



**REPORT OF THE HEALTH PORTFOLIO
COMMITTEE ON 2022/23 BUDGET OF THE
DEPARTMENT OF HEALTH**

Committee Details	
NAME OF COMMITTEE	HEALTH
BUDGET VOTE	VOTE 7
TABLING DATE	10 MAY 2022
CHAIRPERSON	HON. NR MAJOLA

Hon Speaker;

Hon members of the house;

I am pleased to present this report on behalf of the Portfolio Committee on Health.

1. INTRODUCTION

Hon Speaker, as I present this report today, I am reminded of the following saying,

“We do not grow when things are easy, we grow when we face challenges”

Honourable Speaker and Honourable members, this budget comes at a time when the KZN department of health, has several challenges it must face. COVID-19 which is now showing an increase as well as the recent floods that have left many of our people dead, thousands displaced, homes destroyed and water infrastructure is surely one other factor that is bound to lead to increased pressure on the health system.

2. SUBMISSION OF INFORMATION AND USEFULNESS THEREOF

We wish to convey our appreciation to the Department of Health as led by the MEC Hon Nomagugu Simelane for their consistency in submitting the accountability documents to the Committee. It is through these engagements coupled with the independent Committee oversight work that the Committee understands the challenges facing the department and our community which are as follows:

- The first challenge is the impact of the budget cuts. These cuts were implemented in prior years and have significantly reduced the financial resources of this department. This has made the prioritization of funds increasingly difficult.
- The prevalence of HIV in KwaZulu-Natal remains uncomfortably high. Communicable diseases such as HIV and TB continue to be leading causes of death in KZN. The TB epidemic may also be impacting on the incidence and outcomes of other infectious diseases such as pneumonia. It is essential that efforts to detect and treat HIV infection remain a priority for the department in order to improve the outcomes and reduce the levels of mortality caused by infectious diseases, in the province.

- Medico legal claims continue to take funds from an already strained budget. It is thus vitally important that the department continue in its efforts, to reduce incidents which lead to medico-legal claims. The department has put in place plans to reduce the overall cost of medico-legal claims. The committee understands that one of the strategies to do this, is the outfitting of seven identified centres of excellence with equipment and resources. These centres will be used to attend to the healthcare needs of children who are born with Cerebral Palsy and other ailments. The department must ensure these centres comply with the necessary standards and are properly resourced.
- The department's audit performance over the past several years has not been good. The department has been unable to improve its audit outcome status. The areas of irregular expenditure and departmental assets, needs to be addressed. The department's efforts to implement a "goods received note" as well as implementation of consequence management which is both punitive and corrective is noted, but more must be done.

3. BUDGET CONSIDERATION PROCESSES

The Committee was provided with the budget information in November 2021 where the financial situation of the department was presented. The draft APP and required budget were presented to the stakeholders and the committee held further engagements on the budget during the month of April 2022.

4. COMMITTEE MANDATE

The Portfolio Committee on Health has a Constitutional mandate in terms of Section 114 (2) (b) of the Republic of South Africa read with Rule 153 of the KZN Provincial Legislature to oversee the performance of the Department of Health and hold it accountable through various measures. It was therefore crucial for the Portfolio Committee to deliberate and scrutinize the proposed 2022/23 budget of the Department.

In its deliberations the Committee needed to determine whether the Department had adequately planned and made sufficient provisions for its principal objectives, and to be apprised of the service delivery outputs that were planned for the 2022/23 financial year.

The Committee tables this report in accordance with the provisions of the Rules and Orders of the KZN Legislature as an account of its oversight work done for the consideration and adoption of the Budget for Vote 07, for the 2022/23 financial year.

The Committee met with the Department to deliberate on the 2022/23 APP and budget on the 15th March 2022 and again on 12th April 2022. The department provided an overview and made the relevant presentations to the Portfolio Committee.

5. ANALYSIS OF THE DRAFT APP AND DRAFT BUDGET

Honourable Members, we know that the financial resources of Government are not limitless. We must always endeavour to use what we have been allocated, in a manner that best serves our communities. The financial resources given to the department of health were not sufficient prior to the Covid-19 pandemic.

Human resources

The challenges brought about by the Covid-19 pandemic remains. Like most countries, South Africa could not escape the pandemic. We have suffered both, the loss of livelihoods and the loss of lives. We have had to endure the loss of experienced and capable medical professionals.

