

Vote 14

Health

Budget summary

R thousand	2008/09				2009/10	2010/11
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	215 647	211 156	265	4 226	227 620	244 666
Strategic Health Programmes	3 713 085	417 727	3 280 695	14 663	4 463 192	5 275 327
Health Planning and Monitoring	326 527	86 884	236 885	2 758	343 340	364 260
Health Human Resources Management and Development	1 714 204	37 397	1 675 999	808	1 786 474	1 895 068
Health Services	9 052 457	87 862	8 961 678	2 917	9 716 089	11 047 585
International Relations, Health Trade and Health Product Regulation	78 925	78 230	–	695	82 252	87 659
Total expenditure estimates	15 100 845	919 256	14 155 522	26 067	16 618 967	18 914 565
Executive authority	Minister of Health					
Accounting officer	Director-General of Health					
Website address	www.doh.gov.za					

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 (PHC) approach.

Programme purposes, objectives and measures

The budget structure of the Department of Health increases from four to six programmes in 2008/09 to prioritise health services, human resources, and health planning and monitoring.

Programme 1: Administration

Purpose: Conduct the overall management of the department and provide centralised support services.

Programme 2: Strategic Health Programmes

Purpose: Co-ordinate, manage and fund a range of strategic national health programmes including developing policies, systems and norms and standards.

Objectives and measures:

- Reduce infant, child and youth morbidity and mortality through diverse interventions including improving immunisation coverage; and ensuring that 47 out of 52 districts (90 per cent) achieve more than 90 per cent full immunisation coverage by 2009/10.
- Ensure that all institutions implement the recommendations from the Saving Mothers Saving Babies report.
- Reduce HIV prevalence among antenatal attendees from 29 per cent in 2006 to 15 per cent in 2011.
- Improve interventions for tuberculosis (TB) control and management to increase the national TB cure rate from 56 per cent in 2006 to 75 per cent in 2010.
- Maintain zero stock-out levels (no shortages) of drugs on the essential drugs list, TB drugs and antiretroviral (ARV) medicines.

- Expand the cataract surgery project from 1 400 per million of the population in December 2007 to 1 900 per million of the population in December 2009.

Programme 3: Health Planning and Monitoring

Purpose: Conduct research to support planning and monitoring of the delivery of health services, primarily in the provincial and local spheres of government.

Objectives and measures:

- Conduct the South African demographic and health survey in 2008.
- Compile South Africa's country report to the United Nations General Assembly Special Session (UNGASS) on HIV and Aids.
- Conduct the national burden of disease study and compile a report by March 2009.
- Develop the regulations for planning and acquiring health technology by March 2009.

Programme 4: Health Human Resources Management and Development

Purpose: Support the development of human resources for health.

Objectives and measures:

- Develop and implement human resources information systems for planning and monitoring in all provinces and 15 districts by in 2009/10.
- Engage with the national Public Health and Social Development Sectoral Bargaining Council on the implementation of the occupational specific dispensation for health professionals in 2009.

Programme 5: Health Services

Purpose: Support the delivery of health services by providing regulatory frameworks and developing policy for health facilities and emergency medical services.

Objectives and measures:

- Promote and co-ordinate the district health system and monitor the delivery of comprehensive primary health care (PHC) in all provinces.
- Complete an audit of PHC services and infrastructure in all 9 provinces by March 2009.
- Develop regulations of key chapters of the National Health Act (2003) by March 2009.
- Process the following legislation through Parliament by March 2009: the Medicines and Related Substances Bill, the South African Medical Research Council Amendment Bill, the Medical Schemes Amendment Bill, and the National Health Act Amendment Bill.
- Complete 3 new hospitals through the hospital revitalisation programme by March 2009.
- Strengthen emergency medical services (EMS) in time for the 2010 FIFA World Cup by implementing the national EMS information system, the emergency care regulations and the disaster management plans in all provinces by 2008/09.

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

Purpose: Co-ordinate bilateral and multilateral international health relations, including donor support. Regulate the procurement of medicines and pharmaceutical supplies. Regulate and provide oversight for trade in health products.

Objectives and measures:

- Strengthen the health system 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 recruiting 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 five years by implementing an electronic document management system by March 2009.
- Develop a pharmacovigilance plan for monitoring extremely drug resistant TB drugs by 2010.
- Ensure that 25 per cent of clinical trials conducted in South Africa are uploaded onto the WHO platform by 2009.

Strategic overview: 2004/05 – 2010/11

July 2007 marked the midpoint of the period set by the United Nations for the achievement of the Millennium Development Goals (MDGs) to which South Africa is a signatory. The Department of Health conducted an extensive review of progress towards the MDGs and challenges for 2008/09. For 2007/08, the National Health Council (NHC) identified interventions geared towards attainment of the MDGs: develop provincial service transformation plans; strengthen human resources for health; improve quality of care; strengthen the provision of infrastructure for hospitals; and strengthen priority health programmes with a specific focus on healthy lifestyles, managing and controlling TB, preventing HIV, and maternal, child and women's health, including immunisation.

Provincial health service transformation

Provincial departments of health updated and costed their service transformation plans (STPs) during 2007/08. The STPs aim to assist provinces to reshape and resize their health services and to develop appropriate, adequately resourced and sustainable health service delivery platforms which are responsive to needs. The department will continue to support provinces to use the STPs as long range plans and to develop and implement annual performance plans.

Access to primary health care services, as measured by head counts, increased systematically from 67 million in 1998/99 to 102 million in March 2007.

Human resources

A new remuneration system, known as the occupational specific dispensation, was developed for all categories of nurses and signed in a collective agreement in the Public Health and Social Development Sectoral Bargaining Council in September 2007. The agreement is applicable to 107 796 nurses in the public service, at a cost of R1.5 billion in 2008/09. This represents a major landmark for improving nurses' conditions of service.

The 2007 Public Service Co-ordinating Bargaining Council wage agreement provides for the implementation of occupational specific remuneration and career progression systems for nurses. The new occupational specific dispensation also applies to nurses in the departments of defence and correctional services and is currently being implemented, backdated to July 2007.

An analysis of the production, recruitment, distribution and retention of personnel over the period 2001/02 to 2006/07 suggests that the public health sector has made progress. The total number of health professionals in the public sector increased from 121 908 in 2001/02 to 139 418 in 2006/07, a 14 per cent increase. The number of doctors and specialists increased from 10 884 to 13 411 over the same period (23.2 per cent). The number of nurses (professional nurses, nursing assistants and student nurses) increased by 11 per cent from 97 111 in 2001/02 to 107 796 in 2006/07.

Treaty permits were extended for 115 Cuban doctors and 32 doctors recruited from Iran for a period of three years. More than 2 000 professional nurses will start community service in 2008. The two-year medical internship programme will be introduced in 2008.

Improving quality of care

The department also initiated the process of linking and harmonising the complaints' management information systems used by the national department and provincial departments to better monitor progress with the management of complaints from health service users.

A primary health care audit was commissioned during 2007/08 to generate comprehensive information on PHC infrastructure and services nationally. The audit will be completed in 2008/09, and the results will be used to improve resource allocation and the delivery of the PHC package of care.

Medicine pricing regulations were reviewed and published for public comment. The department gazetted an international benchmarking methodology in December 2006, which compared medicine pricing policies and practices in five countries: South Africa, Canada, Spain, New Zealand and Australia.

Strengthening infrastructure

Eight new hospitals have been constructed through the hospital revitalisation programme since its inception: Madzikana KaZulu in Eastern Cape; Lebowakgomo and Jane Furse in Limpopo; Piet Retief in Mpumalanga; Calvinia and Colesburg in Northern Cape; Swartruggens in North West; and George in the Western Cape.

Three hospitals were officially opened in 2006/07: Madzikana KaZulu Memorial Hospital (September 2006), George Hospital in the Western Cape (June 2006) and Lebowakgomo Hospital in Limpopo (March 2007).

In 2007/08, 33 hospitals were under construction, 11 more in the planning phase, and a further 16 business cases were approved. 60 hospitals in total are therefore at different stages of being replaced or upgraded.

Priority programmes

Progress is being made in combating the HIV and Aids epidemic, which is now levelling off and in some instances reversing. The 2006 antenatal survey results showed a decrease in the prevalence of HIV among pregnant women who use public health facilities. The new 2007-2011 national strategic plan for HIV and Aids was developed in collaboration with a wide range of stakeholders. In 2007/08, 90 per cent of health facilities provided voluntary counselling and testing (VCT) and prevention of mother to child transmission intervention services. By September 2007, a cumulative total of more than 408 000 patients had been put on ARV treatment in 316 treatment sites across the nine provinces.

