

Vote 15

Health

Budget summary

R million	2010/11				2011/12	2012/13
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	264.8	257.7	0.4	6.8	299.9	330.9
Strategic Health Programmes	7 294.9	441.3	6 837.3	16.3	8 774.4	10 147.6
Health Planning and Monitoring	406.9	126.0	277.8	3.1	426.1	454.2
Health Human Resources Management and Development	1 897.1	31.1	1 865.4	0.5	2 011.7	2 111.8
Health Services	11 528.8	103.1	11 422.4	3.2	12 083.5	12 681.7
International Relations, Health Trade and Health Product Regulation	104.5	103.7	–	0.8	112.4	118.5
Total expenditure estimates	21 497.0	1 063.0	20 403.3	30.7	23 707.9	25 844.7
Executive authority	Minister of Health					
Accounting officer	Director-General of Health					
Website address	www.doh.gov.za					

The Estimates of National Expenditure booklets for individual votes are available on www.treasury.gov.za. They provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers, public entities and lower level institutional information.

Aim

The aim of the Department of Health is to promote the health of all people in South Africa through an accessible, caring and high quality health system based on the primary health care approach.

Programme purposes

Programme 1: Administration

Purpose: Overall management of the department and centralised support services.

Programme 2: Strategic Health Programmes

Purpose: Coordinate, manage and fund strategic national health programmes, including developing policies, systems, and norms and standards.

Programme 3: Health Planning and Monitoring

Purpose: Plan and monitor health services and coordinate health research programmes.

Programme 4: Health Human Resources Management and Development

Purpose: Plan and coordinate human resources for health.

Programme 5: Health Services

Purpose: Support health services in provinces including hospitals, emergency medical services and occupational health.

Programme 6: International Relations, Health Trade and Health Product Regulation

Purpose: Coordinate bilateral and multilateral international health relations, including donor support, regulate procurement of medicines and pharmaceutical supplies, and regulation and oversight of trade in health products.

Strategic overview: 2006/07 – 2012/13

New 10-point plan for health

A major goal set by government in the medium term strategic framework for 2009–2014 is to improve the health profile of all South Africans. Key health outcomes determined in conjunction with The Presidency and which will be subject to performance monitoring for the sector include: increasing the national lifespan; reducing total annual deaths; reducing child and maternal mortality; reducing both the incidence and prevalence of HIV, and perinatal transmission; and improving tuberculosis cure rates. The health sector has therefore adopted a new set of priorities for national health systems for the 2009–2014 term of government. Called the 10-point plan, they are: providing strategic leadership and creating a social compact for better health outcomes; implementing a national health insurance plan; improving the quality of services; overhauling the health care system and improving its management; improving human resources management; revitalising physical infrastructure; accelerating the implementation of the HIV and AIDS plan and reducing the rate of mortality due to tuberculosis and associated diseases; mobilising communities to secure and promote their own health; reviewing the medicines policy; and strengthening research and development.

Priorities over the medium term

Strengthening governance

A priority for strategic leadership is to strengthen the governance of the national health system. To do this, the national sphere of government will unify the entire health system to focus on the 10-point plan, assuming greater stewardship over the entire public health system and ensuring that key policies and decisions agreed to in the public sector are implemented. The department will steer the health sector towards a return to the primary health care approach articulated in the 1997 White Paper for the Transformation of the Health System in South Africa and the National Health Act (2003). The primary health care approach will strengthen the district health system.

Developing a national health insurance system

The foundation is being laid for the development of some form of national health insurance, to improve universal access to better quality health care. In September 2009, a 27-member ministerial advisory committee on national health insurance was established in terms of the National Health Act (2003). The committee's policy proposals are being reviewed and discussed by an inter-ministerial committee established by Cabinet, and in 2010/11, public consultations will be conducted. Various options for reform and their affordability are being explored.

Revising standards for health facilities

The revised national core standards for health facilities will be finalised in 2010/11 by the Office of Standards Compliance, and implemented in public and private sector facilities. The department will support the development of quality improvement plans by all facilities in 2010/11, which will focus on turning around six areas: patient safety, infection prevention and control, the availability of medicines, waiting times, and positive and caring attitudes.

Strengthening health management

Changes will also be introduced to strengthen health management. An assessment of the skills, competencies and qualifications of hospital chief executives and managers will be completed, and where skills gaps are identified, appropriate training will be provided. To enhance the monitoring of budgets and expenditure, a provincial support directorate will be established in the department to provide dedicated support to provinces. This is intended to improve financial management and audit outcomes.

Revising human resources plans

In 2010/11, a revised plan for national human resources for health will be produced. The department will also continue to support all provinces to finalise and implement their plans to improve the supply, training and skills mix of health workers and finalise the implementation of the occupation specific dispensations.

Extending the rollout of antiretroviral treatment

With regard to health programmes, new policies will be introduced in 2010/11 to strengthen efforts to combat HIV and AIDS. Antiretroviral treatment will be provided to pregnant women with CD4 counts of less than 350, to improve the chances of maternal survival and further reduce transmission to newborns. The treatment will also be administered to people co-infected with tuberculosis and HIV with a CD4 count of less than 350. This will contribute significantly to reducing morbidity and mortality associated with tuberculosis and HIV and AIDS.

Vaccinating children

Continuous efforts will be made to ensure that children under one year of age are fully vaccinated against pneumococcal infection and the rotavirus. A mass immunisation campaign for measles will be conducted and at risk persons will be vaccinated against H1N1 influenza.

Promoting the prevention of lifestyle diseases

Given the increasing contribution of non-communicable diseases to the burden of disease, the health sector will implement programmes for the prevention and treatment of lifestyle diseases, and make coordinated intersectoral interventions to reduce the incidences of intentional and unintentional injury.

Savings and cost effective service delivery

Efficiency savings of R47.8 million in 2010/11, R51 million in 2011/12 and R54.5 million in 2012/13 have been identified in selected goods and services items, such as consultant costs, catering and entertainment, stationery and printing, travel and subsistence, venues and facilities. Savings have also been identified in transfers to public entities.

Selected performance indicators

Table 15.1 Health

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Percentage of national immunisation coverage	Strategic Health Programmes	84%	85.2%	88%	88%	90%	95%	95%
Total number of health districts with more than 90% full immunisation coverage	Health Services	19/52 (37%)	37/52 (70%)	41/52 (80%)	38/52 (73%)	42/52 (80.7%)	45/52 (86.5%)	48/52 (92.3%)
Percentage of primary health care facilities saturated with integrated management of childhood illness health workers (saturated = 60% of health workers who manage children have been trained in integrated management)	Health Human Resources Management and Development	64%	60%	71%	56%	70%	75%	80%
Tuberculosis cure rate	Strategic Health Programmes	57.7%	60%	60%	64%	70%	75%	85%
Tuberculosis treatment defaulter rate	Strategic Health Programmes	10.4%	7%	8.5%	8.5%	7.5%	6.5%	5.5%

Table 15.1 Health (continued)

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Percentage of multi-drug resistant tuberculosis among new tuberculosis patients	Strategic Health Programmes	1%	<1%	<1%	<1%	<1%	<1%	<1%
Percentage of extensively drug resistant cases among all multi-drug resistant tuberculosis patients	Strategic Health Programmes	5%	4.5%	4%	3%	2%	1%	1%
Number of malaria cases diagnosed and treated per year	Strategic Health Programmes	5596	8743	6167	6049	6639	6900	6439
Malaria case fatality rate	Strategic Health Programmes	0.7%	0.8%	0.7%	0.7%	0.7%	0.7%	0.6%
Toxicology backlog	Strategic Health Programmes	3 652	3 712	4 574	4 954*	3 500	2 000	1 000
Alcohol blood test backlog	Strategic Health Programmes		1 600	4 000	5 760*	4 000	2 000	1 000
Food testing backlog	Strategic Health Programmes	175	141	62	437*	200	0	0
Percentage of facilities (public and private) with initial assessment based on national core standards	Strategic Health Programmes	0	0	31%	54%	15% (600/4 029)	25% (1 000/4 029)	50% (2 000/4 029)
Percentage of health facilities reporting a lack (stock out) of antiretroviral drugs	Strategic Health Programmes			4%	4%	0%	0%	0%

* After 7 months

Expenditure estimates

Table 15.2 Health

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R million								
1. Administration	175.6	213.6	241.0	260.4	260.4	264.8	299.9	330.9
2. Strategic Health Programmes	2 658.8	3 096.3	4 129.5	5 791.3	5 688.3	7 294.9	8 774.4	10 147.6
3. Health Planning and Monitoring	301.3	309.1	342.1	396.4	393.4	406.9	426.1	454.2
4. Health Human Resources Management and Development	1 576.0	1 613.6	1 705.3	1 799.0	1 799.0	1 897.1	2 011.7	2 111.8
5. Health Services	6 566.7	7 465.8	8 949.9	10 086.1	9 794.1	11 528.8	12 083.5	12 681.7
6. International Relations, Health Trade and Health Product Regulation	59.7	64.3	96.6	90.2	90.2	104.5	112.4	118.5
Total	11 338.0	12 762.7	15 464.5	18 423.5	18 025.5	21 497.0	23 707.9	25 844.7
Change to 2009 Budget estimate				1 365.4	967.4	1 883.0	2 845.1	3 944.3

