

VOTE 16 *Health*

CENTRAL HOSPITAL



National Treasury

BUDGET 2012

ESTIMATES OF NATIONAL EXPENDITURE



national treasury

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REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure 2012

National Treasury

Republic of South Africa

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The Estimates of National Expenditure 2012 e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the Estimates of National Expenditure, these publications contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on the main and adjusted appropriation, with revised spending estimates for the current financial year, on skills training, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

Foreword

The current global economic context is characterised by high levels of uncertainty. Against this backdrop, South Africa's development depends largely on government improving its level and quality of service delivery in support of the inclusive and equitable economic roadmap, as contained in the new growth path. The 2012 Budget is an important tool of government for giving effect to these objectives, and this Budget allocates resources to specific interventions that will be actioned over the period of the medium term expenditure framework (MTEF). Growth in spending focuses particularly on infrastructure development, job creation, enterprise support and the enhancement of local government delivery.

South Africa's fiscal stance and public spending programmes are focused on long term structural transformation. Over the next three years of the MTEF period, government priorities will continue to be realised within a sustainable fiscal trajectory, which balances current needs with intergenerational equity. In line with this, spending baselines have undergone rigorous review, areas of inefficiency and lower priority have been identified, and funds have been redirected towards government's key priorities, both new and existing. This has been done in recognition of the relationship between the composition of spending and fiscal sustainability over the long term. Here, the balance between consumption and investment is extremely important. Even the distribution of consumption spending between wages, goods and services and transfers is significant, as is the balance between the functional categories expenditure (such as education, health and economic services). Underspending on key priorities undermines the aims of the spending proposed within MTEF Budgets.

Since introducing the functional approach to budget decision-making in 2009, transparency and coordination in budgeting has been enhanced, largely due to the participation by the stakeholders responsible for delivery across all spheres of government. South African budget reforms, especially the intensified focus on budget trade-offs and the composition of expenditure, will lead to greater accountability and improved control.

It is not enough to demonstrate a change in the composition of budgeted expenditure; nor is it enough to pinpoint the specific actions required and proposed within the Budget. Success will only be achieved when we can demonstrate that a shift in the composition of actual expenditure has taken place, together with the achievement of improved delivery targets.

This year, the layout of this publication has been altered substantially. The focus is on linking more closely expenditure planned with targeted performance. Specific focus is on the outcomes to which institutions contribute and the output and other performance measures supporting them. The sections covering employee numbers, personnel budgets and the purpose and key activities of each subprogramme within a vote are now more prominent, giving expression to the budget and service delivery. This publication still indicates details per vote of the allocation of new monies, monies reprioritised between or within budget programmes, and Cabinet approved budget reductions over the period ahead. Compared to the abridged version of the Estimates of National Expenditure, the e-publications for each vote contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included, containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; skills training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

The expenditure estimates of departments are the outcome of a rigorous administrative and executive process. Treasury budget analysts, under the guidance of the Ministers' Committee on the Budget, follow a wide-ranging intergovernmental consultative process, working closely with the policy and budget teams of departments and entities to ensure that government priorities are appropriately funded within the available resource envelope. The Treasury is grateful for the contribution of these teams. Appreciation is also due to the people in the Treasury team, who worked with great diligence to produce a high quality document that provides a comprehensive account of government's spending and performance plans.



Lungisa Fuzile
Director General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure publications are important accountability documents, which set out the details in relation to planned expenditure and planned performance at the time of the tabling of the Budget. Estimates of National Expenditure publications continue to make a significant contribution to the changes relating to budgeting by programme. As part of these ongoing efforts, several changes have been made to the 2012 Estimates of National Expenditure publications. Departments still provide information on the key objectives of each subprogramme within a programme, and note the activities carried out, the number of personnel responsible for undertaking these activities and the funding allocations supporting this. This year in the 2012 publications, information on expenditure and performance is more closely linked under the 'expenditure trends' section, with a brief discussion on the impact of budget allocations on the achievement of outputs over the seven-year period. In addition, an explanation of the personnel trends, per programme by salary level, over the seven years in relation to compensation of employees has also been included. Finally, information on Cabinet approved cost reduction measures and other budget reprioritisation has been included per programme.

The 2012 abridged Estimates of National Expenditure publication, and the separate Estimates of National Expenditure e-publications for each vote are the product of an extensive consultative review process of budgets and policy, and policy implementation by programme, and include the latest improvements in non-financial performance information. These publications provide the details of the spending estimates for the next three financial years (2012/13 to 2014/15), expenditure outcomes for the past three years (2008/09 to 2010/11) and revised estimates for the current financial year (2011/12). Information is provided on performance targets over the seven year period as well as changes in these, as they relate to trends in planned expenditure.

The e-publications for individual votes contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are included containing information on: the main and adjusted appropriation, with revised spending estimates for the current financial year; skills training; conditional grants to provinces and municipalities; public private partnerships; and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

A consolidated account, summarising the Estimates of National Expenditure publication information across votes, is provided in the form of a narrative and summary tables in the Introduction chapter, which is included in the front pages of the abridged version of the Estimates of National Expenditure. A write-up containing the explanation of the information that is contained in each section of the publications has also been included in the abridged version of the Estimates of National Expenditure. Like the separate Estimates of National Expenditure e-publications for each vote, the abridged Estimates of National Expenditure publication is also available on www.treasury.gov.za.

Health

**National Treasury
Republic of South Africa**



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Vote 16

Health

Budget summary

R thousand	2012/13				2013/14	2014/15
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	357 852	350 944	479	6 429	382 143	397 623
National Health Insurance, Health Planning and Systems Enablement	315 521	162 868	150 462	2 191	526 332	670 166
HIV and AIDS, TB, Maternal and Child Health	9 292 548	340 875	8 950 221	1 452	11 081 238	12 816 303
Primary Health Care Services	87 420	83 997	2 164	1 259	92 925	97 093
Hospitals, Tertiary Health Services and Human Resource Development	16 927 870	135 157	16 778 762	13 951	18 016 512	19 232 174
Health Regulation and Compliance Management	575 807	192 561	379 808	3 438	614 449	645 223
Total expenditure estimates	27 557 018	1 266 402	26 261 896	28 720	30 713 599	33 858 582
Executive authority	Minister of Health					
Accounting officer	Director General of Health					
Website address	www.doh.gov.za					

Aim

Provide leadership and coordination of health services 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: Provide overall management of the department and centralised support services.

Programme 2: National Health Insurance, Health Planning and Systems Enablement

Purpose: Improve access to quality health services through the development and implementation of policies to achieve universal coverage, health financing reform, integrated health systems planning, reporting, monitoring and evaluation, and research.

Programme 3: HIV and AIDS, TB, and Maternal and Child Health

Purpose: Develop national policy, coordinate and fund HIV and AIDS and sexually transmitted infections, tuberculosis, maternal and child health, and women's health programmes. Develop and oversee implementation of policies, strengthen systems, set norms and standards and monitor programme implementation.

Programme 4: Primary Health Care Services

Purpose: Develop and oversee implementation of legislation, policies, systems, and norms and standards for a uniform district health system, environmental health, communicable and non-communicable diseases, health promotion and nutrition.

Programme 5: Hospitals, Tertiary Health Services and Human Resource Development

Purpose: Develop policies, delivery models and clinical protocols for hospitals and emergency medical services. Ensure alignment of academic medical centres with health workforce programmes.

Programme 6: Health Regulation and Compliance Management

Purpose: Regulate procurement of medicines and pharmaceutical supplies, including food control, and trade in health products and health technology. Promote accountability and compliance by regulatory bodies for effective governance and quality of health care.

Strategic overview: 2008/09 – 2014/15

Outcomes based approach

Government has identified and adopted a set of priorities to guide the development and implementation of programmes and interventions aimed at 12 national outcomes. The health sector is responsible for contributing to a long and healthy life for all South Africans (outcome 2). A negotiated service delivery agreement to give effect to this has been signed between the Minister of Health and the President. The agreement covers for areas of output: increasing life expectancy, reducing maternal and child mortality, combating HIV and AIDS and tuberculosis, and enhancing the effectiveness of the health system. The agreement is one of the key policy priorities informing programmes and activities for the Department of Health.

The agreement is complemented by the health sector 10-point plan for 2009-2014, the overarching policy framework providing vision and stewardship for the health sector. Overhauling the health system to make it more responsive to the expectations of the population is an essential part of the re-engineered health sector. The plan and the service delivery agreement guide the national and provincial departments in delivering the desired outputs and outcomes, and progressing towards the realisation of the millennium development goals.

Transforming the health sector and the primary health care system

Transforming the health sector will specifically involve: improving the quality and management of health services; and reducing the burden of disease, focusing particularly on women and children who bear the brunt of the burden of disease. Other important interventions include intersectoral collaboration with government departments responsible for key determinants of health such as education, water, sanitation and housing, as well as community participation and partnerships with civil society and the private sector.

South Africa has historically had a fragmented health care system that focused on the curative approach. The process of re-engineering the primary health care system has been initiated, aimed at positioning it as the mainstay of the health sector in responding to the quadruple burden of disease, that is non-communicable diseases, communicable diseases, HIV and AIDS, and injuries. The new approach attempts to refocus from a mainly curative approach to a more preventative one that promotes health. This approach is rooted in a three-tiered model involving ward based primary health care, school health services, and district based clinical specialist teams.

National health insurance (NHI)

The restructuring of primary health care and the health system reform are intended to improve the quality of care and prepare the health system for national health insurance. The department has produced a green paper on national health insurance and intends to pilot the implementation of the national health insurance over the medium term. The NHI will be implemented over a 14-year period, starting in 2012. In preparation for implementation, the department has taken steps to strengthen the health system to make it ready for the transition to NHI. These include an audit of more than 4 000 public sector facilities, infrastructure upgrades, quality improvement activities and targeted interventions to fill gaps in human resources, such as increasing the number of doctors trained and recruiting mid-level workers in clinical and health management areas that have been identified as critical gaps.

New grants and changes to the budget structure

Changes to the department's budget structure include expanding the previous, *Health Planning and Systems Enablement* programme to include the development of the national health insurance, which will now become the *National Health Insurance, Health Planning and Systems Enablement* programme.

Two new conditional grants, the national health insurance grant and the nursing colleges grant, become operational in 2012/13. The forensic pathology grant ended in 2011/12 and has been phased into provincial funding streams from 2012/13.

Focus over the medium term

Significant progress is and has been made in increasing life expectancy (output 1), decreasing child and maternal mortality rates (output 2), and combating HIV and AIDS and STIs and decreasing the burden of disease from tuberculosis (output 3) in the negotiated service delivery agreement. The focus over the medium term will be to address major challenges in enhancing the performance and effectiveness of the health system (output 4). The department will thus place emphasis on infrastructure, human resources, improving the quality of care, re-engineering service delivery towards primary health care and curtailing exorbitant health care costs. These measures should have a significant impact on the entire health sector, and not only the public sector. The successful implementation of these programmes and targeted interventions will lay the foundation for a transformed, unitary health system, which is required to successfully implement national health insurance and improve the responsiveness of the health system and better meet the expectations of citizens.

Selected performance indicators

Table 15.1 Health

Indicator	Programme	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of provinces with financial improvement plans per year	Administration	–	9	9	9	9	9	9
Bed utilisation rate in district hospitals per year ¹	Primary Health Care Services	67.8%	66.9%	54.4%	75%	75%	75%	75%
Average length of stay (in days) in district hospital per year	Primary Health Care Services	4.4	4.3	4.4	4	3.8	3.6	3.4
Primary health care utilisation rate: Average number of primary health care visits per person per year	Primary Health Care Services	2.4	2.5	2.5	2.6	2.9	3.2	3.4
Condom distribution rate: Number of condoms distributed per male older than 15 years per year	HIV and AIDS, TB and Maternal and Child Health	12.3	13	14	20	20	20	20
Tuberculosis cure rate ² per year	HIV and AIDS, TB and Maternal and, Child Health	60%	68%	70%	75%	80%	85%	85%
Tuberculosis treatment defaulter ³ rate per year	HIV and AIDS, TB and Maternal and Child Health	8.5%	7.9%	7%	6%	5%	5%	5%
Number of new patients starting antiretroviral treatment per year	HIV and AIDS, TB and Maternal and Child Health	781 907	539 819	440 000	625 000	650 000	675 000	700 000
Antenatal care coverage per year	HIV and AIDS, TB and Maternal and Child Health	111.8%	109.4%	100%	100%	100%	100%	100%
National Immunisation coverage rate ⁴ (children under the age of 1 year) per year	HIV and AIDS, TB and Maternal and Child Health	92.1% (926 168)	97.4% (955 485)	95% (1 066 401)	95% (1 066 401)	95% (1 066 401)	95% (1 066 401)	95%
Measles immunisation coverage rate (second dose) ⁵ per year	HIV and AIDS, TB and Maternal an, Child Health	78% (797 617)	90% (900 347)	95% (1 066 401)	95% (1 066 401)	95% (1 066 401)	95% (1 066 401)	95%

Table 15.1 Health (continued)

Indicator	Programme	Past			Current	Projected		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Percentage of babies testing positive for polymerase chain reaction 6 weeks after birth, out of all babies tested ⁶ , per year	HIV and AIDS, TB and Maternal and Child Health	9.2%	10.9%	11.1%	7.5%	7%	6.5%	6%
Proportion of facilities assessed against the 6 priorities of the core standards per year ⁷	Health Regulation and Compliance Management	–	–	–	20% (866)	20% (867)	20% (867)	20% (867)

1. A measure of the number of beds that are occupied in district hospitals expressed as the proportion of all available bed days, which is calculated as the number of actual beds multiplied by the average days in a month (30.42).

2. New smear positive pulmonary tuberculosis cases that were cured as a proportion of all new smear positive pulmonary tuberculosis cases.

3. New smear positive tuberculosis cases that defaulted treatment as a proportion of all new smear positive tuberculosis cases.

4. Proportion of infants (defined as children under age 1) in the target area who completed their primary course of immunisation coverage. The denominator for this indicator is influenced by the estimates of the national population under the age of one, released by Statistics South Africa.

5. Proportion of children who received their second measles dose normally at 18 months, annualised.

6. The polymerase chain reaction test identifies the antigen of the HIV virus in the baby. This would give an indication of the rate of mother to child transmission during pregnancy.

7. No past data, as assessments only began in 2011/12.

Expenditure estimates

Table 16.2 Health

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
R thousand								
Administration	243 915	273 408	263 025	365 962	330 114	357 852	382 143	397 623
National Health Insurance, Health Planning and Systems Enablement	119 255	142 670	97 216	162 626	117 431	315 521	526 332	670 166
HIV and AIDS, TB, Maternal and Child Health	3 394 442	4 923 451	6 482 997	8 029 842	7 836 813	9 292 548	11 081 238	12 816 303
Primary Health Care Services	70 359	245 390	78 771	84 510	143 414	87 420	92 925	97 093
Hospitals, Tertiary Health Services and Human Resource Development	12 179 025	13 143 437	15 069 261	16 793 654	16 686 329	16 927 870	18 016 512	19 232 174
Health Regulation and Compliance Management	417 457	440 256	529 062	531 377	508 038	575 807	614 449	645 223
Total	16 424 453	19 168 612	22 520 332	25 967 971	25 622 139	27 557 018	30 713 599	33 858 582
Change to 2011 Budget estimate				236 417	(109 415)	(53 800)	576 877	1 913 657

Economic classification

	916 815	1 089 694	898 260	1 337 717	1 162 510	1 266 402	1 323 078	1 392 871
Current payments								
Compensation of employees	292 508	333 023	353 656	427 302	406 037	478 800	506 832	527 655
Goods and services	624 307	756 671	544 604	910 415	756 473	787 602	816 246	865 216
<i>of which:</i>								
Administrative fees	718	228	233	976	976	1 189	2 020	1 476
Advertising	17 198	95 164	49 103	65 395	42 395	56 251	60 247	85 512
Assets less than the capitalisation threshold	2 704	2 165	1 661	14 593	14 593	19 137	23 112	23 671
Audit cost: External	13 221	31 648	16 101	26 950	24 330	18 530	22 088	22 971
Bursaries: Employees	519	949	956	1 615	1 615	1 363	1 434	1 489
Catering: Departmental activities	3 522	2 527	3 744	6 235	6 235	7 157	7 494	7 748
Communication	12 762	15 955	17 344	17 397	17 397	25 688	28 030	24 339
Computer services	17 789	31 276	12 893	15 721	14 589	20 485	21 214	22 602
Consultants and professional services: Business and advisory services	124 685	39 142	69 187	214 813	173 987	118 188	102 226	101 985
Consultants and professional services: Laboratory services	7 193	–	–	–	–	1 200	–	1 400