Malaria control has been a key success area, with the number of malaria cases decreasing significantly. The number of malaria cases has declined from 13 399 in 2004/05 to 4 916 in 2006/7, and is projected to decline further to about 3 000 cases in 2010/11. Malaria control has also been strengthened in the Maputo corridor through the Lubombo spatial development initiative. The incidence of malaria has decreased by 99 per cent in KwaZulu-Natal. Due to the success of the Lubombo spatial development initiative's malaria project, other Southern African Development Community (SADC) countries are now emulating the model.

South Africa continued to implement its national TB crisis management plan in 2007/08, in four of the worst performing districts: Amathole district and Nelson Mandela metro (Eastern Cape), City of Johannesburg (Gauteng) and Ethekwini metro (KwaZulu-Natal). The advent of extremely drug resistant TB in 2006 presented yet another challenge. In 2007/08, the department produced a five-year TB strategic plan for 2007-2011, which will be implemented to improve TB management and control countrywide.

In October 2006, South Africa was declared polio free by the Africa Regional Certification Commission, a subcommittee of the Global Certification Commission. The need for regional collaboration on disease prevention will be important to prevent polio from being re-imported.

In 2007/08, routine immunisation coverage of 84 per cent was achieved, up from the 82 per cent in 2006/07. Districts with low immunisation coverage have been identified and the public health sector has begun implementing the WHO strategy known as Reach Every District, aimed at improving coverage and protecting children against vaccine preventable diseases.

Significant milestones were achieved towards eradicating malnutrition in South African children. Health sector interventions have included providing vitamin A supplementation to children and mothers. By the end of March 2007, 96.4 per cent of children aged 6-11 months and 60 per cent of post-partum mothers at health facilities had received these supplements. Other interventions included the provision of food parcels and the establishment of food gardens at health facilities, schools and communities.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Percentage national immunisation coverage	82	82	84	90	90	90	90
Number of health districts with more than 90% full immunisation coverage	35/52 (69%)	12/52 (23%)	19/52 (37%)	37/52 (70%)	41/52 (80%)	47/52 (90%)	52/52 (100%)
Percentage of health workers trained in the integrated management of childhood illnesses	64	60	70	70	80	90	90
Number of health facilities with maternity beds declared as baby friendly	159/545 (29.2%)	202/545 (37.1%)	228/545 (42%)	225/545 (41.3%)	245/545 (45%)	272/545 (50%)	300/545 (55%)
TB cure rate	50.1%	50.8%	57.7%	60%	60%	65%	70%
TB treatment defaulter rate	10.1%	10.3%	10.4%	7%	6%	5%	5%
Percentage of multi-drug resistant (MDR) TB cases among new TB patients	–	–	1	<1	<1	<1	<1
Percentage of extremely drug resistant cases among all MDR TB patients	–	–	5	4.5	4	3	2
Number of malaria cases	13 399	12 337	4 916	4 184	3 900	3 500	3 000
Percentage malaria case fatality rate	0.6	0.8	0.8	0.8	0.5	0.4	0.4
Number of hospital revitalisation business cases approved	–	10	9	16	9	9	18

Expenditure estimates

Table 14.1 Health

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	
R thousand								
1. Administration	147 728	163 173	175 592	215 043	210 309	215 647	227 620	244 666
2. Strategic Health Programmes	1 399 380	1 915 256	2 658 776	3 321 332	3 166 862	3 713 085	4 463 192	5 275 327
3. Health Planning and Monitoring	229 692	259 852	301 296	313 884	313 884	326 527	343 340	364 260
4. Health Human Resources Management and Development	1 443 001	1 531 151	1 575 979	1 618 081	1 614 081	1 714 204	1 786 474	1 895 068
5. Health Services	5 178 723	6 024 692	6 566 675	7 552 554	7 379 554	9 052 457	9 716 089	11 047 585
6. International Relations, Health Trade and Health Product Regulation	56 337	42 960	59 729	70 242	60 242	78 925	82 252	87 659
Total	8 454 861	9 937 084	11 338 047	13 091 136	12 744 932	15 100 845	16 618 967	18 914 565
Change to 2007 Budget estimate				436 004	89 800	1 157 082	1 419 537	2 806 579
Economic classification								
Current payments	633 175	600 349	658 561	860 399	754 513	919 256	947 189	1 005 616
Compensation of employees	190 808	209 138	231 729	251 826	256 089	278 395	292 290	316 077
Goods and services	442 275	390 433	423 309	608 573	498 424	640 861	654 899	689 539
<i>of which:</i>								
Communication	13 719	14 878	15 749	16 476	16 476	18 935	18 518	19 416
Computer services	7 297	13 816	2 887	8 419	8 419	8 846	9 266	9 795
Consultants, contractors and special services	29 697	26 540	21 402	43 856	43 856	47 590	49 848	51 981
Inventory	153 922	85 658	153 734	157 295	157 295	163 095	168 400	175 381
Maintenance, repairs and running costs	1 509	4 071	10 048	3 564	3 564	3 764	3 924	4 136
Operating leases	27 887	28 634	36 301	45 777	45 777	49 096	51 666	55 058
Travel and subsistence	55 464	62 853	72 459	95 421	95 421	96 601	100 386	106 796
Financial transactions in assets and liabilities	92	778	3 523	–	–	–	–	–

Table 14.1 Health (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08		2008/09	2009/10	2010/11
Transfers and subsidies	7 795 292	9 307 632	10 610 188	12 186 334	11 956 839	14 155 522	15 644 542	17 880 320
Provinces and municipalities	7 444 127	8 907 992	10 206 711	11 736 678	11 506 678	13 686 597	15 143 374	17 348 887
Departmental agencies and accounts	253 068	249 854	282 711	299 351	299 351	302 150	317 307	336 551
Universities and technikons	–	4 000	–	1 000	1 000	1 000	1 000	1 060
Foreign governments and international organisations	–	1 000	–	–	–	–	–	–
Non-profit institutions	94 943	143 417	120 067	149 287	149 287	165 775	182 861	193 822
Households	3 154	1 369	699	18	523	–	–	–
Payments for capital assets	26 394	29 103	69 298	44 403	33 580	26 067	27 236	28 629
Buildings and other fixed structures	7 719	6 193	265	4 734	–	–	–	–
Machinery and equipment	18 525	13 770	24 126	39 669	33 521	26 067	27 236	28 629
Software and other intangible assets	150	9 140	44 907	–	59	–	–	–
Total	8 454 861	9 937 084	11 338 047	13 091 136	12 744 932	15 100 845	16 618 967	18 914 565

Expenditure trends

Expenditure grows from R8.5 billion in 2004/05 to R18.9 billion in 2010/11 at an average annual rate of 14.4 per cent. Between 2004/05 and 2007/08 expenditure grew at an average annual rate of 15.7 per cent, and slows down to 13.1 per cent over the MTEF period. Increases over both periods are mainly due to the increases in grants for HIV and Aids and hospital revitalisation.

Expenditure is dominated by the *HIV and Aids and STIs* subprogramme in the *Strategic Health Programmes* programme and the hospital revitalisation grant under the *Hospital and Health Facilities Management* subprogramme in the *Health Services* programme.

Spending in all the major programmes grows over the medium term, with spending in *Strategic Health Programmes* increasing by an average annual rate of 16.7 per cent and in *Health Services* by an average annual rate of 13.5 per cent. Transfer payments, mainly to provinces, constitute 94 per cent of voted expenditure in 2008/09, and grow by an average annual rate of 14.8 per cent between 2004/05 and 2010/11.

In the 2008 Budget, additional allocations over the MTEF period (2008/09, 2009/10 and 2010/11) are mainly for:

- the hospital revitalisation conditional grant (R600 million, R500 million and R900 million): to address recent cost escalations in the first year and allow for additional projects in the outer years
- the comprehensive HIV and Aids conditional grant: to expand coverage of the comprehensive plan and strengthen prevention programmes (R350 million, R600 million and R1.2 billion)
- the national tertiary services grant: to strengthen tertiary services and central hospitals (R193 million, R248 million and R640 million)
- R10 million has been earmarked to formulate a plan to recapitalise the nursing colleges.

Efficiency savings of R13.6 million in 2008/09, R18.7 million in 2009/10 and R16.8 million in 2010/11 have been identified in all programmes under goods and services, mainly in travel and subsistence, printing and publications, and consultancy fees.

Most infrastructure spending falls under the hospital revitalisation grant, reflected in the *Health Services* programme. Allocations under this grant increase from R733.8 million in 2004/05 to R3.6 billion in 2010/11. Sixty hospitals are being upgraded or replaced as part of the hospital revitalisation programme, which enters its sixth year in 2008/09. The programme continues to illustrate the importance of an integrated strategy for

improving health service delivery, including infrastructure, equipment, quality of care, management and organisational development at targeted hospitals.