Economic classification

Current payments	655.0	728.9	916.8	1 149.7	1 036.7	1 063.0	1 122.1	1 172.4
Compensation of employees	231.7	258.6	292.5	329.1	329.1	369.7	403.4	442.4
Goods and services	423.3	470.3	624.3	820.5	707.5	693.3	718.7	730.0
<i>of which:</i>								
Consultants and professional services:	21.4	118.2	124.7	147.9	146.4	145.1	147.9	139.7
Business and advisory services								
Inventory: Medical supplies	133.8	81.0	103.9	266.5	166.5	110.7	110.7	109.8
Lease payments	36.3	42.3	46.8	53.0	53.0	51.3	57.6	59.8
Travel and subsistence	72.5	89.9	127.7	106.3	103.3	125.3	127.9	134.9
Transfers and subsidies	10 610.2	12 011.7	14 506.1	17 247.4	16 962.4	20 403.3	22 552.8	24 637.7
Provinces and municipalities	10 206.7	11 552.7	14 028.7	16 702.5	16 417.5	19 852.8	21 971.8	24 030.4
Departmental agencies and accounts	282.7	301.9	315.9	335.9	335.9	355.6	374.4	390.4
Universities and technikons	–	0.4	0.7	1.0	1.0	1.1	1.1	1.2
Non-profit institutions	120.1	156.0	160.2	206.0	206.0	193.8	205.5	215.7
Payments for capital assets	69.3	22.0	41.4	26.4	26.4	30.7	33.0	34.7
Buildings and other fixed structures	0.3	–	–	–	–	–	–	–
Machinery and equipment	24.1	21.7	41.4	26.4	26.4	30.7	33.0	34.7
Software and other intangible assets	44.9	0.3	–	–	–	–	–	–
Payments for financial assets	3.5	0.1	0.2	–	–	–	–	–
Total	11 338.0	12 762.7	15 464.5	18 423.5	18 025.5	21 497.0	23 707.9	25 844.7

Expenditure trends

Expenditure grew at an average annual rate of 17.6 per cent between 2006/07 and 2009/10, from R11.3 billion to R18.4 billion, and is expected to increase to R25.8 billion in 2012/13 at an average annual rate of 11.9 per cent. This is due especially to increases in transfers in the HIV and AIDS conditional grant and the hospital revitalisation grant. The growth is attributed to increasing access to and coverage of antiretroviral treatment for HIV and AIDS, and upgrading and rehabilitating public hospitals.

There was a once-off payment on goods and services of R160 million in 2009/10 for the H1N1 influenza epidemic, which increased expenditure in the *Strategic Health Programmes* programme by 40 per cent for that year.

The 2010 Budget sets out additional allocations of R1.9 billion for 2010/11, R2.8 billion for 2011/12 and R3.9 billion for 2012/13, for spending on the following policy priorities, including transfers to public entities:

- the HIV and AIDS conditional grant (R1.7 billion, R2.8 billion and R3.9 billion) to expand treatment, and to start treatment for patients of specified subgroups (tuberculosis, antenatal and new born) at CD4 levels less than 350
- the hospital revitalisation conditional grant (R140 million for the Mitchell's Plain Hospital)
- to subsidise a mass immunisation campaign for measles (R30 million, R20 million)
- the Office of Standards Compliance (R2 million, R8 million and R18 million) for the hospital quality assurance programme to increase functioning and the number of hospitals audited
- the establishment of a provincial finance and budget support unit (R2 million, R4 million and R6 million) to build up internal capacity to monitor and support provinces
- to stabilise personnel expenditure (R22 million, R24 million and R30 million)
- to address backlogs in forensic chemistry laboratories (R2 million, R3 million and R5 million)
- to develop a new hospital reimbursement mechanism linked with case mix (R1 million per year over the MTEF period)
- improve the conditions of service for employees in the department, including the National Health Laboratory Service and South African Medical Research Council.

Infrastructure spending

The Department of Health funds the revitalisation of health facilities through the hospital revitalisation conditional grant. The allocation is project based and follows provincial service transformation plans, which prioritise hospitals that need urgent attention.

By the end of March 2009, the Department of Health had invested R7.4 billion on the revitalisation of hospitals. This cost includes the procurement of health technology, strengthening hospital systems and conducting quality assurance training. The department has completed work on 17 hospitals. In 2009/10, the department received R3.19 billion, which funded 54 projects countrywide. 38 of these are in construction and 18 are in the planning phase. The budget for the revitalisation programme grows strongly to R4 billion in 2010/11.

Departmental receipts

The largest source of departmental revenue is derived from fees for the registration of medicines by the Medicines Control Council. The process of reforming and restructuring the council as a juristic person has not yet been finalised, which is why its revenue is still included in the Department of Health's revenue projection over the MTEF period. Departmental receipts totalling R33.7 million are expected for 2009/10. The increase in revenue in 2008/09 is the result of the renewal of membership of dispensing doctors, which occurs every five years.

Table 15.3 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Departmental receipts	33 303	41 193	31 188	33 730	33 730	31 457	32 776	32 919
Sales of goods and services produced by department	32 146	39 447	29 676	28 534	28 534	30 451	31 766	32 265
Sales of scrap, waste, arms and other used current goods	41	67	71	80	80	84	88	92
Interest, dividends and rent on land	212	297	249	246	246	252	252	263
Transactions in financial assets and liabilities	904	1 382	1 192	4 870	4 870	670	670	299
Total	33 303	41 193	31 188	33 730	33 730	31 457	32 776	32 919

Programme 1: Administration

Expenditure estimates

Table 15.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Minister 1	0.9	1.0	1.1	1.7	1.8	1.9	2.0
Deputy Minister 1	0.7	0.3	0.6	1.4	1.5	1.6	1.7
Management	16.4	19.7	22.9	25.9	28.9	33.6	36.6
Corporate Services	123.8	154.5	174.9	184.9	181.0	207.5	231.8
Office Accommodation	33.8	38.2	41.6	46.5	51.6	55.3	58.8
Total	175.6	213.6	241.0	260.4	264.8	299.9	330.9
Change to 2009 Budget estimate				23.8	4.7	19.0	35.2

1. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

Economic classification

Current payments	171.3	206.1	218.5	252.0	257.7	291.8	322.4
Compensation of employees	67.9	75.6	86.7	98.1	111.7	126.7	151.7
Goods and services	103.4	130.6	131.8	153.9	146.0	165.2	170.7
<i>of which:</i>							
Consultants and professional services:	2.8	6.8	2.8	7.0	3.1	3.5	3.6
Business and advisory services							
Lease payments	34.2	39.2	42.5	47.8	47.1	53.2	55.0
Travel and subsistence	18.5	29.1	28.5	24.0	31.6	35.7	36.9
Transfers and subsidies	0.4	0.4	0.4	0.3	0.4	0.4	0.4
Provinces and municipalities	0.1	–	–	–	–	–	–
Departmental agencies and accounts	0.2	0.3	0.3	0.3	0.4	0.4	0.4
Households	0.1	0.2	0.1	–	–	–	–
Payments for capital assets	3.9	7.0	22.0	8.1	6.8	7.7	8.0
Buildings and other fixed structures	0.3	–	–	–	–	–	–
Machinery and equipment	2.7	7.0	22.0	8.1	6.8	7.7	8.0
Software and other intangible assets	0.9	0.0	–	–	–	–	–
Payments for financial assets	0.1	0.0	0.1	–	–	–	–
Total	175.6	213.6	241.0	260.4	264.8	299.9	330.9

Expenditure trends

Expenditure grew at an average annual rate of 14 per cent, from R176 million in 2006/07 to R260 million in 2009/10, and is projected to increase to R330.9 million in 2012/13, at a slower average annual rate of 8.3 per cent. Growth between 2006/07 and 2009/10 has been partly linked to renovations of the Civitas building, a new organogram structure and strengthening of certain head office functions. However, to effect efficiency

savings, spending slows over the MTEF period, particularly for goods and services, which is expected to grow marginally at an average annual rate of 3.5 per cent between 2010/11 and 2012/13. Savings to be effected have been identified in advertising, consultants and venues.

Programme 2: Strategic Health Programmes

- *Maternal, Child and Women's Health and Nutrition* formulates and monitors policies, guidelines, and norms and standards for maternal, child and youth, and women's health and nutrition.
- *HIV and AIDS and STIs* develops policy and administers the national HIV and AIDS and sexually transmitted infection programmes, including coordinating the implementation of the comprehensive HIV and AIDS plan and funding and supervision of the related conditional grant. The subprogramme also manages strategic partnerships and provides secretariat support to the South African National AIDS Council.
- *Communicable Diseases* is responsible for developing policies and supporting provinces to ensure the control of infectious diseases. It is also responsible for several occupational health functions, and cooperates with the Medical Bureau for Occupational Diseases and the Compensation Commissioner for Occupational Diseases.
- *Non-Communicable Diseases* establishes guidelines on chronic diseases, disability, older people, oral health and mental health. It is also responsible for developing a national forensic pathology service, rationalising blood transfusion services and overseeing the National Health Laboratory Service, including funding the National Institute of Communicable Diseases and the National Institute for Occupational Health.
- *TB Control and Management* develops interventions to curb the spread of tuberculosis, supports and oversees the implementation of the tuberculosis crisis management plan, and aims to monitor and improve national tuberculosis performance indicators.

Objectives and measures

- Reduce infant, child and youth morbidity and mortality by:
 - improving immunisation coverage from 88 per cent in 2009/10 to 95 per cent by 2013
 - increasing the number of health districts with more than 95 per cent immunisation coverage from 38/52 (73 per cent) in 2009/10 to 48/52 (92 per cent) in 2009/10
 - ensuring that 80 per cent of primary health care facilities are saturated with health care providers trained in the integrated management of childhood illness (saturated = 60 per cent of health workers who manage children and have been trained in integrated management) by 2012/13.
- Increase the tuberculosis cure rate from 64 per cent in 2009/10 to 85 per cent in 2012/13 by:
 - improving interventions for tuberculosis control and management
 - reducing the tuberculosis defaulter rate by 1 per cent annually, from 8.5 per cent in 2008/09 to 5.5 per cent (or less) in 2012/13.
- Decrease the malaria case fatality rate from 0.7 per cent in 2009/10 to 0.6 per cent in 2012/13.

Service delivery focus

Recent service delivery achievements include: an increase in the national immunisation coverage for vaccine preventable diseases from 85.2 per cent in 2007/08 to 88.8 per cent in 2008/09; improvements in the tuberculosis cure rate from 57.7 per cent in 2006/07 to 64 per cent in 2009/10; providing nutritional supplements in 2008/09 to 734 409 people living with debilitating conditions exceeding the target of 500 000; distributing 4.3 million female condoms in 2008/09, exceeding the target of 3.5 million; and testing 73.8 per cent of tuberculosis patients for HIV in 2008/09, exceeding the target of 60 per cent.

