

Vote 16

Health

Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	512.8	506.0	2.3	4.6	547.5	582.5
National Health Insurance, Health Planning and Systems Enablement	735.1	700.1	28.4	6.6	992.8	1 047.4
HIV and AIDS, Tuberculosis, and Maternal and Child Health	18 278.3	532.8	17 729.3	16.3	20 745.6	22 909.4
Primary Health Care Services	264.3	256.1	3.0	5.3	293.1	315.1
Hospitals, Tertiary Health Services and Human Resource Development	21 108.2	315.5	19 962.5	830.2	22 301.1	23 640.8
Health Regulation and Compliance Management	1 727.0	94.3	1 630.0	2.7	1 786.9	1 889.9
Total expenditure estimates	42 625.7	2 404.7	39 355.4	865.6	46 667.0	50 384.9

Executive authority: Minister of Health
 Accounting officer: Director General of Health
 Website address: www.doh.gov.za

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of site service delivery, where appropriate.

Vote purpose

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.

Mandate

The Department of Health derives its mandate from the National Health Act (2003), which requires that the department provide a framework for a structured and uniform health system for South Africa. The act sets out the responsibilities of the three levels of government in the provision of health services. The department contributes directly to the realisation of outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework.

Selected performance indicators

Table 16.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Total number of primary health care facilities implementing improved patient administration and web-based information systems	National Health Insurance, Health Planning and Systems Enablement		-1	50	657	1 450	2 450	3 000	3 656
Total number of health facilities reporting medicine stock availability at national surveillance centre	National Health Insurance, Health Planning and Systems Enablement	Outcome 2: A long and healthy life for all South Africans	-1	600	1 859	3 244	3 261	3 363	3 898
Total number of patients receiving medicine through the centralised chronic medicine dispensing and distribution system	National Health Insurance, Health Planning and Systems Enablement		-1	200 000	396 567	650 000	950 000	1 000 000	1 500 000

Table 16.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of human papillomavirus immunisation first dose coverage per year	HIV and AIDS, Tuberculosis, and Maternal and Child Health		- ¹	- ¹	91.8% (427 400/ 500 933)	87%	87%	88%	90%
Total number of clients remaining on antiretroviral treatment at the end of the year	HIV and AIDS, Tuberculosis, and Maternal and Child Health		2.7 million	3.1 million	3.4 million	4.3 million	4.5 million	5 million	5.5 million
Tuberculosis new client treatment success rate ²	HIV and AIDS, Tuberculosis, and Maternal and Child Health		80.8% (98 155/ 121 428)	82.4% (95 928/ 116 349)	83.3% (80 180/ 95 318)	84%	86%	88%	90%
Infant polymerase chain reaction test positive around 10 weeks rate per year ³	HIV and AIDS, Tuberculosis, and Maternal and Child Health		2% (4 932 247 619) ⁴	1.5% (3 801/ 252 269) ⁴	1.5% (2 495/ 169 656) ⁴	1.4%	1.35%	1.33%	1.3%
Total number of functional ward-based primary health care outreach teams	Primary Health Care Services	Outcome 2: A long and healthy life for all South Africans	1 063	1 748	2 590	2 000	2 000	2 000	2 000
Number of additional primary health care facilities in the 52 districts that qualify as ideal clinics per year	Primary Health Care Services		- ¹	- ¹	322	750	750	750	600
Total number of commercial points of entry that provide port health services that are compliant with international health regulations	Primary Health Care Services		- ¹	- ¹	- ¹	- ¹	20	35	35
Number of facilities maintained, repaired and/or refurbished in national health insurance districts	Hospitals, Tertiary Health Services and Human Resource Development		- ¹	94	190	178	197	125	182
Percentage of backlog eliminated for blood alcohol tests	Hospitals, Tertiary Health Services and Human Resource Development		- ¹	- ¹	- ¹	- ¹	100%	- ⁵	- ⁵

1. No historical data available.

2. This indicator is reported on with a time lag of one year.

3. This is an indicator for mother-to-child transmission of HIV, which shows the infants tested positive for HIV within 10 weeks as a proportion of all live births by HIV-positive mothers.

4. Indicator has changed from 6 weeks to 10 weeks in line with the new guidelines on the prevention of mother-to-child transmission. The historical performance is for a rate at 6 weeks after birth.

5. Once the backlog is eliminated, this indicator will be revised to measure turnaround time.

Expenditure analysis

The department will focus in the period ahead on expanding treatment and prevention programmes for HIV and AIDS and tuberculosis (TB), revitalising public health care facilities and ensuring that specialised tertiary hospital services are provided. Spending on these activities is set to account for 85.4 per cent, or R119.2 billion, of the department's total budget over the MTEF period. A further R885.3 million has been added to the baseline in 2019/20 for increased distribution of antiretroviral treatment and R600 million over the MTEF period has been added to support the operations of the newly built Nelson Mandela Children's Hospital. The department transfers 88.3 per cent, or R123.4 billion, of its budget over the medium term to provincial departments of health through conditional grants.

The department's budget for compensation of employees has been reduced by R9.7 million in 2017/18, R10.7 million in 2018/19 and R11.3 million in 2019/20, due to the Cabinet-approved budget reductions to lower the national aggregate expenditure ceiling. In April 2017, 209 employees will leave the health regulation and compliance management programme to work for the newly established South African Health Products Regulatory Authority. This will reduce the allocation for compensation of employees by R344.6 million over the medium term. The authority will be responsible for the regulation and control of registering, licensing, manufacturing and importing of active pharmaceutical ingredients, medicines and medical devices; and for conducting clinical trials in a manner compatible with the national medicines policy. In total, the authority will receive R397.6 million in transfers from the department. The authority will also fund its operations by collecting and retaining fees from the pharmaceutical and health products industry.

Expanding HIV and AIDS, and TB treatment and prevention

The HIV and TB investment cases were two major cost-effectiveness projects carried out in 2015/16 to identify the ideal mix of interventions for addressing the HIV and AIDS, and TB epidemics. Implementing the recommendations from these investment cases is expected to result in an increase in spending in the *HIV and AIDS, Tuberculosis, and Maternal and Child Health* programme, from R16 billion in 2016/17 to R22.9 billion in 2019/20, at an average annual rate of 12.8 per cent over the medium term.

The department has adopted the 90-90-90 targets of the United Nations programme on HIV and AIDS. These targets commit government to ensuring that by 2020, 90 per cent of all people living with HIV will know their

status; 90 per cent of all people diagnosed with HIV will receive sustained antiretroviral therapy, and 90 per cent of all people receiving antiretroviral therapy will be virally suppressed. In September 2016, the department implemented the universal test-and-treat policy, which states that the department should offer treatment to everyone diagnosed with HIV, regardless of their CD4 count. An allocation of R885.3 million added to the *comprehensive HIV, AIDS and TB grant* in 2019/20 funds the provision of antiretroviral treatment to 5.5 million people living with HIV. Spending on the grant is projected to increase by 13 per cent over the medium term, despite being reduced by R102.4 million in 2017/18 and R110.2 million in 2018/19.