Departmental receipts

The largest source of revenue for the Department of Health has been from the Medicines Control Council (MCC). However, the projections over the MTEF period discount this revenue as the council is in the process of reform and may be established as a juristic person which will retain its own revenue. The revenue projections over the MTEF period are for licences for dispensing medicine from pharmacies and by doctors.

Table 14.2 Departmental receipts

R thousand	Audited outcome			Estimate	Medium-term receipts estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Departmental receipts	18 114	59 924	33 303	11 629	5 961	6 168	12 070
Sales of goods and services produced by department	11 491	58 351	32 146	10 168	4 128	4 338	10 245
Sales of scrap, waste and other used current goods	11	5	41	36	38	40	42
Transfers received	2	–	–	–	–	–	–
Interest, dividends and rent on land	115	98	212	244	256	269	285
Financial transactions in assets and liabilities	6 495	1 470	904	1 181	1 539	1 521	1 498
Total	18 114	59 924	33 303	11 629	5 961	6 168	12 070

Programme 1: Administration

Purpose: Conduct the overall management of the department and provide centralised support services.

Expenditure estimates

Table 14.3 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Minister ¹	791	837	885	951	1 019	1 072	1 127
Deputy Minister ²	593	680	719	703	828	871	916
Management	10 425	14 449	16 381	21 769	27 247	29 592	31 761
Corporate Services	106 183	115 083	123 769	153 456	144 987	149 619	159 301
Property Management	29 736	32 124	33 838	38 164	41 566	46 466	51 561
Total	147 728	163 173	175 592	215 043	215 647	227 620	244 666
Change to 2007 Budget estimate				4 734	3 630	4 045	5 646

1. Payable as from 1 April 2007. Salary: R761 053. Car allowance: R190 262.

2. Payable as from 1 April 2007. Salary: R562 337. Car allowance: R140 584.

Economic classification

	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Current payments	136 336	151 958	171 331	196 025	211 156	222 904	239 661
Compensation of employees	54 726	61 470	67 875	69 378	75 042	79 309	85 682
Goods and services	81 527	90 443	103 387	126 647	136 114	143 595	153 979
of which:							
Communication	8 758	9 214	9 824	9 129	9 642	10 124	10 764
Computer services	7 120	2 284	2 378	5 949	6 283	6 597	7 015
Consultants, contractors and special services	2 490	2 066	2 834	4 497	4 750	4 987	5 302
Inventory	3 815	4 970	7 333	6 976	7 368	7 736	8 225
Maintenance, repairs and running costs	217	1 165	1 726	1 905	2 012	2 113	2 246
Operating leases	26 029	27 069	34 235	39 574	42 293	44 633	47 679
Travel and subsistence	14 642	16 873	18 519	20 327	21 469	22 542	23 967
Financial transactions in assets and liabilities	83	45	69	–	–	–	–

Table 14.3 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Transfers and subsidies	512	599	393	252	265	280	304
Provinces and municipalities	167	192	51	–	–	–	–
Departmental agencies and accounts	193	209	240	252	265	280	304
Households	152	198	102	–	–	–	–
Payments for capital assets	10 880	10 616	3 868	18 766	4 226	4 436	4 701
Buildings and other fixed structures	7 719	6 193	265	4 734	–	–	–
Machinery and equipment	3 123	2 916	2 738	14 032	4 226	4 436	4 701
Software and other intangible assets	38	1 507	865	–	–	–	–
Total	147 728	163 173	175 592	215 043	215 647	227 620	244 666

Details of major transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	193	209	240	252	265	280	304
Service Sector Education and Training Authority	193	209	240	252	265	280	304

Expenditure trends

Expenditure increases at an average annual rate of 8.8 per cent, from R147.7 million in 2004/05 to R244.7 million in 2010/11. The *Corporate Services* subprogramme grows by 24 per cent in 2007/08 due to the appointment of more senior managers and the restructuring of the department into smaller, more effective units.

Programme 2: Strategic Health Programmes

Purpose: Co-ordinate, manage and fund a range of strategic national health programmes including developing policies, systems and norms and standards.

- *Maternal, Child and Women's Health* formulates and monitors policies, guidelines, and norms and standards for maternal, child and youth health care, and women's health.
- *HIV and Aids and STIs* manages the national HIV and Aids and sexually transmitted infection programmes, including co-ordinating the implementation of the comprehensive HIV and Aids plan and the related conditional grant. The programme also manages strategic partnerships and provides support functions for the South African National Aids Council (SANAC).
- *Communicable Diseases* is responsible for developing policies and supporting provinces to ensure the control of infectious diseases.
- *Non-Communicable Diseases* prevents and controls chronic diseases, and establishes guidelines for disability, older people, oral health and mental health. It is also responsible for: transferring forensic mortuaries from the South African Police Service to provincial health departments; developing a national forensic pathology service; rationalising blood transfusion services; and liaising with the National Health Laboratory Service, the National Institute of Communicable Diseases and the National Centre for Occupational Diseases.
- *TB Control and Management* develops interventions to curb the spread of tuberculosis, provides support to and oversight of the implementation of the TB crisis management plan, and monitors and improves national TB performance indicators.

Expenditure estimates

Table 14.4 Strategic Health Programmes

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Maternal, Child and Women's Health and Nutrition	16 445	16 397	19 305	24 024	24 505	25 541	27 091
HIV and Aids and STIs	1 107 303	1 511 802	1 953 312	2 473 597	3 078 038	3 795 913	4 531 588
Communicable Diseases	12 486	4 636	5 806	7 599	8 449	8 737	9 234
Non-Communicable Diseases	256 393	373 520	669 198	804 358	589 224	620 150	693 317
TB Control and Management	6 753	8 901	11 155	11 754	12 869	12 851	14 097
Total	1 399 380	1 915 256	2 658 776	3 321 332	3 713 085	4 463 192	5 275 327
Change to 2007 Budget estimate				196 259	348 679	668 033	1 258 448
Economic classification							
Current payments	341 917	286 360	291 711	405 174	417 727	431 375	451 806
Compensation of employees	46 913	51 916	55 854	60 405	63 553	67 049	72 413
Goods and services	294 998	233 936	235 677	344 769	354 174	364 326	379 393
<i>of which:</i>							
Communication	2 779	3 050	3 110	2 814	2 901	2 989	3 109
Computer services	46	8 460	45	466	480	495	515
Consultants, contractors and special services	22 616	16 722	6 872	16 997	17 525	18 057	18 779
Inventory	143 796	75 579	140 446	139 320	143 646	148 007	153 927
Maintenance, repairs and running costs	1 177	1 924	6 401	1 061	1 094	1 127	1 172
Operating leases	256	374	363	1 682	1 734	1 787	1 858
Travel and subsistence	17 444	18 140	21 281	29 467	30 382	31 304	32 556
Financial transactions in assets and liabilities	6	508	180	–	–	–	–
Transfers and subsidies	1 045 699	1 613 462	2 350 282	2 897 507	3 280 695	4 016 413	4 807 198
Provinces and municipalities	880 552	1 422 163	2 177 930	2 678 643	3 052 301	3 767 848	4 543 719
Departmental agencies and accounts	77 879	60 216	54 920	72 038	65 271	68 539	72 651
Universities and technikons	–	4 000	–	1 000	1 000	1 000	1 060
Foreign governments and international organisations	–	1 000	–	–	–	–	–
Non-profit institutions	86 876	125 737	117 252	145 809	162 123	179 026	189 768
Households	392	346	180	17	–	–	–
Payments for capital assets	11 764	15 434	16 783	18 651	14 663	15 404	16 323
Machinery and equipment	11 695	7 873	15 501	18 651	14 663	15 404	16 323
Software and other intangible assets	69	7 561	1 282	–	–	–	–
Total	1 399 380	1 915 256	2 658 776	3 321 332	3 713 085	4 463 192	5 275 327
Details of major transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	880 405	1 422 011	1 942 687	2 380 051	2 987 006	3 767 848	4 543 719
Comprehensive HIV and Aids grant	735 381	1 150 108	1 616 214	2 006 223	2 585 423	3 276 186	3 986 757
Forensic pathology services grant	145 024	271 903	326 473	373 828	401 583	491 662	556 962
Capital	–	–	235 203	298 592	65 295	–	–
Forensic pathology services grant	–	–	235 203	298 592	65 295	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	77 879	60 216	54 920	72 038	65 271	68 539	72 651
Human Sciences Research Council	–	–	5 600	–	–	–	–
MRC Malaria Lubombo Spatial Development Initiative	5 000	–	–	–	–	–	–
National Health Laboratory Services	52 879	60 216	49 320	72 038	65 271	68 539	72 651
National Health Laboratory Services: Cancer register	20 000	–	–	–	–	–	–
Universities and technikons							
Current	–	4 000	–	1 000	1 000	1 000	1 060
MEDUNSA	–	2 000	–	500	500	500	530
University of Cape Town	–	2 000	–	500	500	500	530