In 2008, results of the national antenatal survey reflected a high antenatal HIV prevalence rate of 29.3 per cent. However, percentages since 2006 reflect a stabilising epidemic, with 29.1 per cent in that year and 29.4 per cent in 2007. 920 678 patients cumulatively had been initiated on antiretroviral therapy by the end of September 2009, compared to 483 084 by the end of April 2008. In the first half of 2008/09, the number of malaria cases

had been reduced compared to 2007/08. In the first half of 2009/10, the national case fatality rate decreased slightly (from 0.7 to 0.5 per cent). The 2009/10 target for testing tuberculosis patients for HIV is 80 per cent and a combined total of 8 378 health professionals were trained in tuberculosis management and to support the directly observed treatment short course programme. The health sector will work with neighbouring Southern African Development Community (SADC) countries to implement a proposed malaria elimination strategy for the region, scaling up and adding to ongoing interventions to reduce the number of malaria cases. Other cross-border collaborations such as the Lubombo spatial development initiative and the Trans-Limpopo malaria initiative will also be scaled up.

In 2010/11, measles and polio vaccination campaigns will be conducted across the country in the first quarter and routine immunisation of children will be increased from 88 per cent to 95 per cent in 2011/12. In 2009, only 56 per cent of health facilities were saturated with health workers trained in the integrated management of childhood illnesses. The aim for 2010/11 is to ensure 70 per cent saturation.

Key focus areas in 2010/11 include: protecting South African children from vaccine preventable diseases; enhancing maternal and child survival; rapidly scaling up access to antiretroviral treatment for pregnant women and people co-infected with tuberculosis and HIV; combating outbreaks of communicable diseases; and implementing interventions to curb non-communicable diseases. Other key focus areas over the MTEF period include: reducing backlogs in analysing samples; improving staffing and management; continued engagement with the National Health Laboratory Service; determining the institutional framework for forensic and food laboratory services; and reaching agreement on revenue models.

Expenditure estimates

Table 15.5 Strategic Health Programmes

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Maternal, Child and Women's Health and Nutrition	19.3	20.0	23.5	46.5	57.3	50.0	31.1
HIV and AIDS and STIs	1 953.3	2 385.1	3 359.8	4 877.7	6 489.3	7 935.8	9 303.4
Communicable Diseases	5.8	5.3	8.1	208.9	52.7	57.0	58.8
Non-Communicable Diseases	669.2	676.7	727.0	636.2	665.4	706.3	740.5
TB Control and Management	11.2	9.2	11.1	21.9	30.2	25.3	13.8
Total	2 658.8	3 096.3	4 129.5	5 791.3	7 294.9	8 774.4	10 147.6
Change to 2009 Budget estimate				1 098.9	1 707.7	2 793.9	3 874.4
Economic classification							
Current payments	291.5	300.5	405.5	570.6	441.3	449.3	447.9
Compensation of employees	55.9	63.2	70.2	78.5	89.5	96.1	95.7
Goods and services	235.7	237.3	335.4	492.1	351.8	353.2	352.2
<i>of which:</i>							
<i>Consultants and professional services:</i>	6.8	93.1	104.0	97.8	105.6	110.7	110.7
<i>Business and advisory services</i>							
<i>Inventory: Medical supplies</i>	133.5	80.8	103.8	266.4	110.5	110.5	109.6
<i>Lease payments</i>	0.4	0.4	0.7	2.1	0.8	0.8	0.8
<i>Travel and subsistence</i>	21.3	24.8	33.3	32.0	35.4	31.6	31.5
Transfers and subsidies	2 350.3	2 783.7	3 709.1	5 209.7	6 837.3	8 307.8	9 681.5
Provinces and municipalities	2 177.9	2 558.0	3 479.9	4 928.1	6 568.7	8 023.3	9 384.5
Departmental agencies and accounts	54.9	72.1	70.6	76.5	77.7	82.2	84.6
Universities and technikons	–	0.4	0.7	1.0	1.1	1.1	1.2
Non-profit institutions	117.3	153.1	157.6	202.2	189.8	201.2	211.2
Households	0.2	0.2	0.3	2.0	–	–	–
Payments for capital assets	16.8	12.1	14.8	10.9	16.3	17.3	18.2
Machinery and equipment	15.5	11.9	14.8	10.9	16.3	17.3	18.2
Software and other intangible assets	1.3	0.2	–	–	–	–	–
Payments for financial assets	0.2	–	0.0	–	–	–	–
Total	2 658.8	3 096.3	4 129.5	5 791.3	7 294.9	8 774.4	10 147.6

Table 15.5 Strategic Health Programmes (continued)

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Details of selected transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	1 942.7	2 259.5	3 479.9	4 878.1	6 568.7	8 023.3	9 384.5
Comprehensive HIV and AIDS grant	1 616.2	2 006.2	2 885.4	4 376.2	6 011.8	7 433.0	8 764.6
Forensic Pathology Services grant	326.5	253.2	594.5	501.9	557.0	590.4	619.9
Capital	235.2	298.6	-	-	-	-	-
Forensic Pathology Services grant	235.2	298.6	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	54.9	72.1	70.6	76.5	77.7	82.2	84.6
Human Sciences Research Council	5.6	3.0	0.4	-	-	-	-
National Health Laboratory Services	49.3	69.1	70.2	76.5	-	-	-
National Health Laboratory Services (NICD)	-	-	-	-	40.7	43.0	44.3
National Health Laboratory Services (NIOH)	-	-	-	-	37.0	39.2	40.4
Universities and technikons							
Current	-	0.4	0.7	1.0	1.1	1.1	1.2
MEDUNSA	-	0.4	0.5	0.5	0.5	0.6	0.6
University of Cape Town	-	-	0.2	0.5	0.5	0.6	0.6
Non-profit institutions							
Current	116.8	152.6	157.1	201.3	189.0	200.3	210.3
Council for the Blind	0.5	0.5	0.5	0.6	0.6	0.6	0.7
HIV and AIDS: Non-governmental organisations	52.3	53.6	58.1	61.4	65.1	69.0	72.5
Life Line	14.0	15.0	16.0	11.6	12.2	13.0	13.6
loveLife	35.0	40.0	55.0	94.0	77.4	82.0	86.1
Soul City	11.1	17.0	14.0	16.0	17.0	18.0	18.9
South African AIDS Vaccine Initiative	-	23.0	10.0	13.0	11.7	12.4	13.0
Tuberculosis: Non-governmental organisations	3.1	2.9	3.5	3.7	3.9	4.1	4.3
Maternal, Child and Women's Health: NGO	0.9	0.6	-	1.1	1.1	1.2	1.3

Expenditure trends

Expenditure grew from R2.7 billion in 2006/07 to R5.8 billion in 2009/10, at an average annual rate of 29.6 per cent. This was mainly due to the continued rollout of treatment coverage and the implementation of the approved dual therapy prevention of mother to child transmission programme. More than 90 per cent of expenditure in the *Strategic Health Programmes* over the MTEF period is transfer payments to provinces via the HIV and AIDS and forensic pathology conditional grants.

Over the medium term, expenditure is projected to increase to R10.1 billion in 2012/13, at an average annual rate of 20.6 per cent. This is mainly due to the additional allocations for the HIV and AIDS conditional grant to expand treatment and to begin treatment for all patients of subgroups (tuberculosis, antenatal and new born) at CD4 counts of 350 and below. Additional funding has also been allocated for the mass immunisation measles campaign (R20 million, R30 million and R20 million from 2009/10 to 2011/12), which is reflected in the 34.1 per cent increase in the *Maternal, Child and Women's Health* subprogramme from 2006/07 to 2009/10. The large increase in the *Communicable Diseases* subprogramme in 2009/10 was to address the H1N1 influenza epidemic (R160 million). Higher expenditure in the *TB Control and Management* subprogramme has been to fund a national tuberculosis prevalence survey to be conducted from 2009/10 to 2010/11.

Public entity

National Health Laboratory Service

Strategic overview: 2006/7 – 2012/13

The National Health Laboratory Service was established in 2001 in terms of the National Health Laboratory Service Act (2000). The service supports the Department of Health by providing cost effective laboratory services to all state clinics and hospitals. It also provides related health science training and education. It also supports health research. The organisation campaigns to create awareness at universities and schools, awards bursaries to disadvantaged students and has installed automated focal point cervical screening systems in Johannesburg, Durban, Bloemfontein, Tshwane and Stellenbosch.

In 2008/09, the service's executive management changed. Under the new leadership, the National Health Laboratory Service's strategy includes the following objectives: prioritising customer service, strengthening stakeholder relations, building stronger academic relations, enabling staff to grow professionally and fostering creativity and innovation, attracting young health professionals, encouraging relevant research, and reducing costs to the customer. Cost reductions to the customer have been prioritised with the standardisation of laboratory equipment and the centralisation of specialised tests.

Skills shortages are being addressed. In 2008/09, the organisation employed a combined total of 1 092 trainees at a cost of R174 million to address the countrywide skills shortage. In 2010/11, scarce skilled professionals' salaries will be reviewed and benchmarked against the private sector. Various innovations and investments in technology are being made. Automated focal point cervical screening systems have been installed, billing systems are being modernised, and South African innovations in CD4 testing methods have allowed for larger test numbers at a lower cost.

Service delivery focus

In 2009/10, procurement policies were reviewed and amended to ensure better quality and lower prices. The service will be standardising platforms by levels of care, throughput and material costs to cut costs. Investigations into cost effective point of care options are being considered, including an analysis of available options, and their impact on access, turnaround times and quality.

