 794 (82% spent)
Reasons for deviations on performance	The under spending is due to some of the invoices could not be paid and slow SCM processes for 2021/22.
Measures taken to improve performance	The budgets to be rolled over 2022/23 financial year
Monitoring mechanism by the receiving department	Grant reviews and site visits conducted to monitor progress.

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 (total and by discipline) - Number of patients seen by contracted health professionals
Actual outputs achieved	402 Health practitioners, including <ul style="list-style-type: none"> - Medical practitioners - Sonographers - Dentists - Dental assistants - Radiographer 171663 Patients seen
Amount per amended DORA (R'000)	R268 677
Amount received (R'000)	R268 677
Reasons if amount as per DORA was not received	None
Amount spent by the department (R'000)	R264 354
Reasons for deviations on performance	All provinces reported a decrease in the number of patients visiting healthcare facilities due to the COVID-19 pandemic. It was difficult to attract and contract health practitioners in some of the more rural districts Turnover of health practitioners due to the short-term nature of contracts
Measures taken to improve performance	Facility visits and constant communication with facilities and provinces improves performance
Monitoring mechanism by the receiving department	Monitoring was done through quarterly reports. As a result of COVID-19 pandemic and COVID-19 related activities district visits were also reduced.

2.7 Donor Funds

Full amount of the funding (R'000)	25 542
Period of the commitment	12 months (running from 1 st October 2021 – 30 September 2022)
Purpose of the funding	Enhance the National Department of Health coordination and leadership on HIV and TB programmes in South Africa
Expected outputs	<ul style="list-style-type: none"> - Salaries - Support for human resources of key positions within the NDoH branches. Total number of funded staff is 29 with 6 vacant positions - To scale up combination of prevention interventions including HCT, PrEP and condom distribution. - To strengthen linkages to appropriate HIV care. - To implement combination of prevention and treatment interventions to reduce the burden of TB infections strengthen patient retention in treatment and care for TB. - interrogation of TB/HIV data with a specific focus on attainment of strategic target - To expand the PMTCT coverage to all pregnant women by ensuring all HIV positive antenatal clients are placed on ART. - To scale-up MMC to reach 80% of HIV negative uncircumcised males 15 - 49 years - To improve Human Resource workforce capacity and strengthening health care system in South Africa. - To maintain systems for managing information about PEPFAR support in South Africa.
Actual outputs achieved	<ul style="list-style-type: none"> - Continued support for salaries of 29 key funded staff within the branches - 10130 partners to pregnant women were reached with HIV Prevention messages (of which 79.6% are the fathers) - PrEP guidelines updated and signed to include implementation in pregnant and breastfeeding women - PrEP upscale progress at 60% (2091) in public health facilities against the target of 3465 facilities - alignment of monitoring definitions across PEPFAR and non-PEPFAR supported districts - Successfully launched the National Men's Health Strategy to assist the MMC program to migrate towards Men's Health - Launched MMC online training platform under the NDoH knowledge hub platform in a webinar hosted by human resources department - NDOH / PEPFAR MOU – bilateral health forum- The MOU has been through various iterations and has now been finalized through the PIFIP Unit - Human Resource Information system unit managed to have data exchange with statutory councils (SANC, HPCSA, SAPC)
Amount received (R'000)	12 782 (for the period between 1 st October 2021 – 31 st March 2022)
Amount spent by the department (R'000)	12 782 (for the period between 1 st October 2021 – 31 st March 2022)
Reasons for the funds unspent	<ul style="list-style-type: none"> - There is commitment of R137 860 that relates to procurement of PrEP and other outstanding payments. Actual expenditure for the said commitment was incurred between October 2021 and February 2022. In terms of the CDC, the expenditure falls under previous year of funding cycle (1st October 2020 – 30 September 2021) - 6 Vacant positions could not be filled on time
Monitoring mechanism by the donor	<ul style="list-style-type: none"> - Quarterly Activity Dashboard review - Monthly Budget vs Expenditure reports to CDC-SA - Semi-annual report in preparation for funding application - Annual report sent to CDC HQ

Name of donor	Global Fund - New Funding Model
Full amount of the 3-year funding period	4,217,258
Period of the commitment	80,886
Purpose of the funding	Investing for impact against TB and HIV
Expected outputs	<ul style="list-style-type: none"> - Percentage of people living with HIV currently receiving antiretroviral therapy. 79,8% - Percentage of people living with HIV newly enrolled in HIV care started on TB preventive therapy. 90% - Percentage of registered new and relapse TB patients with documented HIV status. 100% - Percentage of HIV-positive new and relapse TB patients on ART during TB treatment. 90% - Number of TB cases with RR-TB and/or MDR-TB notified. 7,990 - Number of cases with RR-TB and/or MDR-TB that began second-line treatment. 7,189 - Number of notified cases of all forms of TB-(i.e. bacteriologically confirmed + clinically diagnosed), includes new and relapse cases. 135,028 - 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. 90% - Number of children <5 in contact with TB patients who began isoniazid preventive therapy. 25,242 - Percentage of HMIS or other routine reporting units submitting timely reports according to national guidelines. 99% - Number of TB treatment defaulters traced. 3,309 - Number of health care providers trained on medical ethics and Human rights. 1,497
Actual outputs achieved	<ul style="list-style-type: none"> - Percentage of people living with HIV currently receiving antiretroviral therapy. 67% - Percentage of people living with HIV newly enrolled in HIV care started on TB preventive therapy. 93% - Percentage of registered new and relapse TB patients with documented HIV status. 89% - Percentage of HIV-positive new and relapse TB patients on ART during TB treatment. 91% - Number of TB cases with RR-TB and/or MDR-TB notified. 4,108 - Number of cases with RR-TB and/or MDR-TB that began second-line treatment. 3,072 - Number of notified cases of all forms of TB (i.e., bacteriologically confirmed + clinically diagnosed), includes new and relapse cases. 81,730 - 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% - Number of children <5 in contact with TB patients who began isoniazid preventive therapy. 12,113 - Percentage of HMIS or other routine reporting units submitting timely reports according to national guidelines. 99.1% - Number of TB treatment defaulters traced. 9,377 - Number of health care providers trained on medical ethics and Human rights. 1,619
Amount received (R'000)	1,411,879
Amount spent by the department (R'000)	953,646
Reasons for the funds unspent	<p>The grant spent 73%% when considering the commitments as at the end of 31 March 2022. The underspending of 27% was mainly due to two reasons namely: delays in the delivery of TB medications due non-fulfilment of order by supplier and delays in signing of service level agreement for the National Health Laboratory Services for the COVID-19 related activities.</p>
Monitoring mechanism by the donor	<p>The National Department of Health as the Principal Recipient of the Global Fund grant conducts the following activities to monitor the implementation and performance of funded programmes:</p> <ul style="list-style-type: none"> - Conduct on-site verification visits per quarter to ensure compliance with the Global Fund guidelines. - Conduct support visits to grant implementers to ensure proper implementation of the approved project activities. - Conduct data review meetings to verify the accuracy of the data reported. - Quarterly workshops and meetings with sub-recipient for programme management. - Conduct deep dive meetings. - Six monthly internal audits and annual external audits. <p>The Global Fund Country Team conducts regular country visits which include site visits to implementing facilities. 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-month 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	2021/22			2020/2021		
	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)	38 000	196 083	-158 083	70 472	48 644	21 828
Capital (Buildings and other fixed structures)	716 163	556 530	159 633	332 627	572 023	-239 396
Machinery and Equipment	48 726	45 080	3 646	234 370	43 735	190 635
Total Infrastructure – Excluding Limpopo Academic	802 889	797 693	5 196	637 469	664 403	-26 934
		Infrastructure – Limpopo Academic				
Capital (Buildings and other fixed structures)**	122 511	45 595	76 916	214 809	168 087	46 722
Total	925 400	843 288	82 112	852 278	832 491	19 788



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 2021/22 financial year.

3.2 Risk Management

The Department recognises that risk management is a valuable management tool which improves and assists management in minimizing any negative impacts and optimizing 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 2021/22 financial year. Risk Registers were developed by management and aligned to the Annual Performance Plan 2021/22. 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, 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.

The Department has an approved 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.

3.4 Minimising Conflicts of Interest

The Department adopted the Code of Conduct prescribed by the Department of Public Service and Administration (DPSA) 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. In 2021/22 financial year, all those who participated in bid evaluation committees completed the disclosure forms. All appointed fully completed secrecy forms and declared their non-interests in the bids being evaluation.

In 2021/22 financial year, 120 of 122 senior managers completed the online eDisclosure system of the DPSA. The names of the outstanding two senior managers have been submitted to Labour Relations for disciplinary purpose. Furthermore, 181 of 411 Deputy Directors (Level 11 and 12) and personnel in SCM, Finance, Offices of the DG and Minister completed their financial interest disclosures through online eDisclosure system. The eDisclosure system has been re-opened to enable outstanding disclosures for these categories of staff to be done. Disciplinary action will be taken against those who did not disclose their financial interest as prescribed by Public Service Regulations of 2016.

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

During 2021/22, Occupational Health and Safety (OHS) issues were well covered through the interventions by the OHS Committee initially in the Relocation Task Team and subsequently in the Dr AB Xuma building. The OHS Committee met regularly to oversee OHS interventions within the Department and its satellite offices and facilities. Hazard Identification and Risk Assessments were conducted at 11 Port Health sites across the country and the MBOD/CCOD building in Johannesburg. The reports have been assessed by the OHS Committee and the management of Port Health and the MBOD/CCOD. The senior safety officer for the department started in January 2022 and provided administrative support services to the OHS Committee as well as the draft policy and guideline documents on OHS. The nomination process for fire wardens and first aiders started in February 2022.

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 2021	Vaccine trials, procurement & roll -out update programme update; with Minister and Deputy Minister.	Briefing by the Department of Health on current vaccination roll-out situation including challenges regarding deliveries of vaccine supplies
28 April 2021	Vaccine trials, procurement & roll -out update programme update; with Minister and Deputy Minister.	The Department of Health virtually updated the Portfolio of Health Committee on COVID-19 Epidemiology, surveillance, and vaccine roll-out.
07 May 2021	Department of Health 2021/22 Annual Performance Plan; with Deputy Minister	Briefing by the Department of Health on its Annual Performance Plan for the financial year 2021/2022.
28 May 2021	Special Audits on financial management of government's COVID-19 initiatives; Update on COVID-19 Vaccine roll-out with Deputy Minister.	Joint briefing between the Portfolio Committee on Health and Select Committee on Health and Social Sciences on the financial management of COVID-19 initiatives and an update on COVID-19 roll out programme. The Committee noted the update
04 June 2021	Digital Vibes contract investigation: Department briefing.	Briefing by the Department of Health on the investigation into awarding of the Digital Vibes contract.
17 June 2021	Vaccine roll-out & preparedness for third wave; Digital vibes contract investigation; with Acting Minister and Deputy Minister	Briefing by the Acting Minister and Deputy Minister to update on the investigation into the Digital Vibes contract, and on the management of the COVID-19 pandemic.
30 June 2021	Vaccine acquisition /roll-out and Delta variant; with Ministry	Briefing by Acting Health Minister, Deputy Minister, and the Department of Health on vaccine procurement.
21 July 2021	Update on vaccine roll-out: Department briefing; with Acting Minister and Deputy Minister	Briefings by the Minister and NDoH delegates on the COVID-19 vaccination roll-out and other relevant issues, such as the delta variant.
04 Aug 2021	Digital Vibes Matter: clarification of procedure; KZN & Gauteng visit; Committee minutes	The Committee considered minutes from meetings held in May, June, and July 2021. Several amendments were made. The Committee noted the update.
24 Aug 2021	Vaccine roll-out programme & Acquisition, with Minister and Deputy	Briefing by Department of Health about vaccine roll-out programme progress, procurement, and communication strategy virtually.
9 Sept 2021	Vaccine roll-out programme & acquisition, with Minister	Deputy Minister and Department of Health updated the Portfolio Committee about the COVID-19 vaccine roll-out programme across the country.
01 Oct 2021	Department's response to SIU Digital Vibes Report; with Minister & Deputy Minister	In a virtual meeting, the Department briefed the Committee on its plan of action for responding to the report of the Special Investigating Unit (SIU) on the Digital Vibes contracts. The Committee noted the update.
19 Nov 2021	Department of Health 2020/21 Annual Report; with Minister and Deputy Minister.	The Department of Health (DoH) briefed the Committee on its Annual Report for the 2020/21 financial year. The Committee noted the report
24 Nov 2021	2021 Budget Review & Recommendations Reports – BRRR	The Committee convened to adopt its 2020/21 Budgetary Review and Recommendations Report (BRRR) for the 2020/21 annual performance of the health portfolio. The report was adopted with amendments. Committee noted the update.
01 Dec 2021	Update on Omicron Variant & state of preparedness for fourth wave; with Deputy Minister	The Committee was briefed by scientists at the KwaZulu-Natal Research and Innovation Sequencing Platform (KRISP) and the National Institute for Communicable Diseases (NICD) on the new COVID-19 variant, known as Omicron or B.1.1.529.
25 Jan 2022	National Health Insurance (NHI) Bill: public hearings; with Deputy Minister	The Portfolio Committee on Health convened virtually to listen to four submissions as part of the public hearing process on the National Health Insurance Bill (NHI Bill). Those four presenters were Bonitas, Discovery Health, Polmed and MedScheme. All presenters had expressed their unanimous support for the Bill and its objective for delivering universal health coverage to all South Africans
26 Jan 2022	National Health Insurance (NHI) Bill: public hearings day 23; with Deputy Minister	The Committee continued its public hearings on the National Health Insurance (NHI) Bill. It heard oral submissions from Mediclinic Southern Africa, the Hospital Association of South Africa (HASA), the provincial Department of Health of the Western Cape, the South African Local Government Association (SALGA), and Life Healthcare Group. The submissions endorsed the Bill's commitment to universal health coverage and health system reform but raised perceived deficiencies in the NHI model proposed in the current Bill.
28 Jan 2022	National Health Insurance (NHI) Bill: public hearings day 24	The Portfolio Committee convened in a virtual meeting to engage with the Competition Commission, Commission for Gender Equality (CGE) and Solidarity on their National Health Insurance (NHI) Bill submissions.
8 Feb 2022	National Health Insurance (NHI) Bill: public hearings day 25, with Deputy Minister	The Committee held public hearings on the National Health Insurance Bill. Six organisations all made oral submissions. They supported the move toward universal health coverage but had concerns about provisions in the Bill and proposed several improvements.
9 Feb 2022	National Health Insurance (NHI) Bill: Public Hearings Day 26; with Deputy Minister	The Committee heard from the Government Employees Medical Scheme (GEMS); South African Medical Research Council (SAMRC), the Alcohol, Tobacco, and Other Drug Research Unit (ATODRU); the National Planning Commission (NPC); and Scalabrini Centre of Cape Town.
15 Feb 2022	National Health Insurance (NHI) Bill: public hearings day 27, with Deputy Minister	The Committee received oral submissions on the National Health Insurance (NHI) Bill from three organisations: AfriForum, Congress of South African Trade Unions (COSATU) and the South African Communist Party (SACP)

Date of the meeting	Brief of the meeting agenda/topic	Matters raised by the committee and how they were attended to by the Department
16 Feb 2022	National Health Insurance (NHI) Bill: public hearings day 28, with Deputy Minister	The Committee held public hearings on the National Health Insurance Bill. Two organisations made oral submissions: South African Committee of Medical Deans (SACoMD) and the National Education, Health and Allied Workers Union (NEHAWU). Both organisations supported the move toward universal health coverage and proposed several improvements to the Bill.
23 Mar 2022	Analysis of Health Sector's APP, Budget & Audit Outcomes; Vaccines audit report	Report of the meeting to follow
29 Mar 2022	NHI Bill: Department response to public hearings submissions	Report of the meeting to follow.
SELECT COMMITTEE ON SOCIAL SERVICES		
17 Aug 2021	Vaccination roll-out update; with Deputy Minister	Briefing by the Deputy Minister on uptake of COVID-19 vaccinations and opening of additional vaccination sites in provinces.
16 Nov 2021	Department of Health 2020/21 Annual Report; with Deputy Minister	The National Department of Health briefed the Committee on its 2020/21 Annual Report, highlighting shortcomings within the Department, and targets achieved

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 Committees

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

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 Committee

The Audit 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"> - Doctorate Technologia in Computer Science and Data Processing - Master Degree in Information Technology - Master Degree in Business Leadership - Bachelor of Commerce - Higher Diploma in Computer Auditing - Certificate in Managing Information Technology - Projects Management - Certificate in Digital Transformation Strategy 	Non-Executive Member	01/09/2019	31/08/2022	6
Ms ZM Kabini	<ul style="list-style-type: none"> - BCom in Informatics - BCom Hons in Informatics - Diploma in Business Analysis - Management Development Programme - MCom in Business Management 	Non-Executive Member	01/09/2019	31/08/2022	6
Mr C de Kock	<ul style="list-style-type: none"> - Professional Accountant (SAIPA) - Masters Degree in Information Technology Auditing - Bachelor of Commerce in Accounting, - Bachelor of Commerce in Accounting (Honours). - Certified Information Systems Auditor (CISA) - Global certification - Certified Internal Auditor (CIA) – Global certification 	Non-Executive Member	25/05/2018	24/08/2022	5

The Effectiveness of Internal Control

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 there is compliance with the 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 (IA) 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 IA function including its annual work programme, coordination with the external auditors and follow-up's on management corrective action plans. Based on the IA 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 IA on a quarterly basis, assesses the effectiveness of IA function, reviews and approves the IA annual coverage and Three-Year Rolling Plans.