Table 16.2 Health (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
Economic classification								
Consultants and professional services:	966	1 741	650	8 306	8 306	1 024	1 088	1 134
Legal costs								
Contractors	32 632	15 700	18 813	8 371	7 371	19 672	20 811	21 625
Agency and support / outsourced services	6 802	12 599	11 211	11 602	11 102	18 429	19 412	14 967
Entertainment	235	203	242	899	899	772	804	830
Inventory: Fuel, oil and gas	35	323	256	298	298	548	609	671
Inventory: Learner and teacher support material	–	–	–	–	–	172	177	184
Inventory: Materials and supplies	312	191	117 024	582	582	916	1 014	1 085
Inventory: Medical supplies	103 864	325 542	2 641	172 672	132 104	135 555	140 836	149 312
Inventory: Medicine	–	–	30 002	1 027	31 734	1 025	1 078	1 122
Inventory: Other consumables	4 073	4 501	5 879	8 771	5 216	11 515	11 370	11 675
Inventory: Stationery and printing	19 206	21 049	18 619	44 851	34 151	43 879	46 680	48 442
Lease payments	46 797	49 664	51 750	87 757	87 757	91 771	100 252	108 842
Property payments	–	145	–	5 502	5 502	5 435	5 501	5 563
Transport provided: Departmental activity	123	–	–	–	–	–	–	–
Travel and subsistence	127 718	69 763	74 074	129 993	76 765	125 146	131 607	135 936
Training and development	23 585	8 250	4 758	4 600	4 600	3 235	3 386	3 523
Operating expenditure	51 244	17 176	27 075	40 277	39 277	36 273	39 776	42 415
Venues and facilities	6 404	10 770	10 388	21 212	14 692	23 047	23 980	24 697
Transfers and subsidies	15 466 080	18 065 842	21 603 975	24 594 739	24 436 823	26 261 896	29 359 895	32 435 085
Provinces and municipalities	14 988 658	17 523 750	21 041 961	24 034 782	23 876 866	25 691 610	28 749 676	31 794 044
Departmental agencies and accounts	315 916	335 850	409 008	361 207	361 207	372 497	400 027	420 563
Higher education institutions	733	500	2 000	14 124	14 124	3 000	3 000	3 000
Public corporations and private enterprises	–	37	–	–	–	–	–	–
Non-profit institutions	160 209	202 781	150 388	182 426	182 426	194 789	207 192	217 478
Households	564	2 924	618	2 200	2 200	–	–	–
Payments for capital assets	41 361	13 046	17 576	35 515	22 806	28 720	30 626	30 626
Machinery and equipment	41 361	11 730	17 576	35 515	22 806	28 720	30 626	30 626
Software and other intangible assets	–	1 316	–	–	–	–	–	–
Payments for financial assets	197	30	521	–	–	–	–	–
Total	16 424 453	19 168 612	22 520 332	25 967 971	25 622 139	27 557 018	30 713 599	33 858 582

Expenditure trends

Expenditure grew from R16.4 billion in 2008/09 to R26 billion in 2011/12, at an average annual rate of 16.5 per cent, and is expected to increase over the medium term to R33.9 billion, at an average annual rate of 9.2 per cent. The increase in both periods is driven largely by transfers to provinces, with the largest areas of spending comprising conditional grants to provinces in the *HIV/AIDS, TB, Maternal and Child Health, and Hospitals, Tertiary Health Services and Human Resource Development* programmes. Increasing from R117.4 million to R670.2 million over the medium term, at an average annual rate of 78.7 per cent, the *National Health Insurance, Health Planning and Systems Enablement* programme is expected to have the highest percentage growth due to a new conditional grant introduced in 2012/13 for the national health insurance scheme.

The 2012 Budget includes new allocations of R97.6 million in 2012/13, R618.4 million in 2013/14 and R1.9 billion in 2014/15 for the following policy priorities:

- R10 million in each year to purchase equipment and appoint staff to address backlogs at the forensic chemistry laboratories
- R20 million each year for higher accommodation costs of the department's renovated head office building
- R3 million each year for the Medical Research Council and R10 million each year for the department for annual wage increases
- R100 million, R150 million and R200 million to nursing colleges to plan and coordinate the upgrading, recapitalising and maintaining of nursing colleges following the infrastructure audit
- R834 million for the HIV and AIDS conditional grant for the rapidly growing treatment programme (lower threshold CD4 350) and to strengthen prevention programmes
- R128 million to provide for the first of five large hospital public private partnership projects under the hospital revitalisation grant
- R150 million, R350 million and R500 million to cover the cost of national health insurance pilots
- R189.2 million, R231.2 million and R216.7 million increases for the effects of wage increases in the national tertiary services grant.

Infrastructure spending

The allocation to the department includes allocations for the hospital revitalisation, health infrastructure and nursing college grants. The hospital revitalisation grant is allocated R12.9 billion over the medium term to allow provinces to plan, manage, modernise, rationalise and transform health infrastructure, health technology, and monitoring and evaluation of the health facilities in line with national policy objectives. The health infrastructure grant is allocated R5.1 billion over the MTEF period and will focus on maintaining institutions and smaller upgrading projects in primary care institutions and hospitals. The nursing colleges grant is new and is for the upgrade to provincial nursing colleges. This grant is allocated R450 million over the MTEF period.

Personnel information

Table 16.3 Details of approved establishment and personnel numbers according to salary level¹

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid-year ²	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Department	1 996	1 996	218	1 371	1 331	1 249	1 436	1 436	1 411	1 411
Salary level 1 – 6	804	804	152	558	543	519	648	648	637	637
Salary level 7 – 10	771	771	37	541	523	465	511	511	502	502
Salary level 11 – 12	278	278	20	169	163	159	171	171	168	168
Salary level 13 – 16	143	143	9	103	102	106	106	106	104	104
Administration	568	568	7	468	454	380	420	420	412	412
Salary level 1 – 6	298	298	3	282	273	224	232	232	228	228
Salary level 7 – 10	173	173	2	132	128	103	121	121	119	119
Salary level 11 – 12	52	52	1	32	31	30	32	32	31	31
Salary level 13 – 16	45	45	1	22	22	23	35	35	34	34
National Health Insurance, Health Planning and Systems Enablement	252	252	12	182	177	155	153	153	151	151
Salary level 1 – 6	57	57	–	49	48	40	41	41	40	40
Salary level 7 – 10	116	116	10	85	82	73	71	71	70	70
Salary level 11 – 12	52	52	1	29	28	25	23	23	23	23
Salary level 13 – 16	27	27	1	19	19	17	18	18	18	18

Table 16.3 Details of approved establishment and personnel numbers according to salary level¹ (continued)

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of posts additional to the establishment	Actual			Mid-year ²	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
HIV and AIDS, TB, Maternal and Child Health	226	226	36	136	132	143	137	137	136	136
Salary level 1 – 6	42	42	13	20	20	24	23	23	23	23
Salary level 7 – 10	120	120	12	75	72	67	70	70	69	69
Salary level 11 – 12	41	41	6	27	26	30	27	27	27	27
Salary level 13 – 16	23	23	5	14	14	22	17	17	17	17
Primary Health Care Services	269	269	5	213	207	199	209	209	206	206
Salary level 1 – 6	77	77	–	54	53	66	66	66	65	65
Salary level 7 – 10	141	141	2	114	110	90	103	103	101	101
Salary level 11 – 12	36	36	3	28	27	26	26	26	26	26
Salary level 13 – 16	15	15	–	17	17	17	14	14	14	14
Hospitals, Tertiary Health Services and Human Resource Development	248	248	131	104	101	91	198	198	194	194
Salary level 1 – 6	151	151	123	28	28	22	136	136	134	134
Salary level 7 – 10	49	49	5	34	34	35	30	30	29	29
Salary level 11 – 12	31	31	1	25	23	22	22	22	22	22
Salary level 13 – 16	17	17	2	17	16	12	10	10	9	9
Health Regulation and Compliance Management	433	433	27	268	260	281	319	319	312	312
Salary level 1 – 6	179	179	13	125	121	143	150	150	147	147
Salary level 7 – 10	172	172	6	101	97	97	116	116	114	114
Salary level 11 – 12	66	66	8	28	28	26	41	41	39	39
Salary level 13 – 16	16	16	–	14	14	15	12	12	12	12

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. As at 30 September 2011.

The department's organisational structure was revised and approved in December 2011. The new structure will allow the department to better implement cost effective programmes. Filled posts will not increase due to the alignment of the personnel structure. The department has prioritised filling vacant technical and critical administrative posts so that it may reach the goals set in out in its service delivery plan, most of these have been filled.

Departmental receipts

Table 16.4 Receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
Departmental receipts	31 188	45 190	27 248	47 859	47 859	33 106	39 351	33 128
Sales of goods and services produced by department	29 676	38 355	25 907	31 833	31 833	31 854	37 985	31 876
Sales by market establishments	71	69	89	104	104	108	108	108
of which:								
Parking	71	69	89	104	104	108	108	108
Administrative fees	29 478	38 140	25 649	31 550	31 550	31 552	37 672	31 552
of which:								
Medical licences	4 062	4 653	2 533	3 400	3 400	3 400	3 520	3 400
Medicines Control Council	25 416	33 487	23 116	28 150	28 150	28 152	34 152	28 152
Other sales	127	146	169	179	179	194	205	216
of which:								
Yellow fever	19	24	27	20	20	24	24	24
Replacement of security cards	–	–	9	16	16	15	15	15
Commission on insurance	108	122	133	143	143	155	166	177

Table 16.4 Receipts (continued)

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
Sales of scrap, waste, arms and other used current goods	71	57	59	36	36	38	38	38
<i>of which:</i>								
<i>Sale of scrap paper</i>	71	57	59	36	36	38	38	38
Interest, dividends and rent on land	249	1 012	355	308	308	300	414	300
Interest	249	1 012	355	308	308	300	414	300
Transactions in financial assets and liabilities	1 192	5 766	927	15 682	15 682	914	914	914
Total	31 188	45 190	27 248	47 859	47 859	33 106	39 351	33 128

Revenue grew from R31.2 million in 2008/09 to R47.9 million in 2011/12, at an average annual rate of 15.4 per cent, and is expected to decrease over the medium term to R33.1 million, at an average annual rate of 11.6 per cent. The main source of revenue is from fees for the registration of medicines. Modern technological advancements, such as an electronic document management system, are being introduced to enhance the efficiency of the medicines authority. Efficient information systems will enhance ability to effectively generate, record and account for own revenue.

Programme 1: Administration

Expenditure estimates

Table 16.5 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Ministry	22 570	22 073	25 920	31 738	32 626	34 258	35 749
Management	30 206	29 499	29 770	42 767	42 008	44 009	46 005
Corporate Services	128 516	134 940	126 184	163 591	152 086	160 119	161 817
Office Accommodation	41 565	46 422	55 245	85 265	89 526	97 514	105 825
Financial Management	21 058	40 474	25 906	42 601	41 606	46 243	48 227
Total	243 915	273 408	263 025	365 962	357 852	382 143	397 623
Change to 2011 Budget estimate				35 570	28 001	33 000	33 002

Economic classification

	221 332	268 974	257 354	353 425	350 944	374 346	389 806
Current payments							
Compensation of employees	88 664	103 060	108 132	125 449	131 631	138 213	145 123
Goods and services	132 668	165 914	149 222	227 976	219 313	236 133	244 683
<i>of which:</i>							
<i>Administrative fees</i>	82	78	101	280	156	177	185
<i>Advertising</i>	7 283	15 632	4 697	9 165	6 261	6 615	6 876
<i>Assets less than the capitalisation threshold</i>	596	328	498	2 308	1 801	1 993	2 071
<i>Audit cost: External</i>	12 667	30 729	14 690	21 150	16 632	19 231	20 000
<i>Bursaries: Employees</i>	519	949	956	1 550	1 296	1 366	1 420
<i>Catering: Departmental activities</i>	986	759	1 033	1 206	885	939	976
<i>Communication</i>	8 585	11 576	13 341	11 904	17 875	18 782	14 234
<i>Computer services</i>	4 768	8 582	8 052	8 093	10 358	10 872	11 297
<i>Consultants and professional services: Business and advisory services</i>	2 811	2 684	3 308	8 310	5 299	5 673	5 913
<i>Consultants and professional services: Laboratory services</i>	7 193	–	–	–	–	–	–
<i>Consultants and professional services: Legal costs</i>	–	1 741	616	8 106	801	841	875
<i>Contractors</i>	3 278	12 950	15 966	1 327	12 184	12 802	13 318
<i>Agency and support / outsourced services</i>	913	1 244	1 853	2 087	2 302	2 419	2 517

Table 16.5 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Entertainment	115	92	178	299	259	275	287
Inventory: Fuel, oil and gas	11	2	30	85	94	99	103
Inventory: Materials and supplies	71	87	76	191	171	179	186
Inventory: Medical supplies	–	5	1	70	1	1	1
Inventory: Other consumables	421	266	527	1 069	736	775	806
Inventory: Stationery and printing	7 050	7 952	7 269	13 899	10 148	10 691	11 118
Lease payments	42 520	47 455	49 767	82 982	86 621	94 737	103 095
Property payments	–	–	–	5 502	5 435	5 501	5 563
Travel and subsistence	29 206	16 373	20 218	35 955	31 246	32 950	34 258
Training and development	1 898	2 697	2 449	4 600	3 184	3 342	3 477
Operating expenditure	1 378	1 737	2 268	6 681	4 396	4 608	4 792
Venues and facilities	317	1 996	1 328	1 157	1 172	1 265	1 315
Transfers and subsidies	355	362	550	2 624	479	508	528
Departmental agencies and accounts	278	300	370	424	479	508	528
Public corporations and private enterprises	–	37	–	–	–	–	–
Households	77	25	180	2 200	–	–	–
Payments for capital assets	22 088	4 065	5 114	9 913	6 429	7 289	7 289
Machinery and equipment	22 088	3 927	5 114	9 913	6 429	7 289	7 289
Software and other intangible assets	–	138	–	–	–	–	–
Payments for financial assets	140	7	7	–	–	–	–
Total	243 915	273 408	263 025	365 962	357 852	382 143	397 623

Details of transfers and subsidies

Households							
Social benefits							
Current	77	25	180	2 200	–	–	–
Employee social benefit	77	25	180	2 200	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	278	300	370	424	479	508	528
Health and Welfare Service Sector	278	300	370	424	479	508	528
Education and Training Authority							
Public corporations and private enterprises							
Public corporations							
Other transfers to public corporations							
Current	–	37	–	–	–	–	–
Private entity	–	37	–	–	–	–	–

Expenditure trends

Expenditure grew from R243.9 million in 2008/09 to R366 million in 2011/12, at an average annual rate of 14.5 per cent, and is expected to increase over the medium term to R397.6 million, at an average annual rate of 2.8 per cent. The bulk of the increase in both periods is due to the filling critical vacant management and administrative posts, as well as for spending on goods and services. Expenditure on consultants increased due to the provision made for a health statistics publication and revenue management of hospital tariffs. Accommodation costs have also increased since the complete renovation of the department's head office in the Civitas building in Pretoria.

Programme 2: National Health Insurance, Health Planning and Systems Enablement

Objectives and measures

- Facilitate and coordinate evidence based planning for all levels of the health care system, aligned to the health sector's 10-point plan and negotiated service delivery agreement, by implementing the health sector guidelines for planning by the end of 2012/13.
- Integrate the department's monitoring and evaluation system with that of the Presidency and the auditor general by continuously improving the monitoring and evaluation system for outcomes contained in the negotiated service delivery agreement by the end of 2012/13.
- Monitor HIV and syphilis prevalence by conducting the 2012 national HIV survey in October and November 2012, and publishing the reports of the 2011 national HIV survey by August 2012.
- Improve access to essential medicines by maintaining a less than 3 per cent out of stock level of drugs on the essential drugs list, tuberculosis drugs and antiretroviral medicines on an ongoing basis.
- Contribute to the establishment of the national health insurance by:
 - developing policy proposals for implementation over a 14-year phased period starting in 2012
 - piloting components of the national health insurance policy in 10 health districts during 2012/13.
- Strengthen health systems and improve the health outcomes by promoting, implementing, coordinating and monitoring bilateral and multilateral agreements between the South African Development Community states, African Union member states, international organisations and partners on an ongoing basis.

Subprogrammes

- *Technical Policy and Planning* provides advisory and strategic technical assistance on policy and planning, and supports policy implementation. This subprogramme had a staff complement of 11 and a total budget of R7.8 million in 2011/12, of which 89 per cent was used for compensation of employees. A national health information warehouse is being developed, which will support health planning in preparation for the implementation of a national health insurance scheme. No savings in 2012/13 have been identified in this subprogramme.
- *Health Information Management, Monitoring and Evaluation* develops and maintains a national health information system, and commissions and coordinates research. This entails the development and implementation of disease surveillance programmes, coordination of health research, and the monitoring and evaluation of strategic health programmes. This subprogramme had a staff complement of 42 and a total budget of R37.2 million in 2011/12, of which 42 per cent was used for compensation of employees. In 2012/13, a system to monitor the implementation of annual performance plans and identify risks at the national, provincial and district levels will be implemented. R1.5 million will be transferred to the National Health Laboratory Services cancer register over the medium term. Savings of R8.3 million over the medium term have been identified in this subprogramme.
- *Sector-wide Procurement* provides rules and regulations to govern the process of acquiring goods and services such as medicines required by the sector. This subprogramme had a staff complement of 39 and a total budget of R19.7 million in 2011/12, of which 62 per cent was used for compensation of employees. Over the medium term, 30 per cent of licensed medicine prescribers will be inspected per year for compliance with the relevant legislation. No savings in 2012/13 have been identified in this subprogramme.
- *Health Financing and NHI* coordinates the development of a national health insurance scheme, undertakes health economics research, develops policy for medical schemes and public private partnerships, and provides technical oversight to the Council for Medical Schemes. Key outputs include developing and implementing policies, legislation and other necessary frameworks for the expansion of health insurance to the broader population; and overseeing the coordination of research into alternative health care financing mechanisms for achieving universal health coverage. This subprogramme had a staff complement of 27 and a total budget of R42.9 million in 2011/12, of which 30.3 per cent was used for compensation of employees.

Over the medium term, R1 billion will be transferred to all provinces through the national health insurance grant. No savings in 2012/13 have been identified in this subprogramme.