KwaZulu-Natal was the last province to be incorporated into the organisation. Due to the absence of a billing system in the province, the provincial health department is currently operating on a cost recovery model. The new track care laboratory system will be fully operational in April 2010 to enable the province to migrate to a full fee for service model. Additional revenue will contribute towards lower tariffs in other parts of the country.

The investment in IT systems to all provinces will improve efficiencies and customer service through web enabled results in hospitals, shorter test turnaround times and real-time billing.

Selected performance indicators

Table 15.6 National Health Laboratory Service

Indicator	Programme/Activity	Past			Current 2009/10	Projections		
		2006/7	2007/8	2008/9		2010/11	2011/12	2012/13
Number of operating sites with viral load laboratories per year	Support national priority programmes	8	13	16	17	17	18	18
Number of viral load tests per year	Support national priorities programmes	374 000	771 000	1 129 000	1 066 000	1.1 million	1.15 million	1.2 million
Number of operating sites with CD4 testing laboratories per year	Support national priorities programmes	24	47	51	70	72	75	80
Number of CD4 tests performed per year	Support national priorities programmes	1 566 000	1 901 000	2 577 000	2 951 000	3.2 million	3.5 million	3.8 million
Number of tuberculosis sputum tests performed per year	Perspective: customers	2 813 000	3 391 000	4 207 000	4 628 000	5 million	5.5 million	5.8 million
Number of tuberculosis cultures performed per year	Perspective: customers	649 000	923 000	1 174 000	1 233 000	1.27 million	1.3 million	1.35 million

Expenditure estimates

Table 15.7 National Health Laboratory Service: Financial information

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Revenue							
Non-tax revenue	1 788	2 276	2 737	2 937	3 240	3 442	3 643
Sale of goods and services other than capital assets <i>of which:</i>	1 746	2 232	2 676	2 909	3 210	3 410	3 611
<i>Sales of laboratory services</i>	1 746	2 232	2 676	2 909	3 210	3 410	3 611
<i>Other non-tax revenue</i>	42	44	61	28	30	32	32
Transfers received	93	105	125	77	78	83	85
Total revenue	1 881	2 381	2 861	3 014	3 318	3 525	3 728
Expenses							
Current expense	1 698	2 136	2 672	2 925	3 166	3 366	3 530
Compensation of employees	338	350	405	450	480	520	565
Goods and services	1 329	1 740	2 210	2 405	2 580	2 715	2 805
Depreciation	30	45	57	70	106	131	160
Interest, dividends and rent on land	1	1	1	–	–	–	–
Total expenses	1 698	2 136	2 672	2 925	3 166	3 366	3 530
Surplus / (Deficit)	183	245	189	88	152	159	198
Statement of financial position							
Carrying value of assets	356	434	557	658	782	901	991
<i>of which: Acquisition of assets</i>	165	127	181	171	230	250	250
Inventory	30	52	117	80	85	90	95
Receivables and prepayments	587	857	1 093	1 000	1 150	1 215	1 300
Cash and cash equivalents	297	256	140	363	222	249	345
Total assets	1 270	1 598	1 906	2 101	2 238	2 455	2 731
Accumulated surplus/deficit	340	590	786	874	1 026	1 185	1 382
Capital and reserves	182	178	170	170	170	170	170
Post-retirement benefits	346	357	399	495	502	538	606
Trade and other payables	330	302	328	344	348	365	375
Provisions	–	97	112	140	115	120	120
Liabilities not classified elsewhere	72	74	110	77	77	77	77
Total equity and liabilities	1 270	1 598	1 906	2 101	2 238	2 455	2 731
Contingent liabilities	32	32	32	–	–	–	–

Expenditure trends

The main sources of revenue for the National Health Laboratory Service are fees from laboratory tests. Revenue increased from R1.9 billion in 2006/07 to R3 billion in 2009/10, at an average annual rate of 17 per cent. This was due to large increases in test volumes (especially for HIV), increases in tariffs (between 2.2 per cent and 6 per cent with an average 12 per cent volume increase) and the incorporation of KwaZulu-Natal health laboratories services into the National Health Laboratory Service. Over the MTEF period, revenue is projected to increase at an average annual rate of 7.3 per cent to reach R3.7 billion. This is due to inflation, increases in test volumes and an improved billing system for the KwaZulu-Natal services. The decrease in revenue compared to previous years is due to tighter expenditure controls at hospitals and budget cuts.

Expenditure grew from R1.7 billion in 2006/07 to R2.9 billion in 2009/10, at an average annual rate of 19.9 per cent, and is expected to grow to R3.5 billion in 2012/13 at an average annual rate of 6.5 per cent. Over the MTEF period, the growth in costs will be limited due to efficiency gains, the standardisation of laboratory equipment, improvements in logistics, and the elimination of waste in the service's operations. Furthermore, growth in test volumes will continue.

Programme 3: Health Planning and Monitoring

- *Health Information, Research and Evaluation* develops and maintains a national health information system, and commissions and coordinates research. It provides: disease surveillance and epidemiological analyses and leadership during disease outbreaks; conducts training on epidemic prone disease prevention, preparedness and control; and monitors and evaluates health programmes. It provides funding to the South African Medical Research Council and oversees its activities.
- *Financial Planning and Health Economics* undertakes health economics research and develops policy for medical schemes, social health insurance and public private partnerships. It oversees and provides some funds for the Council for Medical Schemes. Funding will mainly be used in preparation for the 2010 FIFA World Cup.
- *Pharmaceutical Policy and Planning* monitors the procurement and supply of drugs, and ensures that there are no stock-outs of all essential drugs, especially paediatrics, tuberculosis and antiretroviral medicines in accredited sites.
- *Office of Standards Compliance* deals with quality assurance, licensing and the certificates of need required in terms of the National Health Act (2003). It also deals with radiation control. Funding will be used to develop quality standards and inspect hospitals countrywide.

Objectives and measures

- Improve information on population health and health services by doing the 2010 health and demographic survey.
- Monitor HIV and syphilis prevalence by doing the 2010 and 2011 national HIV survey and publishing reports.
- Improve the quality of health services by developing and refining quality standards for the health sector, strengthening the national Office of Standards Compliance and developing a national quality accreditation body by March 2012.
- Ensure a zero stock-out of antiretroviral medicines, tuberculosis medicines, malaria medicines, vaccines for immunisation, and medicines for the integrated management of childhood illness and chronic diseases by improving logistical systems.

Service delivery focus

Recent achievements include publishing the 2008 national antenatal survey in October 2009 and producing quarterly data on the comprehensive plan for HIV and AIDS. A burden of diseases survey was conducted in 2008 and a draft report compiled in 2009. Efforts to improve the quality of health information in line with Statistics South Africa's statistical quality assurance framework have been initiated.

The national core standards for health establishments, first published in 2008, were revised in 2009. These were tabled for approval by the end of 2009/10. Reporting, analysis and guidelines for a national system for adverse event identification will be completed at the beginning of 2010. A national plan has been developed for improving quality in selected priority areas such as patient safety, infection prevention and control, medicines availability, waiting times, and staff attitudes. 100 quality improvement plans for enrolled facilities and projects were developed in 2009/10 as per the target. A national call centre will start functioning in 2010/11 and in the interim, the existing call centre has been expanded with services also referred from the presidential hotline.

In 2009, all provinces agreed to use the national patient survey protocol. A review options for establishing an ombuds office will be done in the last quarter of 2009/10.

The key focus areas for 2010/11 remain those of 2009/10: developing national standards and compliance measurement. A ministerial advisory committee will ensure expert input from stakeholders and partners into the programme on a regular basis.

New policies to be implemented in 2010/11 relate to those governing the establishment and functioning of the independent accreditation body, with the amendment to the National Health Act (2003) and the promulgation of regulations under this amendment by March 2012.

Expenditure estimates

Table 15.8 Health Planning and Monitoring

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Health Information Research and Evaluation	233.4	251.4	266.4	278.1	304.0	321.0	335.5
Financial Planning and Health Economics	27.6	16.0	24.4	62.4	36.4	24.4	25.3
Pharmaceutical Policy and Planning	11.9	14.4	13.9	14.9	15.5	17.0	17.6
Office of Standards Compliance	28.4	27.3	37.4	41.1	51.0	63.8	75.8
Total	301.3	309.1	342.1	396.4	406.9	426.1	454.2
Change to 2009 Budget estimate				39.4	24.1	28.0	36.1

Economic classification

Current payments	68.7	78.3	94.8	105.5	126.0	130.7	145.1
Compensation of employees	38.5	43.2	50.0	56.2	64.6	71.5	80.3
Goods and services	30.2	35.0	44.7	49.4	61.4	59.3	64.9
<i>of which:</i>							
<i>Consultants and professional services: Business and advisory services</i>	8.7	13.0	8.4	10.6	12.6	12.4	9.0
<i>Lease payments</i>	0.3	0.3	0.5	0.7	0.8	0.8	1.0
<i>Travel and subsistence</i>	10.2	10.2	19.3	14.5	18.2	18.2	21.6
Transfers and subsidies	230.0	229.6	245.3	288.2	277.8	292.1	305.6
Provinces and municipalities	0.0	–	–	30.0	–	–	–
Departmental agencies and accounts	227.5	226.9	242.7	255.4	274.9	289.0	302.4
Non-profit institutions	2.4	2.5	2.6	2.8	2.9	3.1	3.3
Households	0.1	0.2	0.0	–	–	–	–
Payments for capital assets	2.6	1.2	2.0	2.8	3.1	3.3	3.4
Machinery and equipment	2.6	1.2	2.0	2.8	3.1	3.3	3.4
Payments for financial assets	0.0	0.0	0.1	–	–	–	–
Total	301.3	309.1	342.1	396.4	406.9	426.1	454.2

Details of selected transfers and subsidies

Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	–	–	–	30.0	–	–	–
2010 World Cup Health Preparation Strategy Grant	–	–	–	30.0	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	227.5	226.9	242.7	255.4	274.9	289.0	302.4
Council for Medical Schemes	15.0	3.3	6.2	3.9	4.0	4.2	4.3
Medical Research Council	212.1	223.3	236.1	251.1	270.5	284.4	297.6
National Health Laboratory Services (cancer register)	0.3	0.4	0.4	0.4	0.4	0.4	0.5
Non-profit institutions							
Current	2.4	2.5	2.6	2.8	2.9	3.1	3.3
Health Systems Trust	2.4	2.5	2.6	2.8	2.9	3.1	3.3

Expenditure trends

The main spending focus over the MTEF period is on strengthening the establishment of the Office of Standards Compliance and improving on the hospital quality audit process. The largest part of this programmes budget is earmarked for transfers for medical research conducted by the Medical Research Council, which amounts to R270 million in 2010/11. This is funded through the *Health Information Research and Evaluation*

subprogramme. Between 2006/07 and 2009/10, total expenditure grew at an average annual rate of 9.6 per cent, from R301.3 million to R396.4 million, and is expected to increase to R454.2 million in 2012/13 at an average annual rate of 4.6 per cent.