The Audit and Risk Committee monitored and challenged, where appropriate, actions taken by Management regarding adverse IA findings. The Audit and Risk Committee has overseen a process by which IA has performed audits according to a risk-based audit plan where the effectiveness of the 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 IA 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 the 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 structure on projects and allocation of budget for ICT projects.

Audit and Risk Committee Responsibility

The Audit and Risk Committee is pleased to report that it has complied with its responsibility arising from its terms of reference, including relevant legislative requirements. For the financial year ended 31 March 2022, 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 IA and the AGSA. The Audit Committee also conducted separate meetings with the assurance providers; and
- The IA and Audit Committee Charters.

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 management committed and improvements certain

areas. 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 a number of prior findings that require immediate attention.

Evaluation of Financial Statements

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 significant adjustments resulting from the audit;
- iv. Reviewed any changes in accounting policies and practices; and
- v. Reviewed departmental compliance with applicable regulatory provisions.

Compliance with laws and regulations

During the 2021/22 financial year, the committee:

- Considered the system and processes the Department

uses to ensure compliance to regulations.

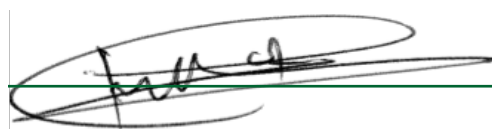
- Monitored compliance with laws and regulations.
- Reviewed both the internal and external audit reports to identify any compliance issues.

Auditor General's Report

The Audit and Risk 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: 28/09/22



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, in order 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.
White Paper on Transformation of the Public Services	Provide for a strategic framework for public services transformation to support the service delivery objective of government.

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 Organisational Development

Following the publication of the National Health Insurance Bill, the mandate to conduct an organisational review was issued. The department started a consultation process on the proposed structure and a business case was subsequently submitted in this regard. The department is currently being assisted by DPSA on rationalizing the proposed structure, particularly the posts needed to implement the structure.

4.1.3 Recruitment

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

4.1.4 Performance Management

The Department continued institutionalising performance culture, whilst enhancing an alignment between individual and organisational performance. For the financial year under review, the Department implemented employee development interventions and performance incentives in a consultative manner in enhancing employee's morale and maintaining harmonious labour relations.

4.1.5 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.

4.1.6 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.

4.1.7 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 2021 to 31 March 2022

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
Administration	672 725	246 154	426	36,6	368	668 896
NHI, Health PLN & Sys Enable	838 153	42 655	0	5,1	147	290 172
HIV&Aids, TB & Child Health	34 957 797	127 388	0	0,4	98	1 299 881
Primary Health Care Services	251 526	223 260	0	88,8	461	484 294
Hospital, Tertiary Service & HR Dev	21 011 761	23 307	0	0,1	238	97 927
Health Regulation & Compliance Management	6 360 533	185 475	0	2,9	97	1 912 117
Z=Total as on Financial Systems (BAS)	64 092 494	848 239	426	1,3	1409	602 015

*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 2021 to 31 March 2022

Salary Bands	Personnel expenditure (R'000)	% of total personnel cost *1	No. of employees *3	Average personnel cost per employee (R') *2
Lower Skilled (Levels 1-2)	1 031	0,1	6	171 882
Skilled (Levels 3-5)	94 138	11,1	307	306 639
Highly Skilled production (Levels 6-8)	305 610	36,0	663	460 950
Highly Skilled supervision (Levels 9-12)	309 330	36,5	334	926 137
Senior and Top Management (Levels 13-16)	138 130	16,3	99	1 395 248
TOTAL	848 239	100,0	1409	602 015

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

Table 4.2.1.3 - Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2021 to 31 March 2022

Programme	Salaries		HOA	Overtime as % of Personnel Cost *2	Medical Aid	Total personnel cost per programme			
	Amount (R'000)	Salaries as % of Personnel Cost *1				HOA as % of Personnel Cost *3	Amount (R'000)	Medical Subsidy as % of Personnel Cost *4	
Administration	153 574	62,4	2,9	2,9	6 609	2,7	11 279	4,6	246 154
NHI, Health PLN & Sys Enable	28 641	67,1	0,6	0,6	893	2,1	1 713	4,0	42 655
HIV&AIDS, TB & Child Health	87 090	68,4	1,3	1,3	2 762	2,2	4 587	3,6	127 388
Primary Health Care Services	141 290	63,3	7,8	7,8	5 255	2,4	11 230	5,0	223 260
Hospital, Tertiary Services & HR Dev	15 856	68,0	0,0	0,0	404	1,7	687	2,9	23 307
Health Regulation & Compliance Management	125 362	67,6	1,9	1,9	5 492	3,0	9 712	5,2	185 475
Total	551 812	65,1	3,5	3,5	21 414	2,5	39 208	4,6	848 239

*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: Homeowner'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, Homeowners Allowance and Medical Aid by Salary Band for the period 1 April 2021 to 31 March 2022

Salary bands	Salaries		HOA	Overtime	Medical Aid	Total Personnel cost per Salary Band	
	Amount (R'000)	Salaries as % of Personnel Cost *1				HOA as % of Personnel Cost *3	Amount (R'000)
Lower Skilled (Levels 1-2)	793	76,9	0,3	3	0	17	1,7
Skilled (Levels 3-5)	52 712	56,0	8,3	7 839	5 207	10 184	10,8
Highly Skilled production (Levels 6-8)	197 825	64,7	5,4	16 581	9 810	18 539	6,1
Highly Skilled supervision (Levels 9-12)	212 907	68,8	1,8	5 536	4 765	9 369	3,0
Senior and Top Management (Levels 13-16)	87 576	63,4	0,0	0	1 633	1 098	0,8
TOTAL	551 812	65,1	3,5	29 959	21 414	39 208	4,6

* 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: Homeowner'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 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate *1	Number of employees additional to the establishment
Administration	424	366	13,2	2
NHI & COO	176	142	16,5	5
HIV, AIDS TB, maternal & child health	123	98	20,3	0
Primary health care	539	396	14,5	65
Hospitals tertiary service & HRD	302	238	21,2	0
Health regulation & compliance management	132	97	26,5	0
Total	1696	1337	16,9	72

* 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 2022

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)	351	307	12,5	0
Highly skilled production (6-8)	770	598	13,9	65
Highly skilled supervision (9-12)	427	333	21,8	1
Senior Management (13-16)	131	93	24,4	6
TOTAL	1696	1337	16,9	72

* 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 2022

Critical Occupations	Number of Posts on the approved establishment	Number of posts filled	Vacancy rate ¹	Number of Employees additional to the establishment
Administrative Related	47	38	19,1	0
Artisan Project And Related Superintendents	1	1	0,0%	0
Auxiliary And Related Workers	64	62	3,1	0
Biochemistry Pharmacology. Zoology & Life Science Technician	165	133	19,4	0
Cleaners In Offices Workshops Hospitals Etc.	63	52	17,5	0
Client Inform Clerks (Switchboard Receptionist Information 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 And Nutritionists	9	7	22,2	0
Emergency Services Related	3	1	66,7	0
Engineering Sciences Related	2	1	50,0	0
Engineers And Related Professionals	2	2	0,0	0
Environmental Health	339	232	12,4	65
Finance And Economics Related	2	2	0,0	0
Financial And Related Professionals	42	31	26,2	0
Financial Clerks And Credit Controllers	25	20	20,0	0
Head Of Department/Chief Executive Officer	1	1	0,0	0
Health Sciences Related	123	96	22,0	0
Human Resources & Organisational Development & Related Profession	45	42	6,7	0
Human Resources Related	6	4	33,3	0
Information Technology Related	23	16	30,4	0
Legal Related	3	1	66,7	0
Library Mail And Related Clerks	17	13	23,5	0
Light Vehicle Drivers	3	3	0,0	0
Logistical Support Personnel	66	59	10,6	0
Medical Practitioners	5	3	40,0	0
Medical Technicians/Technologists	2	2	0,0	0
Messengers Porters And Deliverers	14	14	0,0	0
Other Administration & Related Clerks And Organisers	157	123	21,7	0
Other Administrative Policy And Related Officers	93	78	16,1	0
Other Information Technology Personnel.	3	3	0,0	0
Other Occupations	2	2	0,0	0
Pharmacists	15	12	20,0	0
Professional Nurse	15	10	33,3	0
Radiography	2	1	50,0	0
Secretaries & Other Keyboard Operating Clerks	107	92	14,0	0
Security Officers	80	75	6,3	0
Senior Managers	128	89	25,8	6
Social Work And Related Professionals	3	3	0,0	0
Staff Nurses And Pupil Nurses	1	1	0,0	0
Total	1696	1337	16,9	72

¹Number 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 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 / Head of Department	1	1	100,0	0	0,0
Salary Level 16, but not HOD	3	3	100,0	0	0,0
Salary Level 15	11	8	72,7	3	27,3
Salary Level 14	31	22	71,0	9	29,0
Salary Level 13	85	65	76,5	20	23,5
Total	131	99	75,6	32	24,4

*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 2021

SMS Level	Number of funded SMS posts	Number of SMS members filled	% of SMS posts filled ¹	Number of SMS posts vacant	% of SMS posts vacant ²
Director-General / Head of Department	1	1	100,0	0	0,0
Salary Level 16, but not HoD * ²	3	3	100,0	0	0,0
Salary Level 15	12	9	75,0	3	25,0
Salary Level 14	33	20	60,6	13	39,4
Salary Level 13	86	67	77,9	19	22,1
Total	135	100	74,1	35	25,9

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

²Total 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 2021 to 31 March 2022

SMS LEVEL	Number of vacancies 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/Head of Department	0	0	0
Salary Level 16 but not HOD	0	0	0
Salary Level 15	1	0	0
Salary Level 14	1	0	0
Salary Level 13	4	0	0
Total	6	0	0

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 2021 to 31 March 2022.**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 MPSA 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 2021 to 31 March 2022.**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 2021 to 31 March 2022**

Salary Band	Number of posts on approved establishment	Number of jobs evaluated	% of Posts evaluated per salary band ¹	Posts Upgraded		Posts Downgraded	
				Number	% of posts evaluated ²	Number	% of posts evaluated ³
Lower Skilled (Level 1-2)	17	0	0,0	0	0,0	0	0,0
Skilled (Levels 3-5)	351	0	0,0	0	0,0	0	0,0
Highly Skilled Production (Levels 6-8)	770	2	0,3	0	0,0	0	0,0
Highly Skilled Supervision (Levels 9-12)	427	4	0,9	0	0,0	0	0,0
Senior Management Service Band A	85	6	7,1	0	0,0	0	0,0
Senior Management Service Band B	31	3	9,7	0	0,0	0	0,0
Senior Management Service Band C	11	2	18,2	0	0,0	0	0,0
Senior Management Service Band D	4	0	0,0	0	0,0	0	0,0
Total	1696	17	1,0	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 2019 and 31 March 2020

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 2021 to 31 March 2022

Total number of employees whose salaries exceeded the level determined by job evaluation	0
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Table 4.5.4 - Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2021 to 31 March 2022.

Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2021 to 31 March 2022.	0
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4.6 EMPLOYMENT CHANGES**Table 4.6.1 - Annual turnover rates by salary band for the period 1 April 2021 to 31 March 2022**

Salary Band	Number of employees at beginning of period 1 April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate *1
Lower Skilled (Levels 1-2)	9	7	10	62,5
Skilled (Levels 3-5)	323	3	50	15,3
Highly Skilled Production (Levels 6-8)	847	3	139	16,4
Highly Skilled Supervision (Levels 9-12)	362	7	72	19,5
Senior Management Service Band A	72	7	12	15,2
Senior Management Service Band B	20	2	1	4,5
Senior Management Service Band C	10	1	1	9,1
Senior Management Service Band D	4	1	3	60,0
TOTAL	1647	31	288	17,2

*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 2021 to 31 March 2022

Critical Occupations	Number of employees at beginning of period 1 April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover Rate *1
Administrative Related	37	4	4	9,8
Artisan Project and Related Superintendents	1	0	0	0,0
Auxiliary and Related Workers	62	0	13	21,0
Biochemistry, Pharmacology, Zoology & Life Sciences Techni	138	0	123	89,1
Cleaners in Offices Workshops Hospitals Etc.	50	9	15	25,4
Client Inform Clerks(Switchb Receipt Inform Clerks)	3	0	0	0,0
Communication and Information Related	11	0	3	27,3
Computer Programmers.	1	0	0	0,0
Dental Specialists	1	0	0	0,0
Dental Therapy	0	0	0	0,0
Dieticians and Nutritionists	7	0	0	0,0
Emergency Services Related	2	0	1	50,0
Engineering Sciences Related	2	0	1	50,0
Engineers and Related Professionals	2	0	0	0,0
Environmental Health	455	0	5	1,1
Finance and Economics Related	4	0	2	50,0
Financial and Related Professionals	36	0	7	19,4
Financial Clerks and Credit Controllers	21	0	1	4,8
Head Of Department/Chief Executive Officer	1	0	0	0,0
Health Sciences Related	101	4	8	7,6
Human Resources & Organisat Developm & Relate Prof	43	0	1	2,3
Human Resources Clerks	1	0	1	0,0
Human Resources Related	8	0	4	50,0
Information Technology Related	18	0	2	11,1
Legal Related	1	0	0	0,0
Library Mail and Related Clerks	19	0	6	31,6
Light Vehicle Drivers	3	0	0	0,0
Logistical Support Personnel	61	0	3	4,9
Medical Practitioners	3	0	0	0,0
Medical Research and Related Professionals	9	0	9	0,0
Medical Specialist	0	0	0	0,0

Medical Technicians/Technologists	2	0	0	0,0
Messengers Porters And Deliverers	18	0	4	22,2
Other Administrative & Related Clerks and Organisers	133	0	20	15,0
Other Administrative Policy and Related Officers	82	0	5	6,1
Other Information Technology Personnel.	3	0	0	0,0
Other Occupations	2	1	1	33,3
Pharmacists	13	0	1	7,7
Professional Nurse	14	1	1	6,7
Radiography	1	0	0	0,0
Secretaries & Other Keyboard Operating Clerks	95	1	6	6,3
Security Officers	76	1	24	31,2
Senior Managers	103	10	16	14,2
Social Sciences Related	3	0	0	0,0
Staff Nurses and Pupil Nurses	1	0	0	0,0
TOTAL	1647	31	287	17,1

*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 2021 to 31 March 2022

Termination Type	Number of employees terminated	%of Total terminations ¹
Death,	9	3,1
Resignation,	31	10,8
Expiry of contract,	40	13,9
Dismissal - operation changes	0	0,0
Dismissal - misconduct	1	0,3
Dismissal - inefficiency	0	0,0
Discharged due to ill health	0	0,0
Retirement,	36	12,5
Transferred out of the department	168	58,3
Other	3	1,0
Total	288	100,0
Total number of employees who left as a % of total employment ²		17,5%

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

² Number of employees terminated divided by Total Employment at start of period of 1 April 2019 multiplied by 100

Table 4.6.4 - Promotions by critical occupation for the period 1 April 2021 to 31 March 2022