The *comprehensive HIV, AIDS and TB grant* has a dedicated R200 million in 2017/18 and R460 million in 2018/19 to equip provinces with the tools to implement the TB investment case recommendations, such as intensifying screening campaigns to ensure early detection and treatment. These funds are channelled to provincial health departments through the grant in the *HIV and AIDS, Tuberculosis, and Maternal and Child Health* programme. This spending is expected to improve detection and contribute to increasing the success rate of TB treatment from 84 percent in 2016/17 to 90 percent in 2019/20.

Revitalising public health care facilities

A baseline audit of all health care facilities in South Africa found that many facilities require major refurbishment, with some requiring full replacement. The department is in the process of finalising a 10-year infrastructure plan to assist in determining the areas with the greatest need for investment. The department will invest R20.8 billion in healthcare infrastructure over the MTEF period. These funds will be managed as two conditional grants in the *Health Facilities Infrastructure Management* subprogramme in the *Hospitals, Tertiary Health Services and Human Resource Development* programme. The budget for these grants is set to increase at an average annual rate of 6.8 per cent over the medium term. The direct *health facility revitalisation grant* is transferred to provincial departments of health to fund the building of new facilities and the upgrading, refurbishing and maintenance of existing health facilities. A total of R17.8 billion is allocated for this grant over the medium term, after Cabinet-approved reductions of R363.6 million. The health facility revitalisation component of the *national health insurance indirect grant* is allocated R3 billion over the medium term. This grant is exclusively for infrastructure improvements in the 11 national health insurance pilot districts. The department is working closely with implementing agents to ensure that all 872 primary health care facilities in these districts are maintained, constructed or revitalised by 2019/20.

Ensuring accessible specialised tertiary health services

Tertiary health services are highly specialised, hospital-based health care services that require strong national coordination as a result of their unequal distribution across South Africa. Consequently, many patients are forced to seek specialised care in neighbouring provinces because the required tertiary services are not available in their home province. To compensate provinces for treating patients from other provinces, the department will continue to subsidise funding for tertiary health services in 28 hospitals and hospital complexes through the direct *national tertiary services grant* over the medium term. The grant pays for specialised personnel, equipment, advanced medical investigation and treatment according to approved service specifications, and will also support the modernisation of tertiary facilities by upgrading medical equipment. Amounts of R11.7 billion in 2017/18, R12.4 billion in 2018/19 and R13.2 billion in 2019/20 are to be transferred through the *Hospitals, Tertiary Health Services and Human Resource Development* programme.

Although the construction of the Nelson Mandela Children's Hospital in Gauteng was funded by donations to the Nelson Mandela Children's Hospital Trust, the hospital will rely largely on government for operational funding. Amounts of R150 million in 2017/18, R200 million in 2018/19 and R300 million in 2019/20 have been allocated to the *national tertiary services grant* in the Gauteng department of health to provide highly specialised paediatric services to patients from all across southern Africa.

National health insurance

National health insurance is a health financing system designed to provide access to affordable personal health care services for all South Africans. Over the medium term, the department will focus on finalising and gazetting the White Paper on National Health Insurance, drafting and publishing the National Health Insurance Bill for public consultation and creating a national health insurance fund, which is expected to be the main purchaser of health care services in South Africa. In preparation for the scheme, the department will recruit

private health care professionals, roll out electronic patient registration and medicines stock management systems, and implement the dispensing and distribution model for new central chronic medicines. Overall, R5.2 billion is allocated specifically for national health insurance over the medium term period, the majority of which is allocated to the *national health insurance indirect grant*.

A total of R1 billion is earmarked for the recruitment of health professionals and to ensure that 1.5 million chronic patients access their medication through a centralised, chronic medicine-dispensing and distribution system. This will improve access to chronic medicines and alleviate the pressure on public health facilities. Over the medium term, R967.8 million is allocated to implement the patient-registration system and an electronic stock management system from the *national health insurance indirect grant*, by the end of the current MTEF period. Funding for these interventions falls under the *National Health Insurance, Health Planning and Systems Enablement* programme, with spending increasing by 21.2 per cent per year over the medium term.

The ideal clinic component of the *national health insurance indirect grant* falls under the *Primary Health Care Services* programme and has been allocated a total of R132.8 million over the medium term to allow the department to bring a total of 3 172 primary health care facilities up to an ideal status by 2019/20.

Expenditure trends

Table 16.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. National Health Insurance, Health Planning and Systems Enablement														
3. HIV and AIDS, Tuberculosis, and Maternal and Child Health														
4. Primary Health Care Services														
5. Hospitals, Tertiary Health Services and Human Resource Development														
6. Health Regulation and Compliance Management														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
Programme 1	411.0	405.7	347.3	389.7	389.7	386.5	457.1	456.6	438.5	463.5	462.0	462.0	95.0%	95.4%
Programme 2	491.9	491.8	222.6	652.0	658.9	338.2	587.8	596.6	553.1	559.8	588.6	588.6	74.3%	72.9%
Programme 3	10 829.9	10 842.8	10 763.5	12 840.7	12 840.7	12 818.7	14 442.1	14 378.9	14 179.0	16 018.6	16 009.6	15 979.6	99.3%	99.4%
Programme 4	214.0	207.2	183.5	200.5	216.2	206.3	225.0	224.9	212.6	257.8	256.5	256.5	95.7%	94.9%
Programme 5	17 908.2	17 715.4	17 493.2	18 929.5	18 816.5	18 448.6	19 159.1	18 970.0	19 002.3	19 573.5	19 574.0	19 514.0	98.5%	99.2%
Programme 6	1 252.1	1 261.7	1 214.4	1 367.6	1 403.1	1 340.7	1 596.9	1 603.9	1 599.4	1 690.2	1 706.7	1 706.7	99.2%	98.1%
Total	31 107.1	30 924.6	30 224.5	34 380.0	34 325.1	33 539.0	36 468.0	36 230.9	35 984.9	38 563.3	38 597.4	38 507.4	98.4%	98.7%
Change to 2016 Budget estimate											34.1			
Economic classification														
Current payments	1 743.3	1 732.5	1 262.3	2 041.0	2 245.1	1 740.1	2 351.5	2 270.1	1 934.0	2 304.8	2 341.6	2 256.6	85.2%	83.7%
Compensation of employees	631.8	631.8	628.0	649.1	656.5	686.3	772.1	774.3	750.1	873.4	857.4	857.3	99.8%	100.1%
Goods and services	1 111.5	1 100.7	634.4	1 391.9	1 588.6	1 053.8	1 579.5	1 495.8	1 183.9	1 431.4	1 484.2	1 399.3	77.5%	75.3%
Transfers and subsidies	28 538.0	28 725.6	28 787.4	31 314.1	31 591.1	31 570.6	33 448.5	33 496.1	33 482.2	35 637.0	35 664.6	35 664.6	100.4%	100.0%
Provinces and municipalities	27 317.5	27 686.5	27 487.2	29 902.1	30 164.1	30 171.1	31 857.9	31 904.7	31 904.7	33 972.0	33 981.0	33 981.0	100.4%	99.8%
Departmental agencies and accounts	1 026.9	839.5	1 089.1	1 202.9	1 212.9	1 178.1	1 416.4	1 417.1	1 419.4	1 494.5	1 494.7	1 494.7	-	-
Higher education institutions	-	-	-	3.0	3.0	-	3.1	3.1	-	3.3	3.3	3.3	35.0%	35.0%
Foreign governments and international organisations	-	-	-	-	2.7	2.6	-	-	-	-	14.4	14.4	-	99.8%
Public corporations and private enterprises	-	-	0.2	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	193.6	199.7	209.6	206.1	208.4	215.3	171.1	171.1	155.1	167.2	167.2	167.2	101.2%	100.1%
Households	-	-	1.5	-	-	3.5	-	-	2.9	-	4.0	4.0	40 817.2%	296.7%
Payments for capital assets	825.9	466.5	173.0	1 024.9	488.9	227.4	668.0	464.7	567.8	621.5	591.0	586.0	49.5%	77.3%
Buildings and other fixed structures	807.0	440.0	113.7	979.9	378.4	168.9	562.5	354.6	470.6	471.9	471.9	471.9	43.4%	74.5%
Machinery and equipment	18.8	26.4	59.3	45.1	100.7	58.4	105.5	110.1	93.0	149.6	119.1	114.1	101.8%	91.1%
Software and other intangible assets	-	-	-	-	9.8	0.2	-	-	4.2	-	-	-	-	44.9%
Payments for financial assets	-	-	1.7	-	-	0.9	-	-	0.9	-	0.3	0.3	-	1 280.3%
Total	31 107.1	30 924.6	30 224.5	34 380.0	34 325.1	33 539.0	36 468.0	36 230.9	35 984.9	38 563.3	38 597.4	38 507.4	98.4%	98.7%