The once-off 155 per cent increase in expenditure in the *Financial Planning and Health Economics* subprogramme in 2009/10 (R30 million) was for the preparation by provinces for the 2010 FIFA World Cup, mainly to procure medical equipment for stadiums and emergency medical services.

Expenditure in the *Office of Standards Compliance* subprogramme is expected to grow at an average annual rate of 22.7 per cent over the medium term to build up all aspects of the functioning of the Office of Standards Compliance and to increase the number of hospitals audited. This will be largely funded from goods and services.

Public entity

South African Medical Research Council

Strategic overview: 2006/07-2012/13

The South African Medical Research Council was established in 1969 in terms of the South African Medical Research Council Act (1991). The objectives of the council are to promote the improvement of health and quality of life through research, development and technology transfer. Research is primarily conducted through council funded research units. Currently, 44 research units and 8 professional support divisions implement the 2005–2010 strategic plan, which has three main focuses: promoting and conducting research, professional support for research, and knowledge and stakeholder management. Council researchers have made significant contributions to the key priorities and activities of the Department of Health's 10-point plan, including by serving on policy and technical teams.

The council's work over the past year has included 706 health research publications in peer reviewed journals, 62 PhD graduates, 4 new patents and a spin-off company. Researchers supported by the International AIDS Vaccine Initiative developed a candidate vaccine, which is entering phase 1 clinical trials. Malaria research at Ubombo and the Trans-Zambezi region is assisting with regional malaria control. Tuberculosis research continues in various areas and research on pneumococcal and rotovirus vaccines and on thresholds for AIDS treatment has helped to inform policy decisions in these areas.

Savings and cost effective service delivery

Based on a 4.9 per cent budget increase over the next 3 years, significant rationalisation is required in many of the core human resource, business and operational areas of the organisation. Support services such as financial, human capital management and facility management will be rationalised.

Selected performance indicators

Table 15.9 South African Medical Research Council: Selected performance and operations indicators

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of peer reviewed publications	Linked to all research programmes	564	653	706	700	720	750	780
Number of new patents	Linked to some research programmes	1	4	2	1	2	2	1
Number of PhD students	Linked to all research programmes	62	57	62	55	60	60	65
Number of research projects	Linked to all research programmes	571	694	556	580	585	590	600

Service delivery focus

A large component of the council's work is clinical trials. The telemedicine project will deploy 50 telemedicine workstations by the end of March 2010 in various outlying areas. The facility will allow patients to interact with a doctor or specialist within a period of 48 hours, instead of 2 to 3 weeks.

Expenditure estimates

Table 15.10 South African Medical Research Council: Financial information

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
R million	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Non-tax revenue	279.1	306.4	311.9	315.6	321.8	336.1	356.3
Sale of goods and services other than capital assets of which:	239.3	278.6	270.0	287.0	293.0	304.0	320.0
Sales by market establishments	239.3	278.6	270.0	287.0	293.0	304.0	320.0
Other non-tax revenue	39.8	27.8	41.9	28.6	28.8	32.1	36.3
Transfers received	175.7	221.3	242.3	251.1	270.5	284.4	297.6
Total revenue	454.8	527.7	554.2	566.7	592.3	620.4	653.8
Expenses							
Current expense	424.8	484.8	516.1	541.5	589.1	620.4	653.8
Compensation of employees	205.3	213.5	232.9	230.8	248.0	265.5	281.7
Goods and services	208.1	261.6	272.0	299.8	329.9	343.7	360.1
Depreciation	9.7	9.6	11.2	10.8	11.1	11.2	12.0
Interest, dividends and rent on land	1.7	0.1	0.1	0.1	0.1	0.1	0.1
Total expenses	424.8	484.8	516.1	541.5	589.1	620.4	653.8
Surplus / (Deficit)	30.1	42.8	38.1	25.2	3.2	-	-
Statement of financial position							
Carrying value of assets	89.9	96.7	102.2	103.3	103.9	105.9	107.7
of which: Acquisition of assets	16.6	11.5	18.3	14.5	14.8	15.8	16.5
Investments	2.6	2.7	28.4	29.0	29.0	29.0	29.0
Inventory	0.4	0.4	0.3	0.3	0.3	0.3	0.3
Receivables and prepayments	49.5	42.1	37.6	38.0	40.0	42.0	43.0
Cash and cash equivalents	301.7	333.7	407.4	420.0	422.0	415.0	408.0
Total assets	444.2	475.5	575.9	590.6	595.2	592.2	588.0
Accumulated surplus/deficit	62.3	121.2	159.3	169.2	171.5	166.4	157.3
Capital and reserves	1.4	1.4	0.8	0.8	0.8	0.8	0.8
Post-retirement benefits	22.3	3.9	13.2	13.2	13.2	10.0	10.0
Trade and other payables	53.1	78.1	47.1	50.0	51.0	54.0	56.0
Provisions	12.2	4.3	3.4	4.3	5.0	5.3	6.4
Managed funds	0.9	1.0	1.1	1.1	1.1	1.1	1.1
Liabilities not classified elsewhere	291.9	265.5	350.9	352.0	352.7	354.6	356.4
Total equity and liabilities	444.2	475.5	575.9	590.6	595.2	592.2	588.0

Expenditure trends

The South African Medical Research Council receives around 45.7 per cent of its revenue (R270 million out of R592 million) in 2010/11) from the Department of Health and the remainder from external contracts for research. Revenue increased from R455 million in 2006/07 to R570 million in 2009/10, at an average annual rate of 7.6 per cent, and is expected to increase to R654 million in 2012/13, at an average annual rate of 4.9 per cent. The largest expenditure on a single project area is on the development of an HIV vaccine and prevention against the virus. R120 million was spent on this for the year ended 31 March 2010 and R185 million on HIV, tuberculosis epidemiology and clinical trials. The main expenditure item is compensation of employees, which constitutes almost 45 per cent of total expenditure over the MTEF period. Payments made to research collaborators (universities, other research councils and non-government organisations) constitute approximately 9 per cent of total expenditure in 2010/11.

Programme 4: Human Resources Management and Development

- *Human Resources Policy, Research and Planning* is responsible for medium to long term human resources planning in the national health system. Its functions include implementing the national human resources for health plan, facilitating capacity development for sustainable health workforce planning, and developing and implementing human resources information systems for planning and monitoring purposes.
- *Sector Labour Relations and Planning* provides the resources and expertise for bargaining in the national Public Health and Social Development Sectoral Bargaining Council.
- *Human Resources Development and Management* is responsible for developing human resources policies, norms and standards, and for the efficient management of employees of the national Department of Health. This subprogramme funds the health professions training and development conditional grant, which is transferred to provinces.

Objectives and measures

- Improve the human resource capacity in the health sector by:
 - developing and publishing the revised national human resources for health plan by March 2012
 - strengthening human resource planning in all provinces by supporting the development of provincial human resource plans by March 2012.
- Develop and train health professionals in new categories (mid-level workers) to support clinical service delivery during 2010/11 by:
 - increasing the number of student clinical associates in the training programme from 99 in 2009/10 to 180 in 2012/13
 - improving access to emergency medical services by increasing the number of emergency care technicians graduating from emergency care training colleges from 127 in 2009/10 to 160 in 2012/13.
- Finalise the policy on community health workers by March 2011 to ensure coherent integration and standardisation of all categories of community health workers.
- Recruit health professionals through specific agreements with countries that have an excess of these professionals.

Service delivery focus

The second academic year of the clinical associate programme was completed in 2009/10 at the Walter Sisulu University, the University of Pretoria and the University of the Witwatersrand. 99 students are currently enrolled for the programme.

Data capturer training continued as part of the expanded public works programme at the health facility level, with a combined total of 1 488 persons trained in 2008 and 2009. The department will train 2 047 persons in 2010/11. A new intake of emergency care professionals was introduced in 2008 and 127 new emergency care technicians graduated after completing the two year training programme. A draft policy on training and utilising community care givers in the public health system was developed in 2009 in consultation with the Department of Social Development.

Following the implementation of an occupational specific remuneration and career progression dispensation for nurses in the public service, an agreement was signed in the Public Health and Social Development Sectoral Bargaining Council in August 2009 to implement the same for medical doctors, dentists, medical and dental specialists, pharmacist assistants, pharmacists and emergency medical services personnel. A proposal for establishing an occupation specific dispensation for therapeutic and related allied health professionals was also tabled at the bargaining council. Negotiations on this are still to be finalised and this occupation specific dispensation will be backdated to July 2009. A new policy was drafted in 2009 for recruiting and employing foreign health professionals in view of various international recruitment protocols and agreements with the SADC and the African Union.