Table 14.4 Strategic Health Programmes (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Foreign governments and international organisations							
Current	-	1 000	-	-	-	-	-
SADC Regional HIV and Aids Trust Fund	-	1 000	-	-	-	-	-
Non-profit institutions							
Current	86 876	125 737	117 252	145 809	162 123	179 026	189 768
SA National Council for the Blind	424	449	476	500	525	552	585
HIV and Aids: Non-governmental organisations	40 186	49 593	52 277	55 367	58 390	61 444	65 131
LifeLine	7 000	13 000	14 000	15 000	11 000	11 550	12 243
loveLife	23 000	36 999	35 000	53 000	63 000	73 000	77 380
Mental Health: Non-governmental organisations	180	96	-	239	261	285	302
Soul City	2 950	12 000	11 078	12 000	14 000	16 000	16 960
South African Aids Vaccine Initiative	10 000	10 000	-	5 000	10 000	11 000	11 660
South African Community Epidemiology Network on Drug Use	130	200	200	200	200	200	212
South African Federation for Mental Health	200	200	212	223	234	246	261
Tuberculosis: Non-governmental organisations	2 800	2 950	3 074	3 303	3 483	3 665	3 885
World Bank	6	-	-	-	-	-	-
MCWH: NGO	-	250	935	977	1 030	1 084	1 149

Expenditure trends

Spending in *Strategic Health Programmes* grows from R1.4 billion in 2004/05 to R5.3 billion in 2010/11, at an average annual rate of 24.8 per cent. The *HIV and Aids and STIs* subprogramme is the largest subprogramme, and spending grows from R1.1 billion to R4.5 billion, at an average annual rate of 26.5 per cent, over the same period. Growth is mainly in the comprehensive HIV and Aids conditional grant to provinces, which grows at an average annual rate of 25.7 per cent over the MTEF period. Spending in the *Non-Communicable Diseases* subprogramme appears to decline by 4.8 per cent over the MTEF period; however the higher base in 2007/08 is due to substantial rollovers of capital funds from 2006/07 for forensic pathology services.

Programme 3: Health Planning and Monitoring

Purpose: Conduct research to support planning and monitoring of the delivery of health services, primarily in the provincial and local spheres of government.

- *Health Information, Research and Evaluation* develops and maintains a national health information system and commissions and co-ordinates research. It provides disease surveillance and epidemiological analyses and technical and epidemiological leadership during disease outbreaks; conducts training for epidemic prone disease prevention, preparedness and control; and monitors and evaluates health programmes. It provides research funding to the Medical Research Council and the National Health Laboratory Services and oversees their 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 the Council for Medical Schemes.
- *Pharmaceutical Policy and Planning* monitors the procurement and supply of drugs, and ensures that there are no stock-outs of essential drugs, especially paediatric, TB and ARV medicines.
- *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 regulates and conducts inspections for radiation control.

Expenditure estimates

Table 14.5 Health Planning and Monitoring

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Health Information Research and Evaluation	189 885	210 833	233 360	250 507	258 065	271 850	288 166
Financial Planning and Health Economics	11 528	12 684	27 586	22 192	24 646	25 435	26 933
Pharmaceutical Policy and Planning	12 181	12 387	11 923	14 116	16 145	16 842	18 053
Office of Standards Compliance	16 098	23 948	28 427	27 069	27 671	29 213	31 108
Total	229 692	259 852	301 296	313 884	326 527	343 340	364 260
Change to 2007 Budget estimate				179	1 960	2 678	2 760

Economic classification

Current payments	49 145	56 326	68 719	83 826	86 884	91 835	97 321
Compensation of employees	27 556	33 358	38 511	46 622	52 356	55 461	59 837
Goods and services	21 589	22 945	30 205	37 204	34 528	36 374	37 484
<i>of which:</i>							
Communication	597	600	808	1 169	1 184	1 235	1 286
Computer services	118	2 881	351	1 627	1 648	1 720	1 788
Consultants, contractors and special services	3 931	4 130	8 679	7 817	7 917	8 263	8 592
Inventory	2 101	1 881	3 494	4 267	4 322	4 510	4 690
Maintenance, repairs and running costs	39	253	1 631	178	180	188	196
Operating leases	206	294	272	313	317	331	344
Travel and subsistence	7 356	8 911	10 182	13 104	11 240	11 381	11 563
Financial transactions in assets and liabilities	–	23	3	–	–	–	–
Transfers and subsidies	178 964	201 842	229 973	227 432	236 885	248 749	263 872
Provinces and municipalities	84	105	27	–	–	–	–
Departmental agencies and accounts	170 996	184 429	227 451	224 931	234 259	245 992	260 950
Non-profit institutions	7 814	17 247	2 382	2 501	2 626	2 757	2 922
Households	70	61	113	–	–	–	–
Payments for capital assets	1 583	1 684	2 604	2 626	2 758	2 756	3 067
Machinery and equipment	1 540	1 612	2 580	2 626	2 758	2 756	3 067
Software and other intangible assets	43	72	24	–	–	–	–
Total	229 692	259 852	301 296	313 884	326 527	343 340	364 260

Details of major transfers and subsidies

Departmental agencies (non-business entities)							
Current	170 996	184 429	227 451	224 931	234 259	245 992	260 950
Council for Medical Schemes	2 800	4 803	15 000	3 283	3 447	3 619	3 836
Medical Research Council	167 892	179 304	212 110	221 290	230 436	241 978	256 695
National Health Laboratory Services: Cancer register	304	322	341	358	376	395	419
Non-profit institutions							
Current	7 814	17 247	2 382	2 501	2 626	2 757	2 922
Health Systems Trust	7 814	17 247	2 382	2 501	2 626	2 757	2 922

Expenditure trends

Expenditure increases from R229.7 million in 2004/05 to R364.3 million in 2010/11, at an average annual rate of 8 per cent. Most of the expenditure consists of transfers to the Medical Research Council in the *Health Information Research and Evaluation* subprogramme. In 2006/07, the *Financial Planning and Health Economics* subprogramme received a once-off transfer of R15 million to fund the Council for Medical Schemes to develop a system to prepare for implementing risk equalisation in the medical scheme industry.

The functions of the *Primary Health Care* subprogramme have been shifted to the *District Health Services* subprogramme in the *Health Services* programme.

Programme 4: Health Human Resources Management and Development

Purpose: Support the development of human resources for health.

- *Human Resources Policy, Research and Planning* is responsible for medium to long range 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 information systems for human resources planning and monitoring as part of the national human resources information system.
- *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 the employees of the Department of Health.

Expenditure estimates

Table 14.6 Health Human Resources Management and Development

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Human Resources Policy, Research and Planning	26	4 468	3 341	5 804	9 328	7 927	8 361
Sector Labour Relations and Planning	923	878	1 935	4 159	4 355	4 580	4 889
Human Resources Development and Management	1 442 052	1 525 805	1 570 703	1 608 118	1 700 521	1 773 967	1 881 818
Total	1 443 001	1 531 151	1 575 979	1 618 081	1 714 204	1 786 474	1 895 068
Change to 2007 Budget estimate				1 000	16 107	3 554	4 940
Economic classification							
Current payments	8 693	10 804	13 487	20 966	37 397	25 965	29 154
Compensation of employees	6 157	5 834	8 888	10 514	16 015	14 531	16 297
Goods and services	2 535	4 970	4 595	10 452	21 382	11 434	12 857
of which:							
Communication	70	54	83	215	229	237	151
Computer services	–	16	87	12	13	14	15
Consultants, contractors and special services	152	931	775	777	826	857	908
Inventory	344	490	479	1 361	1 447	1 501	1 591
Maintenance, repairs and running costs	–	79	63	59	63	65	69
Operating leases	160	203	185	547	582	604	640
Travel and subsistence	1 257	2 093	1 640	3 233	3 437	3 564	3 777
Financial transactions in assets and liabilities	1	–	4	–	–	–	–
Transfers and subsidies	1 434 169	1 520 205	1 520 188	1 596 190	1 675 999	1 759 799	1 865 387
Provinces and municipalities	1 434 153	1 520 201	1 520 186	1 596 189	1 675 999	1 759 799	1 865 387
Households	16	4	2	1	–	–	–
Payments for capital assets	139	142	42 304	925	808	710	527
Machinery and equipment	139	142	548	925	808	710	527
Software and other intangible assets	–	–	41 756	–	–	–	–
Total	1 443 001	1 531 151	1 575 979	1 618 081	1 714 204	1 786 474	1 895 068

Table 14.6 Health Human Resources Management and Development (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Details of major transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	1 434 132	1 520 180	1 520 180	1 596 189	1 675 999	1 759 799	1 865 387
Health professions training and development grant	1 434 132	1 520 180	1 520 180	1 596 189	1 675 999	1 759 799	1 865 387

Expenditure trends

Expenditure increases from R1.4 billion in 2004/05 to R1.9 billion in 2010/11, at an average annual rate of 4.6 per cent. Expenditure in this programme is dominated by the health professional training and development grant to provinces (98 per cent in 2008/09). Excluding the conditional grant, core expenditure in this programme increases at an average annual rate of 22.3 per cent from 2004/05 to 2010/11 due to the re-enforcement of the sector labour relations and planning unit as well as the human resources policy and planning unit. There is an average annual increase of 5.4 per cent over the MTEF period in *Human Resources Development and Management* accounted for by the implementation of the new Human Resources for Health plan.