- *International Health and Development* develops and implements bilateral and multilateral agreements to strengthen the health system, including agreements on the recruitment of health workers from other countries. This subprogramme had a staff complement of 23 and a total budget of R55.1 million in 2011/12, of which 34 per cent was used for compensation of employees, while 64 per cent was used for goods and services. Savings of R 15 million over the medium term have been identified in this subprogramme.

Expenditure estimates

Table 16.6 National Health Insurance, Health Planning and Systems Enablement

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Technical Policy and Planning	–	–	–	7 825	19 873	23 059	20 308
Health Information Management, Monitoring and Evaluation	27 307	39 114	21 631	37 184	38 640	40 371	36 826
Sector-wide Procurement	12 949	15 201	13 059	19 666	21 238	22 668	23 779
Health Financing and National Health Insurance	17 547	53 395	26 593	42 855	182 144	383 676	530 069
International Health and Development	61 452	34 960	35 933	55 096	53 626	56 558	59 184
Total	119 255	142 670	97 216	162 626	315 521	526 332	670 166
Change to 2011 Budget estimate				2 239	137 962	336 985	474 859

Economic classification

	117 313	109 826	93 054	160 291	162 868	173 497	167 307
Current payments							
Compensation of employees	45 182	49 750	50 795	61 495	80 867	87 956	88 645
Goods and services	72 131	60 076	42 259	98 796	82 001	85 541	78 662
<i>of which:</i>							
Administrative fees	539	5	1	229	230	235	243
Advertising	1 377	671	252	14 513	1 227	1 235	1 244
Assets less than the capitalisation threshold	637	730	139	1 272	913	939	970
Catering: Departmental activities	374	410	252	807	645	660	679
Communication	601	600	561	848	844	863	888
Computer services	1 717	18 113	3 184	1 715	2 445	2 524	2 619
Consultants and professional services: Business and advisory services	3 052	6 304	2 978	18 918	16 361	16 936	12 313
Consultants and professional services: Legal costs	966	–	–	–	–	–	–
Contractors	2 296	63	194	951	816	831	847
Agency and support / outsourced services	4 120	4 475	5 408	2 557	7 495	7 687	2 793
Entertainment	33	35	18	256	179	181	184
Inventory: Fuel, oil and gas	–	12	1	3	2	2	2
Inventory: Materials and supplies	16	1	5	58	54	56	58
Inventory: Other consumables	1	96	974	148	1 635	1 670	1 737
Inventory: Stationery and printing	2 351	3 448	1 873	6 218	6 248	6 479	6 729
Lease payments	2 504	491	316	1 053	984	1 001	1 021
Travel and subsistence	34 722	12 624	12 132	23 814	22 137	22 410	22 768
Training and development	34	53	–	–	–	–	–
Operating expenditure	14 849	10 713	13 091	18 376	13 639	15 661	17 368
Venues and facilities	1 942	1 232	880	7 060	6 147	6 171	6 199

Table 16.6 National Health Insurance, Health Planning and Systems Enablement (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Transfers and subsidies	11	30 051	15	440	150 462	350 485	500 509
Provinces and municipalities	–	30 000	–	–	150 000	350 000	500 000
Departmental agencies and accounts	–	–	–	440	462	485	509
Households	11	51	15	–	–	–	–
Payments for capital assets	1 927	2 793	4 112	1 895	2 191	2 350	2 350
Machinery and equipment	1 927	1 895	4 112	1 895	2 191	2 350	2 350
Software and other intangible assets	–	898	–	–	–	–	–
Payments for financial assets	4	–	35	–	–	–	–
Total	119 255	142 670	97 216	162 626	315 521	526 332	670 166

Details of transfers and subsidies

Households							
Social benefits							
Current	11	51	15	–	–	–	–
Employee social benefit	11	51	15	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	–	–	–	440	462	485	509
National Health Laboratory Services Cancer Register	–	–	–	440	462	485	509
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	–	30 000	–	–	150 000	350 000	500 000
2010 World Cup health preparation strategy grant	–	30 000	–	–	–	–	–
National health insurance grant	–	–	–	–	150 000	350 000	500 000

Expenditure trends

Expenditure increased from R119.3 million in 2008/09 to R162.6 million in 2011/12, at an average annual rate of 10.9 per cent, and is expected to increase significantly over the medium term to R670.2 million, at an average annual rate of 60.3 per cent. An additional allocation of R1 billion over the MTEF period has been made available through the national health insurance conditional grant to cover the cost of the national health insurance pilot projects and further preparation for the implementation of national health insurance.

Programme 3: HIV and AIDS, TB, and Maternal and Child Health**Objectives and measures**

- Scale up the combination of HIV prevention interventions to reduce new infections by:
 - expanding the provision of medical male circumcision services to reach 500 000 eligible males per year
 - underpinning prevention strategies by provider initiated HIV counselling and testing to reach 10 million people per year.
- Improve the quality of life of people living with HIV and AIDS by:
 - providing an appropriate package of care, treatment and support services to at least 80 per cent of people living with HIV and AIDS and their families by 2014
 - targeting 650 000 new patients to be initiated on standard antiretroviral therapy by March 2013.

- Reduce infant and child mortality by:
 - improving the national measles immunisation second dose coverage from 83 per cent in 2010/11 to 95 per cent in 2011/12 and subsequent years
 - ensuring that all districts achieve more than 90 per cent full immunisation coverage and overall national coverage of at least 95 per cent annually
 - increasing the number of sub-districts implementing school health services from 147 in 2010/11 to 200 in 2012/13
 - decreasing the rate of transmission of HIV to infants from 3.5 per cent in 2011/12 to less than 2 per cent by 2015/16.
- Progressively reduce maternal and neonatal mortality by:
 - ensuring that 70 per cent of all facilities render maternity care, and implement the recommendations from the saving mothers and saving babies report over the MTEF period
 - ensuring that all hospitals implement the perinatal problem identification programme over the MTEF period
 - strengthening the training of doctors and midwives in essential steps in the management of obstetric emergencies in 13 priority districts in 2011/12.
- Reduce the burden of tuberculosis and improve the cure rate by:
 - increasing the successful treatment completion of all susceptible tuberculosis patients from 74 per cent in 2009 to 80 per cent in 2012/13¹
 - decreasing the tuberculosis defaulter rate of all susceptible tuberculosis patients from 7.9 per cent in 2009 to 5 per cent in 2012/13
 - increasing the percentage of multidrug resistant tuberculosis patients enrolled on treatment from 92 per cent in 2011 to 95 per cent in 2012/13
 - increasing the percentage of tuberculosis cases with known HIV status from 70 per cent in 2011 to 95 per cent by 2012/13
 - increasing the percentage of HIV-tuberculosis co-infected who are on antiretrovirals from 40 per cent in 2011 to 90 per cent in 2012/13.

Subprogrammes

- *HIV and AIDS* develops national policy and administers national HIV and AIDS and sexually transmitted infections programmes. This subprogramme had a staff complement of 77 and a total budget of R8 billion in 2011/12, of which 94 per cent was transferred to provinces through the HIV and AIDS conditional grant. R834 million has been allocated over the medium term to cover the costs of the rapidly growing antiretroviral therapy programme and to strengthen HIV prevention programmes. Of the conditional grant transferred to provinces, 70 per cent was for the antiretroviral treatment programme, 17 per cent for prevention, 7 per cent for programme management and 6 per cent for community based programmes. As of June 2011, 1.57 million people were on antiretroviral treatment. In 2010/11, mother to child transmission rates decreased nationally from 8.5 per cent to 3 per cent. Male condom distribution increased by 60 per cent from 308.5 million in 2007 to 495 million in 2010. Savings of R186.3million over the medium term have been identified in this subprogramme.
- *Tuberculosis* develops national policy and guidelines, and sets norms and standards for tuberculosis. This subprogramme had a staff complement of 16 and a total budget of R18 million in 2011/12, of which 40 per cent was used for compensation of employees and 58 per cent for goods and services. In line with the 20-year vision outlined in the new national strategic plan for HIV, sexually transmitted infections and TB 2012 to 2016, its core interventions will be intensified, including support to intensify case finding and the rollout of the rapid molecular diagnostic technology for tuberculosis, GeneXpert, which detects TB more rapidly in 2 hours compared to several days and/or weeks and with improved sensitivity, will be further rolled out. As a result of intensified case finding and the introduction of GeneXpert, 15 per cent

1. TB treatment outcomes are reported a year behind, meaning, outcomes for 2012/13 will only be available in 2013/14

More TB cases were detected in first 9 months of 2011 compared to the previous year (180 000 to 207 000). No savings in 2012/13 have been identified in this subprogramme.

- *Maternal and Child Health* develops and monitors policies and guidelines, and sets norms and standards for maternal, child and women's health. This subprogramme had a staff complement of 44 and a total budget of R51.7 million in 2011/12, of which 53 per cent was used for compensation of employees, while 41 per cent was used for goods and services. Over the medium term, the department will continue to implement key initiatives to reduce maternal and child morbidity and mortality using, among other things, the recommendations from the ministerial committees on maternal, perinatal and child mortality. Interventions will include improving obstetric patient transport, establishment of maternity waiting homes for pregnant women and deployment of district specialist teams to provide technical and clinical support to districts with the most need. The teams will comprise of varying combinations of 4 specialist doctors (obstetrician and gynaecologist, paediatrician, family physician and anaesthetist) and 3 specialist nurses (paediatric nurse, advanced midwife and primary health care nurse). In addition, a more comprehensive integrated school health programme will be introduced to cover all learning phases prioritising underserved and under resourced schools. No savings in 2012/13 have been identified in this subprogramme.

Expenditure estimates

Table 16.7 HIV and AIDS, TB, Maternal and Child Health

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
HIV and AIDS	3 359 780	4 851 645	6 415 939	7 960 151	9 233 905	11 020 123	12 752 864
Tuberculosis	11 113	16 378	15 822	17 954	25 710	26 495	27 257
Maternal and Child Health	23 549	55 428	51 236	51 737	32 933	34 620	36 182
Total	3 394 442	4 923 451	6 482 997	8 029 842	9 292 548	11 081 238	12 816 303
Change to 2011 Budget estimate				3 314	(84 523)	(106 988)	962 691

Economic classification

	350 883	345 721	284 112	355 819	340 875	348 036	396 134
Current payments							
Compensation of employees	39 114	43 510	48 821	57 693	58 789	61 735	64 941
Goods and services	311 769	302 211	235 291	298 126	282 086	286 301	331 193
<i>of which:</i>							
Administrative fees	14	14	–	2	299	316	330
Advertising	1 815	76 629	42 758	37 004	45 308	48 540	73 365
Assets less than the capitalisation threshold	340	148	270	1 092	1 374	1 450	1 507
Catering: Departmental activities	594	521	1 279	1 883	2 630	2 789	2 902
Communication	477	610	479	458	604	637	662
Computer services	4 022	1 384	22	88	113	119	124
Consultants and professional services: Business and advisory services	103 757	4 890	6 122	30 317	33 831	25 151	33 511
Consultants and professional services: Legal costs	–	–	–	5	5	5	5
Contractors	19 506	577	532	2 057	2 583	2 722	2 831
Agency and support / outsourced services	116	4 585	1 901	3 215	4 711	5 003	5 203
Entertainment	41	26	16	98	109	115	120
Inventory: Fuel, oil and gas	–	–	3	4	5	5	5
Inventory: Materials and supplies	1	2	116 838	9	9	9	10
Inventory: Medical supplies	103 283	181 211	–	172 000	135 000	140 000	148 400
Inventory: Medicine	–	–	30 000	–	–	–	–
Inventory: Other consumables	12	4	5	35	37	39	40
Inventory: Stationery and printing	4 284	4 283	4 380	12 576	15 104	16 001	16 642

Table 16.7 HIV and AIDS, TB, Maternal and Child Health (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Lease payments	368	254	279	463	572	605	630
Travel and subsistence	27 132	17 659	17 342	22 146	18 972	20 702	21 929
Training and development	21 278	2 514	2 204	–	–	–	–
Operating expenditure	23 466	1 207	4 412	7 219	10 427	11 069	11 512
Venues and facilities	1 263	5 693	6 449	7 455	10 393	11 024	11 465
Transfers and subsidies	3 042 958	4 576 751	6 197 781	7 672 773	8 950 221	10 731 528	12 418 495
Provinces and municipalities	2 885 423	4 376 105	6 051 757	7 492 962	8 762 848	10 533 886	12 211 322
Higher education institutions	733	500	2 000	6 124	3 000	3 000	3 000
Non-profit institutions	156 624	198 143	143 757	173 687	184 373	194 642	204 173
Households	178	2 003	267	–	–	–	–
Payments for capital assets	598	973	917	1 250	1 452	1 674	1 674
Machinery and equipment	598	973	917	1 250	1 452	1 674	1 674
Payments for financial assets	3	6	187	–	–	–	–
Total	3 394 442	4 923 451	6 482 997	8 029 842	9 292 548	11 081 238	12 816 303
Details of transfers and subsidies							
Households							
Social benefits							
Current	78	3	267	–	–	–	–
Employee social benefit	78	3	267	–	–	–	–
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	2 885 423	4 376 105	6 051 757	7 492 962	8 762 848	10 533 886	12 211 322
Comprehensive HIV and AIDS grant	2 885 423	4 376 105	6 051 757	7 492 962	8 762 848	10 533 886	12 211 322
Higher education institutions							
Current	733	500	2 000	6 124	3 000	3 000	3 000
University of Limpopo	500	500	2 000	562	2 000	2 000	2 000
University of Cape Town	233	–	–	562	1 000	1 000	1 000
University of Witwatersrand	–	–	–	5 000	–	–	–
Non-profit institutions							
Current	156 624	198 143	143 757	173 687	184 373	194 642	204 173
Lifeline	16 000	–	16 243	16 478	17 627	18 308	19 023
Lovelife	55 000	–	38 690	62 023	66 124	70 430	73 951
Soul City	14 000	–	16 960	12 977	13 876	14 820	15 561
HIV and AIDS Non-governmental organisations	58 141	193 842	57 765	69 038	72 490	76 115	79 921
Medical Research Council - South African AIDS Vaccine Initiative	10 000	–	11 660	12 359	12 977	13 626	14 307
Tuberculosis Non-governmental organisations	3 483	3 665	2 439	–	–	–	–
Maternal, Child and Women's Health Non-governmental organisations	–	636	–	812	1 279	1 343	1 410
Households							
Other transfers to households							
Current	100	2 000	–	–	–	–	–
Donation	100	2 000	–	–	–	–	–

Expenditure trends

Expenditure increased from R3.4 billion in 2008/09 to R8 billion in 2011/12, at an average annual rate of 33.2 per cent, mostly due to transfers to provinces for the HIV and AIDS conditional grant, which has increased as a result of the expanded CD4 count threshold and the subsequent higher numbers of new patients on antiretroviral treatment. Expenditure on consultants was primarily on the provision of the HIV counselling and testing and HIV communication campaigns. Allocations to provinces are made on the basis of burden of disease and progress on antiretroviral treatment uptake.

Over the medium term, expenditure is expected to increase to R12.8 billion, at an average annual rate of 16.9 per cent. Growth in this period is partly to accommodate the change in the antiretroviral treatment threshold to CD4 count of 350 in 2011/12 and expanding the medical male circumcision and condom distribution programmes. The spending focus over the MTEF period will be on strengthening HIV and AIDS prevention programmes.

Programme 4: Primary Health Care Services

Objectives and measures

- Eliminate malaria by 2018 by reducing the local transmission rates, through the implementation of the malaria elimination strategy with a 2012/13 target of 0.56/1 000.
- Prevent and manage non-communicable diseases by:
 - finalising and implementing regulations on reduced salt content in processed food by March 2013
 - introducing legislation to limit the advertising of alcohol in 2012/13
 - implementing the Department's national drug master plan to reduce substance abuse and treat people with alcohol related illnesses
 - consolidating and scaling up the long term treatment model for chronic care in identified districts
 - finalising regulations on the packaging and labelling of tobacco plants by March 2013.
- Promote and improve nutrition by finalising and promulgating regulations relating to food stuffs for infants and young children by the end of March 2013.
- Strengthen the primary health care system by:
 - implementing 318 ward based primary health care outreach teams by 2012/13
 - implementing district specialist teams in 52 districts by 2012/13
 - health promotion related activities in schools.
- Strengthen the delivery of municipal health services by increasing the number of district municipalities delivering the full package of services from 15 to 25 by 2012/13.