Expenditure estimates

Table 15.11 Health Human Resources Management and Development

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Human Resources Policy, Research and Planning	3.3	3.9	7.5	19.8	8.9	9.6	10.0
Sector Labour Relations and Planning	1.9	2.0	2.9	6.0	3.5	3.8	4.0
Human Resources Development and Management	1 570.7	1 607.7	1 695.0	1 773.1	1 884.7	1 998.2	2 097.8
Total	1 576.0	1 613.6	1 705.3	1 799.0	1 897.1	2 011.7	2 111.8
Change to 2009 Budget estimate				12.8	2.9	3.9	3.6

Economic classification

Current payments	13.5	17.2	26.1	38.5	31.1	33.8	35.1
Compensation of employees	8.9	11.9	13.8	17.0	17.2	17.8	18.7
Goods and services	4.6	5.3	12.3	21.4	13.9	16.0	16.3
<i>of which:</i>							
<i>Consultants and professional services:</i>							
<i>Business and advisory services</i>	0.8	0.2	0.1	11.0	0.1	0.1	0.1
<i>Lease payments</i>	0.2	0.3	0.2	0.5	0.3	0.3	0.3
<i>Travel and subsistence</i>	1.6	2.0	3.0	4.0	3.4	3.5	3.1
Transfers and subsidies	1 520.2	1 596.2	1 679.1	1 759.8	1 865.4	1 977.3	2 076.2
Provinces and municipalities	1 520.2	1 596.2	1 679.1	1 759.8	1 865.4	1 977.3	2 076.2
Payments for capital assets	42.3	0.2	0.2	0.7	0.5	0.6	0.6
Machinery and equipment	0.5	0.2	0.2	0.7	0.5	0.6	0.6
Software and other intangible assets	41.8	–	–	–	–	–	–
Total	1 576.0	1 613.6	1 705.3	1 799.0	1 897.1	2 011.7	2 111.8

Details of selected transfers and subsidies

Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	1 520.2	1 596.2	1 679.1	1 759.8	1 865.4	1 977.3	2 076.2
Health professions training and development grant	1 520.2	1 596.2	1 679.1	1 759.8	1 865.4	1 977.3	2 076.2

Expenditure trends

The programme's expenditure grew at an average annual rate of 4.5 per cent between 2006/07 and 2009/10 and is projected to increase to a rate of 5.5 per cent over the medium term, growing the budget to R2.1 billion by 2012/13. This is relatively low due to the reform process currently under way in collaboration with the Department of Education financing the health science clinical training programme. 98 per cent of this programme's funding over the MTEF period is for the transfer payments to provinces for the health professions training and development conditional grant made in the *Human Resources Development and Management* subprogramme (R1.9 billion in 2010/11). R30 million is spent on the core human resource functions.

The large increase in expenditure in the *Human Resources Policy, Research and Planning* subprogramme in 2009/10 was to conduct an audit of nursing colleges to inform the recapitalisation process (R10 million in goods and services). The review is anticipated to provide concrete proposals for the physical upgrading of colleges and equipment and teaching facilities.

Programme 5: Health Services

- *District Health Services* promotes and coordinates the district health system and monitors primary healthcare and activities related to the integrated sustainable rural development programme and the urban renewal programme. It also deals with policy and monitoring for health promotion and environmental health.
- *Environmental Health Promotion and Nutrition* provides technical support and monitors the delivery of municipal health services by local government, provides port health services, and supports poison information centres.
- *Occupational Health* promotes occupational health and safety in public health institutions, and ensures the training of occupational health practitioners in risk assessment.
- *Hospitals and Health Facilities Management* deals with national policy on hospital and emergency medical services. It is also responsible for funding the conditional grant for the revitalisation of hospitals and the national tertiary services grant.

Objectives and measures

- Strengthen primary health care and identify needs and service gaps through an audit of primary health care services and infrastructure in all provinces by December 2010.
- Expand access to health infrastructure by developing a plan to add 18 hospitals to the hospital revitalisation project, to be delivered through public private partnerships.
- Improve the delivery of health services in the 18 priority districts through a detailed set of interventions in maternal and child health and other areas by March 2012.

Service delivery focus

13 hospitals were completed by 2008/09 as part of the initiative to revitalise health infrastructure. In 2009/10, 4 new hospitals were nearing completion: Mamelodi hospital in Gauteng; Moses Kotane and Vryburg hospitals in North West; and the new psychiatric hospital in Northern Cape. Patient experiences and staff morale and quality have reportedly improved in hospitals that have been through the programme.

Over the MTEF period, the department will continue developing a comprehensive national infrastructure plan. Key aspects of this process include: a review of the available hospital revitalisation and infrastructure grant for provinces; the collection and collation of information on the remaining facilities that are not part of these grants, including assessment of the backlog of facilities that need major upgrades; and minor repairs. Health facilities maintenance budgets per health facility will be monitored in each province and a strategy will be developed to progressively increase the maintenance target to 3-5 per cent of capital value by the end of March 2011. To enhance provinces' capacity to deliver and maintain health infrastructure, the health sector will use the results of a skills audit conducted by National Treasury in September 2009 in all 9 provinces.

In 2009/10, the department identified 18 hospital projects as potential public private partnerships. These are being considered by provinces and a list of potential projects will be tabled in 2010.

In 2009/10, hospital management was strengthened through the enrolling of 142 of 400 hospital managers in a hospital management training programme offered by institutions of higher learning. This is an increase from the 122 managers enrolled and trained in 2008/09. The department commissioned the Development Bank of Southern Africa to assess the skills, competencies and qualifications of hospital chief executives in 2009. The outcome of this evaluation will be available in 2010/11 and will be used to determine the appropriate placement of the chief executives.

Planning processes through the district health system were strengthened in 2008/09 and 2009/10, with most districts producing district health plans. In 2010/11, the department will complete an audit of all 3 900 public health care facilities and develop a plan to address the gaps identified. Implementing the district health system will be enhanced through providing support to assist provinces in establishing district management teams, ensuring the delegation of authority to district managers and improving the supervision of public health care facilities.

Expenditure estimates

Table 15.12 Health Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
District Health Services	6.7	7.9	11.7	30.3	34.7	30.3	27.4
Environmental Health Promotion and Nutrition	18.2	18.7	26.6	19.0	20.2	22.5	23.2
Occupational Health	20.3	24.9	27.3	30.5	32.5	35.2	36.6
Hospitals and Health Facilities Management	6 521.5	7 414.4	8 884.3	10 006.3	11 441.4	11 995.5	12 594.6
Total	6 566.7	7 465.8	8 949.9	10 086.1	11 528.8	12 083.5	12 681.7
Change to 2009 Budget estimate				187.2	139.8	1.7	(4.1)

Economic classification

Current payments	51.7	63.1	75.8	93.6	103.1	104.9	104.2
Compensation of employees	29.9	32.2	35.9	39.7	43.9	46.2	48.6
Goods and services	21.8	30.9	39.9	54.0	59.2	58.7	55.7
<i>of which:</i>							
<i>Consultants and professional services: Business and advisory services</i>	1.9	4.9	3.9	19.8	21.5	18.8	13.7
<i>Lease payments</i>	0.2	0.2	0.4	0.4	0.5	0.5	0.5
<i>Travel and subsistence</i>	7.3	8.3	13.5	13.3	14.7	15.5	16.3
Transfers and subsidies	6 509.3	7 401.6	8 872.2	9 989.4	11 422.4	11 975.1	12 573.9
Provinces and municipalities	6 508.5	7 398.5	8 869.7	9 984.6	11 418.7	11 971.2	12 569.7
Departmental agencies and accounts	0.1	2.6	2.4	3.7	2.6	2.8	2.9
Non-profit institutions	0.4	0.5	–	1.1	1.1	1.2	1.3
Households	0.3	0.0	0.1	–	–	–	–
Payments for capital assets	2.4	1.0	1.9	3.1	3.2	3.4	3.6
Machinery and equipment	1.5	1.0	1.9	3.1	3.2	3.4	3.6
Software and other intangible assets	1.0	0.0	–	–	–	–	–
Payments for financial assets	3.2	0.0	–	–	–	–	–
Total	6 566.7	7 465.8	8 949.9	10 086.1	11 528.8	12 083.5	12 681.7

Details of selected transfers and subsidies

Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	4 981.1	5 321.2	6 134.1	6 614.4	7 398.0	7 798.9	8 188.8
National tertiary services grant	4 981.1	5 321.2	6 134.1	6 614.4	7 398.0	7 798.9	8 188.8
Capital	1 527.3	2 077.3	2 735.6	3 370.2	4 020.7	4 172.3	4 380.9
Hospital revitalisation grant	1 527.3	2 077.3	2 735.6	3 370.2	4 020.7	4 172.3	4 380.9
Departmental agencies and accounts							
Social security funds							
Current	–	2.6	2.4	3.7	2.6	2.8	2.9
Compensation Commissioner	–	2.6	2.4	3.7	2.6	2.8	2.9
Non-profit institutions							
Current	0.4	0.5	–	1.0	1.0	1.1	1.2
Health Promotion: NGO	0.4	0.5	–	1.0	1.0	1.1	1.2

Expenditure trends

Over the MTEF period, more than 99 per cent of this programme's budget is comprised of 2 conditional grants that are transferred to provinces. Expenditure grew at an average annual rate of 15.4 per cent from R6.6 billion in 2006/07 to R10.1 billion in 2009/10, mainly due to strong growth in the hospital revitalisation grant. Expenditure is expected to increase at an average annual rate of 7.9 per cent over the medium term to reach R12.7 billion in 2012/13. This is due to the growth in the national tertiary services grant from R6.6 billion in 2009/10 to R7.4 billion in 2010/11, at an average annual rate of 11.8 per cent, to ensure the provision of modernised tertiary services that allow for improved access and equity. This forms part of the modernisation of tertiary services programme. The hospital revitalisation grant is expected to grow at an average annual rate of 19.3 per cent, from R3.4 billion in 2009/10 to R4 billion in 2010/11 as more projects enter the construction phase.