Occupation	Employees 1 April 2021	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	37	0	0,0	0	0,0
Artisan project and related superintendents	1	0	0,0	0	0,0
Auxiliary and related workers	62	0	0,0	0	0,0
Biochemistry pharmacology. Zoology & life science techni	138	0	0,0	0	0,0
Cleaners in Offices Workshops Hospitals Etc.	50	0	0,0	0	0,0
Client inform clerks(switchb receipt inform clerks)	3	0	0,0	0	0,0
Communication and information related	11	0	0,0	0	0,0
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	0	0,0
Emergency services related	2	0	0,0	0	0,0
Engineering sciences related	2	0	0,0	0	0,0
Engineers and related professionals	2	0	0,0	0	0,0
Environmental health	455	0	0,0	0	0,0
Finance and economics related	4	0	0,0	0	0,0
Financial and related professionals	36	0	0,0	0	0,0
Financial clerks and credit controllers	21	0	0,0	0	0,0
Head of department/chief executive officer	1	0	0,0	0	0,0
Health sciences related	101	0	0,0	0	0,0
Human resources & organisat developm & relate prof	43	0	0,0	0	0,0
Human resources clerks	1	0	0,0	0	0,0
Human resources related	8	0	0,0	0	0,0
Information technology related	18	1	5,6	0	0,0
Legal related	1	0	0,0	0	0,0
Library mail and related clerks	19	0	0,0	0	0,0
Light vehicle drivers	3	0	0,0	0	0,0
Logistical support personnel	61	0	0,0	0	0,0
Medical practitioners	3	0	0,0	0	0,0
Medical Research and Related Professionals	9	0	0,0	0	0,0
Medical specialist	0	0	0,0	0	0,0
Medical technicians/technologists	2	0	0,0	0	0,0
Messengers, porters, and deliverers	18	0	0,0	0	0,0
Other administrative & related clerks and organisers	133	0	0,0	0	0,0
Other administrative policy and related officers	82	0	0,0	0	0,0
Other information technology personnel.	3	0	0,0	0	0,0
Other occupations	2	1	50,0	0	0,0
Pharmacists	13	0	0,0	0	0,0
Professional nurse	14	0	0,0	0	0,0
Radiography	1	0	0,0	0	0,0
Secretaries & other keyboard operating clerks	95	0	0,0	0	0,0
Security officers	76	0	0,0	0	0,0
Senior managers	103	1	1,0	0	0,0
Social sciences related	3	0	0,0	0	0,0
Staff nurses and pupil nurses	1	0	0,0	0	0,0
TOTAL	1647	3	0,2	0	0,0

*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 the period 1 April 2021 to 31 March 2022

Salary Band	Employees 1 April 2021	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)	9	0	0,0	0	0,0
Skilled (Levels 3-5)	323	0	0,0	0	0,0
Highly Skilled Production (Levels 6-8)	847	0	0,0	0	0,0
Highly Skilled Supervision (Levels 9-12)	362	1	0,3	0	0,0
Senior Management (Level 13-16)	106	2	1,9	0	0,0
TOTAL	1647	3	0,2	0	0,0

*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 2022

Occupational Categories	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Legislators, senior officials and managers,	41	2	3	5	34	6	4	4	99
Professionals,	83	1	1	4	113	4	2	19	227
Technicians and associate professionals,	226	8	8	6	393	14	10	20	685
Clerks,	53	1	1	1	165	6	3	21	251
Service and sales workers,	54	0	1	0	22	0	0	0	77
Skilled agriculture and fishery worker	24	0	0	0	41	1	0	0	66
Craft and related trades workers,	1	0	0	0	0	0	0	0	1
Plant and machine operators and assemblers,	1	0	0	1	1	0	0	0	3
Elementary occupations	0	0	0	0	0	0	0	0	0
TOTAL	483	12	14	17	769	31	19	64	1409
Employees with disabilities	2	0	0	1	1	1	0	2	7

Table 4.7.2 - Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2022

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Top Management,	3	0	2	1	3	2	1	0	12
Senior Management	38	2	1	4	31	4	3	4	87
Professionally qualified and experienced specialists and mid-management,	106	7	6	7	158	7	7	29	327
Skilled technical and academically qualified workers, junior management, supervisors, foreman	201	3	4	3	412	15	8	30	676
Semi-skilled and discretionary decision making,	134	0	1	2	160	3	0	1	301
Unskilled and defined decision making,	1	0	0	0	5	0	0	0	6
TOTAL	483	12	14	17	769	31	19	64	1409

Table 4.7.3 - Recruitment for the period 1 April 2021 to 31 March 2022

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Top Management,	1	0	0	1		0	0	0	2
Senior Management	6	0	0	1	2	0	0	0	9
Professionally qualified and experienced specialists and mid-management,	4	1	0	0	2	0	0	0	7
Skilled technical and academically qualified workers, junior management, supervisors, foreman	2	0	0	0	2	0	0	0	4
Semi-skilled and discretionary decision making,		0	0	0	2	0	0	0	2
Unskilled and defined decision making,	2	0		0	5	0	0	0	7
TOTAL	15	1	0	2	13	0	0	0	31
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 4.7.4 - Promotions for the period 1 April 2021 to 31 March 2022

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Top Management,	1	0	0	0	0	0	0	0	1
Senior Management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management,	1	0	0	0	0	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman	0	0	0	0	0	0	0	0	0
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	3	0	0	0	0	0	0	0	3
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 4.7.5 - Terminations for the period 1 April 2021 to 31 March 2022

Occupational Bands	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Top Management,	2	0	0	1	2	0	0	0	5
Senior Management	6	0	2	1	2	0	0	1	12
Professionally qualified and experienced specialists and mid-management,	18	2	0	12	23	1	2	14	72
Skilled technical and academically qualified workers, junior management, supervisors, foreman	42	1	1	1	82	5	1	6	139
Semi-skilled and discretionary decision making,	24	0	0	0	24	2	0	0	50
Unskilled and defined decision making,	5	0	0	0	5	0	0	0	10
TOTAL	97	3	3	15	138	8	3	21	288
Employees with disabilities	0	0	0	0	1	0	0	1	2

Table 4.7.6 - Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary Action	Male African	Male Coloured	Male Indian	Male White	Female African	Female Coloured	Female Indian	Female White	Total
Non-disclosure of financial interest	0	0	0	10	0	0	0	0	10
Absenteeism	1	0	0	0	0	0	0	0	1
Fraud	0	0	0	0	1	0	0	0	1
TOTAL	1	0	0	10	1	0	0	0	12

Table 4.7.7 - Skills development for the period 1 April 2021 to 31 March 2022

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	11	0	2	2	15	3	3	0	36
Professionals	25	0	4	0	69	1	1	2	102
Technicians and Associate Professionals	107	5	3	1	202	6	3	4	331
Clerks	8	0	0	0	22	0	0	2	32
Service and Sales Workers	6	0	0	0	5	0	1	0	12
Skilled Agriculture and Fishery Workers	0	0	0	0	0	0	0	0	0
Craft And Related Trades Workers	0	0	0	0	0	0	0	0	0
Plant and Machine Operators and Assemblers	0	0	0	0	0	0	0	0	0
Elementary Occupations	1	0	0	0	5	0	0	0	6
Total	158	5	9	3	318	10	8	8	519
Employees with Disabilities	1	0	0	0	0	1	0	0	2

4.8 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 4.8.1 Signing of Performance Agreements by SMS members as on 31 May 2021

SMS level	Number of funded SMS posts	Number of SMS members ²	Number of signed performance agreements	Signed performance agreements as % of total number of SMS members ¹
Director-General / Head of Department	1	1	1	100,0%
Salary Level 16, but not HoD *3	4	4	0	0,0%
Salary Level 15	12	8	5	62,5%
Salary Level 14	32	20	16	80,0%
Salary Level 13	85	70	58	82,9%
Total	134	103	80	77,7%

*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 2022

Reasons
*Thirteen (13) members who did not sign Performance Agreement (PAs) is due to re-organisation of the Department re-organisation of the departmental functions and some members are Ministry staff who were appointed in the new administration.
* Two (2) members who did not sign PAs are Health Attaches based in Foreign Mission and these members sign their PAs with the relevant High Commissioners.

Table 4.8.3 - Disciplinary steps taken against SMS members for not having concluded Performance agreement as on 31 March 2022

Reasons

4.9 PERFORMANCE REWARDS

Table 4.9.1 - Performance Rewards by race, gender and disability for the period 1 April 2021 to 31 March 2022

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	69	769	9,0	1112	16 116
African, Male	64	483	13,3	1143	17 855
Asian, Female	1	19	5,3	14	14 354
Asian, Male	1	14	7,1	56111	56 111
Coloured, Female	2	31	6,5	45	22 457
Coloured, Male	2	12	16,7	29	14 310
White, Female	17	64	26,6	324	19 050
White, Male	2	17	11,8	54	27 137
Employees with a disability*3	0	6	0,0	0	0
TOTAL	158	1409	11,2	2777	17 575

*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 2021 to 31 March 2022

Salary Band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure	Personnel expenditure R (000)
	Number of beneficiaries	Total employment	% of total employment ¹	Cost (R000)	Average cost per beneficiary (R) ²		
Lower Skilled (Levels 1-2)	0	6	0,0	0	0	0,0	1 031
Skilled (3-5)	28	307	9,1	175	6 246	0,2	94 138
Highly Skilled Production (6-8)	61	663	9,2	668	10 952	0,2	305 610
Highly Skilled Supervision (9-12)	63	334	18,9	1588	25 210	0,5	309 330
Total	152	1310	11,6	2431	15 994	0,3	710 109

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 2021 to 31 March 2022

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Total employment	% of Total employment *1	Cost (R000)	Average cost per beneficiary (R) *2
Administrative Related	10	37	27,0	266	26 560
Artisan Project and Related Superintendents	0	1	0,0	0	0
Auxiliary And Related Workers	0	62	0,0	0	0
Biochemistry Pharmacology, Zoology & Life Science Technicians	4	133	3,0	68	16 968
Cleaners In Offices Workshops Hospitals Etc.	2	52	3,8	7	3 255
Client Inform Clerks (Switchboard Receptionist Information Clerks)	0	3	0,0	0	0
Communication and Information Related	0	8	0,0	0	0
Computer Programmers.	0	1	0,0	0	0
Dental Specialists	0	1	0,0	0	0
Dental Therapy	0	0	0,0	0	0
Dieticians and Nutritionists	4	7	57,1	70	17 595
Emergency Services Related, Permanent	0	1	0,0	0	0
Engineering Sciences Related	0	1	0,0	0	0
Engineers And Related Professionals	0	2	0,0	0	0
Environmental Health	3	297	1,0	72	24 005
Finance and Economics Related	0	2	0,0	0	0
Financial and Related Professionals	10	31	32,3	215	21 535
Financial Clerks And Credit Controllers	11	20	55,0	82	7 489
General Legal Administration & Rel. Professionals	0	1	0,0	231	0
Head of Department/Chief Executive Officer	11	96	11,5	388	35 261
Health Sciences Related	17	42	40,5	0	0
Human Resources & Organisational Development & Relate Prof	3	4	75,0	102	34 032
Human Resources Related	0	16	0,0	0	0
Information Technology Related	0	1	0,0	0	0
Legal Related	0	13	0,0	0	0
Library Mail and Related Clerks	3	19	15,8%	51	17 000.00
Light Vehicle Drivers	0	3	0,0	0	0
Logistical Support Personnel	10	59	16,9	123	12 302
Medical Practitioners	0	3	0,0	0	0
Medical Technicians/Technologists	0	2	0,0	0	0
Messengers Porters and Deliverers	1	14	7,1	9	8 675
Other Administration & Related Clerks and Organisers	10	123	8,1	67	6 739
Other Administrative Policy And Related Officers	12	78	15,4	154	12 850
Other Information Technology Personnel.	0	3	0,0	0	0
Other Occupations	0	2	0,0	0	0
Pharmacists	4	12	33,3	113	28 165
Professional Nurse	0	10	0,0	0	0
Radiography	0	1	0,0	0	0
Secretaries & Other Keyboard Operating Clerks	19	92	20,7	200	10 509
Security Officers	18	75	24,0	187	10 380
Senior Managers	6	96	6,3	346	57 606
Social Work and Related Professionals	2	3	66,7	64	32 060
Staff Nurses and Pupil Nurses	1	1	100,0	13	13 012
Total	158	1409	11,2	2 777	17 575

*1: Number of beneficiaries divided by total employment multiplied by 100

*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 2021 to 31 March 2022

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)	6	65	9,2	346	57 606
Band B (14)	0	22	0,0	0	0
Band C (15)	0	8	0,0	0	0
Band D (16)	0	4	0,0	0	0
TOTAL	6	99	6,1	346	57 606

*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 2021 to 31 March 2022**

Salary Band	01-Apr-21		31-Mar-22		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)	0	0.0%	1	33,3%	1	-5,9
Contract (Levels 9-12)	18	90.0%	0	0.0%	-18	105,9
Contract (Level 13-16)	2	10.0%	2	66,7%	0	0,0
Total	20	100.0%	3	100.0%	-17	100,0

*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 by total 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

The increase in Foreign Workers is in relation to Cuban Medical Interns

Table 4.10.2 - Foreign Workers by major occupation for the period 1 April 2021 to 31 March 2022

Major Occupation	01-Apr-20		31-Mar-21		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	10.0%	2	66,7%	0	0,0%
Technicians And Associated Professional	2	10.0%	0	0.0%	-2	11,8%
Professionals	16	80.0%	1	33,3%	-15	88,2%
TOTAL	20	100.0%	3	100.0%	-17	100.0%

*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 January 2021 to 31 December 2021

Salary Band	Total Days	% Days with Medical Certification *1	Number of Employees using Sick Leave	% of Total Employees using Sick Leave *2	Average Days per Employee *3	Estimated Cost (R'000)	Total number of days with medical certification
Lower Skilled (Levels 1-2)	7	57,1	3	0,7	2	4	4
Skilled (Levels 3-5)	480	64,8	105	24,7	5	427	311
Highly Skilled Production (Levels 6-8)	1356	72,6	233	54,8	6	2 357	984
Highly Skilled Supervision (Levels 9-12)	509	84,5	78	18,4	7	1 480	430
Top and Senior Management (Levels 13-16)	22	72,7	6	1,4	4	102	16
TOTAL	2374	73,5	425	100,0	6	4 370	1745

*1: Total number of days with medical certificate within the salary band divided by Total days multiplied by 100

*2: Number of employees using sick leave within the salary band divided by Total number of employees using sick leave multiplied by 100

*3: Total Days divided by Number of employees using sick leave

Table 4.11.2 - Disability leave (temporary and permanent) for the period 1 January 2021 to 31 December 2021

Salary Band	Total Days	% Days with Medical Certification *1	Number of Employees using Disability Leave	% of Total Employees using Disability Leave *2	Average Days per Employee *3	Estimated Cost (R'000)	Total number of days with medical certification
Lower Skilled (Levels 1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	0	0	0	0	0	0	0
Highly Skilled Production (Levels 6-8)	0	0	0	0	0	0	0
Highly Skilled Supervision (Levels 9-12)	20	100,0	1	100,0	20	79	20
Top and Senior Management (Levels 13-16)	0	0,0	0	0	0	0	0
TOTAL	20	100,0	1	100,0	20	79	20

*1: Total number of days with medical certificate within the salary band divided by Total days multiplied by 100

*2: Number of employees using disability within the salary band divided by Total number of employees using Disability leave multiplied by 100

*3: Total Days divided by Number of employees using Disability leave

This table excludes PLLR applications that are still to be considered by the Health Risk Manager

Table 4.11.3 - Annual Leave for the period 1 January 2021 to 31 December 2021

Salary Band	Total Days Taken	Average days per Employee *1	Number of Employees who took leave
Lower Skilled (Levels 1-2)	67	10	7
Skilled (Levels 3-5)	3325	15	227
Highly Skilled Production (Levels 6-8)	6140	12	505
Highly Skilled Supervision (Levels 9-12)	3162	12	258
Top and Senior Management (Levels 13-16)	695	11	66
TOTAL	13389	13	1063

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

Table 4.11.4 Capped Leave for the period 1 January 2021 to 31 December 2021

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

*1: Total Days of capped leave taken within the salary band divided by Number of employees who took capped leave

*2: Total number of capped leave available at 31 December 2021 divided by the Number of Employees as at 31 December 2021

Table 4.11.5 Leave pay-outs for the period 1 April 2021 to 31 March 2022

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave pay out for 2021/2022 due to non-utilisation of leave for the previous cycle.	0	0	0
Capped leave pay-outs on termination of service for 2021/2022	3 951	45	88
Current leave pay-out on termination of service for 2021/2022	1 320	30	44
TOTAL	5 271	75	70

4.12 HIV/AIDS and health promotion programmes 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 wellbeing 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 based on 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 based on 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 archived target.

