

# **REPORT OF THE PORTFOLIO COMMITTEE ON HEALTH ON THE 2024/2025 ANNUAL REPORT OF THE DEPARTMENT OF HEALTH**

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## **1. INTRODUCTION**

The Constitution of the Republic of South Africa of 1996 (Section 114 (2)), as amended, read together with rule 81 (1)(a)(b)(c) and (d) and rule 81 (2)(3) and (4) of the Standing Rules and Orders of the Legislature of the Limpopo Province mandates the Portfolio Committee on Health to play oversight over the Department. The 2024/25 Financial Year Annual Report of the Department of Health is reported in accordance with the provisions of the Public Finance Management Act, in particular, Section 40 of the Act.

## **2. PROCEDURE**

The Portfolio Committee on Health met with the Department on the 26<sup>th</sup> of September 2025 for a briefing on the 2024/2025 Annual Report of the Department of Health. The purpose of the briefing was to monitor and determine the actual achievement of the department against the targets set as outlined in the Annual Performance Plan and also challenges from the 2024/2025 financial year and the Auditor General's report.

## **3. AUDITOR-GENERAL (AG) REPORT FOR 2024/25 FINANCIAL YEAR**

The Auditor General reported that the department obtained an unqualified audit opinion with findings. This remained stagnant from the audit opinion received during the 2023/25 financial year. The Committee noted the improvement but was concerned at the department 's failure to obtain a clean audit, due to matters of emphasis raised by the AG.

### **3.1. Auditor General's matters of emphasis in respect of the audit opinion related to:**

- **Significant uncertainties:** The department was reportedly a defendant in multiple lawsuits relating to medico- legal claims, with the litigation bill

currently standing at R12,6 billion, which is an increase from R9,9 billion reported in the 2023/24 period. It was reported that about 242 new cases were recorded during the 2024/25 financial year. The AG reported that the Tshilidzini Hospital was amongst those generating most of the claims, with a bill of R2 billion during the reporting period. The AG further reported that some of the summonses were submitted to the State Attorney without being submitted first to the department. The department reported that nine (9) cases amounting to R18 million was paid in total for legal costs relating to the claims during the 2025/26 financial year, with R36 million paid in the previous financial year. Accordingly, the department reported there were systems put in place to address this. Case managers have been identified for each facility, staff at the legal unit has been strengthened, introduction of the rehabilitation centres (as benchmarked with the Eastern Cape Province) whereby instead of paying a lump sum, the department would offer to pay for services, outsourcing of the experienced legal practitioners expected to be finalized before the end of the 2025/26 financial year. The Committee noted with concerns the increase in contingent liabilities and requested the AG to conduct a proper audit on medico legal cases at Tshilidzini and other facilities and identify the root causes and report back to the Committee. Similarly, the department was requested to report to the Committee on the list of hospitals responsible for the medico-legal costs incurred to date, how much they costed and how much was paid so far.

- **Accrued departmental revenue:** The AG reported that a material impairment amounting to R789 989 000 was provided for because of irrecoverable debtors. The Committee noted that this amount has increased from last year's R687 136 000.
- **Irregular expenditure:** It was further reported that an irregular expenditure of R128 million was incurred, due to the department not following proper tender processes. The main contributors to irregular expenditure were reportedly; supply and delivery of fire tube boiler coal- R39 511 151, supply and delivery of linen- R88 718 849. The committee was concerned with

officials not following the PFMA and Treasury regulations and requested the department to apply consequence management on those officials who did not take effective and appropriate steps to avoid irregular expenditure and submit a report.