Programme 6: International Relations, Health Trade and Health Product Regulation

- *Multilateral Relations* develops and implements bilateral and multilateral agreements to strengthen the health system, concludes agreements on the recruitment of health workers from other countries, provides technical capacity to South Africa in fields such as health technology management and surveillance systems, and mobilises international resources for priority health programmes.
- *Food Control and Non-Medical Health Product Regulation* ensures food safety by developing and implementing food control policies, norms and standards, and regulations.
- *Pharmaceutical and Related Product Regulation and Management* regulates trade in medicines and pharmaceutical products through the Medicines Control Council, to ensure access to safe and affordable medicines.

Objectives and measures

- Strengthen cooperation on health matters with SADC countries by developing, implementing and monitoring bilateral and multilateral agreements with Tunisia, Congo Brazzaville; Mozambique, Zambia, Mali, Ethiopia, Cameroon, Zimbabwe, Burundi and Rwanda, including agreements on the recruitment of health workers from other countries and the exchange of technical capacity in fields such as health technology management and surveillance systems.
- Accelerate the registration and re-registration of medicines every 5 years by implementing an electronic document management system for medicine registration by March 2011.
- Improve patient safety and adherence by developing a pharmacovigilance plan for monitoring drugs for extensively drug resistant tuberculosis by March 2011.
- Improve the regulation of medicines and health products by:
 - appointing a ministerial task team in 2010 to assist with establishing the new South African Health Products Regulatory Authority
 - developing legislation to support the establishment of the authority.

Service delivery focus

In 2009/10, South Africa's bilateral and multilateral relations with countries in the region, continent and abroad were strengthened and will continue to strengthen in 2010/11.

In 2008/09, all the technical staff in the medicines regulatory authority were trained to conduct evaluation applications for clinical trials, which exceeded the 50 per cent target while 50 per cent of applications for clinical trials were evaluated in house, exceeding the target of 30 per cent.

In the first half of 2009/10, the department progressed with developing the electronic document management system, which will assist in fast tracking the registration and re-registration of medicines every 5 years. Document attributes were completed and preparations were made for training.

In 2008/09, 910 clinical trials were registered on the department's database. Guidelines for establishing a functioning community advisory board for clinical trials were produced.

In 2008/09, a central repository of all clinical trials conducted in South Africa was developed by the department in collaboration with the Medical Research Council to link this with various global clinical trial registries. Data collation and verification has begun.

In 2010/11, the department will: improve patient safety through a pharmacovigilance plan for monitoring extreme drug resistant tuberculosis medicines; improve the regulation of medicines and health products through a functional electronic document management system; improve medicine registration timelines from 36 months for new chemical entities and 24 months for generics to 24 and 18 months. Legislation will be developed in 2010/11 to establish the functioning of the South African Health Products Regulatory Authority.

Expenditure estimates

Table 15.13 International Relations, Health Trade and Health Product Regulation

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Multilateral Relations	31.4	36.7	61.5	45.1	50.7	57.1	58.6
Food Control and Non-Medical Health Product Regulation	3.5	4.3	6.4	6.5	7.2	7.8	8.1
Pharmaceutical and Related Product Regulation and Management	24.8	23.3	28.7	38.7	46.6	47.4	51.7
Total	59.7	64.3	96.6	90.2	104.5	112.4	118.5
Change to 2009 Budget estimate				3.3	3.7	(1.4)	(0.9)

Economic classification

Current payments	58.3	63.8	96.1	89.4	103.7	111.5	117.6
Compensation of employees	30.7	32.6	35.9	39.6	42.8	45.1	47.4
Goods and services	27.6	31.2	60.2	49.8	61.0	66.4	70.3
<i>of which:</i>							
<i>Consultants and professional services:</i>							
<i>Business and advisory services</i>	0.3	0.1	5.5	1.8	2.2	2.3	2.5
<i>Lease payments</i>	1.0	2.0	2.5	1.5	1.9	1.9	2.1
<i>Travel and subsistence</i>	13.5	15.5	30.1	18.4	22.0	23.3	25.3
Transfers and subsidies	0.1	0.1	0.1	-	-	-	-
Households	0.1	0.1	0.1	-	-	-	-
Payments for capital assets	1.3	0.4	0.4	0.9	0.8	0.8	0.9
Machinery and equipment	1.3	0.4	0.4	0.9	0.8	0.8	0.9
Total	59.7	64.3	96.6	90.2	104.5	112.4	118.5

Expenditure trends

The main spending focus over the MTEF period is establishing the new medicines regulatory authority. Expenditure in the programme increased from R59.7 million in 2006/07 to R90.2 million in 2009/10, at an average annual rate of 14.7 per cent, and is expected to increase at a slower rate of 9.5 per cent over the medium term to reach R118.5 million. The bulk of the funds in the *Multilateral Relations* subprogramme is used to pay membership fees to international agencies such as the World Health Organisation and for the activities of health attachés. Expenditure between 2006/07 and 2009/10 grew by 12.8 per cent due to an increase in international bilateral and multilateral activities. South Africa hosted the third session of the conference of the party to the World Health Organisation framework convention for tobacco control. This cost approximately R21 million in 2009/10. Expenditure in the *Pharmaceutical and Related Product Regulation and Management* subprogramme is expected to grow by an average annual rate of 10.2 per cent over the medium term, to support the establishment of the new medicines regulatory agency, develop IT systems and reduce backlogs.

Additional tables

Table 15.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R million	2008/09		2008/09	2009/10			2009/10
1. Administration	215.6	246.7	241.0	236.6	23.8	260.4	260.4
2. Strategic Health Programmes	3 713.1	4 189.9	4 129.5	4 692.3	1 098.9	5 791.3	5 688.3
3. Health Planning and Monitoring	326.5	334.1	342.1	357.1	39.4	396.4	393.4
4. Health Human Resources Management and Development	1 714.2	1 712.8	1 705.3	1 786.2	12.8	1 799.0	1 799.0
5. Health Services	9 052.5	9 287.3	8 949.9	9 898.9	187.2	10 086.1	9 794.1
6. International Relations, Health Trade and Health Product Regulation	78.9	80.3	96.6	87.0	3.3	90.2	90.2
Total	15 100.8	15 851.2	15 464.5	17 058.1	1 365.4	18 423.5	18 025.5
Economic classification							
Current payments	919.3	943.7	916.8	937.9	211.7	1 149.7	1 036.7
Compensation of employees	278.4	287.7	292.5	299.9	29.2	329.1	329.1
Goods and services	640.9	656.0	624.3	638.0	182.5	820.5	707.5
Transfers and subsidies	14 155.5	14 859.5	14 506.1	16 091.8	1 155.5	17 247.4	16 962.4
Provinces and municipalities	13 686.6	14 362.8	14 028.7	15 578.4	1 124.1	16 702.5	16 417.5
Departmental agencies and accounts	302.2	312.9	315.9	329.6	6.3	335.9	335.9
Universities and technikons	1.0	1.0	0.7	1.0	–	1.0	1.0
Non-profit institutions	165.8	182.5	160.2	182.9	23.2	206.0	206.0
Households	–	0.3	0.6	–	2.0	2.0	2.0
Payments for capital assets	26.1	47.9	41.4	28.3	(1.9)	26.4	26.4
Machinery and equipment	26.1	47.9	41.4	28.3	(1.9)	26.4	26.4
Payments for financial assets	–	–	0.2	–	–	–	–
Total	15 100.8	15 851.2	15 464.5	17 058.1	1 365.4	18 423.5	18 025.5

Table 15.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Permanent and full time contract employees							
Compensation (R million)	230.1	256.0	289.2	325.5	366.1	399.8	438.7
Unit cost (R million)	0.2	0.2	0.2	0.2	0.3	0.3	0.3
<i>Administration</i>	0.2	0.2	0.2	0.2	0.3	0.3	0.4
<i>Strategic Health Programmes</i>	0.2	0.2	0.2	0.3	0.3	0.3	0.3
<i>Health Planning and Monitoring</i>	0.1	0.1	0.2	0.3	0.3	0.3	0.4
<i>Health Human Resources Management and Development</i>	0.1	0.1	0.2	0.2	0.2	0.2	0.2
<i>Health Services</i>	–	–	0.2	0.3	0.3	0.3	0.3
<i>International Relations, Health Trade and Health Product Regulation</i>	–	–	0.2	0.2	0.2	0.2	0.2
Personnel numbers (head count)	1 233	1 205	1 371	1 331	1 351	1 371	1 391
Total for department							
Compensation (R million)	231.7	258.6	292.5	329.1	369.7	403.4	442.4
Unit cost (R million)	0.2	0.2	0.2	0.2	0.3	0.3	0.3
Personnel numbers (head count)	1 309	1 295	1 486	1 458	1 478	1 498	1 518

Table 15.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Compensation of employees (R million)	231.7	258.6	287.7	299.9	369.7	403.4	442.4
Training expenditure (R million)	5.5	9.5	1.8	4.5	5.5	6.1	6.6
Training as percentage of compensation	2.4%	3.7%	0.6%	1.5%	1.5%	1.5%	1.5%
Total number trained in department (head count)	539	625	261	274			
<i>of which:</i>							
<i>Employees receiving bursaries (head count)</i>	101	115	217	110			
<i>Learnerships trained (head count)</i>	2	–	–	–			
<i>Internships trained (head count)</i>	44	28	81	81			

Table 15.D Summary of departmental public private partnership (PPP) projects

Project description: National fleet project	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2009/10	2010/11	2011/12	2012/13
R million					
Projects signed in terms of Treasury Regulation 16	5.2	13.9	14.7	9.7	–
PPP unitary charge ¹	5.2	13.9	14.7	9.7	–
Total	5.2	13.9	14.7	9.7	–

1. Phavis fleet services public private partnership. Disclosure notes for this project can be viewed in the public private partnership table of the Department of Transport's chapter.