Expenditure estimates

Table 16.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. National Health Insurance, Health Planning and Systems Enablement								
3. HIV and AIDS, Tuberculosis, and Maternal and Child Health								
4. Primary Health Care Services								
5. Hospitals, Tertiary Health Services and Human Resource Development								
6. Health Regulation and Compliance Management								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Programme 1	462.0	4.4%	1.2%	512.8	547.5	582.5	8.0%	1.2%
Programme 2	588.6	6.2%	1.2%	735.1	992.8	1 047.4	21.2%	1.9%
Programme 3	15 979.6	13.8%	38.9%	18 278.3	20 745.6	22 909.4	12.8%	43.7%
Programme 4	256.5	7.4%	0.6%	264.3	293.1	315.1	7.1%	0.6%
Programme 5	19 514.0	3.3%	53.9%	21 108.2	22 301.1	23 640.8	6.6%	48.6%
Programme 6	1 706.7	10.6%	4.2%	1 727.0	1 786.9	1 889.9	3.5%	4.0%
Total	38 507.4	7.6%	100.0%	42 625.7	46 667.0	50 384.9	9.4%	100.0%
Change to 2016 Budget estimate				(152.4)	(67.2)	1 014.6		
Economic classification								
Current payments	2 256.6	9.2%	5.2%	2 404.7	2 663.6	2 835.2	7.9%	5.7%
Compensation of employees	857.3	10.7%	2.1%	760.0	828.8	894.3	1.4%	1.9%
Goods and services	1 399.3	8.3%	3.1%	1 644.7	1 834.8	1 940.9	11.5%	3.8%
Transfers and subsidies	35 664.6	7.5%	93.7%	39 355.4	43 118.2	46 623.3	9.3%	92.5%
Provinces and municipalities	33 981.0	7.1%	89.4%	37 520.4	41 216.5	44 615.2	9.5%	88.3%
Departmental agencies and accounts	1 494.7	21.2%	3.7%	1 649.8	1 705.7	1 801.3	6.4%	3.7%
Higher education institutions	3.3	-	-	-	-	-	-100.0%	-
Foreign governments and international organisations	14.4	-	-	-	-	-	-100.0%	-
Non-profit institutions	167.2	-5.7%	0.5%	185.2	195.9	206.8	7.3%	0.4%
Households	4.0	556.5%	-	-	-	-	-100.0%	-
Payments for capital assets	586.0	7.9%	1.1%	865.6	885.2	926.5	16.5%	1.8%
Buildings and other fixed structures	471.9	2.4%	0.9%	714.6	748.1	792.1	18.8%	1.5%
Machinery and equipment	114.1	62.8%	0.2%	146.0	132.1	134.4	5.6%	0.3%
Software and other intangible assets	-	-	-	5.0	5.0	-	-	-
Payments for financial assets	0.3	-	-	-	-	-	-100.0%	-
Total	38 507.4	7.6%	100.0%	42 625.7	46 667.0	50 384.9	9.4%	100.0%

Goods and services expenditure trends and estimates

Table 16.4 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Administrative fees	228	740	689	842	54.6%	0.1%	4 586	2 536	2 569	45.0%	0.2%
Advertising	11 839	9 311	10 402	11 778	-0.2%	1.0%	12 804	16 178	16 999	13.0%	0.8%
Minor assets	2 420	8 235	7 055	6 284	37.4%	0.6%	11 379	6 292	6 485	1.1%	0.4%
Audit costs: External	30 561	27 921	20 132	31 125	0.6%	2.5%	39 554	39 659	42 381	10.8%	2.2%
Bursaries: Employees	1 115	1 076	1 553	2 201	25.4%	0.1%	2 000	2 110	2 228	0.4%	0.1%
Catering: Departmental activities	2 833	3 222	3 150	4 427	16.0%	0.3%	3 485	3 417	3 668	-6.1%	0.2%
Communication	12 292	15 723	19 550	19 780	17.2%	1.5%	25 449	25 791	28 040	12.3%	1.4%
Computer services	6 573	13 776	11 915	16 940	37.1%	1.1%	36 046	33 101	34 888	27.2%	1.8%
Consultants: Business and advisory services	156 678	54 815	65 595	138 034	-4.1%	9.5%	207 008	370 096	387 644	41.1%	16.0%
Infrastructure and planning services	-	4 286	-	8 000	-	0.3%	37 069	14 043	14 830	22.8%	1.1%
Laboratory services	-	-	-	263	-	-	-	1 259	1 056	58.9%	-
Legal services	4 085	6 197	6 990	970	-38.1%	0.4%	9 306	9 135	9 877	116.7%	0.4%
Science and technological services	11 113	11 743	-	11 489	1.1%	0.8%	15 843	15 234	15 940	11.5%	0.8%
Contractors	16 854	95 289	286 243	302 168	161.7%	16.1%	353 805	376 080	398 455	9.7%	20.7%
Agency and support/outsourced services	3 673	92 363	154 287	211 297	286.0%	10.6%	175 035	299 399	312 442	13.9%	14.5%
Entertainment	56	18	2	302	75.4%	-	436	200	212	-11.1%	-
Fleet services (including government motor transport)	16 444	27 201	60 757	19 853	6.5%	2.9%	29 747	29 719	34 644	20.4%	1.7%
Housing	-	-	24	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	39	2 708	494	2 000	271.5%	0.1%	1 500	-	-	-100.0%	0.1%
Inventory: Farming supplies	-	1	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	80	93	114	348	63.2%	-	200	534	559	17.1%	-
Inventory: Fuel, oil and gas	1 125	1 076	2 040	1 693	14.6%	0.1%	1 832	2 708	2 855	19.0%	0.1%
Inventory: Materials and supplies	196	334	131	782	58.6%	-	2 059	2 303	2 427	45.9%	0.1%