Programme 5: Health Services

Purpose: Support the delivery of health services by providing regulatory frameworks and developing policy for health facilities and emergency medical services.

This new programme consists of units previously located in other branches.

- *District Health Services* promotes and co-ordinates the district health system and monitors primary health care 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 programme and regulatory support (such as food control) for interventions to ensure a safe environment.
- *Occupational Health* provides programme leadership for workplace health services and manages the Medical Bureau for Occupational Diseases and the Compensation Commission for Occupational Diseases, which compensates miners with occupational respiratory disease.
- *Hospital and Health Facilities Management* deals with national policy on hospital and emergency medical services. It is also responsible for the conditional grant for the revitalisation of hospitals.

Expenditure estimates

Table 14.7 Health Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
District Health Services	7 080	7 991	9 036	22 085	18 395	20 849	23 541
Environmental Health Promotion and Nutrition	11 926	15 049	18 190	17 746	19 832	20 785	21 875
Occupational Health	22 895	26 159	20 292	30 189	29 630	31 047	33 111
Hospitals and Health Facilities Management	5 136 822	5 975 493	6 519 157	7 482 534	8 984 600	9 643 408	10 969 058
Total	5 178 723	6 024 692	6 566 675	7 552 554	9 052 457	9 716 089	11 047 585
Change to 2007 Budget estimate				236 332	787 422	741 564	1 534 934

Table 14.7 Health Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Economic classification							
Current payments	41 527	52 759	54 954	84 824	87 862	93 729	100 791
Compensation of employees	26 373	28 596	29 920	37 404	37 824	39 905	43 097
Goods and services	15 153	23 981	21 805	47 420	50 038	53 824	57 694
<i>of which:</i>							
Communication	1 279	1 470	1 438	2 260	2 727	2 914	3 030
Computer services	6	16	26	157	189	202	211
Consultants, contractors and special services	479	2 566	1 903	13 301	16 049	17 149	17 835
Inventory	2 606	1 587	842	3 419	4 125	4 408	4 584
Maintenance, repairs and running costs	47	76	163	126	152	162	169
Operating leases	131	168	208	787	950	1 015	1 056
Travel and subsistence	5 563	7 639	7 321	11 770	10 447	11 507	13 717
Financial transactions in assets and liabilities	1	182	3 229	–	–	–	–
Transfers and subsidies	5 135 709	5 971 186	6 509 279	7 464 953	8 961 678	9 619 301	10 943 559
Provinces and municipalities	5 129 086	5 965 247	6 508 494	7 461 846	8 958 297	9 615 727	10 939 781
Departmental agencies and accounts	4 000	5 000	100	2 130	2 355	2 496	2 646
Non-profit institutions	253	433	433	977	1 026	1 078	1 132
Households	2 370	506	252	–	–	–	–
Payments for capital assets	1 487	747	2 442	2 777	2 917	3 059	3 235
Machinery and equipment	1 487	747	1 462	2 777	2 917	3 059	3 235
Software and other intangible assets	–	–	980	–	–	–	–
Total	5 178 723	6 024 692	6 566 675	7 552 554	9 052 457	9 716 089	11 047 585

Details of major transfers and subsidies

Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	4 395 205	4 859 728	4 981 149	5 321 206	6 075 634	6 533 931	7 303 077
Hospital management and quality improvement grant	122 200	150 342	–	–	–	–	–
National tertiary services grant	4 273 005	4 709 386	4 981 149	5 321 206	6 075 634	6 533 931	7 303 077
Capital	733 802	1 105 427	1 527 323	2 140 640	2 882 663	3 081 796	3 636 704
Hospital revitalisation grant	733 802	1 105 427	1 527 323	2 140 640	2 882 663	3 081 796	3 636 704
Departmental agencies and accounts							
Social security funds							
Current	4 000	5 000	–	2 130	2 355	2 496	2 646
Compensation Commissioner	4 000	5 000	–	2 130	2 355	2 496	2 646
Non-profit institutions							
Current	253	433	433	977	1 026	1 078	1 132
Health Promotion: NGO	253	433	433	890	935	982	1 037
Environmental Health: NGO	–	–	–	87	91	96	95

Expenditure trends

Expenditure increases at an average annual rate of 13.5 per cent between 2004/05 and 2010/11, mainly due to conditional grants to provinces. The national tertiary services grant (NTSG) grows from R4.3 billion to R7.3 billion between 2004/05 and 2010/11, at an average annual rate of 9.3 per cent, due to additional allocations for modernising cancer services and medical equipment. The hospital revitalisation grant grows from R734 million in 2004/05 to R2.9 billion in 2008/09 and to R3.6 billion in 2010/11. Spending in *District*

Health Services increases at an average annual rate of 22.2 per cent between 2004/05 and 2010/11 to replace donor funding, which ends in 2007/08.

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

Purpose: Co-ordinate bilateral and multilateral international health relations, including donor support. Regulate the procurement of medicines and pharmaceutical supplies. Regulate and provide oversight for trade in health products.

- *Multilateral Relations* liaises with the international health community, manages participation in international organisations, co-ordinates regional health co-operation with members of SADC, facilitates implementation of the New Partnership for Africa's Development (NEPAD) health strategy, and identifies and co-ordinates donor and foreign assistance resources.
- *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 medicines and trade in pharmaceutical products to ensure access to safe and affordable medicines. It supports the Medicines Control Council.

Expenditure estimates

Table 14.8 International Relations, Health Trade and Health Product Regulation

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Multilateral Relations	26 747	18 834	31 419	44 116	44 554	46 028	48 854
Food Control and Non-medical Health Product Regulation	4 745	3 737	3 514	5 300	6 002	6 323	6 707
Pharmaceutical and Related Product Regulation and Management	24 845	20 389	24 796	20 826	28 369	29 901	32 098
Total	56 337	42 960	59 729	70 242	78 925	82 252	87 659
Change to 2007 Budget estimate				(2 500)	(716)	(337)	(149)
Economic classification							
Current payments	55 557	42 142	58 359	69 584	78 230	81 381	86 883
Compensation of employees	29 083	27 964	30 681	27 503	33 605	36 035	38 751
Goods and services	26 473	14 158	27 640	42 081	44 625	45 346	48 132
<i>of which:</i>							
<i>Communication</i>	236	490	486	889	2 252	1 019	1 076
<i>Computer services</i>	7	159	–	208	233	238	251
<i>Consultants, contractors and special services</i>	29	125	339	467	523	535	565
<i>Inventory</i>	1 260	1 151	1 140	1 952	2 187	2 238	2 364
<i>Maintenance, repairs and running costs</i>	29	574	64	235	263	269	284
<i>Operating leases</i>	1 105	526	1 038	2 874	3 220	3 296	3 481
<i>Travel and subsistence</i>	9 202	9 197	13 516	17 520	19 626	20 088	21 216
Financial transactions in assets and liabilities	1	20	38	–	–	–	–
Transfers and subsidies	239	338	73	–	–	–	–
Provinces and municipalities	85	84	23	–	–	–	–
Households	154	254	50	–	–	–	–
Payments for capital assets	541	480	1 297	658	695	871	776
Machinery and equipment	541	480	1 297	658	695	871	776
Total	56 337	42 960	59 729	70 242	78 925	82 252	87 659

Expenditure trends

Expenditure increases from R56 million to R88 million between 2004/05 and 2010/11, at an average annual rate of 7.6 per cent. Expenditure in the *Multilateral Relations* subprogramme fluctuates because of its dependence on exchange rates. The bulk of the funds are used to pay membership fees to international agencies such as the World Health Organisation, and for the activities of health attachés.

Spending in *Pharmaceutical and Related Product Regulation and Management* increases by 36.2 per cent from 2007/08 to 2008/09, due particularly to the re-enforcement of the inspectorate, which assists to curb the flow of counterfeit drugs into the country.