Subprogrammes

- *District Services and Environmental Health promotes, coordinates and institutionalises the district health system; integrates the implementation of health programmes; promotes the primary health care approach and environmental health for all levels of the health care systems; and ensures that there are norms and standards for all aspects of the system. This subprogramme had a staff complement of 21 and a total budget of R23.6 million in 2011/12, of which 43 per cent was used for compensation of employees, while 55 per cent was used for goods and services. The high expenditure on consultants was due to the facility management audit in 2011/12. Over the medium term, the following outputs will be achieved: costing of the revised primary health care package; development of norms and standards for mobile clinics, facilities supervision and governance structures; consolidation and further implementation of ward based primary health care outreach teams; finalisation of the public health facilities audit; strengthening of the port health services; support for the delivery of municipal health services; and strengthening management of health care waste. Savings of R302 000 in 2012/13 have been identified in this subprogramme.*

- *Communicable Diseases* develops policies and supports provinces to ensure the control of infectious diseases, and supports the National Institute of Communicable Diseases. This subprogramme had a staff complement of 19 and a total budget of R14.5 million in 2011/12, of which 59 per cent was used for compensation of employees. In terms of communicable diseases like malaria, the target over the medium term, with an allocation of R13.2 million, is to reduce the incidence of local cases from 0.66 to 0.56 per 1 000 of the population at risk in endemic provinces. The following outputs will be achieved over the medium term: development of a monitoring and evaluation plan and malaria active case detection guidelines; and a baseline survey for malaria cross-border initiatives. The national malaria programme will also be redirected towards malaria elimination through enhanced collaboration with countries such as Botswana, Mozambique, Swaziland and Zimbabwe. No savings in 2012/13 have been identified in this subprogramme.
- *Non-Communicable Diseases* establishes policy, legislation and guidelines; and assists provinces in implementing and monitoring chronic diseases, disability, elderly people, eye care, oral health, mental health and substance abuse, and injury prevention. This subprogramme had a total budget of R30 million in 2011/12, of which 55 per cent was used for compensation of employees. Over the medium term, the department will introduce legislation to Parliament limiting alcohol advertising and enact regulations to reduce salt content in food. A new national strategic plan for non-communicable diseases will document a programme of action to realise 10 targets for better health established at a national summit. Intersectoral strategies for reducing the 4 main risk factors for non-communicable diseases will be developed in terms of reducing tobacco use, increasing healthy dietary intake, increasing physical activity and reducing alcohol use. Screening for non-communicable diseases will be increased and further implementation of the long term care model will be implemented. No savings in 2012/13 have been identified in this subprogramme.
- *Health Promotion and Nutrition* formulates and monitors policies, guidelines, and norms and standards for health promotion and nutrition. This subprogramme had a staff complement of 23 and a total budget of R16.5 million in 2011/12, of which 41 per cent was used for compensation of employees and 54 per cent for goods and services. In support of the greater emphasis in the health sector on wellness with prevention and promotion interventions, an integrated health promotion policy and strategy as well as the roadmap for nutrition in South Africa will be finalised. This work will include implementation of the exclusive breastfeeding policy and wellness strategies. Savings of R7.5 million over the medium term have been identified in this subprogramme.

Expenditure estimates

Table 16.8 Primary Health Care Services

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
District Services and Environmental Health	11 679	11 605	28 868	23 558	22 423	24 151	25 063
Communicable Diseases	8 072	204 172	13 985	14 506	17 091	18 346	19 246
Non-Communicable Diseases	23 976	18 325	25 686	29 950	27 234	28 597	29 888
Health Promotion and Nutrition	26 632	11 288	10 232	16 496	20 672	21 831	22 896
Total	70 359	245 390	78 771	84 510	87 420	92 925	97 093
Change to 2011 Budget estimate				(2 379)	11 391	12 392	11 208

Economic classification

	68 558	192 969	72 000	80 670	83 997	89 303	93 331
Current payments							
Compensation of employees	27 402	31 255	32 871	39 519	41 848	44 740	47 127
Goods and services	41 156	161 714	39 129	41 151	42 149	44 563	46 204
of which:							
Administrative fees	30	33	81	151	58	60	62
Advertising	4 730	1 331	286	1 936	807	824	838
Assets less than the capitalisation threshold	402	204	135	626	414	437	454
Audit cost: External	–	–	–	4 000	125	129	134

Table 16.8 Primary Health Care Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Catering: Departmental activities	1 021	340	682	894	1 485	1 511	1 537
Communication	400	353	328	1 196	2 987	3 691	4 302
Computer services	343	1	4	209	1 677	1 727	1 796
Consultants and professional services:	1 396	3 052	21 380	8 609	7 054	7 437	7 459
Business and advisory services							
Contractors	3 962	13	36	246	131	132	133
Agency and support / outsourced services	127	768	112	215	20	21	22
Entertainment	14	19	12	74	65	67	70
Inventory: Fuel, oil and gas	–	–	1	1	197	203	211
Inventory: Learner and teacher support material	–	–	–	–	172	177	184
Inventory: Materials and supplies	2	–	2	41	16	17	17
Inventory: Medical supplies	519	144 302	2 106	70	–	–	–
Inventory: Medicine	–	–	–	954	977	1 026	1 067
Current payments							
Inventory: Other consumables	70	11	10	100	58	62	66
Inventory: Stationery and printing	3 089	2 795	2 771	5 812	5 289	5 667	5 808
Lease payments	346	243	284	544	444	463	477
Property payments	–	145	–	–	–	–	–
Transport provided: Departmental activity	123	–	–	–	–	–	–
Travel and subsistence	13 852	6 635	6 351	11 070	16 860	17 465	18 007
Training and development	157	6	25	–	14	15	16
Operating expenditure	7 960	647	4 119	2 160	1 789	1 862	1 918
Venues and facilities	2 613	816	404	2 243	1 510	1 570	1 626
Transfers and subsidies	1 170	51 916	6 339	2 642	2 164	2 298	2 438
Provinces and municipalities	–	50 000	–	–	–	–	–
Departmental agencies and accounts	–	–	4 600	–	–	–	–
Non-profit institutions	959	1 881	1 709	2 642	2 164	2 298	2 438
Households	211	35	30	–	–	–	–
Payments for capital assets	630	493	432	1 198	1 259	1 324	1 324
Machinery and equipment	630	493	432	1 198	1 259	1 324	1 324
Payments for financial assets	1	12	–	–	–	–	–
Total	70 359	245 390	78 771	84 510	87 420	92 925	97 093

Details of transfers and subsidies

Households							
Social benefits							
Current	109	35	30	–	–	–	–
Employee social benefit	9	35	30	–	–	–	–
Donation	100	–	–	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	–	–	4 600	–	–	–	–
Humans Sciences Research Council	–	–	4 600	–	–	–	–
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	–	50 000	–	–	–	–	–
Cholera conditional grant	–	50 000	–	–	–	–	–
Non-profit institutions							
Current	959	1 881	1 709	2 642	2 164	2 298	2 438
South African Federation for Mental Health	234	–	261	277	290	305	320

Table 16.8 Primary Health Care Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Details of transfers and subsidies							
South African Council for the Blind	525	552	585	620	651	684	718
South African Community Epidemiology Network on Drug Use	200	508	366	388	408	428	450
Mental health non-governmental organisations	–	246	147	157	165	173	182
Health promotion non-governmental organisations	–	575	350	1 099	650	708	768
Environmental health non-governmental organisations	–	–	–	101	–	–	–
Households							
Other transfers to households							
Current	102	–	–	–	–	–	–
Donation	102	–	–	–	–	–	–

Expenditure trends

Expenditure increased from R70.4 million in 2008/09 to R84.5 million in 2011/12, at an average annual rate of 6.3 per cent, and is expected to increase to R97.1 million over the medium term, at an average annual rate of 4.7 per cent. The increase of R50 million in spending in 2009/10 was for a cholera outbreak and R144 million for a mass influenza vaccination campaign.

Programme 5: Hospitals, Tertiary Health Services and Human Resource Development

Objectives and measures

- Accelerate the delivery of health infrastructure by:
 - continuous application of health infrastructure norms and standards for all levels of health services at all stages of the development cycle
 - establishing a project management information system for project and programme monitoring and oversight by March 2013.
- Strengthen health sector human resource capacity to deliver on key health programmes by continuously developing and implementing programmes for the production of new health professional categories for mid-level workers, including clinical associates, emergency care practitioners and community health workers.

Subprogrammes

- *Health Facilities Infrastructure Management* focuses on the coordination and funding of health infrastructure to enable provinces to plan, manage, modernise, rationalise and transform infrastructure, health technology, hospital management and the improvement of quality of care in line with national policy objectives. This subprogramme is responsible for 3 infrastructure conditional grants and had a total budget of R6.1 billion in 2011/12, of which 99 per cent was transferred to provinces to improve health facilities infrastructure. Over the medium term, additional funding of R450 million is allocated through the nursing colleges conditional grant to plan and coordinate the upgrading, recapitalisation and maintenance of nursing colleges. An amount of R128 million is also added to the hospital revitalisation grant to cater for the start up costs of the 5 large hospital public private partnerships.
- *Tertiary Health Care Planning and Policy* focuses on developing credible, long term provision of tertiary and high quality specialised services in a modernised and reconfigured manner; and identifies tertiary and regional hospitals that should serve as centres of excellence for disseminating quality improvements. This subprogramme had a total budget of R8.7 billion in 2011/12, of which 99 per cent was transferred to provinces through the national tertiary services grant. Responsibilities include the management of the

National Tertiary Services grant to provinces, whose purpose is to enable provinces to plan, modernise, rationalise and transform the tertiary hospital services platform. No savings in 2012/13 have been identified in this subprogramme.

- *Hospital Management* deals with national policy on hospital and emergency medical services by focusing on developing an effective referral system to ensure clear delineation of responsibility by level of care, clear guidelines for referral and improved communication and development of specific, detailed hospital plans. This subprogramme had a staff complement of 15 and a total budget of R12.3 million in 2011/12, of which 57 per cent was used for compensation of employees. Quality improvement plans for hospitals will focus on: cleanliness, infection prevention and control, patient safety, drug management and availability of medicines, waiting times and staff attitude. These measures will be developed and implemented in 289 hospitals over the medium term. No savings in 2012/13 have been identified in this subprogramme.
- *Human Resources for Health* is responsible for medium to long term human resources planning in the national health system. This entails 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. This subprogramme had a staff complement of 11 and a total budget of R2 billion in 2011/12, of which 1 per cent was used for compensation of employees, while 98 per cent was transferred to provinces. A national human resources strategy was developed and released in 2011/12. In the same year, the development of human resources norms commenced and it is envisaged that it will be finalised and published in 2012/13. Savings of R17.3 million over the medium term have been identified in this subprogramme.
- *Nursing Services* is a newly established subprogramme to be responsible for developing policy to oversee the development of required nursing skills and capacity. This subprogramme has a staff complement of 3 and a total budget of R1.5 million in 2012/13, of which 64 per cent is used for compensation of employees. In addition, nursing norms and standards will be developed and the development of a national nursing training curriculum will be facilitated to ensure that nurses are appropriately skilled, and utilised appropriately and effectively.

Expenditure estimates

Table 16.9 Hospitals, Tertiary Health Services and Human Resource Development

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
R thousand							
Health Facilities Infrastructure Management	3 701 848	4 198 814	5 191 544	6 057 426	5 854 383	6 080 964	6 619 813
Tertiary Health Care Planning and Policy	6 767 231	7 146 140	7 990 670	8 705 251	8 950 467	9 695 572	10 247 397
Hospital Management	7 481	7 980	6 517	12 257	12 616	13 247	13 840
Human Resources for Health	1 702 465	1 790 503	1 880 530	2 018 720	2 108 854	2 224 629	2 348 774
Nursing Services	–	–	–	–	1 550	2 100	2 350
Total	12 179 025	13 143 437	15 069 261	16 793 654	16 927 870	18 016 512	19 232 174
Change to 2011 Budget estimate				192 137	(150 405)	287 980	423 354

Economic classification

	61 554	72 153	74 011	224 556	135 157	136 341	135 071
Current payments							
Compensation of employees	36 039	41 417	41 978	58 151	67 257	70 645	72 800
Goods and services	25 515	30 736	32 033	166 405	67 900	65 696	62 271
<i>of which:</i>							
Administrative fees	–	98	37	46	143	391	608
Advertising	1 079	373	204	1 290	1 013	1 095	1 172
Assets less than the capitalisation threshold	253	460	154	1 868	6 934	8 456	8 183
Audit cost: External	–	–	–	100	–	–	–
Bursaries: Employees	–	–	–	65	67	68	69
Catering: Departmental activities	275	193	173	890	912	927	958
Communication	943	1 009	973	1 243	1 525	1 705	1 816

Table 16.9 Hospitals, Tertiary Health Services and Human Resource Development (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Computer services	6 490	156	636	1 240	1 099	1 299	1 399
Consultants and professional services:	273	10 573	14 504	130 404	25 086	21 733	15 626
Business and advisory services							
Consultants and professional services:	–	–	–	–	1 200	–	1 400
Laboratory services							
Contractors	1 573	1 779	1 578	2 748	2 819	2 927	3 037
Agency and support / outsourced services	634	932	965	1 224	1 415	1 723	1 832
Entertainment	19	15	7	37	23	23	23
Inventory: Fuel, oil and gas	24	286	218	155	200	250	300
Inventory: Materials and supplies	180	93	91	135	502	552	604
Inventory: Medical supplies	39	11	10	46	50	100	150
Inventory: Medicine	–	–	2	30	–	–	–
Inventory: Other consumables	3 336	3 752	4 167	6 503	8 081	7 545	7 698
Inventory: Stationery and printing	798	977	773	2 091	2 260	2 342	2 438
Lease payments	487	696	506	1 465	1 748	1 854	1 960
Travel and subsistence	6 748	4 648	4 587	10 368	7 959	7 730	7 819
Current payments							
Training and development	174	2 969	29	–	37	29	30
Operating expenditure	1 980	814	1 685	2 480	2 420	2 528	2 639
Venues and facilities	210	902	734	1 977	2 407	2 419	2 510
Transfers and subsidies							
	12 103 237	13 067 743	14 990 221	16 549 820	16 778 762	17 865 790	19 082 722
Provinces and municipalities	12 103 235	13 067 645	14 990 204	16 541 820	16 778 762	17 865 790	19 082 722
Higher education institutions	–	–	–	8 000	–	–	–
Households	2	98	17	–	–	–	–
Payments for capital assets							
	14 233	3 538	4 880	19 278	13 951	14 381	14 381
Machinery and equipment	14 233	3 258	4 880	19 278	13 951	14 381	14 381
Software and other intangible assets	–	280	–	–	–	–	–
Payments for financial assets							
	1	3	149	–	–	–	–
Total	12 179 025	13 143 437	15 069 261	16 793 654	16 927 870	18 016 512	19 232 174

Details of transfers and subsidies

Households							
Social benefits							
Current	1	98	–	–	–	–	–
Employee social benefit	1	98	–	–	–	–	–
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	8 407 619	8 876 104	9 820 349	10 616 568	11 054 186	11 960 723	12 690 023
Health professions training and development grant	1 679 061	1 759 799	1 865 387	1 977 310	2 076 176	2 190 366	2 321 788
National tertiary services grant	6 134 084	6 614 442	7 398 000	8 048 878	8 878 010	9 620 357	10 168 235
Nursing colleges grant	–	–	–	–	100 000	150 000	200 000
Forensic pathology services grant	594 474	501 863	556 962	590 380	–	–	–

Table 16.9 Hospitals, Tertiary Health Services and Human Resource Development (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Capital	3 695 616	4 191 541	5 169 855	5 925 252	5 724 576	5 905 067	6 392 699
Hospital revitalisation grant	2 735 633	2 989 139	3 568 103	4 220 790	4 103 595	4 183 933	4 556 297
Health infrastructure grant	959 983	1 202 402	1 601 752	1 704 462	1 620 981	1 721 134	1 836 402
Higher education institutions							
Current	-	-	-	8 000	-	-	-
University of Witwatersrand	-	-	-	8 000	-	-	-
Households							
Other transfers to households							
Current	1	-	17	-	-	-	-
Employee social benefit	1	-	17	-	-	-	-

Expenditure trends

Expenditure increased from R12.2 billion in 2008/09 to R16.8 billion in 2011/12, at an average annual rate of 11.3 per cent. The growth was mainly in transfers and subsidies to the infrastructure grants to provinces. Over the medium term, spending is expected to increase to R19.2 billion, at an average annual rate of 4.6 per cent. Provinces reported underspending of R400 million for the financial year to December 2011. The marginal growth in the programme in 2012/13 arises mainly from the phasing out of the forensic pathology conditional grant into provincial funding streams. R450 million is allocated over the medium term for the upgrading of nursing colleges. The spending over the MTEF period will focus on health infrastructure planning across the provinces and strengthening of tertiary services.

Programme 6: Health Regulation and Compliance Management

Objectives and measures

- Improve the registration of medicines and reduce the time taken to reach the market by limiting the backlog on medicine registrations, by continuously building in-house capacity, training and aggressively recruiting evaluators, managing clinical trials and performing inspections.
- Improve oversight of the registration of pharmaceutical and related products by establishing the South African Health Products Regulatory Authority in 2012/13.
- Improve the quality of health services through establishing an independent Office of Health Standards Compliance Bill as a national quality certification body by 2012.

Subprogrammes

- *Pharmaceutical Trade and Product Regulation* regulates the procurement of medicines and pharmaceutical supplies, and provides oversight of trade in health products to ensure access to safe and affordable medicines. This subprogramme had a staff complement of 136 and a total budget of R79.5 million in 2011/12, of which 45 per cent was used for compensation of employees. In 2012/13, the department will develop and finalise organisational design changes, registration processes as well as fee structures in relation to the transition towards the new South African Health Products Regulatory Authority. R100.3 million has been allocated over medium term for establishing the regulator. Once it is formally established as a public entity, it will retain the revenue it generates from registering medicines. No savings over the medium term have been identified in this subprogramme.
- *Public Entities Management* provides policy frameworks for health public entities with regard to planning, budgeting procedures, financial reporting and oversight, ownership, governance, remuneration, and accountability. It oversees and partially funds the Medical Research Council, National Health Laboratory

Service and Council for Medical Schemes. This subprogramme had a total budget of R364.9 million in 2011/12, of which 99.6 per cent was transferred to the entities. R3 million each year over the medium term period is allocated to the Medical Research Council for the annual wage increases. Savings of R13.8 million over the medium term have been identified in this subprogramme.