Table 16.4 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Inventory: Medical supplies	70 519	209 556	77 538	178 073	36.2%	12.3%	122 752	161 788	173 843	-0.8%	9.2%
Inventory: Medicine	474	177 192	98 338	174 046	616.1%	10.3%	176 901	2 373	2 651	-75.2%	5.2%
Inventory: Other supplies	7 872	10 332	11 994	12 431	16.5%	1.0%	16 836	13 655	13 027	1.6%	0.8%
Consumable supplies	617	1 687	3 007	2 800	65.6%	0.2%	9 800	6 714	7 096	36.3%	0.4%
Consumables: Stationery, printing and office supplies	22 230	18 359	20 196	23 065	1.2%	1.9%	25 342	30 079	32 021	11.6%	1.6%
Operating leases	86 892	93 532	131 666	136 116	16.1%	10.3%	155 697	165 716	184 479	10.7%	9.3%
Rental and hiring	-	97	98	289	-	-	200	600	678	32.9%	-
Property payments	11 389	22 592	23 661	13 166	5.0%	1.6%	21 201	25 575	22 180	19.0%	1.2%
Transport provided: Departmental activity	259	-	-	1 000	56.9%	-	-	-	-	-100.0%	-
Travel and subsistence	81 895	82 745	92 748	83 663	0.7%	7.8%	87 065	83 800	90 986	2.8%	5.0%
Training and development	3 479	4 789	4 546	12 520	53.2%	0.6%	8 545	12 042	12 717	0.5%	0.7%
Operating payments	60 472	50 262	49 569	48 039	-7.4%	4.8%	39 165	70 929	70 549	13.7%	3.3%
Venues and facilities	10 069	6 490	19 410	8 392	-5.9%	1.0%	12 005	11 700	12 442	14.0%	0.6%
Total	634 371	1 053 761	1 183 894	1 484 176	32.8%	100.0%	1 644 652	1 834 765	1 940 868	9.4%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 16.5 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Provinces and municipalities											
Provincial revenue funds											
Current	22 196 363	24 669 087	26 487 703	28 708 332	9.0%	78.8%	31 865 897	35 300 854	38 368 185	10.2%	81.5%
National health insurance grant	50 953	76 956	61 077	94 227	22.7%	0.2%	-	-	-	-100.0%	0.1%
Comprehensive HIV and AIDS grant	10 334 687	12 102 108	13 670 730	-	-100.0%	27.9%	-	-	-	-	-
Human papillomavirus vaccine grant	-	-	-	-	-	-	-	200 000	211 200	-	0.2%
Comprehensive HIV, AIDS and tuberculosis grant	-	-	-	15 290 603	-	11.8%	17 557 903	19 921 697	22 038 995	13.0%	45.4%
Health professions training and development grant	2 190 366	2 321 788	2 374 722	2 476 724	4.2%	7.2%	2 631 849	2 784 496	2 940 428	5.9%	6.6%
National tertiary services grant	9 620 357	10 168 235	10 381 174	10 846 778	4.1%	31.7%	11 676 145	12 394 661	13 177 562	6.7%	29.2%
Capital	5 290 816	5 501 981	5 417 045	5 272 680	-0.1%	16.6%	5 654 495	5 915 694	6 246 973	5.8%	14.0%
Health facility revitalisation grant	5 290 816	5 501 981	5 417 045	5 272 680	-0.1%	16.6%	5 654 495	5 915 694	6 246 973	5.8%	14.0%
Departmental agencies and accounts											
Social security funds											
Current	3 062	3 215	3 363	3 541	5.0%	-	3 718	3 934	4 154	5.5%	-
Compensation Commissioner	3 062	3 215	3 363	3 541	5.0%	-	3 718	3 934	4 154	5.5%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 086 031	1 174 867	1 416 059	1 491 128	11.1%	4.0%	1 646 079	1 701 807	1 797 127	6.4%	4.0%
Health and Welfare Sector Education and Training Authority	1 259	1 276	2 439	2 808	30.7%	-	2 252	2 455	2 612	-2.4%	-
Public Service Sector Education and Training Authority	50	90	-	-	-100.0%	-	-	-	-	-	-
South African Medical Research Council	419 460	446 331	623 892	657 590	16.2%	1.7%	614 961	624 829	659 819	0.1%	1.6%
South African National AIDS Council	25 951	15 000	19 340	16 711	-13.6%	0.1%	17 547	17 547	18 529	3.5%	-
National Health Laboratory Service	603 534	674 052	678 926	711 871	5.7%	2.1%	746 464	789 759	833 986	5.4%	1.9%
Office of Health Standards Compliance	31 252	33 367	88 906	100 535	47.6%	0.2%	125 711	133 003	140 451	11.8%	0.3%
Council for Medical Schemes	4 525	4 751	2 556	1 613	-29.1%	-	5 496	5 815	6 141	56.1%	-
South African Health Product Regulatory Authority	-	-	-	-	-	-	133 648	128 399	135 589	-	0.2%
Higher education institutions											
Current	-	-	-	3 304	-	-	-	-	-	-100.0%	-
University of Cape Town	-	-	-	1 101	-	-	-	-	-	-100.0%	-
University of Limpopo	-	-	-	2 203	-	-	-	-	-	-100.0%	-
Foreign governments and international organisations											
Current	-	2 622	-	14 370	-	-	-	-	-	-100.0%	-
International AIDS Society	-	-	-	14 370	-	-	-	-	-	-100.0%	-
World Health Organisation	-	2 622	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	150	-	-	-	-100.0%	-	-	-	-	-	-
Public Health Association of South Africa	100	-	-	-	-100.0%	-	-	-	-	-	-
Albinism Society of South Africa	50	-	-	-	-100.0%	-	-	-	-	-	-