Public entities and other agencies

South African Medical Research Council

The South African Medical Research Council (MRC) is the largest health research body in South Africa established in accordance with the Medical Research Council Act (1991). The MRC is mandated to promote the improvement of health and the quality of life of the population of South Africa through research, development and technology transfer, and therefore operates with close links to university research units.

The current overarching research strategy of the MRC is articulated through the six national programmes into which the MRC units and other research entities are grouped:

- environment and development
- health systems and policy
- non-communicable diseases
- infection and immunity
- molecules to disease
- women and child health.

The MRC's 2005-2010 strategic plan and its 2007-2010 business plan provide details on the wide ranging objectives and activities of the council's 45 research units. The MRC's financial model aims to increase the sustainability of the organisation.

The Centre for Molecular and Cellular Biology was instrumental in producing the fourth TB genome sequence with partners at Harvard. This is the second entire genome to be sequenced out of South Africa. The role of the council's malaria research programme in reducing malaria prevalence by 88 per cent in the Lubombo spatial development initiative contributed to the WHO's decision to recommend the use of residual indoor spraying with DDT to reduce malaria prevalence in regions of the world where the disease is endemic.

Selected projected performance indicators

Indicators	2008/2009	2009/2010	2010/2011
Number of peer reviewed publications	732	769	807
Number of peer reviewed publications per senior scientist	2	2.1	2.2
Number of research projects	504	555	610
Number of university funded projects	185	205	225
External income target (R million)	300	350	420

Expenditure estimates

Table 14.9 SA Medical Research Council

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	178 603	194 775	279 097	242 279	274 960	285 665	295 670
Sale of goods and services other than capital assets	161 466	176 547	239 295	217 824	250 000	260 000	270 000
<i>of which:</i>							
<i>Sales by market establishments</i>	161 466	176 547	239 295	217 824	250 000	260 000	270 000
Other non-tax revenue	17 137	18 228	39 802	24 455	24 960	25 665	25 670
Transfers received	153 358	150 891	175 720	221 290	230 436	241 978	256 695
Total revenue	331 961	345 666	454 817	463 569	505 396	527 643	552 365
Expenses							
Current expense	316 574	356 266	424 763	459 048	505 136	522 921	547 982
Compensation of employees	141 016	174 732	205 300	192 678	205 643	217 984	232 114
Goods and services	161 669	171 481	208 056	255 020	288 319	294 737	305 668
Depreciation	13 503	9 441	9 683	10 350	10 174	9 700	9 700
Interest, dividends and rent on land	386	612	1 724	1 000	1 000	500	500
Total expenses	316 574	356 266	424 763	459 048	505 136	522 921	547 982
Surplus / (Deficit)	15 387	(10 600)	30 054	4 521	260	4 722	4 383
Acquisition of assets	15 554	19 908	16 746	14 800	15 300	15 600	15 600

Expenditure trends

The Medical Research Council receives around 46 per cent of its revenue (R230 million out of R505 million in 2008/09) from transfers from the Department of Health, and the remainder from external contracts. Revenue has increased by an average annual rate of 11.8 per cent over the past three years, from R332 million in 2004/05 to R464 million in 2007/08.

The key spending area remains salaries, which consumes up to 89 per cent of transfers in 2008/09. Corporate support budgets are high (32 per cent of transfers or 14 per cent of total spending), and a plan has been developed to contain these costs.

The increase in compensation of employees is due in part to a realignment of salaries in 2005/06 to stem the flow of losses and retain staff by offering market related salaries.

National Health Laboratory Service

The National Health Laboratory Service (NHLS) is the largest diagnostic pathology service in South Africa with a network of approximately 268 pathology laboratories employing over 5 500 people, and serving mainly the public sector. The entity was established in 2001 in terms of the National Health Laboratory Service Act (2000) to form a single national public health laboratory service incorporating the previous South African Institute for Medical Research (SAIMR) and various governmental and provincial laboratories.

Laboratory services provided include microbiology, virology, chemical pathology, haematology, parasitology and immunology. The NHLS is also responsible for undergraduate and postgraduate pathology training in the medical curricula of eight universities. Research by the NHLS covers a wide range of activities across all pathology disciplines.

The NHLS has three specialised institutes:

- The National Institute of Communicable Diseases came into being in January 2002, replacing the previous National Institute for Virology and microbiology, parasitology and entomology laboratories from the former SAIMR to create a comprehensive public health communicable diseases institution.

- The National Institute for Occupational Health supports the development and provision of occupational health services in South Africa.
- The National Cancer Registry provides epidemiological information for cancer surveillance and assists in building national awareness of cancer.

The consolidation of laboratory services into a national entity has provided an interesting example of the ability of an entity to specialise and focus on a particular area of service delivery, in this case specialised diagnostic laboratory services, teaching and research. The increase in demand for its services will require innovation, improved test methods and automation to ensure that the organisation delivers on its mandate and is not constrained by the current shortage of skills.

In 2006, when it incorporated 53 KwaZulu-Natal laboratories, the NHLS added a further 17 per cent to service capacity, increasing the total provision of services by 35 per cent. In addition, in 2006/07 the NHLS established 46 new sites with the intention of having one site per district by 2008 and maintaining utilisation at 65 per cent to ensure sufficient capacity. To alleviate the growing demand for laboratory services the NHLS has been able to increase the training of registrars and consultants, bringing the total number of pathologists in the NHLS's employ to 142. The number of CD4 tests carried out more than doubled from 704 131 in 2005/06 to 1.6 million in 2006/07, with the price of a CD4 test remaining at R60 for the fourth consecutive year.

To mitigate the increasing health burden posed by HIV and Aids and TB, the NHLS will adopt new technology platforms, automating many of the processes and investigating alternative methods to improve current diagnostic methods. Furthermore, a national TB reference laboratory costing R20 million will be completed and become operational in the second half of 2008. A new laboratory information system will be implemented in KwaZulu-Natal in 2008, which will result in additional benefits such as service level monitoring and programme management information for TB, antiretroviral treatment and cervical screening.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of available new registrar posts	30	60	58	60	50	50	50
Number of available new medical technologist training posts	208	288	239	186	200	220	240
Number of available intern scientists	–	–	22	22	22	22	22
Number of additional CD4 laboratories	24	24	24	47	50	55	60
Number of additional viral load laboratories	9	8	8	20	25	30	35
Number of CD4 tests carried out on patients	436 000	704 131	1 566 276	2 000 000	2 500 000	3 000 000	3 500 000
Number of viral load tests	63 000	160 417	373 694	580 000	700 000	800 000	1 000 000

Expenditure estimates

Table 14.10 National Health Laboratory Service

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	1 083 337	1 351 274	1 787 957	2 172 384	2 312 504	2 674 548	2 775 947
Sale of goods and services other than capital assets	1 060 670	1 323 500	1 745 558	2 109 876	2 234 504	2 585 548	2 675 947
<i>of which:</i>							
<i>Sales by market establishments</i>	1 060 670	1 323 500	1 745 558	2 109 876	2 234 504	2 585 548	2 675 947
Other non-tax revenue	22 667	27 774	42 399	62 508	78 000	89 000	100 000
Transfers received	86 764	74 329	93 317	72 396	65 647	68 934	73 070
Total revenue	1 170 101	1 425 603	1 881 274	2 244 780	2 378 151	2 743 482	2 849 017

Table 14.10 National Health Laboratory Service (continued)

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Expenses							
Current expense	1 061 291	1 253 702	1 696 653	2 129 254	2 276 762	2 640 447	2 735 517
Compensation of employees	229 857	298 582	337 872	373 212	410 533	451 587	496 745
Goods and services	809 255	937 517	1 327 618	1 709 432	1 814 038	2 130 940	2 174 908
Depreciation	19 284	15 620	30 496	46 010	51 491	57 170	63 064
Interest, dividends and rent on land	2 895	1 983	667	600	700	750	800
Transfers and subsidies	11 403	1 479	1 390	1 900	2 090	2 299	2 529
Total expenses	1 072 694	1 255 181	1 698 043	2 131 154	2 278 852	2 642 746	2 738 046
Surplus / (Deficit)	97 407	170 422	183 231	113 626	99 299	100 736	110 971
Balance sheet data							
Carrying value of assets	184 678	225 045	356 334	512 288	622 055	734 965	851 505
<i>of which: Acquisition of assets</i>	<i>57 186</i>	<i>56 641</i>	<i>165 356</i>	<i>206 318</i>	<i>163 811</i>	<i>172 837</i>	<i>182 582</i>
Inventory	5 823	18 857	29 582	35 498	38 338	41 022	43 483
Receivables and prepayments	277 038	324 542	586 811	688 787	693 840	680 357	647 992
Cash and cash equivalents	88 594	288 509	296 949	336 093	281 955	220 571	275 941
Total assets	556 133	856 953	1 269 676	1 572 666	1 636 189	1 676 916	1 818 921
Capital and reserves	132 642	299 543	521 487	635 113	734 412	835 148	946 119
Borrowings	3 843	4 539	5 148	5 848	6 529	7 186	7 812
Post-retirement benefits	194 866	256 313	346 143	450 774	495 852	510 727	543 594
Trade and other payables	151 478	215 171	284 882	346 512	255 568	175 711	162 883
Provisions	73 304	81 387	112 016	134 419	143 829	148 143	158 513
Total equity and liabilities	556 133	856 953	1 269 676	1 572 667	1 636 189	1 676 916	1 818 922