4.13 LABOUR RELATIONS

Table 4.13.1 - Collective Agreement for the period 1 April 2021 to 31 March 2022

Subject Matter	Date
Resolution 1 of 2021(Agreement on the standardisation of remuneration of CHW)	19/07/2021
Resolution 2 of 2021 (The office appointment of full time shop stewards (FTSS) and office bearers (OB)	03/11/2021
Resolution of 1 Of 2022 (Agreement on provision of uniform allowance for nurses)	14/02/2022
Resolution 2 of 2022(Token of appreciation)	28/02/2022

Table 4.13.2 - Misconduct and disciplinary hearing finalised for the period 1 April 2021 to 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Final written warning	95	96,9
Dismissal	1	1,0
Case withdrawn	2	2,0
Total	98	100,0

Table 4.13.3 - Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 to 31 March 2022

Type of misconduct	Number	% of total
Non-disclosure of Financial Interest	95	97,9
Absenteeism	1	1,0
Fraud	1	1,0
Total	97	100,0

Table 4.13.4 - Grievances Lodged for the period 1 April 2021 to 31 March 2022

Number of grievances addressed	Number	% of total
Number of grievances resolved	24	70,6
Number of grievances not resolved	10	29,4
Total number of grievances lodged	34	100,0

Table 4.13.5 - Disputes lodged with council for the period 1 April 2021 to 31 March 2022

Number of disputes addressed	Number	% of total
Number of disputes upheld	2	50,0
Number of disputes dismissed	2	50,0
Total number of disputes lodged	4	100,0

Table 4.13.6 - Strike Actions for the period 1 April 2021 to 31 March 2022

Strike Actions	
Total number of person working days Lost	None
Total Cost (R'000) of working days lost	
Amount (R'000) recovered as a result of no work no pay	

Strike Actions	
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 2021 to 31 March 2022

Occupational Categories	Gender	Number of employees as of 1 April 2021	Training needs identified at start of the reporting period			
			Internship	Skills Programmes & Other Short Courses	Other forms of training	Total
Legislators, Senior Officials and Managers	Female	50	0	34	6	40
	Male	56	0	32	11	43
Professionals	Female	154	7	286	43	336
	Male	106	5	122	15	142
Technicians and Associate Professionals	Female	566	15	412	31	458
	Male	292	7	207	21	235
Clerks	Female	212	4	243	26	273
	Male	60	3	79	5	87
Service and Sales Workers	Female	25	0	39	2	41
	Male	54	0	106	8	114
Skilled Agriculture and Fishery Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and Related Trades Workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and Machine Operators and Assemblers	Female	1	0	0	0	0
	Male	2	0	0	0	0
Elementary Occupations(Labourers and Related Workers)	Female	41	0	37	5	42
	Male	27	0	3	0	3
Gender Sub Totals	Female	1049	26	1051	113	1190
	Male	598	15	549	60	624
Total		1647	41	1600	173	1814

Table 4.14.2 - Training provided for the period 1 April 2021 to 31 March 2022

Occupational Categories	Gender	Number of employees as of 1 April 2019	Training provided within the reporting period			
			Internship	Skills Programmes & other short courses	Other forms of training	Total
Legislators, Senior Officials and Managers	Female	50	0	20	1	21
	Male	56	0	11	4	15
Professionals	Female	154	4	63	6	73
	Male	106	4	20	5	29
Technicians and Associate Professionals	Female	566	154	51	10	215
	Male	292	66	43	7	116
Clerks	Female	212	1	16	7	24
	Male	60	0	5	3	8
Service and Sales Workers	Female	25	0	5	1	6
	Male	54	0	6	0	6
Skilled Agriculture and Fishery Workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and Related Trades Workers	Female	0	0	0	0	0
	Male	1	0	0	0	0
Plant and Machine Operators and Assemblers	Female	1	0	0	0	0
	Male	2	0	0	0	0
Elementary Occupations	Female	41	0	5	0	5
	Male	27	0	1	0	1
Gender Sub Totals	Female	1049	159	160	25	344
	Male	598	70	86	19	175
Total		1647	229	246	44	519

4.15 INJURY ON DUTY

Table 4.15.1 - Injury on duty for the period 1 April 2021 to 31 March 2022

Nature of injury on duty	Number of Employees	% of total
Required basic medical attention only	3	100,0
Temporary Total Disablement	0	0,0
Permanent Disablement	0	0,0
Fatal	0	0,0
Total	3	100,0

4.16 UTILISATION OF CONSULTANTS

Table 4.16.1 - Report on consultant appointments using appropriated funds for the period 1 April 2021 to 31 March 2022

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

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand

Table 4.16.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs for the period 1 April 2021 to 31 March 2022

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 2021 to 31 March 2022

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

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand

Table 4.16.4 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs for the period 1 April 2021 to 31 March 2022

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			

4.17 SEVERANCE PACKAGES

Table 4.17.1 - Granting of employee initiated severance packages for the period 1 April 2021 to 31 March 2022

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

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

Qualified opinion

1. I have audited the financial statements of the National Department of Health set out on pages 104 to 141, which comprise the appropriation statement, statement of financial position as at 31 March 2022, 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, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the National Department of Health as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 9 of 2021 (Dora).

Basis for qualified opinion

Accrued departmental revenue

3. I was unable to obtain sufficient appropriate audit evidence for accrued departmental revenue. The systems of internal control implemented by department, were not always adequate for the recording of some transactions and events relating to the recoupment process of the Covid-19 vaccine programme. I could not confirm accrued departmental revenue by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to accrued departmental revenue stated at R2 079 million, in note 24 to the financial statements. This also had a consequential impact on the departmental revenue and contingent assets as stated at R521 million in note 2, and R124 million in note 19 in the financial statements, respectively.

Context for the opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
5. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

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

Restatement of corresponding figures

8. As disclosed in note 34 to the financial statements, the corresponding figures for 31 March 2021 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2022.

Other matter

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

Unaudited supplementary schedules

10. The supplementary information set out on pages 142 to 151 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

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

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

13. 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.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the department's annual performance report for the year ended 31 March 2022:

Programme	Pages in the annual performance report
Programme 2 – National Health Insurance	32 – 35

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. The material findings on the usefulness and reliability of the performance information of the selected programme are as follows:

Programme 2 – National Health Insurance

NHI Fund purchasing health services by 2023-24

20. The planned target of 'Portfolio Committee and NCoP public hearings on the NHI Bill in Parliament attended' for this indicator was not specific in clearly identifying the nature and required level of performance.

Other matter

21. I draw attention to the matter below.

Achievement of planned targets

22. Refer to the annual performance report on pages 34 to 35 for information on the achievement of planned targets for the year and management's explanations provided for the under/overachievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 18 of this report.

Report on the audit of compliance with legislation

Introduction and scope

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

Annual financial statements, performance report and annual report

25. The financial statements submitted for auditing were not 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.
26. Material misstatements identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, but the uncorrected material misstatements resulted in the financial statements receiving a qualified opinion.

Expenditure management

27. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

Consequence management

28. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular as well as fruitless and wasteful expenditure, as required by section 38(1)(h)(iii) of the PFMA. This was because investigations into such expenditure were not performed.

Asset management

29. The department did not determine if any state institution involved in education and/or training required computer equipment before disposal of such equipment, as required by treasury regulation 16A.7.7.

Other information

30. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the minister's report, the accounting officer's report and the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
31. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
32. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
33. 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

34. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.
35. 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 auditor's report.
36. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information was accessible and available to support financial and performance reporting, resulting in the material findings reported. The department did not have adequate processes and systems finalised in time to facilitate complete, accurate and reliable reporting of vaccine-related transactions.
37. Management did not implement controls over daily and monthly processing and reconciling of transactions to ensure accurate and complete financial reporting.

38. Management did not always monitor supply chain management processes and contract management to ensure compliance with laws and regulations.
39. Management did not ensure that investigations into irregular expenditure were performed and that disciplinary steps were taken against officials who had incurred irregular expenditure.

Other reports

40. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
41. An investigation into allegation of irregularities relating to a multimillion-rand strategic communication contract was performed. This award covered the period July 2019 to 31 March 2021. The investigation was concluded on 30 June 2021 and the report was presented to the Presidency for consideration and sign-off.
42. Based on the outcome of the investigation, the department appointed an independent Senior Counsel to preside over the disciplinary hearing for three senior departmental officials. The presiding officer gave the final sanction on 19 July 2022, which included final written warnings and salary level demotions.
43. A presidential proclamation (R.74 of 2022) was issued to investigate allegations of corruption and maladministration in the affairs of the national and all provincial health departments and to recover any financial losses suffered by the state or the departments through civil litigation relating to claims that took place between 1 January 2013 and 22 July 2022. The investigation will focus on unlawful or improper conduct by claimants or applicants relating to medical negligence claims that were fraudulent, improper or unlawful by any person or entity that unduly benefited themselves or any other person.

Auditor-General

Pretoria
27 September 2022



Annexure – Auditor-general’s responsibility for the audit

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting

in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the 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 department to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and 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.

HEALTH VOTE 18

APPROPRIATION STATEMENT for the year ended 31 March 2022

Appropriation per programme	2021/22				2020/21				
	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	828 730	-	-	828 730	672 727	156 003	81,2%	663 552	550 965
Programme 2: National Health Insurance	1 025 966	-	-	1 025 966	838 153	187 813	81,7%	1 200 556	1 021 911
Programme 3: Communicable and Non-Communicable Diseases	35 742 102	-	(593)	35 741 509	35 595 481	146 028	99,6%	28 624 113	28 348 440
Programme 4: Primary Health Care	255 112	-	593	255 705	251 526	4 179	98,4%	277 085	314 971
Programme 5: Hospital Systems	21 114 133	-	-	21 114 133	21 011 761	102 372	99,5%	21 219 600	21 188 507
Programme 6: Health System Governance and Human Resources	6 442 722	-	-	6 442 722	6 360 530	82 192	98,7%	6 680 006	6 661 283
Direct charge against the National Revenue Fund	500 000	-	-	500 000	407 253	92 747	81,5%		
TOTAL	65 908 765	-	-	65 908 765	65 137 431	771 334	98,8%	58 664 912	58 086 077
Reconciliation with statement of financial performance									
ADD									
Departmental receipts				521 023				3 773	
Aid assistance				1 454 588				938 856	
Actual amounts per statement of financial performance (total revenue)				67 884 376				59 607 541	
ADD									
Aid assistance					996 355				824 398
Actual amounts per statement of financial performance (total expenditure)					66 133 786				58 910 479

HEALTH VOTE 18

APPROPRIATION STATEMENT for the year ended 31 March 2022

Programme 2: National Health Insurance		2021/22					2020/21			
		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										
1. Programme Management	5 968	-	-	5 968	4 639	1 329	77,7%	4 772	3 279	
2. Affordable Medicines	51 780	(1 077)	-	50 703	37 299	13 404	73,6%	42 091	32 421	
3. Health Financing and National Health Insurance	968 218	1 077	-	969 295	796 215	173 080	82,1%	1 153 693	986 211	
Total for sub programmes	1 025 966	-	-	1 025 966	838 153	187 813	81,7%	1 200 556	1 021 911	
Economic classification										
Current payments	727 362	(289)	-	727 073	553 440	173 633	76,1%	898 556	760 887	
Compensation of employees	46 205	(289)	-	45 916	42 656	3 260	92,9%	44 680	42 054	
Goods and services	681 157	-	-	681 157	510 784	170 373	75,0%	853 876	718 833	
Transfers and subsidies	268 677	289	-	268 966	268 966	-	100,0%	246 483	245 151	
Provinces and municipalities	268 677	-	-	268 677	268 677	-	100,0%	246 464	245 132	
Households	-	289	-	289	289	-	100,0%	19	19	
Payments for capital assets	29 927	-	-	29 927	15 747	14 180	52,6%	55 517	15 873	
Machinery and equipment	29 927	-	-	29 927	15 747	14 180	52,6%	55 517	15 873	
Total	1 025 966	-	-	1 025 966	838 153	187 813	81,7%	1 200 556	1 021 911	

HEALTH VOTE 18
APPROPRIATION STATEMENT for the year ended 31 March 2022
Programme 3: Communicable and Non-Communicable Diseases

	2021/22					2020/21			
	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									
Programme Management	5 456	-	-	5 456	2 898	2 558	53,1%	3 991	3 094
HIV, AIDS and STIs	28 167 522	-	-	28 167 522	28 115 123	52 399	99,8%	27 642 327	27 528 873
Tuberculosis Management	26 324	-	-	26 324	16 734	9 590	63,6%	18 166	14 177
Women's Maternal and Reproductive Health	17 334	-	-	17 334	10 580	6 754	61,0%	12 377	9 816
Child, Youth and School Health	30 913	-	-	30 913	22 579	8 334	73,0%	24 794	17 996
Communicable Diseases	7 380 885	-	-	7 380 885	7 371 212	9 673	99,9%	828 738	718 795
Non-Communicable Diseases	79 299	-	(593)	78 706	28 732	49 974	36,5%	62 778	31 930
Health Promotion and Nutrition	34 369	-	-	34 369	27 623	6 746	80,4%	30 942	23 759
Total for sub programmes	35 742 102	-	(593)	35 741 509	35 595 481	146 028	99,6%	28 624 113	28 348 440
Economic classification									
Current payments									
Compensation of employees	7 772 145	(2 951)	(593)	7 768 601	7 629 352	139 249	98,2%	1 203 403	949 553
Goods and services	146 149	(1 079)	(593)	144 477	127 388	17 089	88,2%	162 451	131 908
Transfers and subsidies	7 625 996	(1 872)	-	7 624 124	7 501 964	122 160	98,4%	1 040 952	817 645
Provinces and municipalities	27 964 777	1 079	-	27 965 856	27 964 257	1 599	100,0%	27 414 667	27 388 553
Departmental agencies and accounts	27 752 876	-	-	27 752 876	27 752 876	-	100,0%	27 222 419	27 199 123
Non-profit institutions	28 901	-	-	28 901	28 901	-	100,0%	18 106	18 106
Households	183 000	-	-	183 000	181 401	1 599	99,1%	173 393	170 574
Payments for capital assets	-	1 079	-	1 079	1 079	-	100,0%	749	750
Machinery and equipment	5 180	-	-	5 180	-	5 180	-	6 043	10 334
Payments for capital assets	5 180	-	-	5 180	-	5 180	-	6 043	10 334
Total	35 742 102	-	(593)	35 741 509	35 595 481	146 028	99,6%	28 624 113	28 348 440

HEALTH VOTE 18

APPROPRIATION STATEMENT for the year ended 31 March 2022

		2021/22						2020/21	
		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
Programme 4: Primary Health Care									
Sub programme									
Programme Management	4 426	118	-	4 544	4 022	522	88,5%	4 025	3 542
District Health Services	18 999	(3 530)	-	15 469	14 409	1 060	93,1%	18 875	14 030
Environmental and Port Health Services	223 817	3 606	593	228 016	226 370	1 646	99,3%	246 485	290 609
Emergency Medical Services and Trauma	7 870	(194)	-	7 676	6 725	951	87,6%	7 700	6 790
Total for sub programmes	255 112	-	593	255 705	251 526	4 179	98,4%	277 085	314 971
Economic classification									
Current payments	252 134	(1 074)	593	251 653	250 224	1 429	99,4%	275 932	314 759
Compensation of employees	223 970	(1 074)	593	223 489	223 260	229	99,9%	252 406	296 169
Goods and services	28 164	-	-	28 164	26 964	1 200	95,7%	23 526	18 590
Transfers and subsidies	-	1 074	-	1 074	1 074	-	100,0%	38	38
Households	-	1 074	-	1 074	1 074	-	100,0%	38	38
Payments for capital assets	2 978	-	-	2 978	228	2 750	7,7%	1 115	174
Machinery and equipment	2 978	-	-	2 978	228	2 750	7,7%	1 115	174
Total	255 112	-	593	255 705	251 526	4 179	98,4%	277 085	314 971
Programme 5: Hospital Systems									
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
Sub programme									
Programme Management	1 398	-	-	1 398	1 038	360	74,2%	1 256	957
Health Facilities Infrastructure Management	7 392 647	-	-	7 392 647	7 295 557	97 090	98,7%	7 195 667	7 167 150
Hospital System	13 720 088	-	-	13 720 088	13 715 166	4 922	100,0%	14 022 677	14 020 400
Total for sub programmes	21 114 133	-	-	21 114 133	21 011 761	102 372	99,5%	21 219 600	21 188 507
Economic classification									
Current payments	83 153	(185)	-	82 968	232 190	(149 222)	279,9%	107 007	76 179
Compensation of employees	30 900	(185)	-	30 715	23 306	7 409	75,9%	23 764	23 536
Goods and services	52 253	-	-	52 253	208 884	(156 631)	399,8%	83 243	52 643
Transfers and subsidies	20 142 986	185	-	20 143 171	20 143 171	-	100,0%	20 328 434	20 328 435
Provinces and municipalities	20 142 986	-	-	20 142 986	20 142 986	-	100,0%	20 328 434	20 328 435
Households	-	185	-	185	185	-	100,0%	-	-
Payments for capital assets	887 994	-	-	887 994	636 400	251 594	71,7%	784 159	783 893
Buildings and other fixed structures	838 674	-	-	838 674	591 320	247 354	70,5%	740 111	740 111
Machinery and equipment	49 320	-	-	49 320	45 080	4 240	91,4%	44 048	43 782
Total	21 114 133	-	-	21 114 133	21 011 761	102 372	99,5%	21 219 600	21 188 507