- **Performance information:** The AG sampled programme 2 (District Health Services) and programme 4 (Provincial Hospital Services), to determine the usefulness and reliability of the reported performance information. The AG reported that no material findings were identified and that the reported achievement was supported by sufficient appropriate audit evidence. This was an improvement from the 2023/24 period as Programme 2 was qualified and there was a disclaimer for Programme 4. However, the Committee noted that the target on obtaining ideal clinic status showed a 19% improvement from the previous year (42% to 61%), with Capricorn District being the highest. It was noted that despite the 19% increase, the department failed to achieve the 100% target by 2024. This was concerning for the Committee, as clinics must be ideal for the realization of NHI. Issues such as non-filling of vacant posts, infrastructure safety hazards, were some of the root causes for clinics not obtaining the ideal status. The shortage of staff and the high number of acting positions at clinics and hospital was observed by the Committee while conducting unannounced site visits to healthcare facilities. The Committee noted with concern that the current staff was overloaded with work, and this could possibly lead to medical negligence which could ultimately increase medico-legal cases. The high vacancy rate observed by the Committee at healthcare facilities could have serious implications on performance and service delivery. The Committee further emphasised to the department that the high vacancy rate observed in the critical posts such as professional nurses, medical officers, specialists, allied health professionals, paramedics, needed urgent attention. The Committee noted that Programme 2 had the highest vacancy rate currently standing at 69%. The other challenge faced by the department was high attrition rate caused by retirement and death especially in the nursing category. The department was still struggling to attract and retain professionals in critical posts. The Committee noted that the department

planned to review its recruitment and retention of skilled and capable health professionals. The department reported that funding was set aside to address the shortage of staff and posts would be advertised, priority was given to senior management/executive's posts including Operational Managers and EMS Station Managers amongst others. Furthermore, the department reported that the review of Head Office and districts organisational structures and personnel was concluded. The Committee requested the department to submit the final structure. A progress report on the recruitment and retention strategy must be submitted on a quarterly basis to the Committee. The report must include the category of posts filled, the name of facilities and the ones that were still vacant.

With regards to the realization of the ideal hospital, the AG audited Tshilidzini Hospital and some of the findings included non-compliant records storage and archives, infrastructural safety hazards, inadequate human resources. It was further noted that five (5) of the 30 district hospitals and two (2) out of five (5) regional hospital attained the ideal hospital status.

**On infrastructure projects**, the AG reported the following:

- Project delays and the department did not impose penalties.
- Inadequate monitoring and oversight by departmental officials.
- Contracts entered did not include form of security and retention.
- No action was taken on safety and hazards identified.

This was observed in delayed projects such as the construction of the Lebowakgomo EMS Station; no penalties were imposed against the terminated contractor. The structure was now degrading as observed by the Committee during its site visits to the station. The Committee was concerned that it was difficult for the AG to reconcile and verify whether material worth R500 000 was bought or not. It was not clear what exactly did the department paid the R500 000 for. There was no form of security on the contract regarding the construction of the Pietersburg Hospital mass water storage tanks. Conditional assessments on the structural and health and safety hazards were identified at the Tshilidzini Hospital. The AG further reported that the facility management team did not ensure that the budget that was allocated for maintenance and repairs in hospitals was catered for. The Committee noted and welcomed the

recommendations made by the AG to the department that there must be a clause on levies and penalties for delayed projects by contractors, contracts should include a form of security and retention, improvement on project oversight and monitoring, proper maintenance plan for buildings must be developed and implemented.

**On the digitization of records,** the AG reported it focused on contract management and monitoring review. The department signed the Service Level Agreement (SLA) with Veritas Digital on the 30<sup>th</sup> June 2020 and the contract lapsed on the 30<sup>th</sup> June 2025. About R1 112 152 540,39 billion was paid as at March 2025 with R179 123 108.27 paid during the 2024/25 financial year. It was reported that there was poor scanning and indexing of records whereby some of the scanned documents were mixed with other patients information, some scanned files had information that was not related to the indexed patient and some of the patient files contained non-patient related records such as HR. Furthermore, there was no proper registering or recording of files that were collected from the facilities, and the impracticability to pre-sort the files due to historical record keeping challenges was cited as reason for this. The committee welcomed the recommendations made by the AG that the department must conduct a full review of the project and investigate whether the ambiguities of the SLA contained in the SLA resulted in the department not receiving the intended benefit.

It was reported that the contract with Veritas Digital was extended for 12 months to complete the scanning and digitisation of the remaining files. However, the department has started with the disposal process, which was slow due capacity challenges by the Department of Sports, Arts and Culture. The plan was for the department to continue to inhouse scanning and digitization of files once the contract with Veritas end. A warehouse in Ladana was identified for storage. The Committee requested the department to submit the terms of reference for the new agreement with Veritas and the budget, and costs spent thus far.