Expenditure trends

The NHLS has grown, with revenue of R2.9 billion projected for 2010/11. Total revenue increased by 24.3 per cent from 2004/05 to 2007/08, partly driven by the incorporation of the large KwaZulu-Natal service and rapid increases in test volumes associated with HIV and Aids. During the same period, the organisation increased the scale of its operations, with current expenses increasing by 26.1 per cent annually to R2.1 billion, compensation of employees increasing by 17.5 per cent, and goods and services by 28.3 per cent. Revenue growth is projected to moderate to an average annual rate of 8.3 per cent over the MTEF period.

Capital expenditure increased from R57 million in 2004/05 to R206 million in 2007/08 (average annual growth of 53.4 per cent). Emphasis has been placed on upgrading laboratory infrastructure (R28.3 million) and information systems. Over the MTEF period, the NHLS plans to upgrade its infrastructure, resulting in an 18.5 per cent average annual increase in its carrying values of assets to R852 million in 2010/11. This will be financed in part through a budgeted surplus over the MTEF period. In 2006/07, a provision of R21.4 million for an increase in the post-retirement medical aid liability was also made. The financial statements of the NHLS were unqualified in 2006/07.

Council for Medical Schemes

The Council for Medical Schemes is a statutory body established by the Medical Schemes Act (1998) to provide regulatory supervision of private health financing through medical schemes. There are 124 medical schemes in South Africa (41 open and 83 restricted), with around 7.1 million beneficiaries. These schemes have a total annual contribution flow of about R57.6 billion.

The Medical Schemes Act gives the council a number of statutory objectives, including:

- protect the interests of medical schemes and their members
- monitor the solvency and financial soundness of medical schemes
- control and co-ordinate the functioning of medical schemes in a manner that is complementary with national health policy
- investigate complaints and settle disputes in relation to the affairs of medical schemes
- collect and disseminate information about private health care in South Africa
- make rules (that are in line with the Medical Schemes Act) with regard to its own functions and powers
- make recommendations to the Minister of Health on criteria for measuring the quality and outcomes of the health services provided for by medical schemes.

The council has focused on creating a policy and business environment conducive to the fair treatment of the beneficiaries of medical schemes. The expertise of the Office of the Registrar has been used for developing key policies around the Risk Equalisation Fund (REF) and setting up a restricted medical scheme for public servants. In 2006/07, the council received an additional allocation of R15 million to prepare for the implementation of the REF. The council is focusing on: restructuring benefit options to reduce their complexity; the final implementation of the REF; and developing a clear and consistent framework for encouraging risk pooling for low income families.

The Council for Medical Schemes has installed the required IT infrastructure to implement the risk equalisation scheme. The new REF portal will interface with the data warehouse and serve as an entry point for all beneficiaries and chronic condition uploads.

A set of 27 common chronic conditions has been included in the list of prescribed minimum benefits (PMBs). In tandem with the development of government's HIV and Aids policy, the council expanded the PMBs in 2005 to include the provision of antiretroviral therapy.

Of the 2 212 complaints received from members about medical schemes, 26 per cent were resolved within 30 days and 42 per cent within 90 days. Effectively, 88 per cent of claims were resolved within 90 days.

Expenditure estimates

Table 14.11 Council for Medical Schemes

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	30 099	35 936	42 148	48 977	48 546	51 987	55 764
Sale of goods and services other than capital assets	29 016	34 423	37 727	40 990	40 000	42 800	45 796
<i>of which:</i>							
<i>Administration fees</i>	29 016	34 423	37 727	40 990	40 000	42 800	45 796
Other non-tax revenue	1 083	1 513	4 421	7 987	8 546	9 187	9 968
Transfers received	584	4 617	7 678	3 283	3 447	3 619	3 836
Total revenue	30 683	40 553	49 826	52 260	51 993	55 606	59 600
Expenses							
Current expense	34 551	43 668	49 328	48 087	51 527	55 295	59 541
Compensation of employees	21 044	23 181	26 576	29 336	31 389	33 743	36 275
Goods and services	12 343	19 419	21 382	17 286	18 582	19 883	21 473
Depreciation	1 164	897	1 370	1 465	1 556	1 669	1 793
Interest, dividends and rent on land	–	171	–	–	–	–	–
Total expenses	34 551	43 668	49 328	48 087	51 527	55 295	59 541
Surplus / (Deficit)	(3 868)	(3 115)	498	4 173	466	311	59
Acquisition of assets	402	982	5 735	410	445	445	458

Expenditure trends

The Council for Medical Schemes is funded mainly through levies on the industry in terms of the Council for Medical Schemes Levies Act (2000). Administration fees increased at an average annual rate of 12 per cent between 2004/05 and 2007/08, with an expected average annual increase of 3.8 per cent over the MTEF period, to R45.8 million in 2010/11. The council also receives R10.9 million over the MTEF period from the Department of Health to carry out regulatory objectives.

The council employed additional staff, resulting in increased expenditure on personnel at an average annual rate of 11.7 per cent between 2004/05 and 2007/08. Growth in this item slows to an average annual rate of 7.3 per cent over the MTEF period. A similar increase of an average annual 11.9 per cent over the past three years is reflected in the expenditure on goods and services.

The financial statements of the council have been unqualified for several years.

Additional tables

Table 14.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 thousand	2006/07		2006/07	2007/08			2007/08
1. Administration	192 296	191 263	175 592	210 309	4 734	215 043	210 309
2. Strategic Health Programmes	2 654 257	2 761 265	2 658 776	3 125 073	196 259	3 321 332	3 166 862
3. Health Planning and Monitoring	316 891	322 254	301 296	313 705	179	313 884	313 884
4. Health Human Resources Management and Development	19 827	26 269	1 575 979	1 617 081	1 000	1 618 081	1 614 081
5. Health Services	8 017 043	8 102 193	6 566 675	7 316 222	236 332	7 552 554	7 379 554
6. International Relations, Health Trade and Health Product Regulation	69 682	50 749	59 729	72 742	(2 500)	70 242	60 242
Total	11 269 996	11 453 993	11 338 047	12 655 132	436 004	13 091 136	12 744 932
Economic classification							
Current payments	808 864	778 896	658 561	860 193	206	860 399	754 513
Compensation of employees	240 030	240 030	231 729	251 826	–	251 826	256 089
Goods and services	568 834	538 866	423 309	608 367	206	608 573	498 424
Financial transactions in assets and liabilities	–	–	3 523	–	–	–	–
Transfers and subsidies	10 433 090	10 631 194	10 610 188	11 760 745	425 589	12 186 334	11 956 839
Provinces and municipalities	10 034 005	10 206 719	10 206 711	11 320 982	415 696	11 736 678	11 506 678
Departmental agencies and accounts	289 860	295 460	282 711	289 476	9 875	299 351	299 351
Universities and technikons	–	1 250	–	1 000	–	1 000	1 000
Foreign governments and international organisations	–	1 000	–	–	–	–	–
Non-profit institutions	109 225	126 303	120 067	149 287	–	149 287	149 287
Households	–	462	699	–	18	18	523
Payments for capital assets	28 042	43 903	69 298	34 194	10 209	44 403	33 580
Buildings and other fixed structures	5 000	5 000	265	–	4 734	4 734	–
Machinery and equipment	23 042	33 029	24 126	34 194	5 475	39 669	33 521
Software and intangible assets	–	5 874	44 907	–	–	–	59
Total	11 269 996	11 453 993	11 338 047	12 655 132	436 004	13 091 136	12 744 932

Table 14.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
A. Permanent and full-time contract employees							
Compensation (R thousand)	190 621	208 735	230 087	249 242	275 093	288 644	312 431
Unit cost (R thousand)	161	169	187	207	210	220	238
Personnel numbers (head count)	1 181	1 233	1 233	1 205	1 313	1 313	1 313
C. Interns							
Compensation of interns	187	403	1 642	2 584	3 302	3 646	3 646
Unit cost (R thousand)	14	14	22	29	29	29	29
Number of interns	13	28	76	90	115	127	127
Total for department							
Compensation (R thousand)	190 808	209 138	231 729	251 826	278 395	292 290	316 077
Unit cost (R thousand)	160	166	177	194	195	203	219
Personnel numbers (head count)	1 194	1 261	1 309	1 295	1 428	1 440	1 440