HEALTH VOTE 18

APPROPRIATION STATEMENT for the year ended 31 March 2022

		2021/22						2020/21		
		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
Programme 6: Health System Governance and Human Resources										
Sub programme										
Programme Management	6 133	91	-	6 224	5 402	822	86,8%	5 895	5 328	
Policy and Planning	7 698	(91)	-	7 607	5 770	1 837	75,9%	6 506	5 377	
Public Entities Management and Laboratories	2 034 065	-	-	2 034 065	1 982 294	51 771	97,5%	2 239 235	2 234 215	
Nursing Services	9 397	-	-	9 397	8 560	837	91,1%	8 418	7 405	
Health Information, Monitoring and Evaluation	62 589	(18)	-	62 571	37 831	24 740	60,5%	59 182	48 998	
Human Resources for Health	4 322 840	18	-	4 322 858	4 320 673	2 185	99,9%	4 360 770	4 359 960	
Total for sub programmes	6 442 722	-	-	6 442 722	6 360 530	82 192	98,7%	6 680 006	6 661 283	
Economic classification										
Current payments	311 295	(1 232)	-	310 063	250 649	59 414	80,8%	332 309	318 450	
Compensation of employees	201 430	(1 232)	-	200 198	185 475	14 723	92,6%	187 832	187 681	
Goods and services	109 865	-	-	109 865	65 174	44 691	59,3%	144 477	130 769	
Transfers and subsidies	6 108 345	1 232	-	6 109 577	6 109 576	1	100,0%	6 324 486	6 324 490	
Provinces and municipalities	4 297 681	-	-	4 297 681	4 297 681	-	100,0%	4 309 290	4 309 293	
Departmental agencies ad accounts	1 810 664	-	-	1 810 664	1 810 663	1	100,0%	2 015 034	2 015 034	
Households	-	1 232	-	1 232	1 232	-	100,0%	162	163	
Payments for capital assets	23 082	-	-	23 082	305	22 777	1,3%	23 211	18 343	
Machinery and equipment	23 082	-	-	23 082	305	22 777	1,3%	23 211	18 343	
Total	6 442 722	-	-	6 442 722	6 360 530	82 192	98,7%	6 680 006	6 661 283	

Programme 7: Direct charge against the National Revenue Fund

		2021/22				2020/21				
		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
Programme 7: Direct charge against the National Revenue Fund										
Sub programme										
Section 16 of the PFMA payment: COVID-19 vaccine rollout	500 000	-	-	500 000	407 253	92 747-	81,5%			
Total for sub programmes	500 000	-	-	500 000	407 253	92 747-	81,5%			
Economic classification										
Current payments	500 000	-	-	500 000	407 253-	92 747	81,5%			
Goods and services	500 000	-	-	500 000	407 253-	92 747	81,5%			
Total	500 000	-	-	500 000	407 253-	92 747	81,5%			

HEALTH VOTE 18**NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2022**

- 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, disclosure notes 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 appropriation	Actual expenditure	Variance R'000	Variance as a % of final appropriation
Programme 1: Administration	828 730	672 727	156 003	19%

Outstanding invoices from DPW were not yet received by the department as at 31 March 2022. Procurement process for the Security System of the department is underway. Delays experienced in concluding the Cleaning Service contract. In-house training programmes could not be implemented due to COVID-19 restrictions. Delays in procurement of tools of trade, however the process is in progress.

Programme 2: National Health Insurance	1 025 966	838 153	187 313	18%
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The underspending on Medicine Stock Surveillance and Health Patient Registration Systems is caused by delays in payment of invoices. This was due to revision of the HPRS business plan to consider COVID IT activities. ICSP invoices outstanding due to delays in finalisation of SLA between the Department and HISP. Delays by supplier in resuming NHI Quality Control inspections in provinces. The Ideal Clinics Peer reviews were cancelled due to COVID-19 pandemic. Stock Visibility System project was completed in the first week of March 2022 due to delays in finalization of the new contract. Delays in procurement of equipment for Ideal Clinics.

Programme 3: Communicable and Non-Communicable Diseases	35 741 509	35 595 481	146 028	0,5%
Programme 4: Primary Health Care	255 705	251 526	4 179	2%
Programme 5: Hospital Systems	21 114 133	21 011 761	102 372	0%
Programme 6: Health System Governance and Human Resource	6 442 722	6 360 530	82 192	1%
Direct Charge against NRF	500 000	407 253	92 747	19%

4.2 Per economic classification	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	892 621	848 238	44 383	5%
Goods and services	9 548 526	9 128 632	419 894	4%
Transfers and subsidies				
Provinces and municipalities	52 462 220	52 462 220	0	0%
Departmental agencies and accounts	1 842 101	1 842 100	1	0%
Non-profit institutions	183 000	181 401	1 599	1%
Households	6 181	6 181	0	0%
Payments for capital assets				
Buildings and other fixed structures	838 674	591 320	247 354	29%
Machinery and equipment	127 087	68 984	58 103	46%
Payments for financial assets	8 355	8 355	0	0%

Compensation of employees:

Low spending is due to the reprioritisation exercise on filling of vacant posts. Additional funds were allocated during the Budget Adjustment period which also contributes to the Department underspending on COE.

Goods and services:

The underspending is due to projects that could not be implemented or delayed due to COVID 19 pandemic and relocation from Civitas to Dr AB Xuma building.

Payment for capital assets:

The underspending is attributed to slow kick off of various projects, expenditure is expected to improve in the new financial year as some projects are moving to construction stage. There is a delay in procurement of tools of trade.

Tenders for FCL's could not be initiated at the beginning of the financial year as the DBAC was not appointed.

HEALTH VOTE 18**NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2022****4.3 Per conditional grant**

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	R'000
National Tertiary Service Grant	13 707 798	13 707 798	-	0%
HIV, TB, Malaria & Community Outreach Grant: COVID-19	1 500 000	1 500 000	-	0%
HIV, TB, Malaria & Community Outreach Grant: Community Outreach	2 480 213	2 480 213	-	0%
HIV, TB, Malaria & Community Outreach Grant: HIV & AIDS	22 563 773	22 563 773	-	0%
HIV, TB, Malaria & Community Outreach Grant: Malaria Elimination	104 181	104 181	-	0%
HIV, TB, Malaria & Community Outreach Grant: Tuberculosis	506 117	506 117	-	0%
HIV, TB, Malaria & Community Outreach Grant: Oncology	234 933	234 933	-	0%
HIV, TB, Malaria & Community Outreach Grant: Human Papillomavirus Vaccine	220 258	220 258	-	0%
HIV, TB, Malaria & Community Outreach Grant: Mental Health	143 401	143 401	-	0%
Health Facility Revitalization Grant	6 435 188	6 435 188	-	0%
Statutory Human Resources Grant: Health Professions Training and Development	2 771 048	2 771 048	-	0%
Statutory Human Resources Grant: Human Resources Capacitation	1 526 633	1 526 633	-	0%
National Health Insurance Grant	268 677	268 677	-	0%
Indirect Grants				
NHI Indirect: Health Facility Revitalization Component: Other	802 889	795 483	7 406	1%
NHI Indirect: Health Facility Revitalization Component: Limpopo Academic Hospital	122 511	47 805	74 706	61%
NHI Indirect Personal Services	17 776	17 776	-	0%
NHI Indirect Non-personal Services	607 773	499 794	107 979	18%

NHI Indirect: Health Facility Revitalization Component:

The underspending is attributed to slow kick-off of various projects expenditure is expected to improve in the new financial year as some projects are moving to construction stage.

NHI Indirect Non-Personal Services:

The underspending on Medicine Stock Surveillance and Health Patient Registration Systems is caused by delays in payment of invoices. This was due to revision of the HPRW business plan to consider COVID-19 activities.

ICSP invoices outstanding due to delays in finalisation of SAL between the Department and HISP. Delays by supplier is resuming NHI Quality Control inspections in provinces. The Ideal Clinics Peer reviews were cancelled due to COVID-19 pandemic. Delays in procurement of equipment for Ideal Clinics.

HEALTH VOTE 18

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	1	65 908 765	58 664 912
Departmental Revenue	2	521 023	3 773
Aid assistance	3	1 454 588	938 856
TOTAL REVENUE		67 884 376	59 607 541
EXPENDITURE			
Current expenditure			
Compensation of employees	4	848 238	927 298
Goods and services	5	9 128 632	2 039 229
Aid assistance	3	996 355	815 635
Total current expenditure		10 973 225	3 782 162
Transfers and subsidies			
Transfer and subsidies	7	54 491 901	54 288 464
Total transfers and subsidies		54 491 901	54 288 464
Expenditure for capital assets			
Tangible assets	8	660 304	839 841
Intangible assets	8	-	8
Total expenditure for capital assets		660 304	839 849
Payment for financial assets	6	8 356	-
TOTAL EXPENDITURE		66 133 786	58 910 475
SURPLUS/(DEFICIT) FOR THE YEAR		1 750 590	697 066
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds			
Annual appropriation		771 334	578 835
Departmental revenue and NRF Receipts	14	771 334	578 835
Aid Assistance	3	521 023	3 773
		458 233	114 458
SURPLUS/(DEFICIT) FOR THE YEAR		1 750 590	697 066

HEALTH VOTE 18
STATEMENT OF FINANCIAL POSITION for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets			
Unauthorised expenditure	<u>9</u>	19 161	19 161
Cash and cash equivalents	<u>10</u>	170 501	25
Prepayments and advances	<u>11</u>	151 928	187 067
Receivables	<u>12</u>	395 629	125 057
Aid assistance receivable	<u>3</u>		92 506
		737 219	423 816
Non-current assets			
Receivables	<u>12</u>	22 904	54 043
		22 904	54 043
TOTAL ASSETS		760 123	477 859
LIABILITIES			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	<u>13</u>	(366 352)	(14 317)
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	<u>14</u>	92 658	1 261
Bank overdraft	<u>15</u>	-	43 318
Payables	<u>16</u>	572 956	232 191
Aid assistance repayable	<u>3</u>	458 235	206 964
		757 497	469 417
TOTAL LIABILITIES		757 497	469 417
NET ASSETS		2 626	8 442
Represented by:			
Recoverable revenue		2 626	8 442
TOTAL		2 626	8 442

HEALTH VOTE 18
STATEMENT OF CHANGES IN NETT ASSETS for the year ended 31 March 2022

	2021/22 R'000	2020/21 R'000
Recoverable revenue		
Opening balance	8 442	8 305
Transfers:	(5 816)	137
Debts recovered (included in departmental receipts)	(6 126)	(62)
Debts raised	310	199
Closing balance	2 626	8 442
TOTAL	2 626	8 442

HEALTH VOTE 18**CASH FLOW STATEMENT for the year ended 31 March 2022**

Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts	66 746 692	58 995 225
Annual appropriated funds received	<u>1.1</u> 64 771 081	58 052 596
Departmental revenue received	<u>2</u> 503 554	3 437
Interest received	<u>2.2</u> 17 469	336
Aid assistance received	<u>3</u> 1 454 588	938 856
Net (increase)/decrease in working capital	105 332	65 818
Surrendered to Revenue Fund	(415 311)	(425 472)
Surrendered to RDP Fund/Donor	(114 456)	(327 822)
Current payments	(10 973 225)	(3 732 435)
Payments for financial assets	(8 356)	-
Transfers and subsidies paid	(54 491 901)	(54 349 594)
Net cash flow available from operating activities	<u>17</u> 848 775	225 720
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets	<u>8</u> (660 304)	(839 849)
(Increase)/decrease in non-current receivables	<u>12</u> 31 139	17 340
Net cash flows from investing activities	(629 165)	(822 509)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in net assets	(5 816)	137
Net cash flows from financing activities	(5 816)	137
Net increase/(decrease) in cash and cash equivalents	213 794	(596 652)
Cash and cash equivalents at beginning of period	(43 293)	553 359
Cash and cash equivalents at end of period	<u>18</u> 170 501	(43 293)

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies	
<p>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.</p> <p>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.</p> <p>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.</p>	
1	<p>Basis of preparation</p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
2	<p>Going concern</p> <p>The financial statements have been prepared on a going concern basis.</p>
3	<p>Presentation currency</p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
4	<p>Rounding</p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
5	<p>Foreign currency translation</p> <p>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.</p>
6	<p>Comparative information</p>
6.1	<p>Prior period comparative information</p> <p>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.</p>
6.2	<p>Current year comparison with budget</p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
7	<p>Revenue</p>
7.1	<p>Appropriated funds</p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>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.</p> <p>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.</p>
7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> - 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. <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
8	<p>Expenditure</p>
8.1	<p>Compensation of employees</p>
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>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.</p>
8.2	<p>Other expenditure</p> <p>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.</p>

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

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: <ul style="list-style-type: none">- 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.
9	Aid Assistance
9.1	Aid assistance received Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	Aid assistance paid 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.
10	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.
12	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13	Investments Investments are recognised in the statement of financial position at cost.
14	Financial assets
14.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost-plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	Payables Payables recognised in the statement of financial position are recognised at cost.

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

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>
16.4	<p>Project Costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>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.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion</p>
17	Provisions and Contingents
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits because 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.</p>
17.2	<p>Contingent liabilities</p> <p>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.</p>
17.3	<p>Contingent assets</p> <p>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.</p>
17.4	<p>Capital commitments</p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>

HEALTH VOTE 18**NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022**

18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> - 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. <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
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 and COEGA. In terms of the arrangement the department is the principal and is responsible for managing contractual obligations. 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>

HEALTH VOTE 18**NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022**

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 compiled 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 number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.</p>
28	<p>Inventories disclosure will be effective from the date determined by National Treasury through a Treasury instruction</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or were intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</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>
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>

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

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:

	2021/22			2020/21		
	Final appropriation	Actual funds received	Funds not requested/not received	Final appropriation	Appropriation received	Funds not requested /not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	828 730	828 730	-	663 552	663 552	-
National Health Insurance	1 025 966	1 025 966	-	1 200 556	1 200 556	-
Communicable and Non-Communicable Diseases	35 741 509	35 103 825	637 684	28 624 113	28 624 113	-
Primary Health Care	255 705	255 705	-	277 085	277 085	-
Hospital Systems	21 114 133	21 114 133	-	21 219 600	21 219 600	-
Health System Governance and Human Resources	6 442 722	6 442 722	-	6 680 006	6 680 006	-
Direct Charges Against the National Revenue Fund	500 000	-	500 000	-	-	-
Total	65 908 765	64 771 081	1 137 684	58 664 912	58 664 912	-

The Appropriation Act was passed in the current financial year, as such an amount of R500 million is accounted as a Direct Charge against NRF. An amount of R637,684 million was allocated in terms of section 16 of the PFMA.

1.2 Conditional grants

	Note	2021/22 R'000	2020/21 R'000
Total grants received	36	1 550 949	1 709 613
Provincial grants included in Total Grants received	37	52 462 220	52 081 984

2. Departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Sales of goods and services other than capital assets	2.1	425 640	3 301
Interest, dividends and rent on land	2.3	17 469	336
Transactions in financial assets and liabilities	2.5	77 914	136
Departmental revenue collected		521 023	3 773

2.1 Sales of goods and services other than capital assets

	Note	2021/22 R'000	2020/21 R'000
Sales of goods and services produced by the department	2	425 640	3 301
Sales by market establishment		112	120
Administrative fees		3 075	2 778
Other sales		422 453	403
Total		425 640	3 301

Other sales represent sales of vaccine

2.2 Interest, dividends and rent on land

	Note	2021/22 R'000	2020/21 R'000
Interest	2	17 469	336
Total		17 469	336

A major part of interest is due to interest received from accounts held by DBSA and Coega for infrastructure projects

2.3 Transactions in financial assets and liabilities

	Note	2021/22 R'000	2020/21 R'000
Stale cheques written back	2	-	4
Other Receipts including Recoverable Revenue		77 914	132
Total		77 914	136

Included in recoverable revenue is a refund in respect of vaccines procured

3. Aid assistance

	Note	2021/22 R'000	2020/21 R'000
Opening Balance		114 458	327 822
Prior period error		-	-
As restated		114 458	327 822
Transferred from statement of financial performance		458 233	114 458
Paid during the year		(114 456)	(327 822)
Closing Balance		458 235	114 458

3.1 Analysis of balance by source

	Note	2021/22 R'000	2020/21 R'000
Aid assistance from RDP		458 235	114 458
Closing balance	3	458 235	114 458

3.2 Analysis of balance

	Note	2021/22 R'000	2020/21 R'000
Aid assistance receivable			(92 506)
Aid assistance repayable		458 235	206 964
Closing balance	3	458 235	114 458

A restatement of Aid assistance receivable and repayable in 2021 should be noted. This is due to over expenditure amounting to R92 506 million incurred by global funds in 2021. The receivable was transferred to claims recoverable for recovery from the RDP fund.