The department reported that it was in a process of benchmarking with other provinces on the Health Information Management System since the contract with SITA did not work. Upon completion of the benchmarking process a decision would be made on which system would they utilise.

## PROGRAMME EXPENDITURE

**Table 1: Budget and expenditure for 2024/25**

	<b>Programme</b>	<b>Final Appropriation R'000</b>	<b>Actual Expenditure R'000</b>	<b>Variance R'000</b>
<b>1</b>	Administration	290 304	290 268	36
<b>2</b>	District Health Services	16 356 783	16 343 441	13 432
<b>3</b>	Emergency Medical Services	1 271 471	1 271 461	10
<b>4</b>	Provincial Hospital Services	2 949 493	2 940 247	8 986
<b>5</b>	Central Hospital Services	2 299 256	2 299 246	10
<b>6</b>	Health Science & Training	572 649	572 643	6
<b>7</b>	Health Care Support Services	168 750		4
<b>8</b>	Health Facilities Management	849 145	848 808	339
	<b>Total</b>	<b>24 757 861</b>	<b>24 735 038</b>	<b>22 823</b>

**Source: Department of Health 2024/2025 Annual Report**

The Department spent about 99.9% (R24.735 billion of R24.758 billion) of its overall adjusted budget allocation for the 2024/25 financial year. The committee took note of the unspent 0.1% (R22 823 million) which was reportedly on compensation of employment. The department cited slow recruitment processes as the reason for the funds unspent. The Committee noted that this was concerning as there was a need for human resources at facilities to speed up service delivery. It was further noted that R37.2 million that was shifted from compensation of employees to cover over expenditure on goods and services, may have had some impact on the recruitment processes. However, the department reported that the shifting of funds was due to staff vacating the system unplanned and there were delays in filling of posts hence a request was made for the budget to be used for once-off projects such as purchasing of equipment. The Committee consequently requested the department to submit a report on the goods and services spent from the R37.2 million.

#### 4. PROGRAMME PERFORMANCE

The committee noted departmental achievements regarding planned targets and received a report on the overall 2024/25 financial year performance number of targets achieved and those that were not achieved, as summarized in the table below:

Programme	Number of targets	Achieved	Not achieved	% Achieved
Administration	4	3	1	75%
District Health Services	35	20	15	51.1%
Emergency Health Services	2	2	0	100%
Provincial Hospital Services	12	8	4	67%
Central Hospital Services	9	5	4	55.5%
Health Science Training	1	1	0	100%
Health Care Support	3	3	0	100%
Health Facilities Management	1	1	0	100%
TOTAL	68	43	24	63%

The department achieved 63% of its planned target and 99.9% of its budget and concerns were raised as to how this was possible. The department responded saying some of the targets were not budget driven.

##### 4.1. Programme 1: Administration

The purpose of the programme is to provide strategic management and overall administration of the Department including rendering of advisory, secretarial and office support services through its sub-programmes and Office of the MEC.

The Committee commended the department for obtaining an unqualified audit opinion and encouraged the department to work towards achieving a clean audit. This could be done by identifying gaps on its audit plan. The department reported meetings were held monthly with the steering committee to track on progress regarding the implementation of the audit action plan. The Committee requested to be updated progress regarding the audit action plan on a quarterly basis. The department reported a 0,1% deviation from the percentage compliance to payment of suppliers within 30 days target, in which it achieved 99,9%. The department cited inadequate supervision as the reason for the deviation and reported that consequence management was

applied to the responsible officials. With regards to revenue collection target, the department overachieved by collecting R225,8 million from the targeted R220.6 in the year under review. The department was commended for the completion of its asset register during the 2024/25 financial year.

#### **4.2. Programme 2: District Health Services**

The main objectives of the programme are planning, managing, and administering district health services; and rendering primary health care services; hospital services at district level; MCWH and nutrition programme; prevention and disease control programme; and a comprehensive HIV and AIDS, STI and TB programme.

The target for patient experience of satisfaction care at primary health care facilities was 86% against the target of 82%, reportedly due to improved medicine availability, waiting times, staff attitudes and cleanliness. However, for district hospitals the target was not achieved at 79% against the target of 82% because of the non-achievement of the priority areas; access to care, medicine availability, patient waiting time, and cleanliness. The Committee requested the department to submit a report on how it plans to ensure that healthcare facilities were clean.