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	Tender: DOT/34/2005/GMT: National Fleet PPP Project
Brief description	To deliver a fleet solution to the Department of Transport and user Departments.
Date PPP agreement was signed	14 November 2006 (Department of Transport)
Duration of PPP agreement	5 years, (13 November 2011)

Table 15.E Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
Infrastructure transfers to other spheres, agencies and departments										
R million										
Limpopo Academic hospital	540 beds	Feasibility	1 872.2	-	-	-	-	30.8	50.0	100.0
Nelspruit tertiary hospital	400 new beds	Feasibility	1 829.5	-	-	0.1	-	42.0	125.6	182.4
Natalspruit hospital	Downscale to 500 beds	Construction	1 678.8	162.3	198.0	204.4	388.0	281.1	302.1	147.4
Kimberley hospital	577 new beds	Feasibility	1 672.4	-	-	0.2	6.0	45.0	100.0	100.0
Rustenburg hospital levels 1, 2 and 3	792 new beds	Feasibility	1 654.6	-	-	-	-	-	-	-
Edendale hospital	850 new beds	Feasibility	1 201.5	-	-	-	8.0	34.5	40.0	65.0
King Edward VIII hospital	850 new beds	Feasibility	1 185.5	-	-	-	-	45.0	80.0	87.0
Cecilia Makiwani psychiatric hospital	355 new beds	Feasibility	1 162.1	-	-	-	-	-	12.0	45.0
Ngwelezane war memorial hospital	Downscale to 859 beds	Construction	1 114.8	44.7	50.0	46.5	77.3	109.2	116.0	128.0
Madadeni hospital	620 bed revitalisation	Design	1 096.4	-	-	2.0	7.0	60.0	60.0	65.0
King George V hospital	Downscale to 960 beds	Construction	874.6	129.0	260.0	147.4	185.4	151.0	145.2	53.0
Kimberley Mental Hospital	Upgrade to 310 beds	Design	843.1	-	-	-	7.0	65.0	95.0	126.0
Kuruman hospital	422 new beds	Identification	818.0	-	-	-	-	39.0	48.9	50.0
Chris Hani Baragwanath hospital 3	1 510 new beds	Construction	812.6	118.4	195.0	149.8	175.0	61.0	-	-
Dora Nginza hospital	800 new beds	Identification	796.8	-	-	-	-	-	-	-
Zola hospital	Downscale to 250 beds	Construction	773.3	38.5	110.0	60.6	135.0	187.7	340.3	300.0
Boitumelo hospital level 2	Downscale to 246 beds	Construction	762.1	39.9	50.0	51.6	111.2	80.0	60.7	60.0
Pelononi hospital level 2 and 3	Downscale to 346 beds	Construction	745.5	7.9	18.1	17.9	67.2	90.0	111.6	44.0
Upington Hospital	Upgrade to 231 beds	Construction	678.8	-	15.0	119.2	140.0	155.0	100.0	98.0
Germiston hospital	Upgrade to 149 beds	Construction	636.6	21.2	42.0	46.7	72.0	180.1	-	-
Bophelong hospital	365 new beds	Design	627.3	-	-	-	8.0	96.3	130.0	168.4
Valkenberg hospital	420 new beds	Design	618.9	5.2	5.0	4.2	11.7	0.7	72.9	189.5
National hospital level 1	250 new beds	Design	606.6	-	-	-	5.0	35.0	40.0	70.0
Hlabisa hospital	308 new beds	Various	597.9	52.0	12.5	77.6	48.9	-	-	-
Britis hospital	Upgrade to 175 beds	Construction	585.5	6.2	17.0	26.0	74.1	106.0	160.1	146.0
Khayelitsha hospital	230 new beds	Construction	546.1	-	-	3.0	141.0	233.0	103.0	55.0
Mitchell's Plain hospital	230 new beds	Construction	509.3	-	-	0.7	113.0	158.9	198.0	214.9
Dihlabeng hospital level 2	155 new beds	Identification	495.2	-	-	-	-	25.0	35.0	71.0
Dr J Dube hospital	250 new beds	Design	492.0	0.2	9.9	3.4	2.5	-	5.0	39.1

Table 15.E Summary of expenditure on infrastructure (continued)

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Infrastructure transfers to other spheres, agencies and departments										
R million										
Dr Pixley ka Seme hospital	450 new beds	Design	487.5	-	-	3.0	71.2	80.0	100.0	130.0
Mental health facility	310 new beds	Construction	468.6	98.8	150.0	29.0	156.0	75.0	-	-
Vryburg hospital	Upgrade to 120 beds	Construction	460.9	81.5	75.7	97.9	85.9	37.0	5.0	-
Rob Ferreira hospital	Downscale to 212 beds	Construction	456.3	20.8	32.1	16.3	206.5	95.3	20.0	-
Moses Kotane hospital	200 new beds	Construction	455.4	93.0	89.3	87.8	66.9	46.0	5.0	-
Brooklyn chest hospital	420 new beds	Identification	452.0	-	-	-	-	-	-	29.0
Mpumalanga Province psychiatric hospital	400 new beds	Feasibility	450.0	-	-	-	50.0	38.6	90.0	120.0
Paarl hospital	Upgrade to 326 beds	Construction	427.9	45.6	81.6	100.3	130.0	62.5	22.9	-
Mamelodi hospital	Upgrade to 250 beds	Construction	335.9	89.7	100.0	60.6	14.0	76.0	18.1	-
De Aar hospital	Upgrade to 190 beds	Design	331.4	37.9	8.0	16.7	18.3	89.2	80.0	86.8
Ermelo hospital	Upgrade to 735 beds	Construction	306.8	13.9	34.8	14.7	128.3	97.2	81.0	-
St Elizabeth's hospital	Upgrade to 410 beds	Construction	301.1	13.9	85.0	42.4	65.8	94.4	85.0	98.5
Worcester hospital	Upgrade to 315 beds	Construction	294.5	31.8	73.9	62.7	44.0	30.0	3.8	-
St Lucy's hospital	Downscale to 154 beds	Construction	278.6	67.5	94.1	94.1	35.5	2.8	-	-
Themba hospital	Downscale to 212 beds	Construction	272.5	9.8	23.9	15.1	117.7	53.5	20.0	-
Frontier hospital	Upgrade to 400 beds	Construction	229.3	29.2	61.0	48.9	71.5	75.5	82.6	62.9
Ladybrand hospital level 1	60 new beds	Design	223.2	-	-	-	10.2	40.0	37.0	36.0
Madwaleni hospital	220 new beds	Design	222.4	-	-	-	-	1.1	2.0	60.0
George hospital phase 4	Upgrade to 265 beds	Construction	218.8	1.7	15.6	9.3	48.0	32.0	5.9	-
Trompsburg hospital level 1	45 new beds	Construction	209.1	-	-	-	40.3	39.0	37.0	30.0
Rietvlei hospital	Downscale to 205 beds	Construction	200.1	12.5	-	25.2	41.2	15.6	-	-
Piet Retief hospital	Downscale to 140 beds	Handed over	198.1	10.8	10.0	3.2	-	-	-	-
Madzikane Ka Zulu hospital	Upgrade to 267 beds	Handed over	195.9	16.9	7.0	12.0	-	-	-	-
Postmasburg hospital	Upgrade to 55 beds	Design	173.7	5.2	-	0.6	-	10.0	55.0	67.0
Dllokong hospital	Downscale to 252 beds	Handed over	166.5	28.2	5.8	9.7	2.0	-	-	-
St Patrick's hospital	Downscale to 245 beds	Construction	162.1	24.7	29.0	43.7	46.5	81.4	71.0	40.0
Thabazimbi hospital	112 new beds	Construction	162.1	-	-	-	38.5	94.1	65.2	11.6
Letaba hospital	Upgrade to 400 beds	Construction	161.2	16.5	52.2	34.2	51.2	16.0	-	-
Disibotla hospital	108 new beds	Design	156.1	-	-	-	6.0	36.0	67.0	86.0
Nkhensani hospital	Upgrade to 363 beds	Handed over	154.4	36.6	16.6	20.4	2.0	-	-	-
Thabamooop hospital	400 new beds 1152	Construction	144.3	9.1	47.6	48.6	42.7	8.0	-	-

Table 15.E Summary of expenditure on infrastructure (continued)

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
Infrastructure transfers to other spheres, agencies and departments										
Vredenburg hospital phase 2	Upgrade to 80 beds	Construction	144.2	5.5	16.0	8.4	50.3	58.5	74.1	-
Maphuta Matlaji hospital	Downscale to 93 beds	Construction	124.7	6.2	12.8	15.5	43.6	64.0	2.0	-
Jane Furse hospital	Downscale to 252 beds	Construction	120.0	13.4	-	3.1	15.5	1.6	-	-
Musina hospital	92 new beds	Design	103.4	-	-	-	3.0	76.0	75.0	63.3
Port Nolloth hospital	30 new beds	Identification	69.5	-	-	-	-	2.0	22.0	25.0
Barkly West hospital	Upgrade to 55 beds	Construction	50.1	25.2	14.0	0.1	9.0	-	-	-
Baberton hospital	151 new beds	Identification	-	-	-	-	-	-	2.0	14.0
Kwa Mhlanga hospital	153 new beds	Identification	-	-	-	-	-	-	10.0	30.0
Mapulaneng hospital	279 new beds	Identification	-	-	-	-	-	-	2.0	15.0
Tintswalo hospital	329 new beds	Identification	-	-	-	-	-	-	5.0	15.0
Warmbaths hospital	To be determined	Identification	-	-	-	-	-	-	3.0	72.3
Calvinia hospital	Downscale to 35 beds	Handed over	-	0.7	-	-	-	-	-	-
Cecilia Makiwane regional hospital	625 new beds	Design	-	-	-	-	-	100.0	110.0	95.0
Chris Hani Baragwanath hospital level 1	210 new beds	Various	-	18.6	-	-	-	-	-	-
Colesburg hospital	Upgrade to 35 beds	Handed over	-	1.9	-	-	-	-	-	-
Lebowakgomo hospital	Upgrade to 241 beds	Handed over	-	6.4	-	-	-	-	-	-
Mosselbay hospital	To be determined	Identification	-	-	-	-	-	-	-	13.0
Total			36 656.6	1 498.7	2 118.5	1 884.8	3 495.2	3 939.6	3 789.7	3 805.0