- *Office of Standards Compliance* deals with quality assurance, compliance with national standards and patient complaints, and radiation control. This subprogramme had a staff complement of 60 and a total budget of R41.2 million in 2011/12, of which 46.7 per cent was used for compensation of employees. No savings in 2012/13 have been identified in this subprogramme.
- *Compensation Commissioner for Occupation Diseases and Occupational Health* is responsible for the payment of benefits to active and ex-miners who have been certified to be suffering from lung related diseases as a result of the risk work they have performed in mines or classified works. This subprogramme had a staff complement of 108 and a total budget of R38.9 million in 2011/12, of which 54 per cent was used for compensation of employees, while 33 per cent was used for goods and services. Focus over the medium term will be on reengineering business processes and revenue to ensure sustainability, reducing the turnaround period for settling claims, amending the Occupational Diseases in Mines and Works Act (1973), and improving governance, internal controls and relationships with key stakeholders. Savings of R3 million over the medium term have been identified in this subprogramme.
- *Food Control* regulates foodstuffs and non-medical health products to ensure food safety by developing and implementing food control policies, norms and standards, and regulations. This subprogramme had a staff complement of 13 and a total budget of R6.8 million in 2011/12, of which 71 per cent was used for compensation of employees. In 2012/13, the department will develop, finalise and publish 5 regulations in line with the relevant provisions of the Foodstuffs, Cosmetics and Disinfectants Act (1972). Savings of R3 million in 2012/13 have been identified in this subprogramme.

Expenditure estimates

Table 16.10 Health Regulation and Compliance Management

Subprogramme	Audited outcome			Adjusted appropriation 2011/12	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand							
Food Control	6 426	5 443	5 751	6 839	7 131	7 532	7 926
Pharmaceutical Trade and Product Regulation	50 232	55 179	67 681	79 537	83 124	89 448	93 670
Public Entities Management	315 909	334 628	406 340	364 913	380 220	410 168	431 440
Office of Standards Compliance	17 586	16 293	18 723	41 223	62 261	54 518	56 974
Compensation Commissioner for Occupational Diseases and Occupational Health	27 304	28 713	30 567	38 865	43 071	52 783	55 213
Total	417 457	440 256	529 062	531 377	575 807	614 449	645 223
Change to 2011 Budget estimate				5 536	3 774	13 508	8 543

Economic classification

	97 175	100 051	117 729	162 956	192 561	201 555	211 222
Current payments							
Compensation of employees	56 107	64 031	71 059	84 995	98 408	103 543	109 019
Goods and services	41 068	36 020	46 670	77 961	94 153	98 012	102 203
<i>of which:</i>							
<i>Administrative fees</i>	53	–	13	268	303	841	48
<i>Advertising</i>	914	528	906	1 487	1 635	1 938	2 017
<i>Assets less than the capitalisation threshold</i>	476	295	465	7 427	7 701	9 837	10 486
<i>Audit cost: External</i>	554	919	1 411	1 700	1 773	2 728	2 837
<i>Catering: Departmental activities</i>	272	304	325	555	600	668	696
<i>Communication</i>	1 756	1 807	1 662	1 748	1 853	2 352	2 437
<i>Computer services</i>	449	3 040	995	4 376	4 793	4 673	5 367

Table 16.10 Health Regulation and Compliance Management (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Economic classification							
Consultants and professional services: Business and advisory services	13 396	11 639	20 895	18 255	30 557	25 296	27 163
Consultants and professional services: Legal costs	–	–	34	195	218	242	254
Contractors	2 017	318	507	1 042	1 139	1 397	1 459
Agency and support / outsourced services	892	595	972	2 304	2 486	2 559	2 600
Entertainment	13	16	11	135	137	143	146
Inventory: Fuel, oil and gas	–	23	3	50	50	50	50
Inventory: Materials and supplies	42	8	12	148	164	201	210
Inventory: Medical supplies	23	13	524	486	504	735	761
Inventory: Medicine	–	–	–	43	48	52	55
Inventory: Other consumables	233	372	196	916	968	1 279	1 328
Inventory: Stationery and printing	1 634	1 594	1 553	4 255	4 830	5 500	5 707
Lease payments	572	525	598	1 250	1 402	1 592	1 659
Travel and subsistence	16 058	11 824	13 444	26 640	27 972	30 350	31 155
Training and development	44	11	51	–	–	–	–
Operating expenditure	1 611	2 058	1 500	3 361	3 602	4 048	4 186
Venues and facilities	59	131	593	1 320	1 418	1 531	1 582
Transfers and subsidies	318 349	339 019	409 069	366 440	379 808	409 286	430 393
Departmental agencies and accounts	315 638	335 550	404 038	360 343	371 556	399 034	419 526
Non-profit institutions	2 626	2 757	4 922	6 097	8 252	10 252	10 867
Households	85	712	109	–	–	–	–
Payments for capital assets	1 885	1 184	2 121	1 981	3 438	3 608	3 608
Machinery and equipment	1 885	1 184	2 121	1 981	3 438	3 608	3 608
Payments for financial assets	48	2	143	–	–	–	–
Total	417 457	440 256	529 062	531 377	575 807	614 449	645 223

Details of transfers and subsidies

Households							
Social benefits							
Current	85	712	109	–	–	–	–
Employee social benefit	85	712	109	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	313 283	331 871	401 418	357 566	368 640	395 972	416 311
National Health Laboratory Services	70 623	76 475	120 309	82 167	84 640	88 873	93 317
South African Medical Research Council	236 509	251 531	281 109	271 205	279 690	302 574	318 243
Council for Medical Schemes	6 151	3 865	–	4 194	4 310	4 525	4 751
Non-profit institutions							
Current	2 626	2 757	4 922	6 097	8 252	10 252	10 867
Health Systems Trust	2 626	2 757	4 922	6 097	8 252	10 252	10 867
Departmental agencies and accounts							
Social security funds							
Current	2 355	3 679	2 620	2 777	2 916	3 062	3 215
Compensation Fund	2 355	3 679	2 620	2 777	2 916	3 062	3 215

Expenditure trends

Expenditure increased from R417.5 million in 2008/09 to R531.4 million in 2011/12, at an average annual rate of 8.4 per cent, and is expected to increase over the medium term to R645.2 million, at an average annual rate of 6.7 per cent. The increase is partly due to the transfers to public entities. The largest spending increase over MTEF period is in the *Office of Standards Compliance* subprogramme to create an independent agency for quality assurance and accreditation of health facilities. There is also strong growth over MTEF period in *Pharmaceutical Trade and Product Regulation* programme to reduce large backlogs in medicine registration and establish the South African Health Products Regulatory Authority.

Public entities and other agencies

National Health Laboratory Service

Overview: 2008/09 – 2014/15

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 diagnostic laboratory services to all state clinics and hospitals. It also provides health science training and education, and supports health research. It is the largest diagnostic pathology service in South Africa, servicing over 80 per cent of the population, through a national network of 265 laboratories. Its specialised divisions include the National Institute for Communicable Diseases, the National Institute for Occupational Health, the National Cancer Registry and the Antivenom Unit.

The National Institute for Communicable Diseases is responsible for public health surveillance of communicable diseases and coordinates appropriate responses. It carries out surveillance programmes on acute respiratory tract infections, the rotavirus, hospitalisations from respiratory infections, and influenza data for vaccine manufacturing decisions through the viral watch programme.

The institute is South Africa's major centre for occupational health development, training, service support and research. The institute provides leadership and support for the development of effective occupational health services by maintaining and developing a specialist reference laboratory, advisory and information services centrally and peripherally. The institute provides specialised support to the national departments of Health, Mineral Resources and Labour. Increases in national laboratory spending have been driven predominantly by volume increases and the service has been placed under pressure by delays in payment by provincial health departments. Measures are being put in place to arbitrate disputes with provinces, control demand for laboratory tests, enter into service level agreements with provinces and encourage them to ringfence appropriate levels of laboratory expenditure.

The key strategic objectives for the National Health Laboratory Service over the next five years are to: develop a new service delivery model that is more affordable for the public sector; determine a best fit service delivery model; deliver a quality, customer focused service; align resources, support services and infrastructural development for service delivery; become the laboratory services' employer of choice; prioritise innovation and research to be relevant, appropriate and leading edge; become the powerhouse of health information; drive stakeholder collaboration; position the service as the provider of choice for national health insurance; and protect the community and environment.

The service's strategic direction is aligned with the Minister of Health's 10-point plan and negotiated service delivery agreement, with many of its key diagnostic tests being in critical areas of HIV, TB, and maternal and child health. To respond to the challenges of affordability, prices for priority programmes of HIV, TB and pap smears were reduced by 5 per cent on average in 2011/12. This resulted in savings of R184.2 million in provinces when compared to the previous year.

To improve result turnaround time, the service piloted mobile health solutions in Eastern Cape and Free State, using cellphones and internet platforms for clinicians to access results at bedsides. To provide enhanced and more integrated HIV and TB services, a single national priority programme division was created.

Along with the department, the service was the first laboratory diagnostic provider in Africa to introduce GeneXpert technology for the diagnosis of tuberculosis and rifampicin resistance. This technology produces a result within two hours, resulting in quicker responses to patient treatment compared to microscopy and cultures, which can take between 48 hours and four weeks.

The TrakCare Lab information system was successfully implemented in KwaZulu-Natal, on 2011/12 budget. The new billing system in the province is now fully functional, allowing the provincial department to migrate with ease to the fee for service system with effect from 1 April 2010.

Performance

The improvement between 2008/09 and 2011/12 in the turnaround times for viral load and HIV polymerase chain reaction is attributable to the creation of the national priority programmes division to support the department in achieving outputs aligned with its 10-point plan and negotiated service delivery agreement. The improvement over the same period to the percentage of TB tests completed is due to the introduction of GeneXpert in 2011/12. This technology produces results within two hours compared to microscope and cultures which take between 48 hours and four weeks. To ensure optimisation of scarce resources and better sharing of epidemiological skills and expertise, the National Cancer Registry and the cancer epidemiology research group were merged with the National Institute for Occupational Health.

Selected performance indicators

Table 16.11 National Health Laboratory Service

Indicator	Programme/Activity/ Objective	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Turnaround times: CD4 within 72 hours (volume of CD4 tests)	Laboratory tests	82% (2 113 140)	86% (2 537 860)	86% (2 614 032)	86% (2 744 734)	87% (2 881 970)	88% (3 026 069)	90% (3 177 372)
Turnaround times: viral load within 4 days (volume of viral load tests)	Laboratory tests	39% (440 310)	41% (437 060)	52% (605 002)	74% (635 252)	85% (667 014)	90% (700 365)	90% (735 383)
Turnaround times: TB microscopy within 48 hours (volume of TB microscopy tests)	Laboratory tests	58% (2 440 060)	60% (277 800)	95% (4 911 621)	94% (5 157 202)	95% (5 415 062)	95% (5 685 815)	95% (5 970 106)
Turnaround Times: HIV polymerase chain reaction test within 5 days (volume of HIV polymerase chain reaction test tests)	Laboratory Tests	47% (101 177)	55% (124 630)	67% (160 133)	74% (168 140)	85% (176 647)	90% (185 374)	90% (194 643)

Programmes/activities/objectives

Table 16.12 National Health Laboratory Service

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Laboratory tests	2 500 527	2 822 046	3 140 818	3 321 690	3 273 467	3 465 291	3 664 206
Surveillance of communicable diseases	93 992	106 069	117 645	133 480	141 969	152 582	159 757
Occupational health	32 515	38 336	48 516	60 149	62 983	66 582	70 396
Research grants	47 231	136 087	96 733	99 167	60 000	67 000	72 000
Total expense	2 674 265	3 102 538	3 403 712	3 614 486	3 538 419	3 751 455	3 966 359

The National Health Laboratory Service had a total budget of R3.6 billion in 2011/12, of which 92 per cent was used for laboratory tests.

Savings and cost effectiveness measures

Yearly improvements in efficiency and productivity have resulted in price increases on all tests done being kept significantly below inflation over the last four years. In 2011/12, the overall price increase of all tests is 1 per cent and a price reduction of 10 per cent for the priority programmes of HIV, tuberculosis and cervical

screening. The entity is focused on finding solutions to keep costs down without compromising access or quality. In partnership with the Western Cape and Gauteng provincial departments, projects were initiated to develop tools to minimise inappropriate and unnecessary tests.

Expenditure estimates

Table 16.13 National Health Laboratory Service

Statement of financial performance							
R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Revenue							
Non-tax revenue	2 739 012	3 105 747	3 502 891	3 554 549	3 496 482	3 693 873	3 901 681
Sale of goods and services other than capital assets	2 676 092	3 049 497	3 446 125	3 519 549	3 460 482	3 649 873	3 849 681
<i>of which:</i>							
<i>Sales by market establishments</i>	2 676 092	3 049 497	3 446 125	3 519 549	3 460 482	3 649 873	3 849 681
<i>Other non-tax revenue</i>	62 920	56 250	56 766	35 000	36 000	44 000	52 000
Transfers received	124 506	202 962	164 935	97 940	99 435	102 691	106 159
Total revenue	2 863 518	3 308 709	3 667 826	3 652 489	3 595 917	3 796 564	4 007 840
Expenses							
Current expenses	2 674 265	3 102 538	3 403 712	3 614 486	3 538 419	3 751 455	3 966 359
Compensation of employees	1 252 558	1 398 531	1 630 762	1 897 444	1 796 716	1 868 585	1 990 043
Goods and services	1 354 778	1 559 575	1 703 614	1 585 547	1 598 183	1 726 134	1 805 681
Depreciation	65 636	143 468	68 789	122 495	133 520	145 736	158 635
Interest, dividends and rent on land	1 293	964	547	9 000	10 000	11 000	12 000
Total expenses	2 674 265	3 102 538	3 403 712	3 614 486	3 538 419	3 751 455	3 966 359
Surplus / (Deficit)	189 253	206 171	264 114	38 003	57 498	45 109	41 481
Statement of financial position							
Carrying value of assets	394 296	458 749	506 696	615 401	641 881	651 345	658 210
<i>of which:</i>							
<i>Acquisition of assets</i>	181 017	219 885	122 038	231 200	160 000	155 200	165 500
Inventory	116 895	69 445	72 901	42 901	122 901	87 901	127 901
Receivables and prepayments	1 066 216	1 242 204	1 582 391	1 537 391	1 367 391	1 247 391	1 137 391
Cash and cash equivalents	139 578	260 630	177 421	183 392	192 930	217 042	253 658
Non-current assets held for sale	–	–	–	–	227 357	343 857	473 358
Total assets	1 716 985	2 031 028	2 339 409	2 379 085	2 552 460	2 547 536	2 650 518
Accumulated surplus/(deficit)	751 010	960 652	1 210 560	1 248 563	1 306 061	1 260 952	1 302 433
Capital and reserves	42 837	42 837	42 837	46 946	60 000	70 000	75 000
Finance lease	8 362	6 150	3 662	–	–	–	–
Deferred income	74 437	113 123	83 897	83 897	83 897	83 897	83 897
Trade and other payables	328 543	360 403	362 828	297 597	237 597	307 597	232 597
Provisions	511 796	547 863	635 625	702 082	864 905	825 090	956 591
Total equity and liabilities	1 716 985	2 031 028	2 339 409	2 379 085	2 552 460	2 547 536	2 650 518

Expenditure trends

Revenue is generated mostly from laboratory testing. Growth in revenue has largely been driven by volume increases, with large increases in HIV and TB testing in particular. This is attributable to the new 350 CD4 count protocol and the introduction of the GeneXpert technology. Revenue grew from R2.9 billion to R3.7 billion in 2011/12, at an average annual rate of 8.5 per cent. Revenue over the MTEF period is expected to grow to R4 billion, at an average annual rate of 3.1 per cent. When compared to 2010/11, revenue decreased by 0.4 per cent in 2011/12 due to non-payment by provincial health departments.

Transfers received decreased by 40.6 per cent from R164 million in 2010/11 to R 97.9 million in 2011/12. The total transfer received includes grant income from the department and external sources. Although the transfer from the department has been consistent, this has not been the case for the external grants which decreased

significantly. The decrease of 5.3 per cent in spending on compensation of employees in 2012/13 is attributable to current vacant posts being frozen due to financial pressures.

Over the previous years, the entity's price increases were maintained below inflation. The overall testing price decreased by 1 per cent in 2011/12. This underlines the entity's commitment to ensuring more affordable healthcare for all South Africans.

Expenditure grew from R2.7 billion to R3.6 billion in 2011/12, at an average annual rate of 10.6 per cent. Expenditure over the MTEF period is expected to grow to R4 billion, at an average annual rate of 3.1 per cent. This was largely attributable to salary increases of between 6 per cent and 7 per cent which were effective from 01 July 2011. Other significant increases related to the cost of utilities and software development expenses relating to the planned implementation of a new Oracle release. The surplus of R264 million in 2010/11 did not materialise into cash due to the poor payment pattern by certain provinces. Debtors have increased by R340 million as result. This continued upward trend has had a severe impact on the entity's operations and has resulted in it having less than a month's cash cover to meet its current and future obligations. In 2011/12, provincial health departments owed the entity R2.1 billion. The Gauteng provincial health department owed R646 million outstanding while KwaZulu-Natal owed R997 million. This has led to a delay in supplier payments. The entity owed R410.3 million, which was an increase of R47.5 million since March 2011. Many suppliers delayed services which may negatively affect the supply chain of the National Health Laboratory Service. This is being addressed with the Minister of Health and National Treasury.