Despite the improvement in the number of clinics obtaining then ideal clinic status 61% (289/476) in 2024/25 from 30% (142/474) in the 2023/24 financial year as indicated previously. The department reported that this was due to the implementation of the facilities quality improvement plans. The Committee advised the department to monitor the plans and report on a quarterly basis. Furthermore, the Committee requested the department to ensure that sustainability on clinics who obtained the ideal status, because the picture observed while conducting site visits is different from what was reported.

The committee learned that the department was still struggling to meet its targets on ART adult and child remain in care rate due to migration of patients between facilities, which ultimately led to the high loss-to-follow rate. Similarly targets on ART adult and child viral load suppressed rate was not achieved reportedly due to alcohol abuse, non-disclosure of HIV status, missed ART dosage on children by care givers which



compromised the medication compliance. The Committee noted that migration of patients between facilities was still a challenge for the department to meet its target on TB multi drug resistance lost to follow-up rate. The department cited that as part of its strategy to address these challenges, collaboration with multi-sectoral stakeholders on HIV disclosure and prevention of alcohol abuse programs, facility-based case management sessions for adult virally unsuppressed patients would be conducted.

With regards to Mother, Child, Women Health and Nutrition (MCWH&N), the issue of teenage pregnancy was raised by the Committee in previous meeting where it was recommended that the department should organise a workshop with stakeholders and invite the Committee to address the scourge of teenage pregnancy in the province. The department reported that plans were underway, and several meetings were held with stakeholders such as the Department of Social Development, and once a report has been finalised, a workshop will be arranged. It was reported that currently the number of deliveries by individual aged 10-14 years in facilities was standing at 315. Furthermore, the department failed to achieve its target on neonatal death in facility, death of children under five years against live birth rate due to severe pre-maturity, hypoxia, congenital abnormalities and infection. The target on vaccination of children; measles 2nd dose coverage, was not achieved due to children dropping out. The target on immunisation coverage of children under 1 year, was achieved, showing improvement from the previous financial year of 2023/24.

#### **4.3. Programme 3: Emergency Medical Services (EMS)**

The purpose of this programme is to render emergency medical services including ambulance service, special operations, and communications and air ambulance service; and render efficient Planned Patient Transport. The programme also provides for pre-hospital Emergency Medical Services including Inter-hospital transfers.

The department reported that the commissioning of new ambulances impacted positively on access to EMS and increasing response times. In the year under review, the response times have significantly improved with the two response times for urban and rural targets being exceeded. The target for the urban response under 30 minutes was 65% (300/460 calls) and 95.3% (or 1495/1568 calls) was achieved in 2024/25.

Likewise, the target for rural response under 60 minutes was also exceeded with 95.5% (or 9864/10328 calls) achieved against the target of 70% (2800/4000 calls). The Committee was concerned regarding the overachievement, as this was not a true reflection when visiting healthcare facilities and EMS stations. What was observed by the Committee was that the inefficiency of EMS was mainly due to the shortage of staff. The department reported that posts would be advertised before the 10<sup>th</sup> of September 2025 and licenced to be operational. for EMS managers and personnel to address this challenge. A plan to ensure that all EMS facilities were compliant Upgrading of EMS facilities was also in the pipeline would be upgraded to ensure that they comply. Furthermore, additional EMS vehicles would be purchased in the current financial year. The department launched the Computer Aided Dispatch (CAD) system in Ladana as a communication centre for EMS, however, there were challenges reported that several calls from the call centre were dropped due to the shortage of staff. It was reported that following some advice by the Committee, the department would also advertise learnerships programmes in EMS before the end of the 10<sup>th</sup> of September 2025, to come and assist to improve the performance of the CAD system. The Committee requested the department to submit progress report regarding these interventions to address challenges in the EMS on a quarterly basis.

#### **4.4. Programme 4: Provincial Hospitals (Regional and Specialists)**

The purpose of this programme is the delivery of hospital services, which are accessible, appropriate, and effective and provide general specialist services, including specialized rehabilitation services, as well as a platform for training health professionals and research.