Table 16.5 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18			2018/19
Non-profit institutions												
Current	209 554	215 283	155 073	167 249	-7.2%	0.6%	185 237	195 909	206 811	7.3%	0.5%	
South African Medical Research Council	428	512	471	496	5.0%	-	520	550	581	5.4%	-	
Wits University Foundation	-	-	-	650	-	-	-	-	-	-100.0%	-	
Non-profit institutions	-	13 670	-	-	-	-	-	-	-	-	-	
Health information systems programme	4 979	-	12 103	12 745	36.8%	-	13 382	14 158	14 951	5.5%	-	
Health Systems Trust	10 252	12 867	11 367	11 969	5.3%	-	15 019	15 890	16 780	11.9%	-	
Non-governmental organisations: Lifeline	18 308	19 023	19 898	20 953	4.6%	0.1%	22 000	23 276	24 579	5.5%	0.1%	
Non-governmental organisations: lovelife	70 430	69 843	54 396	57 808	-6.4%	0.2%	61 200	64 750	68 376	5.8%	0.2%	
Non-governmental organisations: Soul City	22 820	15 561	16 277	17 140	-9.1%	0.1%	19 226	20 270	21 336	7.6%	-	
Non-governmental organisations: HIV and AIDS	76 079	79 919	38 131	42 948	-17.4%	0.2%	51 450	54 434	57 482	10.2%	0.1%	
South African Federation for Mental Health	305	320	335	353	5.0%	-	371	393	415	5.5%	-	
South African National Council for the Blind	684	718	752	792	5.0%	-	832	880	929	5.5%	-	
Inter-Academy Medical Panel	100	-	-	-	-100.0%	-	-	-	-	-	-	
Non-governmental organisations: Mental health	169	82	-	200	5.8%	-	-	-	-	-100.0%	-	
National Council Against Smoking	5 000	768	803	845	-44.7%	-	887	938	991	5.5%	-	
National Kidney Foundation of South Africa	-	-	350	350	-	-	350	370	391	3.8%	-	
Health Systems Global: South Africa	-	2 000	-	-	-	-	-	-	-	-	-	
Mental Health and Substance Abuse	-	-	190	-	-	-	-	-	-	-	-	
Households												
Social benefits												
Current	1 469	3 397	2 858	3 700	36.1%	-	-	-	-	-100.0%	-	
Employee social benefits	1 469	3 397	2 858	3 700	36.1%	-	-	-	-	-100.0%	-	
Households												
Other transfers to households												
Current	-	100	52	261	-	-	-	-	-	-100.0%	-	
Employee social benefits	-	-	-	261	-	-	-	-	-	-100.0%	-	
Other transfers to households	-	-	52	-	-	-	-	-	-	-	-	
Donation for conference on paediatric cardiology and cardiac surgery	-	100	-	-	-	-	-	-	-	-	-	
Total	28 787 445	31 570 552	33 482 153	35 664 565	7.4%	100.0%	39 355 426	43 118 198	46 623 250	9.3%	100.0%	

Personnel information

Table 16.6 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. National Health Insurance, Health Planning and Systems Enablement																			
3. HIV and AIDS, Tuberculosis, and Maternal and Child Health																			
4. Primary Health Care Services																			
5. Hospitals, Tertiary Health Services and Human Resource Development																			
6. Health Regulation and Compliance Management																			
	Number of posts estimated for 31 March 2017		Number and cost ² of personnel posts filled / planned for on funded establishment									Number							
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20						
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost					
Health	1 597	47	1 776	750.1	0.4	1 858	857.3	0.5	1 504	760.0	0.5	1 520	828.8	0.5	1 524	894.3	0.6	-6.4%	100.0%
1 - 6	527	-	603	106.7	0.2	607	116.1	0.2	482	109.9	0.2	486	119.2	0.2	487	128.6	0.3	-7.1%	32.2%
7 - 10	744	-	772	320.4	0.4	785	355.0	0.5	717	348.7	0.5	724	380.6	0.5	727	412.2	0.6	-2.5%	46.1%
11 - 12	209	41	284	198.3	0.7	334	239.8	0.7	185	157.9	0.9	189	174.6	0.9	189	188.6	1.0	-17.3%	14.0%
13 - 16	117	6	117	124.7	1.1	132	146.4	1.1	120	143.5	1.2	121	154.5	1.3	121	164.9	1.4	-2.9%	7.7%
Programme	1 597	47	1 776	750.1	0.4	1 858	857.3	0.5	1 504	760.0	0.5	1 520	828.8	0.5	1 524	894.3	0.6	-6.4%	100.0%
Programme 1	444	1	448	177.7	0.4	449	192.5	0.4	420	197.2	0.5	422	215.1	0.5	421	232.0	0.6	-2.1%	26.7%
Programme 2	166	6	177	98.4	0.6	183	112.1	0.6	175	114.7	0.7	177	125.1	0.7	178	135.0	0.8	-0.9%	11.1%
Programme 3	123	-	122	71.3	0.6	123	77.5	0.6	117	79.4	0.7	119	86.6	0.7	119	93.4	0.8	-1.1%	7.5%
Programme 4	421	-	404	167.7	0.4	403	181.2	0.4	381	185.6	0.5	384	202.4	0.5	383	218.4	0.6	-1.7%	24.2%
Programme 5	312	40	291	110.9	0.4	345	141.0	0.4	293	128.5	0.4	297	140.1	0.5	301	151.1	0.5	-4.4%	19.3%
Programme 6	131	-	334	124.0	0.4	355	153.0	0.4	118	54.6	0.5	121	59.6	0.5	122	64.4	0.5	-30.0%	11.2%