Personnel information

Table 16.14 National Health Laboratory Service

	Personnel post status as at 30 September 2011			Number of personnel posts filled / planned for on funded establishment						
	Number of posts on approved establishment	Number of funded posts	Number of vacant posts	Actual			Mid-year ¹	Medium-term estimate		
				2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Executive management	12	13	1	–	12	12	12	13	13	13
Senior management	101	101	–	–	99	101	101	106	106	106
Professionals	2 220	2 220	–	–	2 261	2 148	2 220	2 331	2 331	2 331
Skilled	1 277	1 277	–	–	1 021	1 187	1 277	1 340	1 340	1 340
Semi-skilled	2 065	2 065	–	–	1 984	1 996	2 066	2 169	2 169	2 169
Very low skilled	492	492	–	–	451	451	492	516	516	516
Total	6 167	6 168	1	–	5 828	5 895	6 168	6 475	6 475	6 475
Compensation (R thousand)				1 252 558	1 398 531	1 630 762	1 897 444	1 796 716	1 868 585	1 990 043
Unit cost (R thousand)				–		277	308	277	289	307

1. As at 30 September 2011.

In 2011/12, headcount increased by 273 at the rate of 4.6 per cent. The total workforce was 6 168 as at 30 September 2011.

South African Medical Research Council

Overview: 2008/09 – 2014/15

The South African Medical Research Council was established in 1969 in terms of the South African Medical Research Council Acts (1969 and 1991). The council's objectives 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 located within the council as well as in higher education institutions.

The council's researchers have made significant contributions to the key priorities of the Department of Health's 10-point plan, through operational and applied research projects, by supporting and evaluating programmes, or on an advisory level by serving on policy and technical teams. Examples include work on the national health insurance scheme, quality and standards, the prevention of mother to child HIV transmission, TB, HIV prevention and surveillance systems, and research that translated into the introduction of the rotavirus and pneumococcal vaccine in 2011.

The board, which was appointed in November 2010, is leading the development of the council's strategic plan from 2011/2012 to 2015/2016. The Science, Engineering, and Technology Institutes' review of the council in 2010, as well as input from its major stakeholders (for example, the national health research committee), have been considered in this process. The council's research plays a key role in researching, guiding and monitoring the key outcome areas to achieve a long and healthy life for all South Africans. The focus over the medium term will be on ensuring alignment with the 10-point plan priorities, and on the four negotiated service delivery agreement output areas.

The council conducts and funds national health research, and supports research capacity development. The council's HIV and AIDS, and tuberculosis units are conducting clinical research on an HIV vaccine, microbicides, antiretrovirals, and tuberculosis treatment and diagnostics. Researchers are evaluating interventions for the prevention of injury and violence, and on reducing non-communicable diseases. In 2011, the MRC launched a national collaborative research programme in cardiovascular and metabolic diseases. The MRC is also part of the Global Alliance for Chronic Disease,

In 2012, the council will host the ICT4Health secretariat, which comprises informatics, telemedicine, and e-health. The secretariat will support the Ministerial Advisory Committee for Health Technology and the department in finalising the national telemedicine and overarching e-health policies and strategic plans, and coordinate the drafting of the health strategy and policy. This lead role is of particular importance in relation to the national health insurance scheme and bridging the gap between public and private sector stakeholders. The council has established an entity wide risk management unit, including safety, health and environment risk management, which will allow the management of all types of risk and the identification by all members of staff of risk exposure.

Performance

798 peer reviewed publications, including 648 peer reviewed journal articles were produced during the council's annual reporting period in 2010/11, with over 95 per cent of articles in international journals. 33 doctoral students graduated from council units, with 117 African students enrolled among the 302 students enrolled in these units.

Selected performance indicators

Table 16.15 South African Medical Research Council

Indicator	Programme /Activity/Objective	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of peer reviewed publications (journal articles from 2012) per year	Linked to all research programmes	706	696	648	630	650	660	660
Number of new patents per year	Linked to some research programmes	2	7	3	2	1	1	1
Number of PhD students per year	Linked to all research programmes	62	46	33	50	52	52	52

Programmes/activities/objectives

Table 16.16 Medical Research Council of South Africa

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Health research	119 752	136 479	135 131	141 834	165 791	156 365	164 656
Management of national health research facilities	30 586	17 206	33 644	35 383	37 461	39 784	42 244
Health research grants	27 020	20 099	27 310	28 794	30 362	32 028	33 798
Health research study bursaries	245	393	297	313	328	345	362
Health research programmes	–	23	186	194	202	86	91
Training of health researchers and related personnel	25 575	25 831	34 203	36 490	39 332	41 501	44 136
Health research support	7 592	7 542	7 807	8 258	8 813	9 304	9 844
Translation of health research results	28 144	30 334	37 616	40 432	41 939	44 398	47 146
Development of innovations in healthcare	41 850	46 705	42 454	44 066	48 130	50 686	53 755
Other objectives	212 924	215 598	234 458	273 865	262 153	293 483	305 30
Total expense	493 688	500 210	553 106	609 629	634 511	667 980	701 462

The Medical Research Council had a total budget of R609.6 million in 2011/12, used for various health research projects.

Savings and cost effectiveness measures

The entity's new strategic plan includes the implementation of actions to improve the efficiency of operations, as well as its research structures. A new financial system is being introduced on 1 April 2012 that will automate the procurement process and facilitate the application of budget-to-actual control. In addition, a supply chain database was implemented from 1 April 2011 to assist with procurement processes and reduce the risk of non-compliance. Cooperation, coordination and collaboration among the entity's units and groups will be fostered to tackle the disease burden in a multi-disciplinary fashion.

Expenditure estimates

Table 16.17 Medical Research Council of South Africa

Statement of financial performance							
R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Revenue							
Non-tax revenue	335 247	318 271	317 133	329 202	331 750	342 250	347 650
Sale of goods and services other than capital assets	281 875	284 949	290 403	302 662	305 000	315 000	320 000
<i>of which:</i>							
<i>Sales by market establishments</i>	281 875	284 949	290 403	302 662	305 000	315 000	320 000
<i>Other non-tax revenue</i>	53 372	33 322	26 730	26 540	26 750	27 250	27 650
Transfers received	202 137	222 663	237 289	271 205	279 690	302 574	318 243
Total revenue	537 384	540 934	554 422	600 407	611 440	644 824	665 893
Expenses							
Current expenses	493 688	500 210	553 106	609 629	634 511	667 980	701 462
Compensation of employees	237 555	243 291	287 750	294 395	312 087	330 722	353 718
Goods and services	245 462	245 868	252 692	302 233	309 573	323 857	334 293
Depreciation	10 585	10 801	12 563	12 900	12 750	13 300	13 350
Interest, dividends and rent on land	86	250	101	101	101	101	101
Total expenses	493 688	500 210	553 106	609 629	634 511	667 980	701 462
Surplus / (Deficit)	43 696	40 724	1 316	(9 222)	(23 071)	(23 156)	(35 569)
Statement of financial position							
Carrying value of assets	102 190	112 426	123 721	128 721	132 371	135 471	139 221
<i>of which:</i>							
<i>Acquisition of assets</i>	18 302	21 413	25 501	18 000	16 500	16 500	17 200
Investments	28 380	57 599	33 841	34 600	37 000	40 000	43 000
Inventory	303	307	125	303	130	130	130
Receivables and prepayments	37 607	45 453	28 456	35 000	36 000	36 000	37 000
Cash and cash equivalents	407 381	370 372	410 336	416 233	386 615	366 243	338 121
Total assets	575 861	586 157	596 479	614 857	592 116	577 844	557 472
Accumulated surplus / (deficit)	159 341	300 634	301 950	292 728	269 657	246 501	210 932
Capital and reserves	755	1 550	1 858	1 848	1 848	1 848	1 848
Finance lease	–	345	249	200	160	480	–
Deferred income	350 936	236 389	228 970	255 000	255 000	263 742	261 692
Trade and other payables	47 134	41 176	54 641	58 068	57 288	56 864	75 000
Provisions	16 586	5 058	7 812	5 904	7 054	7 300	6 800
Managed funds (e.g. Poverty alleviation fund)	1 109	1 005	999	1 109	1 109	1 109	1 200
Total equity and liabilities	575 861	586 157	596 479	614 857	592 116	577 844	557 472

Expenditure trends

In 2011/12, the council received 45 per cent of its revenue from government. The balance is made up of research contracts and other internal income. Between 2008/9 and 2011/12, revenue grew from R537.4 million to R600.4 million, at an average annual rate of 3.8 per cent. The revenue from government in 2011/12 includes value added tax of R33 million. Revenue over the MTEF period is expected to grow to R665.9 million, at an average annual rate of 3.5 per cent. Research contract income is expected to increase at a slightly slower rate due to the current economic climate to R318 million. Over the MTEF period, the annual government grant will increase to R318.2 million, approximately 48 per cent of the estimated total revenue.

Expenditure grew from R493.7 million to R609.6 million in 2011/12, at an average annual rate of 7.3 per cent. Expenditure over the MTEF period is expected to grow to R701.5 million, at an average annual rate of 4.8 per cent. This higher growth rate is due to annual salary increases of 5.5 per cent to 6.5 per cent, annual increases in statutory cost such as electricity and property taxes, and increases in corporate governance costs. Research related costs make up 79 per cent of the council's spending. The expenditure is expected to grow faster over the medium than income, which will result in a deficit of R23 million in 2012/13.

Personnel information

As at 30 September 2011, the Council had an establishment of 950 posts. The number of filled posts grew from 849 in 2006/07 to 966 in 2010/11. Over the MTEF period, filled posts are expected to increase to 970 in 2012/13 due to the implementation of new projects. The projected decrease in personnel to 938 in 2014/15 reflects the possible restructuring of the Council's units, as per the Science, Engineering and Technology Institute's review of the council.

There were 38 vacancies as at 30 September 2011. Included in these vacancies are 3 executive management positions. There is currently a recruitment process for some of the vacant posts, and with the finalisation of the current strategic plan, the board will decide on whether to fill some of the senior management positions. The ratio of support staff to line staff was 1:4.2. The ratio of consultants to total council staff was 1:228.

Council for Medical Schemes

Overview: 2008/09 – 2014/15

The Council for Medical Schemes is the national medical schemes regulatory authority established in terms of the Medical Schemes Act (1998). The Council's vision for the medical scheme industry is that it is effectively regulated to protect the interests of members and promote fair and equitable access to private health financing. The council has made significant progress in delivering on its responsibility of protecting the interests of beneficiaries of medical schemes and the public as a whole.

Since 2007/08, the Council has progressed in reshaping the regulatory environment to strengthen the governance of medical schemes, to improve the transparency of benefits offered to members and to complete the pilots testing of a system of risk equalisation funds for medical schemes. The Council has been mandated further to contribute to the development of the national health insurance process. It also worked closely with the Department of Health in drafting the Medical Schemes Amendment Bill, which sought to introduce a risk equalisation fund, made consequential changes to the benefit designs of medical schemes, introduced provisions to strengthen governance and laid the platform for the introduction of low income benefit options.

In November 2007, the initiation of a process to review the prescribed minimum benefits with the Department of Health was approved. Amendments to the regulations are now with external lawyers for review. The Council has received unqualified audit reports from the auditor general for the last five years, and has also aligned its strategic objectives with the current health reforms.

The Council contributes to regulatory and policy developments in relation to the provisions of constitutional and financial legislation. Ongoing activities include: reviewing the prescribed minimum benefits of medical schemes; monitoring the international classification of disease codes; and reviewing cost containment initiatives by medical schemes and the cost of private hospitals and specialists.

Over the medium term, the council aims to improve access to health care, improve governance of schemes and undertake projects that assist in the implementation of the national health insurance scheme. Specific projects with regard to the scheme have been allocated to the Council, which is well placed for providing assistance in terms of knowledge, capacity and experience. The Council is providing further input for the Green Paper on National Health Insurance in South Africa, which was released by the Ministry of Health last year. A number of council staff members serve in various committees of the ministerial committee for the national health insurance scheme.

Selected performance indicators

Table 16.18 Council for Medical Schemes

Indicator	Programme / Activity	Past			Current	Projections		
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/2015
Number of administrators accredited per year	Accreditation	12	11	14	8	15	13	18
Number of complaints resolved within 120 days per year	Complaints adjudication	529	1 059	961	1 113	1 820	2 085	2 385
Number of medical schemes' financial statements audited per year	Financial supervision	119	110	110	110	98	98	98
Number of court cases where court papers are filed per year	Legal services	15	18	25	30	36	43	43
Number of rule amendments processed per year	Benefit management	335	310	314	314	314	314	314

Programmes/activities/objectives

Table 16.19 Council for Medical Schemes

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Financial supervision	5 797	6 996	7 238	7 737	8 286	8 781	9 261
Internal finance	8 017	9 205	18 173	15 410	18 650	19 424	21 578
Information systems and knowledge management	7 761	8 440	9 792	7 727	9 950	9 711	10 155
Legal services	5 743	5 085	6 333	7 977	7 780	8 828	8 639
Accreditation	2 541	3 395	5 002	5 664	6 076	6 439	6 790
Benefit management	3 139	3 286	4 476	5 146	4 861	5 241	5 734
Stakeholder relations	2 638	3 097	5 217	6 207	7 066	7 295	7 713
Complaints adjudication	2 134	2 496	3 585	4 381	4 622	4 869	4 907
Compliance	2 878	3 527	3 622	5 928	5 670	6 232	6 541
Other objectives	17 613	18 309	18 499	29 537	29 696	31 462	32 377
Total expense	58 261	63 836	81 937	95 714	102 657	108 282	113 695

The Council for Medical Schemes had a total budget of R96 million in 2011/12, of which 10 per cent was used for accreditation and benefit management.

Savings and cost effectiveness measures

The Council has implemented cost effectiveness measures to reduce spending in goods and services. The measures include limiting bookings for local travel to economy class and putting in place a rate stability measure to contain telephone costs.

Expenditure estimates

Table 16.20 Council for Medical Schemes

Statement of financial performance				Revised estimate	Medium-term estimate		
R thousand	Audited outcome				2011/12	2012/13	2013/14
	2008/09	2009/10	2010/11				
Revenue							
Non-tax revenue	53 238	62 560	69 982	89 173	100 362	105 882	111 177
Sale of goods and services other than capital assets	50 126	58 593	68 617	82 373	99 162	104 616	109 847
<i>of which:</i>							
Administration fees	50 126	58 593	68 617	82 373	99 162	104 616	109 847
Other non-tax revenue	3 112	3 967	1 365	6 800	1 200	1 266	1 329
Transfers received	6 151	4 039	132	4 194	4 310	4 525	4 751
Total revenue	59 389	66 599	70 114	93 367	104 672	110 407	115 928
Expenses							
Current expenses	58 261	63 836	81 937	95 714	102 657	108 282	113 695
Compensation of employees	33 900	39 461	50 229	61 907	66 816	70 491	74 016
Goods and services	21 751	21 966	29 667	33 807	35 841	37 790	39 680
Depreciation	2 512	2 409	2 040	–	–	–	–
Interest, dividends and rent on land	98	–	–	–	–	–	–
Total expenses	58 261	63 836	81 937	95 714	102 657	108 282	113 695
Surplus / (Deficit)	1 128	2 763	(11 823)	(2 347)	2 015	2 126	2 232
Statement of financial position							
Carrying value of assets	4 783	4 055	4 972	4 765	4 741	4 715	4 688
<i>of which:</i>							
Acquisition of assets	1 444	1 706	3 003	3 258	2 015	2 126	2 232
Receivables and prepayments	646	1 354	1 529	1 530	1 529	1 530	1 530
Cash and cash equivalents	14 328	14 421	6 932	4 865	4 865	4 865	4 865
Total assets	19 757	19 830	13 433	11 160	11 135	11 110	11 083
Accumulated surplus / (deficit)	11 476	13 718	1 894	(379)	(404)	(429)	(456)
Trade and other payables	4 039	3 503	7 917	7 917	7 917	7 917	7 917
Provisions	4 242	2 609	3 621	3 621	3 621	3 621	3 621
Total equity and liabilities	19 757	19 831	13 433	11 160	11 135	11 110	11 083

Expenditure trends

The council's revenue is predominantly made up of levies on medical scheme contributions. The entity also earns interest, mainly on current and call accounts. In 2011/12, the council received a grant of R4.1 million from the Department of Health as appropriated in the department's budget.

Revenue increased from R59.4 million in 2008/09 to R 93.4 million in 2011/12, at an average annual rate of 16.3 per cent. The growth was mainly due to medical scheme fees, which increased from R50.1 million to R82.4 million between 2008/09 and 2011/12, at an average annual rate of 18 per cent. Revenue is expected to grow to R109.8 million over the MTEF period, at an average annual rate of 10 per cent.

Expenditure increased from R58.3 million in 2008/09 to R95.7 million in 2011/12, at an average annual rate of 18 per cent, and is expected to increase over the medium term to R113.7 million, at an average rate of 5.9 per cent. The increase in both periods is due to inflation and to provide for the additional staff complement over the MTEF period. Spending on compensation of employees is expected to increase from R61.9 million in 2011/12 to R74 million in 2014/15, at an average annual rate of 6.1 per cent. Legal costs make up about 14 per cent of total expenditure due to the nature of the council's work in terms of investigating and resolving complaints raised by medical scheme beneficiaries and the public.

Personnel information

The council recruits highly skilled personnel, including accountants, lawyers, economists, researchers, doctors, actuaries and administrators. The approved establishment at 30 September 2011 was 89. The increase in the

workforce from 83 in 2010/11 is attributed to the council's strategic focus to strengthen prospective regulation of the industry.