The budget cuts have affected the department's ability to improve or even maintain its staffing levels. Having an adequate number of staff is essential to providing quality healthcare. Maintaining or adding capable and diligent health care staff, is critical. Medical facilities cannot function without adequate staff, especially in specialised areas such as Psychiatric services. Our mental health services need to be adequately staffed.

Prevent rather than cure

Promotion of healthy lifestyles and the prevention of ill health is a fundamental principle behind improving the public's health. As the saying goes, "Prevention is better than cure".

Strategies that could be intensified as a means of prevention include the screening and testing for HIV, TB, chronic diseases, as well as cervical and breast cancers. Improving prevention strategies, may lead to cost-savings.

eHealth

With respect to the implementation of the eHealth system, the committee notes the challenges related to the lack of broadband availability. The upgrade of the data-lines will contribute to a higher level of connectivity which will enable the department to benefit from the eHealth System. It is understood that 15 hospitals are currently implementing the administrative module of the eHealth system, with a further 36 expected to be implemented by 31 March 2022. An electronic

patient's records systems will not only allow the Province to improve service delivery but also give the department a better chance of defending against the barrage of medico-legal cases which only reduce our, already strained budget.

Budget Allocation For 2022/2023

The Provincial Budget of the KZN Health department outlines how the department intends to deploy the state resources to implement the priorities set forth in the SONA and SOPA.

The Portfolio Committee was informed that the KZN Department of Health has been allocated **R49,6 billion** to improve the health outcomes for the citizens of KwaZulu-Natal. The department's budget is projected to grow from R49,6 billion to R50,5 billion over the 2022/23 MTEF period.

The Committee noted the following in respect of 2022/23 budget:

- That the Department will continue to prioritize Primary Health Care and has allocated approximately **53%** of its annual budget towards this essential component of our community's health care.
- It is noted that the department will continue to implement the rationalisation of services in district and specialised hospitals across the province, particularly where there is a trend of low bed-occupancy rates and low demand for services
- It is noted that the department will be creating **2 000 jobs** maintaining grounds and gardens through the extended public works program.
- It is also the intention of the department to increase the average number of daily operational ambulances from **185** in 2020/21 to **225** by 31 March 2023.
- The department plans to award **360 bursaries** in the 2022 academic year to internal employees to study various qualifications.
- Finally, it is noted that the department will continue its efforts to manage HIV and increase the number of clients on **ARV** treatment from 1.5 million to **1.7 million** in 2022/23

6. CONCERNS AND RESOLUTIONS

The members of the Portfolio Committee have raised the following concerns with respect to the budget, namely:

- The shortage of staff within the department is concerning, especially in critical areas such as Mental Health.

- The Committee believes that it is important for the department to provide adequate resources to support the various governance structures within the department.
- The challenge of the ongoing medico-legal claims and its effect on the department's budget.
- The Committee believes that continued communication with departmental stakeholders is paramount, as the department continues to implement its rationalization plan.
- The challenges emanating from the renewal of month-to-month contracts. These contracts which include security, cleaning and catering, impact both service delivery in the various health facilities as well as the department's audit outcomes.
- The non-filling of the CFO post for such an extended period.

7. ADOPTION OF THE 2022/23 BUDGET

After the Committee noted the above concerns, the Portfolio Committee supported the 2022/23 Budget on 12th March 2022 as follows:

- African National Congress (ANC) supported
- Minority Front (MF) supported
- Democratic Party (DA) reserved the right to support
- Inkatha Freedom Party (IFP) was not present
- Economic Freedom Fighters (EFF) was not present

8. CONCLUSION

In conclusion Hon Speaker, the Portfolio Committee supports the 2022/23 budget and APP of the Department of Health.

The Committee supports the programmes of the Department as it pledges to continue to deliver and improve on the services it offers to the people of KwaZulu Natal. The Committee notes that the Departments financial needs are greater than its available resources but encourages the department to maximise what has been made available to it and continue to diligently serve the people of our province.

As Chairperson of the Portfolio Committee on Health, I would like to commend the hard work, and dedication of the MEC, Hon N Simelane, HOD, Dr Tshabalala, management and all the health officials who continue to serve their communities and their cooperation during the Budget process.

I further extend my gratitude to Members of the Portfolio Committee for their commitment to the Committee and constructive contributions during the budget process. Lastly, the Committee thanks the support team for all the support rendered to the Committee.

NRMAJOLA

03/05/2022

HON. NR MAJOLA

DATE

CHAIRPERSON: PORTFOLIO COMMITTEE ON HEALTH

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