3.3 Aid assistance expenditure per economic classification

	Note	2021/22 R'000	2020/21 R'000
Current		996 355	815 635
Capital	g	-	8 763
Total aid assistance expenditure		996 355	824 398

3.4 Donations received in-kind (not included in the main note)

	Note	2021/22 R'000	2020/21 R'000
Hikvision (Pty) Ltd SA		-	100
Bank of China		-	14
French Embassy		-	12
French Embassy		-	14
Government of the People's Republic of China		-	14
Jack Ma		-	50
Jack Ma		-	500
Jack Ma		-	14
Turkish Government		-	19
US Government		-	500
Mebendazole Tablets: National Deworming programme		43 791	
453 doses of JNJAD26: SARS.Co.2Vaccine-Sisonke2		58 968	
Pfizer -Covax facility-7 877 610 doses		1 263 647	
Total		1 366 406	1 237

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

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

Note	2021/22 R'000	2020/21 R'000
Basic salary	551 812	631 649
Performance award	6 742	2 379
Service Based	1 054	872
Compensative/circumstantial	36 838	32 926
Other non-pensionable allowances	143 250	150 288
Total	739 696	818 114

4.2 Social contributions

Note	2021/22 R'000	2020/21 R'000
Employer contributions		
Pension	68 931	70 361
Medical	39 438	38 655
Bargaining council	107	123
Insurance	66	45
Total	108 542	109 184
Total compensation of employees	848 238	927 298
Average number of employees	1 696	1 647

5. Goods and services

Note	2021/22 R'000	2020/21 R'000
Administrative fees	152	167
Advertising	6 687	21 529
Minor assets	1 341	3 356
Bursaries (employees)	746	408
Catering	938	930
Communication	35 380	16 492
Computer services	156 768	80 521
Consultants: Business and advisory services	335 574	400 611
Legal services	9 180	6 093
Contractors	403 962	556 475
Agency and support / outsourced services	451	2 876
Entertainment	1	-
Audit cost – external	23 996	23 206
Fleet services	46 100	26 936
Inventory	7 713 906	529 476
Consumables	1 708	10 354
Operating leases	160 543	111 355
Property payments	24 884	20 755
Rental and hiring	362	484
Travel and subsistence	53 152	100 107
Venues and facilities	11 042	3 700
Training and development	426	2 662
Other operating expenditure	141 333	120 736
Total	9 128 632	2 039 229

The main driver of the increase on goods and services is related to procurement of vaccines

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

5.1 Minor assets

	Note	2021/22	2020/21
	5	R'000	R'000
Tangible assets			
Machinery and equipment		1 341	3 356
		1 341	3 356
Total		1 341	3 356

5.2 Computer services

	Note	2021/22	2020/21
	5	R'000	R'000
SITA computer services		7 936	5 099
External computer service providers		148 832	75 422
Total		156 768	80 521

The noted increase is due to the EVDS and DATCOV systems to manage COVID-19

5.3 Audit cost – External

	Note	2021/22	2020/21
	5	R'000	R'000
Regularity audits		23 996	23 206
Total		23 996	23 206

5.4 Inventory

	Note	2021/22	2020/21
	5	R'000	R'000
Clothing material and accessories		1 247	3 654
Food and food supplies		32	21
Fuel, oil and gas		451	390
Materials and supplies		702	-
Medical supplies		38 298	39 943
Medicine		7 667 614	477 820
Other supplies	5.4.1	5 562	7 648
Total		7 713 906	529 476

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

5.4.1 Other supplies

	Note	2021/22 R'000	2020/21 R'000
Other	5.4	5 562	7 648
Total		5 562	7 648

The procurement of vaccines contributed to an increase on inventory

5.5 Consumables

	Note	2021/22 R'000	2020/21 R'000
Consumable supplies	5	375	5 962
Uniform and clothing		38	127
Household supplies		238	5 554
Building material and supplies		46	9
Communication accessories		3	3
IT consumables		6	244
Other consumables		44	25
Stationery, printing, and office supplies		1 333	4 392
Total		1 708	10 354

The decrease noted is due to a reduction on the purchase of PPE's in the current year

5.6 Property payments

	Note	2021/22 R'000	2020/21 R'000
Municipal services	5	21 669	13 293
Property management fees		915	633
Other		2 300	6 829
Total		24 884	20 755

5.7 Travel and subsistence

	Note	2021/22 R'000	2020/21 R'000
Local	5	45 257	99 314
Foreign		7 895	793
Total		53 152	100 107

5.8 Other operating expenditure

	Note	2021/22 R'000	2020/21 R'000
Professional bodies, membership and subscription fees	5	68 200	105 549
Resettlement costs		567	119
Other		72 566	15 068
Total		141 333	120 736

Other operating expenses include the cost of courier, distribution and storage of COVID-19 vaccine

6. Payments for financial assets

	Note	2021/22 R'000	2020/21 R'000
Debts written off	6.1	8 356	-
Total		8 356	-

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

6.1 Debts written off

	Note	2021/22 R'000	2020/21 R'000
Recoverable revenue written off	6		
Theft and losses		8 356	-
Total		8 356	-
Total debt written off		8 356	-

7. Transfers and subsidies

		2021/22 R'000	2020/21 R'000
Provinces and municipalities	Note 35,36	52 462 220	52 081 983
Departmental agencies and accounts	Annexure 1A	1 842 100	2 033 819
Non-profit institutions	Annexure 1C	181 401	170 574
Households	Annexure 1D	6 180	2 088
Total		54 491 901	54 288 464

8. Expenditure for capital assets

	Note	2021/22 R'000	2020/21 R'000
Tangible assets		660 304	839 841
Buildings and other fixed structures	32	591 321	740 111
Machinery and equipment	30	68 983	99 730
Intangible assets		-	8
Software	30.2.1	-	8
Total		660 304	839 849

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

	Voted funds R'000	Aid assistance R'000	Total 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

8.2 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds R'000	Aid assistance R'000	Total R'000
Tangible assets	831 086	8 755	839 841
Buildings and other fixed structures	740 111	-	740 111
Machinery and equipment	90 975	8 755	99 730
Intangible assets	-	8	8
Software	-	8	8
Total	831 086	8 763	839 849

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

9. Unauthorised expenditure

9.1 Reconciliation of unauthorised expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		19 161	-
Prior period error			
As restated		19 161	-
Unauthorised expenditure – discovered in current year (as restated)			49 727
Less: Amounts recoverable	12		(30 566)
Closing balance		19 161	19 161
Analysis of closing balance			
Unauthorised expenditure awaiting authorisation		19 161	19 161
Total		19 161	19 161

The unauthorized expenditure was identified by National Treasury after the audit was finalized in 2020/21 financial year

9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

	2021/22 R'000	2020/21 R'000
Current	19 161	19 161
Total	19 161	19 161

9.3 Analysis of unauthorised expenditure awaiting authorisation per type

	2021/22 R'000	2020/21 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	19 161	19 161
Total	19 161	19 161

10. Cash and cash equivalents

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General Account		170 478	-
Cash on hand		23	25
Total		170 501	25

Cash and cash equivalent balances held by the department are allocated to the relevant accounts. The Department had a negative balance in the previous financial year due to the application of Section 16 of the PFMA. The department does not have any undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

11. Prepayments and advances

	Note	2021/22 R'000	2020/21 R'000
Advances paid (Not expensed)	11.1	151 928	187 067
Total		151 928	187 067

11.1 Advances paid (Not expensed)

Note	Balance as of 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 of 31 March 2022 R'000
11	5 950	(6 046)	-	6 147	6 051
	107 886	(27 422)	-	3 776	84 240
	73 231	(576 098)	-	564 504	61 637
Total	187 067	(609 566)	-	574 427	151 928

Note	Balance as of 1 April 2020 R'000	Less: Amount expensed in current year R'000	Add or Less: Other R'000	Add: Current Year advances R'000	Balance as of 31 March 2021 R'000
11	12 687	(10 737)	-	4 000	5 950
	222 468	(114 582)	-	-	107 886
	135 379	(414 800)	-	352 652	73 231
Total	370 534	(540 119)	-	356 652	187 067

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

12. Receivables

	Note	2021/22			2020/21		
		Current R'000	Noncurrent R'000	Total R'000	Current R'000	Noncurrent R'000	Total R'000
Claims recoverable	12.1	392 369	20 731	413 080	122 985	44 386	167 371
Recoverable expenditure	12.2	(280)	-	(280)	1 209	-	1 209
Staff debt	12.3	509	10	519	431	6 252	6 683
Fruitless and wasteful expenditure	12.5	54	-	54	-	70	70
Other receivables	12.4	2 977	2 163	5 160	432	3 335	3 767
Total		395 629	22 904	418 533	125 057	54 043	179 100

12.1 Claims recoverable

	Note	2021/22 R'000	2020/21 R'000
National departments	12	18 649	21 729
Provincial departments		24 247	33 157
Public entities		146 614	112 310
Private enterprises		223 570	175
Total		413 080	167 371

Included in claims recoverable for Public Entities is VAT claims to SARS by Global Funds and CDC, while Private Enterprises consist of claims in respect of overruns on donor funds.

12.2 Recoverable expenditure (disallowance accounts)

	Note	2021/22 R'000	2020/21 R'000
Disallowance Dishonoured Cheque	12	-	3
Salary Tax Debt		2	1
Salary Disallowance		(282)	1 033
Salary Reversal		-	172
Total		(280)	1 209

12.3 Staff debt

	Note	2021/22 R'000	2020/21 R'000
Bursary Debt	12	154	171
Salary Overpayment		30	199
Leave Without Pay		205	270
Loss/Damage to State Property		111	123
Fruitless and Wasteful Expenditure		19	5 920
Total		519	6 683

12.4 Other receivables

	Note	2021/22 R'000	2020/21 R'000
Schedule 9 Medication	12	57	55
Ex-Employees		5 103	3 712
Total		5 160	3 767

12.5 Fruitless and wasteful expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance	12	70	70
Less amounts written off		(16)	-
Total		54	70

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

12.6 Impairment of receivables

	Note	2021/22 R'000	2020/21 R'000
Estimate of impairment of receivables		2 173	2 120
Total		2 173	2 120

13. Voted funds to be surrendered to the Revenue Fund

	Note	2021/22 R'000	2020/21 R'000
Opening balance		(14 317)	422 392
Prior period error			
As restated		(14 317)	422 392
Transfer from statement of financial performance (as restated)		771 334	548 271
Add: Unauthorised expenditure for current year	9	-	49 727
Voted funds not requested/not received	1.1	(1 137 684)	(612 316)
Paid during the year		14 315	(422 391)
Closing balance		(366 352)	(14 317)

14. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2021/22 R'000	2020/21 R'000
Opening balance		1 261	569
Prior period error			
As restated		1 261	569
Transfer from Statement of Financial Performance (as restated)		521 023	3 773
Paid during the year		(429 626)	(3 081)
Closing balance		92 658	1 261

15. Bank Overdraft

	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General Account	-	43 318
Total	-	43 318

16. Payables – current

	Note	2021/22 R'000	2020/21 R'000
Advances received	16.1	572 497	229 815
Clearing accounts	16.2	651	2 376
Other payables	16.3	(192)	-
Total		572 956	232 191

16.1 Advances received

	Note	2021/22 R'000	2020/21 R'000
National departments	Annexure7B	301 541	13 909
Provincial departments	Annexure7B	262 300	210 277
Public entities	Annexure7B	278	5 629
Other institutions	Annexure7B	8 378	-
Total		572 497	229 815

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

16.2 Clearing accounts

	Note	2021/22	2020/21
	16	R'000	R'000
PAYE		642	2 331
Pension Fund		-	(20)
Garnishee		6	6
Housing		3	28
Medical Aid		-	31
Total		651	2 376

16.3 Other payables

	Note	2021/22	2020/21
	16	R'000	R'000
Telephone control		(192)	-
Total		(192)	-

17. Net cash flow available from operating activities

	Note	2021/22	2020/21
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		1 750 590	697 066
Add back non cash/cash movements not deemed operating activities		(901 815)	(471 346)
(Increase)/decrease in receivables		(270 572)	(113 178)
(Increase)/decrease in prepayments and advances		35 139	183 516
(Increase)/decrease in other current assets		-	-
Increase/(decrease) in payables – current		340 765	(15 923)
Expenditure on capital assets		660 304	839 849
Surrenders to Revenue Fund		(415 311)	(425 472)
Surrenders to RDP Fund/Donor		(114 456)	(327 822)
Voted funds not requested/not received		(1 137 684)	(612 316)
Net cash flow generated by operating activities		848 775	225 720

18. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2021/22	2020/21
		R'000	R'000
Consolidated Paymaster General account		170 478	(43 318)
Cash on hand		23	25
Total		170 501	(43 293)

19. Contingent liabilities and contingent assets

19.1 Contingent liabilities

	Note	2021/22	2020/21
		R'000	R'000
Liable to Nature			
Claims against the department	Annex 2	15 373	15 373
Intergovernmental payables (unconfirmed balances)	Annex 4	262 300	210 277
Total		277 673	225 650

Cases relating to claims against the state are of a sensitive nature, more details can be acquired from Legal Services

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

19.2 Contingent liabilities

	Note	2021/22 R'000	2020/21 R'000
Liable to Nature			
Vaccines from private sites		123 773	-
Total		123 773	-

Cases relating to claims against the state are of a sensitive nature, more details can be acquired from Legal Services

20. Capital commitments

	Note	2021/22 R'000	2020/21 R'000
Refurb & Rehab Buildings		2 553 535	1 481 027
Computer Equipment		4 462	9 226
Medical & Allied Equipment		595	33 339
Furniture & Office Equipment		9	657
Software & Other Intangible Assets		14 632	12 252
Machinery and Equipment		5 836	9 102
Total		2 579 069	1 545 603

21. Accruals and payables not recognised

21.1 Accruals

		2021/22 R'000	2020/21 R'000
Listed by economic classification			
	30 Days	30+ Days	Total
Goods and services	89 732	515 539	605 271
Transfers and subsidies	-	-	-
Capital assets	2 4 162	58 421	62 583
Other	184	70	254
Total	94 078	574 030	668 108

	Note	2021/22 R'000	2020/21 R'000
Listed by programme level			
Administration		17 012	46 288
National Health Insurance		209 833	60 720
Communicable and Non-Communicable Diseases		1 531	1 110
Primary Health Care		38	346
Hospital Systems		429 862	32 900
Health System Governance and Human Resources		9 832	2 019
Total		668 108	143 383

CCMDD and Hospital Systems invoices were received after financial year end, thus could not be processed prior 31 March 2022.

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

21.2 Payables not recognised

	2021/22 R'000			2020/21 R'000
Listed by economic classification				
	30 Days	30+ Days	Total	Total
Goods and services	4 587	71 427	76 014	90 291
Interest and rent on land	2 294	2 465	4 759	198
Transfers and subsidies	183	379	562	43 510
Capital assets	258	863	1 121	90 493
Other	171	235	406	239
Total	7 493	75 369	82 862	224 731

	Note	2021/22 R'000	2020/21 R'000
Listed by programme level			
Administration		69 456	64 397
National Health Insurance		799	43 114
Communicable and Non-Communicable Diseases		3 661	4 318
Primary Health Care		494	741
Hospital Systems		6 639	87 012
Health System Governance and Human Resources		1 813	25 149
Total		82 862	224 731

22. Employee benefits

	Note	2021/22 R'000	2020/21 R'000
Leave entitlement		64 935	100 441
Service bonus		22 142	25 377
Performance awards		1 774	11 133
Capped leave		14 793	15 885
Other		-	65 777
Total		103 644	218 613

At this stage the department is not able to reliably measure the long-term portion of the long service awards, as tariffs are determined and reviewed by DPSA annually. The original budget for performance awards was R4.529 million, an amount of R2.755 million was expended. The outstanding balance of R1.774 million will cater for outstanding cases.