The committee noted that an improvement on the target patient experience of care satisfaction for regional hospital; 87% (70% in 2023/24) was achieved against target of 80% and for specialized hospitals; 86% against target of 82%. Another target that was overachieved was the patient safety incidents (PSI) case closure rate for regional hospitals whereby 99,2% against target of 90% was achieved, and for Specialized hospitals; 97% against 90% target was achieved. This target on patient safety incidents (PSIs) had the potential to attract litigations, especially with regional hospitals. The Committee was concerned that there were about 242 new medico-legal cases for the

2024/25 financial year, as indicated previously. The Committee noted that the department failed to meet its target on diarrhea death under five years, pneumonia death under five years, and death in facility under five years in the period under review. Late presentation to the facility, herbal intoxication was cited as reasons for not achieving these targets. The integration of indigenous medicine to address this was mentioned. The department reported that a forum would be established whereby department would collaborate with the traditional health practitioners to try and attend to these challenges such as herbal intoxication amongst others.

#### **4.5. Programme 5: Central and Tertiary Hospitals**

The purpose of this programme is to provide tertiary health services and creates a platform for the training of health workers. Programme purpose also include, rendering of highly specialized health care services provisioning of a platform for the training of workers; and serving as specialist referral centres for regional hospitals.

The Committee was concerned that the department was still struggling to meet its target on patient experience of care satisfaction survey at tertiary hospitals, in which 73% was met against the target of 82%; this was reportedly due to long waiting times, positive values and attitude and cleanliness. This means that patients wait long to receive health care services in tertiary hospitals, and this was inevitable due to the high vacancy rate of the health care professionals, as observed by the Committee while conducting site visits. The issue of cleanliness at healthcare facilities was emphasised by the Committee to the department as one of the standing items that needed to be reported on a quarterly basis. Accordingly, the non-filing of posts for ward attendant and groundsmen observed by the Committee at these facilities was evident to this challenge. The Committee requested the department to report on a quarterly basis, a plan to improve cleanliness at healthcare facilities.

#### **4.6. Programme 6: Health Sciences and Training**

The purpose of the programme is to provide training and the development of actual and potential employees of the Department of Health.

The department reported that it met the target on the number of new nursing students registered in Diploma in General Nursing, which was a three-year course, which was 150 students. It was further reported that following the workshop with various stakeholders that was organised by the Committee, a team was established to ensure that systems were in place to speed up the process of accreditation of the EMS College. The Committee noted that the department was in talks with Department of Public Works and Education to assist in identifying abandoned school buildings that could be renovated and used as Nursing Colleges instead of park homes. The Committee requested the department to submit a progress report regarding these interventions on EMS College and Nursing Colleges on a quarterly basis.

#### **4.7. Programme 7: Health Care Support Services**

The purpose of the programme is to render support services as required by the Department to realize its objective of incorporating all aspects of rehabilitation through the sub-programmes. The main priority was to monitor the availability of essential medicine at depot, hospitals, and primary health care facilities.

The committee noted an increase in medicine availability at all levels of healthcare during the 2024/25 financial year. The department exceeded all three targets in the year under review for medicine availability, reportedly due sufficient budget allocation and improved availability of medicine at the depot. For the availability of medicine at the depot, 82% was achieved against 70% target; for hospitals, 87% was achieved against 80% and for PHC facilities, 81% was achieved against 80%. This was commendable and the department must ensure that this performance was sustainable.

#### **4.8. Programme 8: Health Facilities Management**

The purpose of this programme is to provide planning, equipping new facilities/assets, and upgrading, rehabilitating and maintenance of hospitals, clinics, and other facilities.

It was reported that about 43/20 projects were completed during the 2024/25 financial year, translating to an overachievement by 210%. The overachievement was

reportedly due to additional projects that were implemented during the year to increase rate of expenditure.

The department reported that with regards to disaster management, the department responded to the disasters that took place in October 2024 in the province. The districts that were affected were four; Capricorn whereby a clinic was blown out in Lepelle Nkumbi Municipality, some facilities in Mopani including Van Velden Hospital and clinics where trees fell on fences, Sekhukhune at the Matlala Hospital had a serious challenge whereby windows were broken, carports falling as a result of trees falling, and Vhembe. The department did not wait for the national disaster management to allocate funds, they had through COGHSTA managed the disasters by repairing the damage and then claimed the funds back. The total cost for the damage was around R1,6 million, with Matlala Hospital costing about R1,4 million. The department also managed the disaster that took place at Witpoort Hospital early this year.