Compensation Commissioner for Occupational Diseases in Mines and Works

Overview: 2008/09 –2014/15

The Compensation Commissioner for Occupational Diseases was established in terms of the Occupational Diseases in Mines and Works Act (1973). Its main statutory functions include: administering the Mines and Works Compensation Fund to compensate ex-miners disabled by occupational lung disease; determining and recovering levies from controlled mines and works; awarding benefits to miners and ex-miners suffering from occupational lung related diseases; and investing levies collected and interest earned from investments.

The focus over the medium term will be on strengthening business processes around revenue to ensure sustainability, reducing the turnaround period in settling claims, amending the Occupational Diseases in Mines and Works Act (1973) to improve governance, and strengthening internal controls and relationships with the key stakeholders.

Performance

The number of ex-mine workers compensated through the commissioner decreased from 2 000 in 2010/11 to 1 800 in 2011/12. Future plans include accelerating the pace of compensation by enhancing the processes and procedures, including expanding fingerprint verification and strengthening the administrative capacity of the fund automating systems to reach 5 000 miners over MTEF period. The commissioner did not visit any controlled mines in 2010/11 and 2011/12 due to limited resources, which resulted in inspectors being deployed to the commissioner's finance unit, where the vacancy rate is 47 per cent. The commissioner is currently using temporary staff until permanent staff members are appointed. A full complement is expected in 2012/13.

Selected performance indicators

Table 16.21 Compensation Commissioner for Occupational Diseases in Mines and Works

Indicator	Programme/Activity/Objective	Past			Current	Projections		
		2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of disabled miners compensated per year	Compensate eligible disabled miners in terms of section 36 of the Occupational Diseases in Mines and Works Act (1973)	3 000	2 450	2 000	1 800	4 000	4 500	5 000
Number of mines visited per year ¹	Conduct visits to mines to confirm the number of workers doing the risk shifts to verify the levies paid by the mines	220	160	20	0	240	240	240
Number of fingerprint verification files attended to per day	Minimise the risk of fraudulent and duplicate claims by ex-miners and their beneficiaries	10	15	20	20	100	100	100
Number of provinces in which workshops with claimants are conducted per year	Improve the turnaround times for processing of claims by increasing awareness among claimants of the required processes and documentation	5	6	3	9	9	9	9

1. No mines to be visited in 2011/12, as all mine inspectors were deployed to another section.

Programmes/activities/objectives

Table 16.22 Compensation Commissioner for Occupational Diseases in Mines and Works

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Compensation of ex-miners	70 689	751 359	54 568	119 912	118 980	121 779	131 618
Compensation of pensioners	3 209	2 986	2 826	2 200	6 200	7 600	8 000
Compensation of tuberculosis	1 647	23 841	617	2 934	5 500	7 000	7 500
Eastern Cape project	5 521	1 709	135	173	300	400	500
Other objectives	212	448	590	275	282	289	296
Total expense	81 278	780 343	58 736	125 494	131 262	137 068	147 914

The Compensation Commissioner for Occupational Diseases in Mines and Works had a total budget of R126 million in 2011/12, of which 95 per cent was used for compensation of ex-miners.

Savings and cost effectiveness measures

The entity's administrative costs are carried by the Department of Health while activities are funded from revenue generated. The revenue of the commissioner is set to increase marginally in 2012/13, with the enhanced collection of revenue from mines. The commissioner has enhanced its capacity to collect revenue, by reassigning some of its inspectors from inspections to finance, and also due to the increase in rates.

Expenditure estimates

Table 16.23 Compensation Commissioner for Occupational Diseases in Mines and Works

Statement of financial performance				Revised estimate	Medium-term estimate		
R thousand	Audited outcome		2011/12		2012/13	2013/14	2014/15
	2008/09	2009/10	2010/11				
Revenue							
Tax revenue	121 152	130 463	195 775	217 346	293 418	381 443	495 863
Non-tax revenue	134 590	100 446	89 979	106 779	111 779	125 352	128 963
<i>Other non-tax revenue</i>	134 590	100 446	89 979	106 779	111 779	125 352	128 963
Transfers received	2 355	3 679	2 620	2 777	2 916	3 100	2 900
Total revenue	258 097	234 588	288 374	326 902	408 113	509 895	627 726
Expenses							
Current expenses	212	448	590	275	282	289	296
Interest, dividends and rent on land	212	448	590	275	282	289	296
Transfers and subsidies	81 066	779 895	58 146	125 219	130 980	136 779	147 618
Total expenses	81 278	780 343	58 736	125 494	131 262	137 068	147 914
Surplus / (Deficit)	176 819	(545 755)	229 638	201 408	276 851	372 827	479 812
Statement of financial position							
Investments	1 262 378	1 397 099	1 642 254	1 820 769	1 948 769	2 078 769	2 210 769
Receivables and prepayments	20 174	29 239	32 649	46 000	51 000	55 000	60 000
Cash and cash equivalents	71 963	57 012	42 100	60 649	66 649	70 649	419 149
Total assets	1 354 515	1 483 350	1 717 003	1 927 418	2 066 418	2 204 418	2 689 918
Accumulated surplus / (deficit)	1 342 876	797 121	1 029 382	1 235 791	1 526 215	1 902 653	2 387 653
Trade and other payables	4 043	5 417	6 809	8 000	8 500	9 000	9 500
Provisions	7 596	680 812	680 812	683 627	531 703	292 765	292 765
Total equity and liabilities	1 354 515	1 483 350	1 717 003	1 927 418	2 066 418	2 204 418	2 689 918

Expenditure trends

The entity derives its revenue mainly from controlled mines levies, interest on investments and a transfer from the Department of Health.

Revenue grew from R258.1 million in 2008/9 to R326.9 million in 2011/12, at an average annual rate of 8.2 per cent. Over the MTEF period, revenue is expected to grow to R627.7 million, at an average annual rate of 24.3 per cent. The increase in revenue is due to increase in the levies rate of 75 per cent.

Expenditure grew from R81.3 million in 2008/9 to R125.5 million in 2011/12, at an average annual rate of 15.6 per cent, although this fluctuated over the period. Expenditure over the MTEF period is expected to grow to R147.9 million, at an average annual rate of 5.6 per cent.

Total assets, consisting primarily of savings investments, are projected to increase from R1.9 billion in 2011/12 to R2.7 billion in 2014/15. The commissioner is projecting a surplus over the MTEF period rising to R479.8 million in 2014/15.

Personnel information

The entity's organisational structure was revised and approved as at 1 April 2010. The new structure will contribute to the effective management of the fund. The number of filled posts as at 30 September 2011 was 36. The number of filled posts is expected to grow to 50 by the end of 2011/12. Provision has been made in the medium term to address the vacancy rate with financially skilled personnel and other administrative critical posts. The vacancy rate is the results of turnaround time of HR processes, scarcity of skills required on some positions and budget constraints.

Additional tables

Table 16.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	2010/11		2010/11	2011/12			2011/12
Administration	268 434	282 134	263 025	330 392	35 570	365 962	330 114
National Health Insurance, Health Planning and Systems Enablement	122 915	121 318	97 216	160 827	1 799	162 626	117 431
HIV and AIDS, TB, Maternal and Child Health	6 521 639	6 631 439	6 482 996	8 026 528	3 314	8 029 842	7 836 813
Primary Health Care Services	98 835	117 159	78 771	86 594	(2 084)	84 510	143 414
Hospitals, Tertiary Health Services and Human Resource Development	15 409 964	15 428 964	15 069 262	16 595 036	198 618	16 793 654	16 686 329
Health Regulation and Compliance Management	546 136	551 436	529 062	532 177	(800)	531 377	508 038
Total	22 967 923	23 132 450	22 520 332	25 731 554	236 417	25 967 971	25 622 139
Economic classification							
Current payments	1 062 999	1 173 323	898 260	1 209 296	128 421	1 337 717	1 162 510
Compensation of employees	371 204	385 004	353 656	424 000	3 302	427 302	406 037
Goods and services	691 795	788 319	544 604	785 296	125 119	910 415	756 473
Transfers and subsidies	21 874 209	21 914 209	21 603 975	24 489 339	105 400	24 594 739	24 436 823
Provinces and municipalities	21 323 711	21 363 711	21 041 961	23 947 676	87 106	24 034 782	23 876 866
Departmental agencies and accounts	355 616	355 616	409 008	361 207	–	361 207	361 207
Higher education institutions	1 060	1 060	2 000	1 124	13 000	14 124	14 124
Non-profit institutions	193 822	193 822	150 388	179 332	3 094	182 426	182 426
Households	–	–	618	–	2 200	2 200	2 200
Payments for capital assets	30 715	44 918	17 576	32 919	2 596	35 515	22 806
Buildings and other fixed structures	2 800	2 800	–	–	–	–	–
Machinery and equipment	27 915	42 118	17 576	32 919	2 596	35 515	22 806
Payments for financial assets	–	–	521	–	–	–	–
Total	22 967 923	23 132 450	22 520 332	25 731 554	236 417	25 967 971	25 622 139

Table 16.B Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
Compensation of employees (R thousand)	292 508	333 023	353 656	427 302	478 800	506 832	527 655
Training expenditure (R thousand)	1 794	4 499	5 197	4 273	4 788	5 068	5 277
Training as percentage of compensation	0.6%	1.4%	1.5%	1.0%	1.0%	1.0%	1.0%
Total number trained in department (headcount)	261	274	287	515			
<i>of which:</i>							
Employees receiving bursaries (headcount)	217	110	98	154			
Learnerships (headcount)	–	–	–	2			
Internships (headcount)	81	81	17	10			
Households receiving bursaries (R thousand)	–	–	3 325	3 978	4 598	5 320	6 149
Households receiving bursaries (counthead)	–	–	56	57			

Table 16.C Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Conditional grants to provinces							
National Health Insurance, Health Planning and Systems Enablement							
2010 World Cup health preparation strategy grant	–	30 000	–	–	–	–	–
National health insurance grant	–	–	–	–	150 000	350 000	500 000
HIV and AIDS, TB, Maternal and Child Health							
Comprehensive HIV and AIDS grant	2 885 423	4 376 105	6 051 757	7 492 962	8 762 848	10 533 886	12 211 322
Primary Health Care Services							
Cholera conditional grant	–	50 000	–	–	–	–	–
Hospitals, Tertiary Health Services and Human Resource Development							
Health professions training and development grant	1 679 061	1 759 799	1 865 387	1 977 310	2 076 176	2 190 366	2 321 788
National tertiary services grant	6 134 084	6 614 442	7 398 000	8 048 878	8 878 010	9 620 357	10 168 235
Hospital revitalisation grant	2 735 633	2 989 139	3 568 103	4 220 790	4 103 595	4 183 933	4 556 297
Health infrastructure grant	959 983	1 202 402	1 601 752	1 704 462	1 620 981	1 721 134	1 836 402
Nursing colleges grant	–	–	–	–	100 000	150 000	200 000
Forensic pathology services grant	594 474	501 863	556 962	590 380	–	–	–
Total	14 988 658	17 523 750	21 041 961	24 034 782	25 691 610	28 749 676	31 794 044

1. Detail provided in the Division of Revenue Act (2012).

Table 16.D Summary of departmental public private partnership projects

Project description: Nelson Mandela Academic Hospital - Eastern Cape	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2011/12	2012/13	2013/14	2014/15
R thousand					
Projects in preparation, registered in terms of Treasury Regulation 16	–	1 000	1 000	1 025	–
Advisory fees	–	1 000	1 000	1 025	–
Total	–	1 000	1 000	1 025	–

Table 16.E Summary of departmental public private partnership projects

Project description: King Edward VIII Hospital	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2011/12	2012/13	2013/14	2014/15
R thousand					
Projects in preparation, registered in terms of Treasury Regulation 16	–	15 000	10 000	–	–
Advisory fees	–	15 000	10 000	–	–
Total	–	15 000	10 000	–	–

Table 16.F Summary of departmental public private partnership projects

Project description: Limpopo Academic Hospital	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2011/12	2012/13	2013/14	2014/15
R thousand					
Projects in preparation, registered in terms of Treasury Regulation 16	–	10 021	10 979	8 000	–
Advisory fees	–	10 021	10 979	8 000	–
Total	–	10 021	10 979	8 000	–

Table 16.G Summary of donor funding

Donor	Project	Departmental programme name	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Medium-term expenditure estimate		
							2008/09	2009/10	2010/11	Estimate 2011/12	2012/13	2013/14
R thousand Foreign In cash Belgium	Management	Administration	2004 to 2012	9 000	Goods and services	Strengthening of building capacity programmes	3 467	1 374	3 088	590	-	-
Centre for Disease Control/US President's Emergency Plan for AIDS Relief	Primary health care for strengthening of HIV and AIDS, and TB	HIV and AIDS, TB, Maternal and Child Health	2009 to 2014	122 500	Goods and services	Strengthening of HIV and AIDS programmes and capacity building	-	20 389	45 871	480 270	-	-
Canada (NGO Support)	HIV and AIDS	HIV and AIDS, TB, Maternal and Child Health	5 years	24 545	Goods and services	HIV and AIDS, gender equality and activation of community based organisations	-	4 909	4 909	4 909	4 909	-
Denmark	Urban environmental management programme	Primary Health Care Services	2008 to 2011	6 300	Goods and services	Roll-out the national health and hygiene education strategy in all provinces.	98.0	6 202	-	-	-	-
Global Fund Round Six	Human resource management	HIV and AIDS, TB, Maternal and Child Health	2010	1 021	Compensation of employees	Improve capacity in health care management by training of hospital managers, awards for service excellence, establishing a service placement call centre	468	72	-	-	-	-

Table 16.G Summary of donor funding (continued)

Donor	Project	Departmental programme name	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome		Estimate 2011/12	Medium-term expenditure estimate							
							2008/09	2009/10		2010/11	2011/12	2012/13	2013/14	2014/15			
R thousand																	
Global Fund	Round 3	HIV and AIDS, TB, Maternal and Child Health	2005 to 2012	462	Compensation of employees	Strengthening national and provincial capacity for the prevention, treatment and support related to HIV and AIDS and TB	-	462	-	-	-	-	-	-	-	-	-
Global Fund	Round 6	HIV and AIDS, TB, Maternal and Child Health	2005 to 2012	385	Goods and services	Strengthening national and provincial capacity for the prevention, treatment and support related to HIV and AIDS and TB	-	385	-	-	-	-	-	-	-	-	-
Global Fund	Round 9	HIV and AIDS, TB, Maternal and Child Health	2005 to 2012	105	Non-profit institutions	Strengthening national and provincial capacity for the prevention, treatment and support related to HIV and AIDS and TB	-	-	105	-	-	-	-	-	-	-	-
Global Fund	HIV and AIDS	HIV and AIDS, TB, Maternal and Child Health	2009	798	Goods and services	TB defaulter tracer project	-	798	-	-	-	-	-	-	-	-	-
Italy	Support to the national programme of global response to HIV and AIDS	HIV and AIDS, TB, Maternal and Child Health	2008 to 2011	220	Goods and services	2008 to 2011	-	-	-	-	-	-	-	-	-	-	-
United States Agency for International Development	Increase use of HIV and AIDS and other primary health care	HIV and AIDS, TB, Maternal and Child Health	2009 to 2011	4 300 000	Goods and services	Primary health care technical assistance, and HIV and AIDS technical assistance	-	4 300 000	-	-	-	-	-	-	-	-	-

Table 16.G Summary of donor funding (continued)

Donor	Project	Departmental programme name	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand United Nations Children's Fund	Support to young child survival and development	National Health Insurance, Health Planning and Systems Enablement	2007 to 2010	42	Goods and services		-	-	-	-	-	-	-
United Nations Population Fund	Sexual and reproductive health	HIV and AIDS, TB, Maternal and Child Health	2007 to 2010	13	Goods and services		-	-	-	-	-	-	-
In kind													
Department for International Development	Clinical association	Hospitals, Tertiary Health Services and Human Resource Development	2009 to 2010	4 625	Transfers to Higher Education Institutions	Professional	-	4 625	-	-	-	-	-
European Union	Primary health care	Primary Health Care Services	2007 to 2011	383 000	Goods and services	Provide access to primary health care through funding non-governmental organisations	13 497	11 919	2 729	-	-	-	-
European Union	Primary health care	Primary Health Care Services	2011 to 2014	1 260	Goods and services	Primary health care	-	-	-	1 260	-	-	-
Germany	Voluntary counselling and testing	HIV and AIDS, TB, Maternal and Child Health	2010 to 2012	100 000	Buildings and other fixed structures	Upgrading of voluntary counselling and testing facilities to increase access to HIV counselling and testing	-	100 000	-	-	-	-	-
Germany	HIV and AIDS: Voluntary counselling and testing infrastructure upgrading	HIV and AIDS, TB, Maternal and Child Health	2004 to 2008	9 000	Buildings and other fixed structures	Upgrading of voluntary counselling and testing facilities to increase access to HIV counselling and testing	-	9 000	-	-	-	-	-

Table 16.G Summary of donor funding (continued)

Donor	Project	Departmental programme name	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate 2011/12	Medium-term expenditure estimate		
							2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand Global Fund round six	HIV and AIDS	HIV and AIDS, TB, Maternal and Child Health	2008 to 2012	26 901	Goods and services	Expansion and addressing of gaps in the national response to HIV and AIDS by expanding and strengthening the role of non-governmental organisations and faith based organisations. The main focus is on prevention, care and support, and health systems strengthening. This includes mass media, community outreach, condom distribution, training, HIV counselling and testing, care for orphans and vulnerable children, and institutional capacity building	39	3 438	-	1 790	10	-	-

Table 16.G Summary of donor funding (continued)