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

2. Rand million.

Departmental receipts

Table 16.7 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
Departmental receipts	71 606	66 140	53 885	69 125	68 586	-1.4%	100.0%	8 112	8 386	8 522	-50.1%	100.0%
Sales of goods and services produced by department	67 091	54 031	46 052	63 867	63 905	-1.6%	88.8%	4 658	4 882	5 118	-56.9%	83.9%
Sales by market establishments	165	154	160	168	175	2.0%	0.3%	184	193	202	4.9%	0.8%
of which:												
Parking	165	154	160	168	175	2.0%	0.3%	184	193	202	4.9%	0.8%
Administrative fees	66 677	53 594	45 395	63 206	63 237	-1.8%	88.0%	4 197	4 406	4 626	-58.2%	81.7%
of which:												
Medical (drug control) licences	3 193	2 961	2 264	1 632	1 663	-19.5%	3.9%	3 000	3 150	3 307	25.8%	11.9%
Drug control	63 484	50 633	42 380	60 434	60 434	-1.6%	83.4%	-	-	-	-100.0%	64.6%
Inspection fees	-	-	751	1 140	1 140	-	0.7%	1 197	1 256	1 319	5.0%	5.2%
Other sales	249	283	497	493	493	25.6%	0.6%	277	283	290	-16.2%	1.4%
of which:												
Yellow fever	33	33	334	116	116	52.0%	0.2%	121	127	134	4.9%	0.5%
Replacement of security cards	10	8	5	15	15	14.5%	-	6	6	6	-26.3%	-
Commission on insurance	206	242	158	362	362	20.7%	0.4%	150	150	150	-25.4%	0.9%
Sales of scrap, waste, arms and other used current goods	45	3	44	-	-	-100.0%	-	4	4	4	-	-
of which:												
Scrap paper	16	3	-	-	-	-100.0%	-	4	4	4	-	-
Scrap	29	-	44	-	-	-100.0%	-	-	-	-	-	-
Interest, dividends and rent on land	1 858	6 337	6 536	3 718	3 718	26.0%	7.1%	2 500	2 600	2 600	-11.2%	12.2%
Interest	1 858	6 337	6 536	3 718	3 718	26.0%	7.1%	2 500	2 600	2 600	-11.2%	12.2%
Transactions in financial assets and liabilities	2 612	5 769	1 253	1 540	963	-28.3%	4.1%	950	900	800	-6.0%	3.9%
Total	71 606	66 140	53 885	69 125	68 586	-1.4%	100.0%	8 112	8 386	8 522	-50.1%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 16.8 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Ministry	27.6	28.9	30.0	31.5	4.5%	7.2%	31.8	34.3	36.4	4.9%	6.4%
Management	13.9	20.9	19.8	20.1	13.1%	4.6%	19.6	21.9	23.3	5.1%	4.0%
Corporate Services	157.8	178.3	199.7	205.7	9.2%	45.4%	232.4	246.9	263.2	8.6%	45.0%
Office Accommodation	93.5	110.4	147.6	143.7	15.4%	30.3%	165.2	174.9	186.0	9.0%	31.8%
Financial Management	54.5	48.0	41.4	60.9	3.8%	12.5%	63.8	69.5	73.7	6.5%	12.7%
Total	347.3	386.5	438.5	462.0	10.0%	100.0%	512.8	547.5	582.5	8.0%	100.0%
Change to 2016				(1.5)			(3.8)	(1.6)	(1.4)		
Budget estimate											
Economic classification											
Current payments	340.6	381.8	426.9	454.2	10.1%	98.1%	506.0	540.1	576.0	8.2%	98.6%
Compensation of employees	149.9	167.5	177.7	191.2	8.5%	42.0%	197.2	215.1	232.0	6.7%	39.7%
Goods and services ¹	190.8	214.4	249.2	263.1	11.3%	56.1%	308.8	324.9	344.0	9.3%	59.0%
of which:											
Audit costs: External	30.6	27.9	20.1	29.0	-1.7%	6.6%	36.3	37.2	39.5	10.8%	6.7%
Communication	8.4	8.9	9.8	13.6	17.5%	2.5%	16.4	17.7	19.5	12.8%	3.2%
Computer services	3.7	8.8	6.2	11.0	43.9%	1.8%	18.4	15.0	12.9	5.7%	2.7%
Operating leases	83.9	90.2	128.1	131.4	16.1%	26.5%	147.6	155.7	174.9	10.0%	29.0%
Property payments	11.4	22.3	23.3	10.6	-2.2%	4.1%	20.0	20.8	18.2	19.6%	3.3%
Travel and subsistence	15.4	15.7	15.6	16.8	2.9%	3.9%	20.3	20.1	21.4	8.5%	3.7%
Transfers and subsidies¹	2.0	2.2	3.4	3.2	15.9%	0.7%	2.3	2.5	2.6	-6.3%	0.5%
Departmental agencies and accounts	1.3	1.4	2.4	2.8	29.0%	0.5%	2.3	2.5	2.6	-2.4%	0.5%
Households	0.7	0.8	1.0	0.4	-20.3%	0.2%	-	-	-	-100.0%	-

Table 16.8 Administration expenditure trends and estimates by subprogramme and economic classification

R million	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%) 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
Payments for capital assets	4.2	2.3	7.9	4.5	2.3%	1.2%	4.6	5.0	3.8	-4.8%	0.8%
Machinery and equipment	4.2	2.3	7.9	4.5	2.3%	1.2%	4.6	5.0	3.8	-4.8%	0.8%
Payments for financial assets	0.5	0.2	0.2	0.1	-42.5%	0.1%	-	-	-	-100.0%	-
Total	347.3	386.5	438.5	462.0	10.0%	100.0%	512.8	547.5	582.5	8.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.1%	1.2%	1.2%	1.2%	-	-	1.2%	1.2%	1.2%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1.3	1.3	2.4	2.8	30.7%	0.5%	2.3	2.5	2.6	-2.4%	0.5%
Health and Welfare Sector Education and Training Authority	1.3	1.3	2.4	2.8	30.7%	0.5%	2.3	2.5	2.6	-2.4%	0.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

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

Programme purpose

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

Objectives

- Achieve universal health coverage through the phased implementation of the national health insurance scheme by 2030.
- Improve equity in the distribution of funding by developing a funding modality for resource allocation to public primary health care facilities in the district health system by 2017/18.
- Strengthen revenue collection by implementing a revenue retention model in all 10 central hospitals by 2019/20.
- Improve access to chronic medicines and alleviate pressure on primary health care facilities by ensuring that 1.5 million patients receive chronic medicine through a centralised chronic medicine-dispensing and distribution system by 2019/20.
- Strengthen the monitoring of the availability of medicine by establishing a national stock management surveillance centre that reports on stock availability at all health facilities by 2019/20.
- Improve health information and operational processes in primary health care facilities by implementing the health patient registration system in all primary health care facilities by 2019/20.

Subprogrammes

- *Programme Management* provides leadership to the programme in order to improve access to quality health services by developing and implementing universal health coverage policies, health financing reform, integrated health systems planning, reporting, monitoring and evaluation, and research.
- *Technical Policy and Planning* provides advisory and strategic technical assistance on policy and planning, and supports policy analysis and implementation.
- *Health Information Management, Monitoring and Evaluation* develops and maintains a national health information system, commissions and coordinates research, implements disease notification surveillance programmes, and monitors and evaluates strategic health programmes.
- *Sector-Wide Procurement* is responsible for developing systems to ensure access to essential pharmaceutical commodities. This is achieved through the selection of essential medicines, the development of standard treatment guidelines, the administration of health tenders, and the licensing of persons and premises that

deliver pharmaceutical services and related policies.

- *Health Financing and National Health Insurance* develops and implements policies, legislation and frameworks to achieve universal health coverage by designing and implementing national health insurance. It commissions health financing research, develops policy for the medical schemes industry, provides technical oversight over the Council for Medical Schemes, and manages the *national health insurance indirect grant*.
- *International Health and Development* develops and implements bilateral and multilateral agreements with strategic partners, such as the Southern African Development Community, the African Union and United Nations agencies, and economic groupings of countries, such as Brazil-Russia-India-South Africa, to strengthen the health system; manages processes involving the provision of technical capacity and financial assistance to South Africa; strengthens cooperation in areas of mutual interest globally; coordinates international development support; and profiles and lobbies for South Africa's policy position internationally.