R109 689.29 in respect of current year circle, R518 885.46 for previous leave circle and R212 939.91 for capped leave were implemented post the reporting period, thus will be deducted from leave entitlement. Negative credit amount to R43 786.12

23. Lease commitments

23.1 Operating leases

	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
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
2020/21			
Not later than 1 year	59 484	1 288	60 772
Later than 1 year and not later than 5 years	282 483	754	283 237
Later than five years	164 716	-	164 716
Total lease commitments	506 683	2 042	508 725

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

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

24. Accrued departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Sales of good an services other than capital assets		2 077 274	
Interest, dividends and rent on land		2 208	198
Total		2 079 482	198

24.1 Analysis of accrued departmental revenue

	Note	2021/22 R'000	2020/21 R'000
Opening balance		198	7 463
Less: amounts received		(1 480)	(11 814)
Add: amounts recognised		2 080 764	4 549
Closing balance		2 079 482	198

25. Irregular expenditure

25.1 Reconciliation of irregular expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		297 888	166 136
Prior period error			
As restated		297 888	166 136
Add: Irregular expenditure – relating to prior year		61 413	
Add: Irregular expenditure – relating to current year		-	131 968
Less: Prior year amounts condoned		-	(216)
Closing balance		359 301	297 888
Analysis of closing balance		359 301	131 752
Current year			166 136
Prior years			
		359 301	297 888

25.2 Details of current and prior year irregular expenditures -added current year (under determination and investigation)

Incident	2021/22 R'000
Services rendered outside the approved period	8 000
Service rendered outside the approved period	14 984
Appointment does not meet the definition of emergency as NT instruction note 3 of 2016/17 defines it	14 672
Management should have requested re-approval from National Treasury to deviate from the competitive bid	592
Non-compliance with local production and content for designated sector	126
Tax compliance at the time of award could not be verified	18 194
Tax compliance at the time of award could not be verified	494
Tax matters for foreign suppliers not confirmed through SBD 1 and Declaration of interest for foreign supplier	4 351
Total	61 413

25.3 Details of current and prior year irregular expenditures -added current year (under determination and investigation)

Incident	2021/22 R'000
Commitments: Payment exceed authorised order amount (LIBS) – NdoH	11 307
Payments made for ICSP without formal SLA	4 000
Comaf 41 – Evidence that quotations were obtained from suppliers that are registered on the CSD was not obtained	500
Unfair disqualification of a supplier	236
Payments made to suppliers that exceed quotation price	5
Terms of disqualification were not clearly identifiable at the time of invite for quotation	500
Total	16 548

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

26. Fruitless and wasteful expenditure

26.1 Reconciliation of fruitless and wasteful expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		2 078	2 039
As restated		2 078	2 039
Fruitless and wasteful expenditure – relating to current year		-	39
Less: Amounts written off		(565)	-
Closing balance		1 513	2 078

26.2 Details of fruitless and wasteful expenditure written off incident

	2021/22 R'000	2021/22 R'000
SARS penalties	515	-
Auditor-General	18	-
Tokologo Tech	27	-
Mcuba	3	-
Minyuku	2	-
Total	565	-

27. Key management personnel

	No. of Individuals	2021/22 R'000	2020/21 R'000
Political office bearers (provide detail below)	3	5 004	4 933
Officials:			
Level 15 to 16	9	16 449	15 452
Level 13 to 14 (incl CFO if at a lower level)	26	38 697	32 295
Family members of key management personnel	1	1 165	1 104
Total		61 315	53 784

28. Provisions

	Note	2021/22 R'000	2020/21 R'000
Long Service Awards		727	1 137
DBSA Infrastructure Provisions		6 729	-
Total		7 456	1 137

A provision to the amount of R203 448 is made for employees with 40 years of service, R217 970 is a provision made for employees with 30 years of service and R305 172 is for employees with 20 years of services.
Provision as listed for DBSA represents projects past ready for use which awaits to close out of the project and thus final account and payments. The assumption made concerning the above relates to potential savings on project that cannot be estimated at this time.

28.1 Reconciliation of movement in provisions – 2021/22

	Provision 1 R'000	Provision 2 R'000	Total provisions R'000
Opening balance	1 137	-	1 137
Increase in provision	727	6 729	7 456
Settlement of provision	(1 137)	-	(1 137)
Closing balance	727	6 729	7 456

Reconciliation of movement in provisions – 2020/21

	Provision 1 R'000	Provision 2 R'000	Total provisions R'000
Opening balance	894	-	894
Increase in provision	1 137	-	1 137
Settlement of provision	(894)	-	(894)
Closing balance	1 137	-	1 137

29. Non-adjusting events after reporting date

	2020/21 R'000
Understatement of DBSA commitments	1 177
Unconfirmed Commitment – COEGA	(504)
Total	673

The DPSA commitment value for a contract that was advertised before the end of the financial year, however documentation from the supplier to conclude the award was only received after the end of the financial year. For COEGA professional fees contract were increased on commitments register due to the construction value for the project increasing, however this was not formally communicated to the PSP due to various contracting requirements

30. Movable tangible capital assets

	Opening balance R'000	Value Adjustment 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

30.1 Movement for 2020/21

Movement in tangible capital assets per asset register for the year ended 31 March 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	549 688	8	93 293	12 762	630 227
Transport assets	4 234	-	756	-	4 990
Computer equipment	219 638	8	13 285	11 803	221 128
Furniture and office equipment	18 068	-	200	98	18 170
Other machinery and equipment	307 748	-	79 052	861	385 939
Total movable tangible capital assets	549 688	8	93 293	12 762	630 227

30.1.1 Prior period error

Note

	2020/21 R'000
Nature of prior period error	
Relating to 2019/20 (affecting the opening balance)	8
Printer wrongly classified as minor instead of major	8
Relating to 2020/21	959
Transfer to Provinces excluded from AFS 2021	
- Furniture and office equipment	98
- Other machinery and equipment	861
Total prior period errors	967

30.2 Minor assets

Movement in minor assets per the asset register for the year ended as at 31 March 2022

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total 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	Biological assets	Total
Number of minor assets at cost	-	-	-	17 293	-	17 293
Total number of minor assets	-	-	-	17 293	-	17 293

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	-	-	44 538	-	44 538
Prior period error	-	-	-	(8)	-	(8)
Additions	-	-	-	3 356	-	3 356
Disposals	-	-	-	209	-	209
TOTAL MINOR ASSETS	-	-	-	47 677	-	47 677

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	-	-	30 337	-	30 337
TOTAL NUMBER OF MINOR ASSETS	-	-	-	30 337	-	30 337

30.2.1 Prior period error

Note

2020/21
R'000

Nature of prior period error

Relating to 2019/20 (affecting the opening balance)

(8)

Printer wrongly classified as minor instead of major

(8)

Total

(8)

31. Intangible Capital Assets

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

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Software	73 768	-	-	73 768
Total intangible capital assets	73 768	-	-	73 68

31.1 Movement for 2020/21

Movement in intangible capital assets per asset register for the year ended 31 March 2021

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	73 768	-	-	-	73 768
Total intangible capital assets	73 768	-	-	-	73 768

32. Immovable Tangible Capital Assets

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

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Buildings and other fixed structures	2 121 419	107 402	132 800	2 096 021
Other fixed structures	2 121 419	107 402	132 800	2 096 021
Total immovable tangible assets	2 121 419	107 402	132 800	2 096 021

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

32.1 Movement for 2020/21

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	1 858 033	(11 745)	275 131	-	2 121 419
Other fixed structures	1 858 033	(11 745)	275 131	-	2 121 419
Total immovable tangible capital assets	1 858 033	(11 745)	275 131	-	2 121 419

32.2 Capital Work-in-progress

Capital work-in-progress as of 31 March 2022

	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	1 298 983	591 321	107 853	1 782 451
Total	1 298 983	591 321	107 853	1 782 451

Note
Annexure 6

Capital work-in-progress as of 31 March 2021

	Opening balance 1 April 2022 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 2021 R'000
Buildings and other fixed structures	901 788	(67 785)	659 434	194 454	1 298 983
Total	901 788	(67 785)	659 434	194 454	1 298 983

Note
Annexure 6

The prior year error related to projects that were moved from Capital Assets to Work in Progress, and adjustments to individual project reconciliations.

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

33. Principal-agent arrangement

33.1 Department acting as the principal

	2021/22 R'000	2020/21 R'000
DBSA	22 750	29 676
CDC	38 690	5 066
Total	61 440	34 742

Both DBSA and CDC has 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 Principal 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 lies with the Implementers, but can be transferred to the National Department under certain conditions.

34 Prior period errors

	Note	Amount before error correction R'000	Prior period error R'000	Restated amount R'000
Inventory	45	246 076	(246 076)	-
Contingent liability	<u>25</u>	-	210 277	210 277
Net effect		246 076	(35 799)	210 277

The Department has taken a decision not to disclose the inventory as this is not a requirement at the moment. Contingent liability figure was omitted in 2021..

34.1 Assets: (e.g. Receivables, Investments, Accrued 2020/21)

	Note	Amount before error correction R'000	Prior period error R'000	Restated amount R'000
Major Assets	39	630 219	8	630 227
Minor Assets	40	47 677	-8	47 669
Immovable Assets	41	2 133 164	-11745	2 121 419
Work in Progress	41.2	1 366 768	-67 785	1 298 983
Net effect		4 177 828	-79 530	4 098 298

HEALTH VOTE 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022
35 Statement of conditional grants received

Name of grant	Grant allocation						Spent			2020/21	
	Division of revenue act/ provincial grants	Roll overs	Dora adjustments	Other adjustments	Total available	Amount received by department	Amount spent by department	Under / (overspending)	% 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: Health Facility Revitalisation Component	1 175 400	-	(250 000)	-	925 400	925 400	843 288	82 112	91%	171 187	138 405
NHI Indirect: Non-Personal Component	613 882	-	-	(6 109)	607 773	607 773	499 794	107 979	82%	685 448	585 866
NHI Indirect: Personal Component	328 423	-	(310 647)	-	17 776	17 776	17 776	-	100%	852 978	801 851
Total	2 117 705	-	(560 647)	(6 109)	1 550 949	1 550 949	1 360 858	190 091		1 709 613	1 526 122

36. Statement of conditional grants paid to the provinces

Name of province / grant	GRANT ALLOCATION			TRANSFER			SPENT			2020/21			
	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													
Eastern Cape	5 317 684	-	86 800	5 404 484	5 404 492	-	-	5 404 492	5 288 295	116 197	0%	5 324 233	5 324 233
Free State	3 621 449	-	23 655	3 645 104	3 645 104	-	-	3 645 104	3 486 132	158 972	0%	3 657 709	3 655 507
Gauteng	13 192 367	-	120 357	13 312 724	13 312 721	-	-	13 312 721	12 019 907	1 292 814	90%	13 220 824	13 220 824
Kwazulu-Natal	10 977 269	-	28 672	11 005 941	11 005 941	-	-	11 005 941	11 108 951	(103 010)	101%	10 866 746	10 866 746
Limpopo	3 966 691	-	39 128	4 005 819	4 005 813	-	-	4 005 813	3 929 759	76 054	98%	3 888 213	3 865 791
Mpumalanga	3 340 298	-	35 191	3 375 489	3 375 488	-	-	3 375 488	3 372 523	2 965	100%	3 164 202	3 164 202
Northern Cape	1 658 860	-	3 373	1 662 233	1 662 235	-	-	1 662 235	1 658 202	4 033	0%	1 620 880	1 620 879
North West	3 027 659	-	44 890	3 072 549	3 072 549	-	-	3 072 549	3 075 499	(2 950)	0%	2 949 945	2 949 945
Western Cape	6 959 297	-	18 581	6 977 878	6 977 877	-	-	6 977 877	6 921 377	56 500	99%	7 413 855	7 413 855
TOTAL	52 061 574	-	400 647	52 464 221	52 462 220	-	-	52 462 220	50 860 645	1 601 575		52 106 607	52 081 983

Departments are reminded of DORA requirement to certify that all transfers in terms of this Act were deposited into the primary bank account of the province or where appropriate into the CPD account of a province as well as indicate the funds utilized for the administration of the receiving officer.

HEALTH VOTE 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER			SPENT				2020/21	
	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	4 054 458	-	243 223	4 297 681	4 297 681	-	-	4 297 681	4 288 881	8 800	100%	4 309 290	4 309 290
National Tertiary Services Grant	13 707 798	-	-	13 707 798	13 707 798	-	-	13 707 798	13 385 416	322 382	0%	14 013 153	14 013 153
HIV, TB, Malaria & Community Outreach Grant	27 585 453	-	167 424	27 752 877	27 752 876	-	-	27 752 876	26 676 102	1 076 774	96%	27 222 419	27 197 795
Health Facility Revitalisation Grant	6 445 188	-	(10 000)	6 435 188	6 435 188	-	-	6 435 188	6 245 892	189 296	97%	6 315 281	6 315 281
National Health Insurance Grant	268 677	-	-	268 677	268 677	-	-	268 677	264 354	4 323	98%	246 464	246 464
52 061 574	-	400 647	52 462 221	52 462 221	52 462 220	-	-	52 462 220	50 860 645	1 601 575		52 106 607	52 081 983

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER			SPENT				2020/21	
	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
1. Statutory Human Resource and Health Professions Training Grant													
Eastern Cape	426 081	-	33 107	459 188	459 188	-	-	459 188	459 081	107	0%	391 293	391 293
Free State	186 340	-	20 176	206 516	206 516	-	-	206 516	206 519	(3)	0%	246 940	246 940
Gauteng	1 342 762	-	113 297	1 456 059	1 456 059	-	-	1 456 059	1 441 196	14 863	99%	1 383 362	1 383 362
Kwazulu-Natal	562 959	-	22 627	585 586	585 586	-	-	585 586	591 481	(5 895)	0%	620 378	620 378
Limpopo	230 320	-	15 771	246 091	246 091	-	-	246 091	246 495	(404)	0%	254 690	254 690
Mpumalanga	188 806	-	12 313	201 119	201 118	-	-	201 118	200 986	132	100%	205 952	205 952
Northern Cape	128 149	-	2 724	130 873	130 873	-	-	130 873	130 873	-	0%	129 813	129 813
North West	193 113	-	17 761	210 874	210 874	-	-	210 874	210 874	-	100%	207 006	207 006
Western Cape	795 929	-	5 447	801 376	801 376	-	-	801 376	801 376	-	0%	869 856	869 856
4 054 458	-	243 223	4 297 681	4 297 681	4 297 681	-	-	4 297 681	4 288 881	8 800		4 309 290	4 309 290

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER			SPENT			2020/21		
	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
2. National Tertiary Services Grant													
Eastern Cape	1 101 960	-	-	1 101 960	1 101 960	-	-	1 101 960	1 045 792	56 168	95%	1 080 846	1 080 846
Free State	1 172 085	-	-	1 172 085	1 172 085	-	-	1 172 085	1 112 021	60 064	0%	1 209 781	1 209 781
Gauteng	4 878 070	-	-	4 878 070	4 878 070	-	-	4 878 070	4 673 691	204 379	0%	4 999 879	4 999 879
Kwazulu-Natal	1 955 628	-	-	1 955 628	1 955 628	-	-	1 955 628	1 955 628	-	0%	2 015 775	2 015 775
Limpopo	453 296	-	-	453 296	453 296	-	-	453 296	438 838	14 458	97%	445 200	445 200
Mpumalanga	142 411	-	-	142 411	142 411	-	-	142 411	142 057	354	0%	135 793	135 793
Northern Cape	397 756	-	-	397 756	397 756	-	-	397 756	397 758	(2)	0%	402 404	402 404
North West	333 611	-	-	333 611	333 611	-	-	333 611	346 650	(13 039)	0%	326 867	326 867
Western Cape	3 272 981	-	-	3 272 981	3 272 981	-	-	3 272 981	3 272 981	-	100%	3 396 608	3 396 608
	13 707 798	-	-	13 707 798	13 707 798	-	-	13 707 798	13 385 416	322 382		14 013	14 013
												153	153
3. HIV, TB, Malaria & Community Outreach Grant													
Eastern Cape	3 062 783	-	53 693	3 116 476	3 116 484	-	-	3 116 484	3 056 338	60 146	0%	3 157 299	3 157 299
Free State	1 633 445	-	3 479	1 636 924	1 636 925	-	-	1 636 925	1 638 511	(1 586)	0%	1 598 247	1 596 045
Gauteng	5 955 804	-	7 060	5 962 864	5 962 862	-	-	5 962 862	4 904 438	1 058 424	82%	5 815 699	5 815 700
Kwazulu-Natal	7 160 536	-	6 045	7 166 581	7 166 582	-	-	7 166 582	7 263 697	(97 115)	0%	6 898 889	6 898 889
Limpopo	2 495 590	-	23 357	2 518 947	2 518 941	-	-	2 518 941	2 466 875	52 066	98%	2 413 784	2 391 362
Mpumalanga	2 532 774	-	22 878	2 555 652	2 555 651	-	-	2 555 651	2 554 486	1 165	100%	2 382 431	2 382 431
Northern Cape	734 087	-	649	734 736	734 736	-	-	734 736	731 062	3 674	0%	718 230	718 229
North West	1 862 691	-	27 129	1 889 820	1 889 819	-	-	1 889 819	1 889 819	-	100%	1 808 722	1 808 722
Western Cape	2 147 743	-	23 134	2 170 877	2 170 876	-	-	2 170 876	2 170 876	-	100%	2 429 118	2 429 118
	27 585 453	-	167 424	27 752 877	27 752 876	-	-	27 752 876	26 676 102	1 076 774		27 222 419	27 197 795
4. Health Facility Revitalization Grant													
Eastern Cape	685 588	-	-	685 588	685 588	-	-	685 588	685 510	78	0%	669 533	669 533
Free State	609 977	-	-	609 977	609 977	-	-	609 977	509 480	100 497	84%	586 745	586 745
Gauteng	965 871	-	-	965 871	965 871	-	-	965 871	954 347	11 524	99%	968 210	968 210
Kwazulu-Natal	1 247 731	-	-	1 247 731	1 247 730	-	-	1 247 730	1 247 730	-	100%	1 271 414	1 271 414
Limpopo	755 533	-	-	755 533	755 533	-	-	755 533	745 603	9 930	99%	742 473	742 473
Mpumalanga	457 065	-	-	457 065	457 065	-	-	457 065	456 387	678	0%	423 922	423 922
Northern Cape	379 636	-	-	379 636	379 637	-	-	379 637	379 637	-	0%	357 033	357 033
North West	618 922	-	-	618 922	618 922	-	-	618 922	608 833	10 089	0%	597 158	597 158
Western Cape	724 865	-	(10 000)	714 865	714 865	-	-	714 865	658 365	56 500	92%	698 793	698 793
	6 445 188	-	(10 000)	6 435 188	6 435 188	-	-	6 435 188	6 245 892	189 296		6 315 281	6 315 281

**HEALTH VOTE 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022**

NAME OF PROVINCE / GRANT	GRANT ALLOCATION				TRANSFER			SPENT			2020/21			
	Division of Revenue Act	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations 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	
5. National Health Insurance Grant														
Eastern Cape	41 272	-	-	41 272	41 272	-	-	41 272	41 574	(302)	0%	25 262	25 262	
Free State	19 601	-	-	19 601	19 601	-	-	19 601	19 601	-	0%	15 996	15 996	
Gauteng	49 859	-	-	49 859	49 859	-	-	49 859	46 235	3 624	93%	53 674	53 674	
Kwazulu-Natal	50 415	-	-	50 415	50 415	-	-	50 415	50 415	-	100%	60 290	60 290	
Limpopo	31 952	-	-	31 952	31 952	-	-	31 952	31 948	4	0%	32 066	32 066	
Mpumalanga	19 243	-	-	19 243	19 243	-	-	19 243	18 607	636	0%	16 104	16 104	
Northern Cape	19 233	-	-	19 233	19 233	-	-	19 233	18 872	361	98%	13 400	13 400	
North West	19 323	-	-	19 323	19 323	-	-	19 323	19 323	-	0%	10 192	10 192	
Western Cape	17 779	-	-	17 779	17 779	-	-	17 779	17 779	-	100%	19 480	19 480	
	268 677	-	-	268 677	268 677	-	-	268 677	264 354	4 323		246 464	246 464	

37 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.