Donor	Project	Departmental programme name	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand Global Fund round six	HIV and AIDS	HIV and AIDS, TB, Maternal and Child Health	2008 to 2012	473	Machinery and equipment	Expansion and addressing of gaps in the national response to HIV and AIDS by expanding and strengthening the role of non-governmental organisations and faith based organisations. The main focus is on prevention, care and support, and health systems strengthening. This includes mass media, community outreach, condom distribution, training, HIV counselling and testing, care for orphans and vulnerable children, and institutional capacity building	-	473	-	-	-	-	-
United Nations Development Programme	Limpopo volunteers	HIV and AIDS, TB, Maternal and Child Health	2007 to 2010	1 500	Goods and services		-	-	-	-	-	-	-
Institute of Medicine	Health promotion and service delivery	HIV and AIDS, TB, Maternal and Child Health	2007 to 2010	15	Goods and services		-	-	-	-	-	-	-

Table 16.G Summary of donor funding (continued)

Donor	Project	Departmental programme name	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
R thousand Local													
In cash													
United Kingdom Department for International Development	Strengthening South Africa's revitalised response to HIV and health	HIV and AIDS, TB, Maternal and Child Health	2010 to 2014	150 000	Goods and services	Training of officials on health care waste management and hazardous substances in all provinces.	-	250	-	-	-	-	-
United Kingdom Department for International Development	Plan and Monitor the impact of a revitalised response to health and HIV and AIDS	HIV and AIDS, TB, Maternal and Child Health	2010 to 2014	34 000	Goods and services	Development of environmental health regulations,	-	34 000	-	-	-	-	-
United Kingdom Department for International Development	Strengthen financial management and fairer financing of high quality health services for all	HIV and AIDS, TB, Maternal and Child Health	2010 to 2014	28 000	Goods and services	Review update and align the environmental health impact assessment guidelines of the Department of Health in terms of chapter 5 of National Environmental Management Act (1998).	-	28 000	-	-	-	-	-
United Kingdom Department for International Development	Strengthen leadership and performance management for health	HIV and AIDS, TB, Maternal and Child Health	2010 to 2014	29 000	Goods and services	Training of environmental health practitioners on health related to water quality.	-	29 000	-	-	-	-	-

Table 16.G Summary of donor funding (continued)

Donor	Project	Departmental programme name	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome				Estimate	Medium-term expenditure estimate		
							2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
R thousand United Kingdom Department for International Development	Improved service delivery through quality improvements, sound infrastructure and technology management	HIV and AIDS, TB, Maternal and Child Health	2010 to 2014	22 000	Goods and services	Develop guidelines of the monitoring of indoor air quality in South Africa	-	22 000	-	-	-	-	-	-
In kind United Kingdom Department for International Development	Strengthen oversight and coordination of international partners of health in HIV and AIDS	HIV and AIDS, TB, Maternal and Child Health	2010 to 2014	2 000	Goods and services	Strengthen oversight and coordination of international partners of health in HIV and AIDS	-	2 000	-	-	-	-	-	-
United Kingdom Department for International Development	Expand access to essential drugs	HIV and AIDS, TB, Maternal and Child Health	2010 to 2014	35 000	Goods and services	Expand access to essential drugs	-	35 000	-	-	-	-	-	-
United Kingdom Department for International Development	Strengthen health systems to facilitate effective programme implementation	HIV and AIDS, TB, Maternal and Child Health	2010 to 2014	39 000	Goods and services	Strengthen health systems to facilitate effective programme implementation	-	39 000	-	-	-	-	-	-
Total				5 331 165			17 569	4 652 449	57 444	488 924	4 910	4 909		-

Table 16.H Summary of expenditure on infrastructure

	Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome		Adjusted appropriation	Medium-term expenditure estimate		
					2008/09	2009/10		2010/11	2012/13	2013/14
	R thousand									
	Infrastructure transfers to other spheres, agencies and departments									
KZN	Repair and renovations to hospitals	Repair and renovation to 67 facilities at provincial hospitals	Various stages	1 970 127	21 793	295 295	252 628	435 478	457 945	506 988
EC	Renovate and upgrade of provincial hospitals	Renovate and upgrade of 25 facilities at provincial hospitals	Various stages	1 738 560	37 520	301 800	290 567	268 383	264 708	262 873
WC	Repair and renovations to hospitals	Repair and renovations to hospitals	Various stages	1 606 557	1 089	159 042	769 573	87 755	134 590	196 790
EC	Repair and renovation to regional hospitals	Repair and renovation to 20 facilities at regional hospitals	Various stages	1 412 298	-	151 183	-	72 265	104 976	153 570
KZN	New, upgrade, renovate and maintain of clinic, emergency medical services and community health centre	New, upgrade, renovate and maintain of 81 clinics, emergency health services and community health centres	Various stages	1 364 813	248 340	373 517	281 182	215 149	199 633	46 992
GP	Natalispruit Hospital	Upgrade, repair and renovations to hospital on various contracts	Construction	1 295 212	-	190 652	385 590	414 000	304 970	-
LP	New, upgrade, renovate and maintain of clinic, emergency health services and community health centres	New, upgrade, renovate and maintain of 101 clinics, emergency health services and community health centres	Various stages	1 274 609	100 958	174 804	210 847	274 288	134 700	379 012
LP	Repair and renovations to hospitals	Repair and renovations to 96 facilities at hospitals	Various stages	1 240 965	-	133 983	336 469	260 883	232 637	276 993
MP	Repair and renovations to hospitals	Repair and renovations to hospitals	Various stages	1 149 480	2 425	217 441	230 889	195 801	205 511	297 413
GP	Repair and renovations to hospitals	Repair and renovation to 16 facilities at provincial hospitals	Various stages	972 509	27 792	156 021	117 325	281 683	308 406	81 282
NW	Repair and renovations to hospitals	Repair and renovations to hospitals	Various stages	948 742	-	115 488	-	161 437	159 049	146 547
EC	Cecilia Makiwane Hospital	Upgrade, repair and renovations to hospital on various contracts	Construction	945 001	-	76 437	129 713	167 700	180 000	238 651
NW	Renovate and upgrade of provincial hospitals	Construction of new psychiatric institutions	Various stages	831 882	23 662	2 744	310 669	84 977	131 340	131 340
WC	Brooklyn Chest Hospital	Upgrade, repair and renovations to hospital on various contracts	Identified/feasibility	787 137	-	-	-	8 337	362 000	231 000
EC	Repair and renovate to district hospital	Repair and renovate to 4 district hospitals	Various stages	743 040	331 994	-	203 712	55 500	44 017	25 301
EC	New, upgrade, renovate and maintain of clinics, emergency health services and community health centres	New, upgrade, renovate and maintain of 7 clinics, emergency health services and community health centres	Construction	684 116	164 723	110 886	83 089	38 441	92 000	110 100
KZN	King George V Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	675 355	-	115 487	133 203	130 911	132 143	163 611
FS	Repair and renovation to regional hospitals	Repair and renovation to regional hospitals	Various stages	636 564	-	29 579	-	178 845	217 039	211 101

Table 16.H 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		
				2008/09	2009/10	2010/11		2011/12	2012/13	2013/14
NC	R thousand De Aar Hospital	Construction	592 673	-	-	-	-	174 130	186 000	232 543
KZN	Other facilities	Planning	556 003	-	254 347	286 965	-	10 231	4 460	-
GP	Repair and renovations to district hospitals	Various stages	532 799	261 900	-	270 899	-	-	-	-
MP	Rob Ferreira Hospital	Construction	526 504	-	144 016	172 978	-	94 510	90 000	25 000
WC	New, upgrade, renovate and maintain of 23 clinics, emergency health services and community health centres	Various stages	463 179	27 929	63 538	131 986	45 225	52 983	79 518	62 000
GP	Chris Hani Baragwanath Hospital	Construction	462 005	-	136 786	217 719	-	100 000	7 500	-
GP	Dr Yusuf Dadoo Hospital	Various stages	461 569	-	-	3 569	-	18 000	100 000	340 000
WC	Mitchell's Plein Hospital	Various stages	436 575	-	-	-	235 475	178 600	16 000	6 500
FS	Repair and renovations to hospitals	Various stages	430 976	-	94 077	175 892	-	151 007	10 000	-
NC	Repair and renovations to hospitals	Various stages	406 070	-	55 788	275 160	-	32 620	26 502	16 000
NW	New, upgrade, renovate and maintain of 22 clinics, emergency health services and community health centres	Various stages	394 791	39 600	67 458	24 625	47 948	64 531	79 110	71 519
NW	Nursing colleges: New, renovate, upgrade and maintain	Various stages	387 256	72	485	2 791	3 000	87 450	124 308	169 150
NC	New, upgrade, renovate and maintain of clinics, emergency health services and community health centres	Various stages	353 160	2 944	41 385	27 595	-	70 558	90 653	120 025
NC	Upington Hospital	Construction	352 239	-	151 106	-	-	167 033	31 100	3 000
GP	New, Upgrade, renovate and maintain of clinics, emergency health services and community health centres	Various stages	336 479	80 045	50 369	10 111	-	30 132	69 222	96 600
EC	Livingstone Hospital	Various stages	334 777	-	177 097	157 680	-	-	-	-
GP	Dr George Mukhari Academic Hospital	Various stages	313 646	372	-	2 673	-	-	-	310 601

Table 16.H 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		
					2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
	R thousand				47 123	259 447	-	-	-	-	
LP	Repair and renovation to regional hospitals	Repair and renovation to 15 regional hospitals	Various stages	306 570	-	-	-	-	-	-	
NC	Psychiatric hospitals	Upgrade, repair and renovations to hospitals on various contracts	Various stages	305 113	83 935	-	-	121 173	100 005	-	
KZN	Clairwood Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	294 000	-	-	-	25 000	69 000	200 000	
GP	Jubilee Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	288 000	-	-	-	18 000	100 000	170 000	
FS	Pelononi Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	266 731	-	35 966	-	22 006	166 343	42 416	
KZN	Repair and renovation to regional Hospitals	Repair and renovation to regional hospitals	Various stages	261 407	33 560	227 847	-	-	-	-	
GP	Germiston Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	252 747	-	93 580	159 167	-	-	-	
FS	Free State Psychiatric Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	241 354	-	-	-	-	24 050	217 304	
KZN	Dr Pixley Ka Seme Hospital	Upgrade, repair and renovations to hospital on various contracts	Planning	240 235	-	31 340	-	43 240	38 315	127 340	
LP	Nursing Colleges: New, renovate, upgrade and maintain	New, renovate, upgrade and maintain of 5 nursing colleges and accommodation	Various stages	228 527	44 394	21 043	98 140	12 400	25 980	26 570	
NW	Lichtenburg Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	220 285	-	-	-	8 000	75 500	74 785	
WC	Paarl Hospital	Upgrade, repair and renovations to hospital on various contracts	Construction	213 424	-	119 130	-	8 535	6 500	4 000	
WC	Other facilities	Construction of 4 new forensic pathology laboratories	Various stages	212 741	-	21 320	-	12 157	27 014	135 151	
LP	Repair and renovations to district hospitals	Repair and renovate to 17 district hospitals	Various stages	206 880	41 481	-	165 399	-	-	-	
KZN	King Edward VIII Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	206 243	-	42 743	-	53 500	64 900	45 100	
FS	Trompsburg Hospital	Upgrade, repair and renovations to hospital on various contracts	Construction	198 405	-	-	-	120 526	62 038	15 841	
LP	Limpopo Academic Hospital	Upgrade, repair and renovations to hospital on various contracts	Planning	193 035	-	-	-	5 500	187 535	-	
MP	New, upgrade, renovate and maintain of clinics, emergency health services and community health centres	New, upgrade, renovate and maintain of clinics, emergency health services and community health centres	Various stages	175 841	15 803	76 051	62 226	-	16 344	5 417	
MP	Ermeilo Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	149 000	-	-	-	41 000	48 000	60 000	
EC	Nursing colleges: New, renovate, upgrade and maintain	New, renovate, upgrade and maintain of 2 nursing colleges and accommodation	Various stages	122 753	34 740	8 809	4 027	12 500	15 660	21 257	
KZN	Repair and renovations to district hospitals	Repair and renovate 33 district hospitals	Various stages	118 945	92 706	-	26 239	-	-	-	

Table 16.H 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			
			2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2008/09	2009/10	2010/11	2011/12	2012/13
MP R thousand Themba Hospital	Upgrade, repair and renovations to hospital on various contracts	Construction	115 244	-	-	-	-	-	-	-	-	47 572	42 046	25 626
WC Khayelitsha Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	110 900	-	110 900	-	-	-	-	-	-	-	-	-
EC Human resources management and grant salaries	Human resources management and grants salaries	Various stages	106 915	-	80 502	26 413	-	-	-	-	-	-	-	-
GP Repair and renovation to regional hospitals	Repair and renovation to regional hospitals	Various stages	106 775	10 002	80 306	-	-	-	-	-	-	16 467	-	-
KZN Nursing colleges: New, renovate, upgrade and maintain	New, renovate, upgrade and maintain of 2 nursing colleges and accommodation	Various stages	99 407	57 719	-	-	-	-	-	-	-	15 442	23 896	2 350
LP Human resources management and grants salaries	Human resources management and grants salaries	Construction	94 684	-	-	3 754	-	-	-	-	-	20 530	32 300	38 100
WC Nursing colleges: New, renovate, upgrade and maintain	New, renovate, upgrade and maintain of nursing colleges and accommodation	Various stages	92 784	7 408	4 486	-	-	-	19 147	-	-	19 020	20 164	22 559
LP Other facilities	New, upgrade, renovate and maintain of other facilities	Various stages	85 868	-	61 953	16 029	-	-	-	-	-	7 886	-	-
FS Boitumelo Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	84 188	-	84 188	-	-	-	-	-	-	-	-	-
MP Repair and renovation to regional hospitals	Repair and renovation to 12 regional hospitals	Various stages	82 046	2 141	79 905	-	-	-	-	-	-	-	-	-
GP Zola Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	79 196	-	79 196	-	-	-	-	-	-	-	-	-
WC Repair and renovation to regional hospitals	Repair and renovation to 3 regional hospitals	Various stages	76 647	50 663	25 984	-	-	-	-	-	-	-	-	-
WC Construction of centres for disease control	Upgrade, repair and renovations to 5 centres for disease control	Construction	73 234	-	-	-	-	-	15 734	-	-	21 300	12 000	24 200
GP Other Facilities	New, renovate, upgrade and maintain of other facilities	Various stages	71 663	4 551	7 838	15 365	-	-	-	-	-	13 669	28 982	1 259
NW Vryburg District Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	70 949	-	70 949	-	-	-	-	-	-	-	-	-
WC Repair and renovations to district hospitals	Repair and renovate to 12 district hospitals	Various stages	67 642	14 271	-	53 371	-	-	-	-	-	-	-	-
GP Nursing colleges: New, renovate, upgrade and maintain	New, renovate, upgrade and maintain 4 nursing colleges and accommodation	Various stages	65 302	4 012	4 413	567	-	-	-	-	-	12 480	19 096	24 734
KZN Human resources management and grants salaries	Upgrade, repair and renovations to hospital on various contracts	Construction	62 563	-	11 551	11 696	-	-	-	-	-	19 316	5 000	15 000
NW Britis Hospital	Upgrade, repair and renovations to hospital on various contracts	Various stages	61 567	-	61 567	-	-	-	-	-	-	-	-	-

Table 16.H 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	
				2008/09	2009/10	2010/11		2012/13	2013/14
WC	R thousand Human resources management and grant salaries	Various stages	59 953	-	59 892	61	-	-	-
KZN	Renovate and upgrade of provincial hospitals	Various stages	59 912	-	-	-	-	28 185	20 677
NW	Repair and renovations to district hospitals	Various stages	59 703	-	-	59 703	-	-	-
NW	Repair and renovation to regional hospitals	Various stages	54 072	15 258	38 814	-	-	-	-
MP	Middelburg Hospital	Various stages	51 003	-	51 003	-	-	-	-
FS	New, upgrade, renovate and maintain of clinics, emergency health services and community health centres	Various stages	47 912	46	4 563	43 303	-	-	-
GP	Charlotte Maxeke Academic Hospital	Construction	42 445	-	-	13 322	-	8 850	274
MP	Repair and renovations to district hospitals	Various stages	42 263	39 726	-	2 537	-	-	-
MP	Nursing colleges: New, renovate, upgrade and maintain	Various stages	40 019	8 495	1 061	463	-	5 000	-
MP	Other facilities	Various stages	37 828	-	18 767	19 061	-	-	-
KZN	Port Shepstone Hospital	Various stages	33 725	-	-	33 725	-	-	-
NC	Nursing colleges: New, renovate, upgrade and maintain	Various stages	32 038	-	-	-	-	6 080	10 816
NW	Human resources management and grants salaries	Construction	31 500	-	-	-	5 500	8 000	8 000
FS	Repair and renovations to district hospitals	Various stages	31 298	-	-	31 298	-	-	-
NC	Other facilities	Various stages	23 977	-	12 448	11 529	-	-	-
NW	Other facilities	Planning	19 337	441	1 279	187	-	14 030	3 400
GP	Human resources management and grants salaries	Construction	15 408	-	19	389	-	5 000	5 000
NC	Repair and renovations to district hospitals	Various stages	3 874	-	-	3 874	-	-	-
FS	Nursing colleges: New, renovate, upgrade and maintain	Various stages	1 370	-	-	1 370	-	-	-
Total			34 615 115	1 897 698	5 682 237	6 490 683	2 635 128	5 657 866	5 854 710

National Treasury
BUDGET 2012
ESTIMATES OF NATIONAL EXPENDITURE

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