With regards to incomplete projects at the Philadelphia and St Rita's Critical High Care Unit observed by the Committee during site visits, it was reported that the projects started during COVID before lockdown. There were litigation issues between the contractors and the Department of Health. The department reported that the two projects were not implemented by Public Works, as was previously perceived. The other challenge reported was that for the project to continue, the department applied for the facility fire compliant certificate from the municipality and that through the intervention of the MEC, the certificate was now issued. The contractor had to do an assessment, and the plan was to complete the two projects by end of the third quarter of 2025/26 financial year.

About the two generators at Philadelphia Hospital that were identified by the Committee during site visits, it was reported that they were standby generators for the district being used as backup in case one of the generators from any facility in the district fails. It was further reported that one of the generators had already been allocated to St Rita's Hospital.

Regarding the issue of the dilapidated structure of Philadelphia Hospital, it was reported that it was resolved following meetings with the Office of the Premier, Treasury and the MEC for Health. The contractor was instructed to do extra work by the implementing agent, after the 15<sup>th</sup> of December, which was anormal. The department reported that the project was given to Public Works to complete. It was

reported that the laundry machines that were not installed at the Philadelphia Hospital, the department decided to take over the project and not wait for Public Works as the implementing agent to complete the project.

Similarly with the incomplete laundry project at Tshilidzini Hospital, the department could not wait for Public Works to complete the project, and they activated the extra water tanks, and they will be commissioned to make sure that the laundry was functional.

The incomplete construction of the Lebowakgomo EMS the contractor was not performing, and the expenditure was very low. This was one of the projects implemented by Public Works that had issues and was also raised by the AG. The department reported that they have developed an action plan with Public Works to ensure that the project was completed. This, either through the department or Public Works.

The Committee learned that for EMS Stations to be certified, they should have wash bays. The department reported a project to construct wash bays at about 9-10 EMS facilities, would be completed before the end of the third quarter of 2025/26 financial year. It was reported that Malamulele EMS Station project was completed. The department further reported that some of the projects had issues that would be attended to, and the plan was to complete all the above-mentioned projects before the end of the 2025/26 financial year.

Another project that the department was completing was the refurbishment of the mortuary at the Elim Hospital. The department reported that the total number of trays to be installed was 18 and not six. Other projects mentioned were Dr CN Phatudi mortuary, Bela Bela Hospital mortuary, Mokopane hospital mortuary and forensic mortuary at Nkhensani Hospital.

The Committee requested the department to submit a comprehensive progress report on the above-mentioned projects to be submitted to the Committee at the end of the third quarter. This must be accompanied by a list of all complete and incomplete projects implemented by Public Works, and the names of the 356 facilities that was scheduled for water/sanitation projects undertaken during the 2024/25 financial year. The Committee requested the department to implement the following recommendations from the AG relating to infrastructure projects:

- (i) Implement corrective measures to prevent repeated instances of project delays upon the appointment of the replaced contractor.

- (ii) Apply contract clauses to impose penalties on poor performing contractors and project delays.
- (iii) Improve project management to prevent further delays in project completion, especially in cases where replacement contractors are appointed.
- (iv) Ensure that adequate internal control measures exist and are implemented when analysing contractor's payment certificate before making payments.
- (v) A form of security and/or retentions must be included on the contracts entered.
- (vi) Proper maintenance plan for the buildings must be developed and followed, to ensure that there was compliance with occupational health and safety requirements.

## **5. KEY FINDINGS**

The following are some of the findings observed by the committee in relation to the 2024/25 Annual Report:

- 5.1. The department obtained a qualified audit opinion for the 2024/25 financial year.
- 5.2. Performance information reporting in programme 2 and 4 improved from previous financial years leading to both programmes unqualified.
- 5.3. Contingent liabilities from medico legal claims were still a challenge to the department. Litigation bill currently standing at R12,6 billion, which is an increase from R9,9 billion reported in the 2023/24 period.
- 5.4. Irregular expenditure of R128 million was incurred and was related to the coal and linen supply and delivery tenders.
- 5.5. Health professionals' vacancy rate as well as turnover rate, including that of specialists, doctors, paramedics, nurses and allied health professionals remains high.
- 5.6. The department was still struggling to meet HIV/AIDS & TB targets. High death mortality rate among children under five due to severe acute malnutrition and pre-maturity remains a challenge.