Expenditure trends and estimates

Table 16.9 National Health Insurance, Health Planning and Systems Enablement expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Programme Management	0.4	0.3	0.6	3.2	108.2%	0.3%	3.8	4.3	3.9	7.4%	0.5%
Technical Policy and Planning	16.7	10.0	14.0	22.0	9.6%	3.7%	98.0	223.5	236.3	120.6%	17.2%
Health Information Management, Monitoring and Evaluation	44.4	51.8	57.4	74.3	18.8%	13.4%	67.5	67.8	71.9	-1.1%	8.4%
Sector-Wide Procurement	20.8	24.3	26.3	39.6	23.9%	6.5%	139.4	242.3	254.5	86.0%	20.1%
Health Financing and National Health Insurance	76.0	177.4	367.7	383.5	71.5%	59.0%	346.7	362.4	384.2	0.1%	43.9%
International Health and Development	64.3	74.3	87.1	66.0	0.9%	17.1%	79.7	92.5	96.6	13.6%	10.0%
Total	222.6	338.2	553.1	588.6	38.3%	100.0%	735.1	992.8	1 047.4	21.2%	100.0%
Change to 2016 Budget estimate				28.9			(4.7)	(5.7)	(9.3)		
Economic classification											
Current payments	154.8	233.5	467.5	466.1	44.4%	77.6%	700.1	955.9	1 014.6	29.6%	93.2%
Compensation of employees	85.6	91.5	98.4	97.2	4.3%	21.9%	114.7	125.1	135.0	11.6%	14.0%
Goods and services ¹	69.1	142.0	369.1	368.9	74.7%	55.7%	585.3	830.8	879.5	33.6%	79.2%
of which:											
Computer services	0.2	0.6	0.5	0.4	26.5%	0.1%	10.1	11.7	12.3	222.8%	1.0%
Consultants: Business and advisory services	9.8	9.7	12.6	22.7	32.2%	3.2%	84.7	210.8	221.9	113.8%	16.1%
Contractors	5.1	75.7	278.1	274.3	277.3%	37.2%	324.3	339.8	365.5	10.0%	38.8%
Agency and support/outsourced services	0.8	0.2	6.5	2.8	52.0%	0.6%	91.4	194.2	204.0	319.0%	14.6%
Travel and subsistence	21.2	24.9	28.3	18.3	-4.7%	5.4%	20.5	17.0	18.2	-0.2%	2.2%
Operating payments	23.2	24.1	31.6	27.3	5.6%	6.2%	33.8	36.5	36.0	9.7%	4.0%
Transfers and subsidies¹	66.4	103.7	84.7	119.7	21.7%	22.0%	28.4	30.0	31.7	-35.8%	6.2%
Provinces and municipalities	51.0	77.0	61.1	94.2	22.7%	16.6%	-	-	-	-100.0%	2.8%
Non-profit institutions	15.2	26.5	23.5	25.4	18.5%	5.3%	28.4	30.0	31.7	7.8%	3.4%
Households	0.2	0.3	0.1	0.1	-21.5%	-	-	-	-	-100.0%	-
Payments for capital assets	1.4	0.9	0.8	2.8	26.1%	0.4%	6.6	6.9	1.1	-27.6%	0.5%
Machinery and equipment	1.4	0.8	0.8	2.8	26.1%	0.3%	1.6	1.9	1.1	-27.6%	0.2%
Software and other intangible assets	-	0.2	-	-	-	-	5.0	5.0	-	-	0.3%
Payments for financial assets	0.0	0.1	0.1	0.0	6.9%	-	-	-	-	-100.0%	-
Total	222.6	338.2	553.1	588.6	38.3%	100.0%	735.1	992.8	1 047.4	21.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	1.0%	1.5%	1.5%	-	-	1.7%	2.1%	2.1%	-	-
Details of selected transfers and subsidies											
Non-profit institutions											
Current	15.2	26.5	23.5	25.4	18.5%	5.3%	28.4	30.0	31.7	7.8%	3.4%
Wits University Foundation	-	-	-	0.7	-	-	-	-	-	-100.0%	-
Non-profit institutions	-	13.7	-	-	-	0.8%	-	-	-	-	-
Health information systems programme	5.0	-	12.1	12.7	36.8%	1.8%	13.4	14.2	15.0	5.5%	1.6%
Health Systems Trust	10.3	12.9	11.4	12.0	5.3%	2.7%	15.0	15.9	16.8	11.9%	1.8%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	51.0	77.0	61.1	94.2	22.7%	16.6%	-	-	-	-100.0%	2.8%
National health insurance grant	51.0	77.0	61.1	94.2	22.7%	16.6%	-	-	-	-100.0%	2.8%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

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

Programme purpose

Develop national policies, guidelines, norms and standards, and targets to decrease the burden of disease related to the HIV and tuberculosis epidemics; support the implementation of these; and monitor and evaluate their impact. Minimise maternal and child mortality and morbidity; and optimise good health for children, adolescents and women.

Objectives

- Reduce the maternal mortality ratio to under 100 per 100 000 live births by 2019/20 through implementing and sustaining essential training in obstetric emergencies, conducting maternal mortality reviews and ensuring that appropriate interventions are implemented.
- Reduce the neonatal mortality rate to fewer than 8 per 1 000 live births by 2019/20 by capacitating health care workers to manage sick and small neonates, and procuring essential equipment such as continuous positive airway pressure machines.
- Improve access to sexual and reproductive health services by ensuring that at least 75 per cent of couples are accessing modern contraceptive methods by 2019/20.
- Protect girls against contracting cervical cancer in later stages of life by vaccinating 90 per cent of girls in grade 4 against the human papilloma virus by 2018/19.
- Reduce the mother-to-child HIV transmission rate to below 1.3 per cent by 2019/20 through the effective implementation of the guidelines on prevention of mother-to-child transmission.
- Reduce the mortality rate, for children under five years, to less than 33 per 1 000 live births by 2019/20 by implementing the committee's recommendations on morbidity and mortality.
- Contribute to the health and wellbeing of learners by screening 40 per cent of grade 1 learners and 25 per cent of grade 8 learners for health-related barriers to learning per year by 2019/20.
- Achieve a tuberculosis treatment success rate of 90 per cent and a 5 per cent or less tuberculosis loss to follow-up rate by 2019/20 through increased identification of tuberculosis patients and by ensuring completion of treatment.
- Increase the life expectancy of people living with HIV by increasing the number of people accessing antiretroviral treatment to 5.5 million by 2019/20.
- Reduce new HIV infections by implementing a combination of prevention interventions such as HIV counselling and testing, medical male circumcisions and condom distribution over the medium term.

Subprogrammes

- *Programme Management* is responsible for ensuring that all efforts by all stakeholders are harnessed to support the overall purpose of the programme. This includes ensuring that the efforts and resources of development partners, funders, academic and research organisations, non-governmental and civil society organisations, all contribute in a coherent, integrated way.
- *HIV and AIDS* is responsible for policy formulation, coordination, and the monitoring and evaluation of HIV and sexually transmitted disease services. This entails coordinating the implementation of the 2012-2016 national strategic plan on HIV, sexually transmitted infections and tuberculosis. Other important functions of this subprogramme are the management and oversight of the large conditional grant implementation by the provinces, and the coordination and direction of donor funding for HIV and AIDS.
- *Tuberculosis* develops national policies and guidelines, sets norms and standards for tuberculosis services, and monitors the implementation of these in line with the vision of achieving zero infections, mortality, stigma and discrimination from tuberculosis and HIV and AIDS, as outlined in the 2012-2016 national strategic plan on HIV, sexually transmitted infections and tuberculosis.
- *Women's Maternal and Reproductive Health* develops and monitors policies and guidelines, sets norms and standards for maternal and women's health services, and monitors the implementation of these. Over the medium term, key initiatives will be implemented as indicated in the maternal and child health strategic plan.