Table 14.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Compensation of employees (R thousand)	190 808	209 138	231 729	251 826	278 395	292 290	316 077
Training expenditure (R thousand)	1 373	5 550	5 456	9 513	6 264	6 598	7 115
Training as percentage of compensation	1%	3%	2%	4%	2%	2%	2%
Total number trained in department (head count)	519	1 152	539	625			
<i>of which:</i>							
Employees receiving bursaries (head count)	82	54	101	115			
Learnerships trained (head count)	–	–	2	–			
Internships trained (head count)	13	28	44	28			
Households receiving bursaries (R thousand)	443	383	750	551	579	606	631
Households receiving bursaries (head count)	82	54	101	115			

Table 14.D Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Conditional grants to provinces							
2. Strategic Health Programmes							
Comprehensive HIV and Aids grant	735 381	1 150 108	1 616 214	2 006 223	2 585 423	3 276 186	3 986 757
Forensic pathology services grant	145 024	271 903	561 676	672 420	466 878	491 662	556 962
5. Special Programmes and Health Entities Management							
Hospital revitalisation grant	733 802	1 105 427	1 527 323	2 140 640	2 882 663	3 081 796	3 636 704
National tertiary services grant	4 273 005	4 709 386	4 981 149	5 321 206	6 075 634	6 533 931	7 303 077
Hospital management and quality improvement grant	122 200	150 342	–	–	–	–	–
4. Human Resources Management and Development							
Health professions training and development grant	1 434 132	1 520 180	1 520 180	1 596 189	1 675 999	1 759 799	1 865 387
Total	7 443 544	8 907 346	10 206 542	11 736 678	13 686 597	15 143 374	17 348 887

1. Detail provided in the Division of Revenue Act (2008).

Table 14.E Summary of expenditure on key infrastructure projects

Description	Service delivery outputs	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
		2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Mega infrastructure projects or programmes (over R300 million per year)								
Germiston	Upgrade to 149 beds	–	–	21 165	42 000	100 000	134 310	307 272
Natalspruit	Downscale to 500 beds	–	1 345	162 305	198 000	130 079	239 000	340 000

Table 14.E Summary of expenditure on key infrastructure projects (continued)

Description	Service delivery outputs	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
		2004/05	2005/06	2006/07		2007/08	2008/09	2009/10
R thousand								
Large infrastructure projects or programmes (between R50 and R300 million per year)								
Hlabisa	New 308 beds	–	–	51 952	12 466	60 187	80 000	120 000
Lebowakgomo	Upgrade to 252 beds	19 301	3 500	6 363	–	–	–	–
Jane Furse	Downscale to 252 beds	56 357	20 800	13 416	–	–	–	–
Dilokong	Downscale to 252 beds	26 048	56 800	28 171	5 750	4 818	–	–
Nkhensani	Upgrade to 288 beds	7 900	36 300	36 568	16 628	5 127	–	–
Maphuta Malatjie	Downscale to 100 beds	–	55 000	6 178	12 750	53 788	39 512	21 000
Letaba	Upgrade to 400 beds	–	–	16 487	52 150	69 408	35 000	30 000
Thabamopo	Upgrade to 400 beds	–	–	9 119	47 579	75 100	25 000	15 000
Thabazimbi	Upgrade to 112 beds	–	–	–	–	–	25 000	35 876
Piet Retief	Downscale to 140 beds	37 725	–	10 803	10 000	–	–	–
Themba	Downscale to 212 beds	5 236	12 835	9 777	23 900	86 500	90 000	33 400
Rob Ferreira	Downscale to 212 beds	20 281	21 932	20 841	32 140	112 622	99 664	75 000
Ermelo	Upgrade to 735 beds	4 050	28 000	13 894	34 824	40 200	49 835	66 965
Dr. Pixley Seme	New 450 beds	17 322	20 000	146	–	–	50 000	85 500
Colesburg	Upgrade to 35 beds	10 600	–	1 930	–	–	–	–
Calvinia	Downscale to 35 beds	10 600	–	704	–	–	–	–
Psychiatric (West End)	Upgrade to 310 beds	35 100	30 000	98 788	150 000	120 500	35 000	–
Barkely West	Upgrade to 45 beds	–	12 000	25 181	14 000	–	–	–
Uppington (Gordonia)	Upgrade to 300 beds	1 200	20 000	–	15 000	115 000	135 000	170 000
De Aar	Upgrade to 124 beds	–	17 000	37 941	8 000	65 000	100 000	87 000
Postmasburg	Upgrade to 123 beds	–	–	5 196	–	13 164	45 500	65 500
Moses Kotane	Downscale to 200 beds	50 000	50 000	92 956	89 266	94 000	75 000	12 743
Vryburg	Upgrade to 120 beds	38 500	30 000	81 521	75 685	100 030	78 000	30 000
Brits	Upgrade to 215 beds	–	15 000	6 167	17 015	50 000	81 800	120 000
Bophelong	Upgrade to 365 beds	–	–	–	–	–	5 000	100 500
Ditsobotla	Downscale to 108 beds	–	–	–	–	–	5 000	35 000
Vredenburg	Upgrade to 80 beds	38 798	13 574	5 484	15 992	23 000	50 000	40 000
George	Upgrade to 265 beds	38 981	14 712	1 737	15 639	23 278	44 010	–
Worcester (Eben Donges)	Upgrade to 275 beds	75 195	37 245	31 836	73 944	30 010	–	–
Paarl	Upgrade to 325 beds	–	49 010	45 610	81 640	111 790	100 000	79 000
Valkenburg	Upgrade to 420 beds	–	11 000	5 159	5 000	–	25 000	59 962
Khayelitsha	New 230 beds	–	–	–	5 000	120 177	98 000	116 000
Frontier	Upgraded to 450 beds	13 887	35 500	29 185	61 000	56 307	40 000	22 503
St. Elizabeth's	Upgrade to 425 beds	15 254	19 000	13 902	85 000	86 493	45 119	5 000
Madzikane Ka Zulu	Upgrade to 267 beds	81 783	41 750	16 949	7 000	6 373	–	–
Rietvlei / (KZN)	Downscale to 205 beds	14 564	20 050	12 498	–	–	–	–
St. Lucy's	Downscale to 135 beds	–	26 000	67 468	94 125	80 000	35 500	25 948
St. Patrick's	Downscale to 280 beds	–	–	24 696	29 000	30 200	50 000	15 500
Madwaleni	New 220 beds	–	–	–	–	–	45 000	65 000
Dr. John Dube	New 450 beds	–	–	161	10 000	–	–	30 000
Boitumelo	Downscale to 340 beds	65 737	25 681	39 867	50 000	90 267	75 245	80 000
Pelonomi	Downscale to 758 beds	11 169	30 500	7 859	18 147	65 109	70 000	85 503
Free State Psychiatric	Upgrade to 444 beds	–	–	–	7 000	–	48 721	80 000
Trompsburg	New 45 beds	–	–	–	–	–	9 000	60 000
Mamelodi	Upgrade to 250 beds	40 000	51 929	89 665	100 000	50 000	–	–
Zola	Downscale to 300 beds	–	28 000	38 545	110 000	120 000	250 500	197 231
Chris Hani Baragwanath 1	New 210 beds	–	7 000	18 585	–	–	–	–
Chris Hani Baragwanath 2 and 3	New 1 510 beds	–	–	118 376	195 000	123 525	116 690	–
King George V	Downscale to 930 beds	67 186	132 662	129 045	260 000	150 979	140 000	77 108
Ngwelezane / Lower Umfolozi	Downscale to 859 beds	12 779	45 934	44 680	50 000	32 500	90 000	116 000
Total		815 552	1 020 059	1 498 876	2 130 640	2 495 531	2 760 406	2 905 511

This table excludes new projects that are yet to be finalised and the additional allocations – post 2007 MTBPS.

Table 14.F Summary of departmental public-private partnership projects

Project description: National fleet project R thousand	Project unitary fee at time of contract	Budgeted	Medium-term expenditure estimate		
		Expenditure 2007/08	2008/09	2009/10	2010/11
Projects signed in terms of Treasury Regulation 16	5 219	992	1 041	1 093	1 146
PPP unitary charge ¹	5 219	992	1 041	1 093	1 146
Total	5 219	992	1 041	1 093	1 146

¹ Phavis fleet services PPP. Disclosure notes for this project can be viewed in the PPP annexure table of the Department of Transport.