5.7. Target for all clinic to meet ideal clinic status before the end of the 2024/25 financial year was not reached, however there was an increase of 19% for the reported period.

5.8. About 43 infrastructure projects were completed in 2024/25.

## **6. RECOMMENDATIONS**

The Portfolio Committee on Health recommends that the Department of Health should accomplish the following activities and report to the committee:

6.1 The department must submit a report on the list of hospitals responsible for the medico-legal costs incurred to date, how much they cost and how much was paid so far, plans to address the increasing litigation bill. The report must be submitted within the next three weeks. Similarly, the AG was requested to conduct a proper audit on medico legal cases at Tshilidzini and other facilities and identify the root causes and report back to the Committee before the end of the 2025/26 financial year.

6.2 The department to apply consequence management on officials who did not take effective and appropriate steps to avoid irregular expenditure of R128 million and report back to the Committee before the end of the third quarter of 2025/26.

6.3 The department reported it would advertise posts to fill vacant posts. A progress report that includes the category of posts filled, the name of facilities and the ones that were still vacant must be submitted on a quarterly basis. The department must critically prioritise the filling of key positions such as hospital CEOs and clinics Operational Managers. Furthermore, the department must focus on a plan to remunerate acting positions. A progress report should be submitted to the committee on a quarterly basis.

6.4 The Terms of Reference for the new contractual agreement between the department and Veritas Digital with budget and costs spent thus far, must be submitted within the next two weeks.



- 6.5 The department must submit a report on the list of goods and services that benefited from the R37.2 million that was shifted from the Compensation of Employees within the next three weeks.
- 6.6 The department must submit a report on how it plans to ensure that healthcare facilities were clean within the next three weeks.
- 6.7 The department must monitor the quality improvement plans at clinics that obtained the ideal clinic status to ensure that their ideal status was sustainable. A report on the monitoring process must be submitted to the Committee on a quarterly basis.
- 6.8 Progress report on the plans to identify abandoned school buildings that could be renovated and used as buildings for Nursing Colleges instead of park homes, by the department with the help of Department of Public Works and Education must be submitted to the Committee on a quarterly basis.
- 6.9 A list of all complete and incomplete projects implemented by Public Works, and the names of the 356 facilities that were scheduled for water/sanitation projects undertaken during the 2024/25 financial year, must be submitted to the Committee within the next three weeks.
- 6.10 A comprehensive progress report on the ongoing projects listed at Philadelphia, St Rita's, Tshilidzini, Malamulele, Elim, Dr CN Phatudi, Bela Bela, Mokopane, Nkhensani Hospitals and Lebowakgomo EMS Station must be submitted at the end of the third quarter of the 2025/26 financial year.
- 6.12. The department must implement the following recommendations from the AG relating to infrastructure projects and submit progress report on a quarterly basis to the Committee:
- (i) Implement corrective measures to prevent repeated instances of project delays upon the appointment of the replaced contractor.
  - (ii) Apply contract clauses to impose penalties on poor performing contractors and project delays.

- (iii) Improve project management to prevent further delays in project completion, especially in cases where replacement contractors are appointed.
- (iv) Ensure that adequate internal control measures exist and are implemented when analysing contractor's payment certificate before making payments.
- (v) A form of security and/or retentions must be included on the contracts entered.
- (vi) Proper maintenance plan for the buildings must be developed and followed, to ensure that there was compliance with occupational health and safety requirements.

## **7. CONCLUSION**

In conclusion, Honourable Speaker, the Portfolio Committee on Health after considering and scrutinizing the 2024/2025 Annual Report of the Department of Health, move that this report be adopted as a report of this Honourable House.

I move accordingly.



**Hon. Malebana C.W.D.**

**Chairperson: Portfolio Committee on Health**

09/10/2025

**Date**