38. COVID-19 Response Expenditure

	2021/22	2020/21
	R'000	R'000
Compensation of employees	-	77 361
Goods and services	7 736 937	725 531
Transfers and subsidies	1 600 000	5 054 966
Expenditure for capital assets	-	10 151
Total	9 336 937	5 868 009

Note
Annexure 11

R77 361 for Compensation of Employees was omitted in the 2021 Annual Report and goods and services were understated.

HEALTH VOTE 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

ANNEXURE 1A

Statement of transfers to departmental agencies and accounts

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2020/21 Final appropriation R'000
	Adjusted appropriation R'000	Roll overs R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	
Compensation Commissioner for Occupational Diseases	1 437	-	-	1 437	1 437	100%
South African Medical Research Council	851 714	-	3 500	855 214	855 214	100%
Council for Medical Schemes	6 181	-	-	6 181	6 181	100%
National Health Laboratory Services	640 057	-	3 490	643 547	643 547	100%
Health and Welfare Sector Education and Training Authority	2 536	-	-	2 536	2 536	100%
South African National AIDS Council	-	-	-	-	-	-
South African Health Products Regulatory Authority	146 287	-	-	146 287	146 287	100%
Office of Health Standard Compliance	151 889	-	6 109	157 998	157 997	100%
Claims against the State	28 901	-	-	28 901	28 901	100%
TOTAL	1 829 002	-	13 099	1 842 101	1 842 100	1 886 159

ANNEXURE 1B

Statement of transfers to foreign government and international organisations

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION			EXPENDITURE		2020/21 Final appropriation R'000
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	
Transfers						
World Health Organisation	-	-	-	-	-	375
TOTAL	-	-	-	-	-	375

ANNEXURE 1C Statement of transfers to non-profit institutions

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2020/21 Final appropriation R'000
	Adjusted Appropriation Act	Roll overs	Adjustments	Total available	Actual transfer	% of available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	
Transfers							
Life Line	28 030	-	-	28 030	28 030	100%	27 150
Lovelife	61 976	-	-	61 976	61 976	100%	75 527
National Council Against Smoking	1 130	-	-	1 130	1 095	97%	1 095
South African Renal Registry	447	-	-	447	447	100%	433
Soul City	24 331	-	-	24 331	24 331	100%	23 567
South African Community Epidemiology Network on Drug Abuse (SACENDU)	-	-	-	-	-	-	642
South African National Council for the Blind	1 060	-	-	1 060	1 060	100%	1 026
South African Federation for Mental Health	473	-	-	473	473	100%	459
HIV and AIDS: NGO's	65 553	-	-	65 553	63 989		63 494
Alliance Against HIV/AIDS					2 613		2 372
Boithuto Lesedi Project					3 046		2 764
Centre for Positive Care (CPC)					3 259		2 958
Community Responsiveness Programme (CRP)					2 882		2 615
Eagle Training					2 206		2 002
Educational Support Service Trust (ESST)					3 709		3 367
Friends for Life					3 222		2 924
Get Down Productions					4 304		3 906
Get Ready Information Services					2 506		2 275
Health Care Development and training					-		2 052
Highveld East Aids Projects Support (HEAPS)					4 526		4 108
Humana People to People					2 300		2 087
Leandra Community Centre					2 673		2 426
Leseding Care Givers					1 717		1 558
Muslim Aids Programme (MAP)					2 282		2 071
National Institute Community Development and Management (NICDAM)					2 841		2 578
National Lesbian, Gay, Bisexual, Transsexual and Intersexual Health (NLGBTHI)					3 642		3 305
Ramotshinyadi HIV/AIDS					2 899		2 631
The Training Institute for Primary Health Care (TIPHC)					2 162		1 962
Ukhamba Projects					3 556		1 897
Zakheni Training and Development					-		3 032
South African Organization for People living with HIV & AIDS (SAOPHA)					-		1 953
Sunrise Wellness					2 152		1 953
Zakheni Training and Development					3 340		3 032
TOTAL	183 000	-	-	183 000	181 401		193 393

HEALTH VOTE 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

ANNEXURE 1D
Statement of transfers to households

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2020/21 Final appropriation R'000
	Adjusted Appropriation Act R'000	Roll overs R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	% of available funds transferred %	
Transfers							
Leave Gratuities	-	-	-	6 180	6 180	100%	1 928
Claims against the state	-	-	-	-	-		160
	-	-	-	6 180	6 180	100%	2 088
TOTAL	-	-	-	6 180	6 180	100%	2 088

ANNEXURE 1E
Statement of gifts, donations and sponsorships received

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP		2021/22 R'000	2020/21 R'000
Received in kind				
Hikvision (Pty) Ltd SA	Temperature Screening and cameras		-	100
Bank of China	CPAP/Airwell YH-370		-	14
French Embassy	Infusion Pumps		-	12
French Embassy	C PAP devices		-	14
Government of the People's Republic of China	COVID test kits		-	14
Jack Ma	Infrared Thermalmachine		-	50
Jack Ma	Ventilators (CPAP)		-	500
Jack Ma	CPAP		-	14
Turkish Government	Disinfectant funnel		-	19
US Government	Ventilators		-	500
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			1 366 406	1 237

ANNEXURE 1F
Statement of aid assistance received

Name of donor	Purpose	Opening balance		Revenue		Expenditure		Paid back on/by 31 March 2022		Closing balance	
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Received in cash											
CDC Fund	Tuberculosis, HIV and AIDS prevention	206 340		42 709		42 709		206 340			-
Germany	HIV & AIDS Prevention	624		-		-		624			-
Global Fund	HIV & AIDS Prevention	(92 506)		1 411 879		953 646		(92 506)			458 233
TOTAL		114 458	1 454 588	114 458	1 454 588	996 355		114 458			458 233

**HEALTH VOTE 18
NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022**

ANNEXURE 1G

Statement of gifts, donations and sponsorships made

**Nature of gift, donation, or sponsorship
(Group major categories but list material items including name of organisation)**

	2021/22 R'000	2020/21 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 2022

Nature of Liability	Opening balance 1 April 2022	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2021
	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	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	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	1 645	1 646	1 645	-	-
Home Affairs	-	-	-	37	-	-	-	-
Provincial Health: Mpumalanga	-	-	2 635	-	2 635	-	-	-
Provincial Health: Gauteng	-	-	9 846	-	9 846	-	-	-
Provincial Health: Free State	-	-	2 015	-	2 015	-	-	-
Provincial Health: Eastern Cape	-	-	-	2 591	-	2 591	-	-
Provincial Health: KwaZulu/Natal	-	-	9 750	-	9 750	-	-	-
National Treasury: Aid Assistance	-	-	16 709	19 753	16 709	19 753	-	-
NSF Growth	-	-	293	-	293	-	-	-
	-	-	42 894	24 026	42 894	23 989		
Other Government Entities								
Global Funds (SARS VAT)	-	-	108 900	73 068	108 900	73 068	-	-
CDC (SARS VAT)	-	-	167 531	20 941	167 531	20 941	-	-
SAHPRA	-	-	1 073	17 084	1 073	17 084	-	-
Global Fund.	-	-	92 507	1 042	92 507	1 042	-	-
Digital Vibes (Private Entity)	-	-	175	175	175	175	-	-
	-	-	370 186	112 310	370 186	112 310		
TOTAL	-	-	413 080	136 336	413 080	136 299		

**ANNEXURE 4
Inter-government payables**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	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	-	-	31 407	18 722	31 407	18 722	-	-
Provincial Health: Free State	-	-	27 707	27 646	27 707	27 646	-	-
Provincial Health: Northern Cape	-	-	22 182	9 386	22 182	9 386	-	-
Provincial Health: Gauteng	-	-	36 752	80 755	36 752	80 755	-	-
Provincial Health: Limpopo	-	-	56 217	4 291	56 217	4 291	-	-
Provincial Health: KZN	-	-	32 816	28 807	32 816	28 807	-	-
Provincial Health: North West	-	-	26 834	46 816	26 834	46 816	-	-
Provincial Health: Mpumalanga	-	-	23 483	34 613	23 483	34 613	-	-
Provincial Health: Western Cape	-	-	4 902	-	4 902	-	-	-
	-	-	262 300	251 036	262 300	251 036		
Total intergovernmental payables	-	-	262 300	251 036	262 300	251 036		

ANNEXURE 5 INVENTORIES

Inventories for the year ended 31 March 2022

	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Total R'000
Opening balance	246 076	-	-	-	246 076
Add: Additions/Purchases – Cash	7 713 906	-	-	-	7 713 906
Add: Additions - Non-cash	183	-	-	-	183
(Less): Disposals	-	-	-	-	-
(Less): Issues	(7 643 036)	-	-	-	(7 643 036)
Add/(Less): Adjustments	4 644	-	-	-	4 644
Closing balance	321 773	-	-	-	321 773

Inventories for the year ended 31 March 2021

	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Insert major category of inventory R'000	Total R'000
Opening balance	4 897	-	-	-	4 897
Add: Additions/Purchases – Cash	529 476	-	-	-	529 476
Add: Additions - Non-cash	695 903	-	-	-	695 903
(Less): Issues	(987 636)	-	-	-	(987 636)
Add/(Less): Adjustments	3 436	-	-	-	3 436
Closing balance	246 076	-	-	-	246 076

ANNEXURE 6

Movement in capital work in progress

Movement in capital work in progress for the year ended 31 March 2022

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
Buildings and other fixed structures	1 298 983	591 320	107 853	1 782 450
Other fixed structures	1 298 983	591 320	107 853	1 782 450
Total	1 365 243	591 320	107 853	1 782 450

Movement in capital work in progress for the year ended 31 March 2021

	Opening balance R'000	Prior period error R'000	Current Year Capital WIP R'000	Ready for use (Asset register) / Contract terminated R'000	Closing balance R'000
Buildings and other fixed structures	901 787	(67 785)	659 434	(194 454)	1 298 982
Other fixed structures	901 787	(67 785)	659 434	(194 454)	1 298 982
Total	901 787	(67 785)	659 434	(194 454)	1 298 982

HEALTH VOTE 18
 NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022
ANNEXURE 7A
Inter-entity advances paid (note 14)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000
NATIONAL DEPARTMENTS						
DIRCO	-	-	101	-	101	-
GCIS	-	-	5 950	5 950	5 950	5 950
Subtotal	-	-	6 051	5 950	6 051	5 950
PROVINCIAL DEPARTMENTS						
Provincial Health: Eastern Cape	-	-	1 820	24 486	1 820	24 486
Provincial Health: Free State	-	-	-	980	-	980
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	107 886	84 240	107 886
PUBLIC ENTITIES						
DBSA FET (94 Clinics)	-	-	-	73 076	-	73 076
COEGA	-	-	61 637	155	61 637	155
Subtotal	-	-	61 637	73 231	61 637	73 231
TOTAL	-	-	151 928	187 067	151 928	187 067

ANNEXURE 7B

Inter-entity advances received (note 21 and note 22)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000
NATIONAL DEPARTMENTS						
Current						
National Treasury	-	-	299 787	1 629	299 787	1 629
DIRCO	-	-	1 754	2 360	1 754	2 360
NHLS	-	-	-	3 000	-	3 000
OHSC	-	-	-	2 230	-	2 230
Exchequer	-	-	-	1 581	-	1 581
Unidentified	-	-	-	3 109	-	3 109
Subtotal	-	-	301 451	13 909	301 541	13 909
PROVINCIAL DEPARTMENTS						
Current						
Provincial Health: Eastern Cape	-	-	31 407	18 722	31 407	18 722
Provincial Health: Free State	-	-	27 707	27 646	27 707	27 646
Provincial Health: Northern Cape	-	-	22 182	9 386	22 182	9 386
Provincial Health: Gauteng	-	-	36 752	80 755	36 752	80 755
Provincial Health: Limpopo	-	-	56 217	4 291	56 217	4 291
Provincial Health: KwaZulu/ Natal	-	-	32 816	28 807	32 816	28 807
Provincial Health: North West	-	-	26 834	46 816	26 834	46 816
Provincial Health: Mpumalanga	-	-	23 483	34 613	23 483	34 613
Provincial Health: Western Cape	-	-	4 902	-	4 902	-
Subtotal	-	-	262 300	251 036	262 300	251 036
PUBLIC ENTITIES						
Current						
Coega	-	-	-	5 517	-	5 517
DBSA	-	-	278	112	278	112
Subtotal	-	-	278	5 629	278	5 629
OTHER INSTITUTIONS						
Current						
UNISA	-	-	10	-	10	-
Botswana Embassy	-	-	139	-	139	-
Embassy Chattering	-	-	93	-	93	-
Botswana Chattering	-	-	136	-	136	-
Microsoft	-	-	8 000	-	8 000	-
Subtotal	-	-	8 378	-	8 378	-
TOTAL						
Current	-	-	572 497	270 574	572 497	270 574
	-	-	572 497	270 574	572 497	270 574

HEALTH VOTE 18

NOTES TO THE ANNUAL FINANCIAL STATEMENT for the year ended 31 March 2022

ANNEXURE 8

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2021/22					2020/21
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	-	-	-	-	-	77 361
Goods and services	3 962 716	1 671 780	1 206 231	896 210	7 736 937	725 531
Administrative fees: Payment	-	3	4	1	8	-
Inventory: Medicine: Vaccines	3 962 716	1 650 627	1 140 238	831 078	7 584 659	462 316
Operating Payment	-	21 150	65 989	20 534	107 673	4 954
Advertising	-	-	-	44 597	44 597	7 300
Catering: Departmental Activities	-	-	-	-	-	582
Computer Services	-	-	-	-	-	32 696
Consultants: Business and Advisory Services	-	-	-	-	-	129 898
Agency & Support/Outsourced Services	-	-	-	-	-	26
Fleet Services	-	-	-	-	-	2 086
Inventory: Clothing, Materials & Accessories	-	-	-	-	-	1 853
Consumable Suppliers: Washing/cleaning/detergents	-	-	-	-	-	3 502
Property payments	-	-	-	-	-	1 361
Travel & Subsistence	-	-	-	-	-	78 918
Contractors	-	-	-	-	-	15
Consumable supplies: Government Printer	-	-	-	-	-	24
Transfers and subsidies	400 003	399 997	365 275	434 725	1 600 000	5 054 966
Departmental Agencies	25 000	25 000	25 000	25 000	100 000	246 700
COVID-19: Provincial Conditional Grants	375 003	374 997	340 275	409 725	1 500 000	4 808 266
Expenditure for capital assets	-	-	-	-	-	10 151
Other expenditure and equipment	-	-	-	-	-	10 151
TOTAL COVID-19 RESPONSE EXPENDITURE	4 362 719	2 071 777	1 571 506	1 330 935	9 336 937	5 868 009





National Department of Health

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