- *Child, Youth and School Health* is responsible for the policy formulation, coordination, and monitoring and evaluation of child, youth and school health services. Each province also has a unit responsible for fulfilling this role, and for facilitating implementation at the provincial level. The subprogramme is also responsible for implementing the human papilloma virus vaccination programme and coordinates stakeholders outside of the health sector, to play key roles in promoting improved child and youth health and nutrition.

Expenditure trends and estimates

Table 16.10 HIV and AIDS, Tuberculosis, and Maternal and Child Health expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2013/14	2014/15	2015/16		2013/14 - 2016/17	Average Expenditure/Total (%)	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average Expenditure/Total (%)
R million											
Programme Management	3.9	4.2	5.4	4.7	6.6%	-	6.5	6.5	6.4	10.5%	-
HIV and AIDS	10 705.1	12 572.8	13 962.5	15 745.9	13.7%	98.5%	18 004.5	20 463.8	22 611.5	12.8%	98.6%
Tuberculosis	23.8	21.8	20.1	27.4	4.8%	0.2%	26.5	29.8	31.8	5.1%	0.1%
Women's Maternal and Reproductive Health	14.1	12.4	13.7	18.9	10.3%	0.1%	18.4	21.3	22.8	6.4%	0.1%
Child, Youth and School Health	16.6	207.4	177.3	212.7	134.0%	1.1%	222.5	224.1	237.0	3.7%	1.1%
Total	10 763.5	12 818.7	14 179.0	16 009.6	14.1%	100.0%	18 278.3	20 745.6	22 909.4	12.7%	100.0%
Change to 2016 Budget estimate				(9.0)			(154.3)	(109.4)	884.9		
Economic classification											
Current payments	213.8	515.9	358.5	536.8	35.9%	3.0%	532.8	442.2	468.0	-4.5%	2.5%
Compensation of employees	62.5	65.3	71.3	75.7	6.6%	0.5%	79.4	86.6	93.4	7.2%	0.4%
Goods and services ¹	151.3	450.6	287.2	461.1	45.0%	2.5%	453.3	355.5	374.6	-6.7%	2.1%
<i>of which:</i>											
Consultants: Business and advisory services	12.9	10.9	19.6	55.9	63.0%	0.2%	97.6	104.8	107.8	24.5%	0.5%
Fleet services (including government motor transport)	3.3	11.4	34.0	5.6	19.4%	0.1%	11.6	11.1	11.8	28.2%	0.1%
Inventory: Medical supplies	70.1	209.2	76.5	176.7	36.1%	1.0%	118.9	158.8	170.5	-1.2%	0.8%
Inventory: Medicine	0.0	177.1	98.3	172.0	5461.3%	0.8%	176.1	1.0	1.1	-81.7%	0.4%
Consumables: Stationery, printing and office supplies	6.1	2.4	2.7	2.5	-25.4%	-	9.3	12.4	13.1	73.6%	-
Travel and subsistence	15.5	11.9	15.1	20.8	10.3%	0.1%	15.4	13.8	14.5	-11.2%	0.1%
Transfers and subsidies¹	10 548.5	12 301.7	13 819.5	15 463.9	13.6%	97.0%	17 729.3	20 302.0	22 440.5	13.2%	97.4%
Provinces and municipalities	10 334.7	12 102.1	13 670.7	15 290.6	13.9%	95.6%	17 557.9	20 121.7	22 250.2	13.3%	96.5%
Departmental agencies and accounts	26.0	15.0	19.3	16.7	-13.6%	0.1%	17.5	17.5	18.5	3.5%	0.1%
Higher education institutions	-	-	-	3.3	-	-	-	-	-	-100.0%	-
Foreign governments and international organisations	-	-	-	14.4	-	-	-	-	-	-100.0%	-
Non-profit institutions	187.6	184.3	128.7	138.8	-9.6%	1.2%	153.9	162.7	171.8	7.4%	0.8%
Households	0.3	0.3	0.7	0.0	-44.5%	-	-	-	-	-100.0%	-
Payments for capital assets	1.2	0.5	0.8	8.9	96.4%	-	16.3	1.5	1.0	-52.1%	-
Machinery and equipment	1.2	0.5	0.8	8.9	96.4%	-	16.3	1.5	1.0	-52.1%	-
Payments for financial assets	0.0	0.6	0.2	0.0	34.9%	-	-	-	-	-100.0%	-
Total	10 763.5	12 818.7	14 179.0	16 009.6	14.1%	100.0%	18 278.3	20 745.6	22 909.4	12.7%	100.0%
Proportion of total programme expenditure to vote expenditure	35.6%	38.2%	39.4%	41.5%	-	-	42.9%	44.5%	45.5%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	26.0	15.0	19.3	16.7	-13.6%	0.1%	17.5	17.5	18.5	3.5%	0.1%
South African National AIDS Council	26.0	15.0	19.3	16.7	-13.6%	0.1%	17.5	17.5	18.5	3.5%	0.1%
Foreign governments and international organisations											
Current	-	-	-	14.4	-	-	-	-	-	-100.0%	-
International AIDS Society	-	-	-	14.4	-	-	-	-	-	-100.0%	-
Non-profit institutions											
Current	187.6	184.3	128.7	138.8	-9.6%	1.2%	153.9	162.7	171.8	7.4%	0.8%
Non-governmental organisations: Lifeline	18.3	19.0	19.9	21.0	4.6%	0.1%	22.0	23.3	24.6	5.5%	0.1%
Non-governmental organisations: loveLife	70.4	69.8	54.4	57.8	-6.4%	0.5%	61.2	64.8	68.4	5.8%	0.3%
Non-governmental organisations: Soul City	22.8	15.6	16.3	17.1	-9.1%	0.1%	19.2	20.3	21.3	7.6%	0.1%
Non-governmental organisations: HIV and AIDS	76.1	79.9	38.1	42.9	-17.4%	0.4%	51.5	54.4	57.5	10.2%	0.3%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	10 334.7	12 102.1	13 670.7	15 290.6	13.9%	95.6%	17 557.9	20 121.7	22 250.2	13.3%	96.5%
Comprehensive HIV and AIDS grant	10 334.7	12 102.1	13 670.7	-	-100.0%	67.2%	-	-	-	-	-
Human papillomavirus vaccine grant	-	-	-	-	-	-	-	200.0	211.2	-	0.5%
Comprehensive HIV, AIDS and tuberculosis grant	-	-	-	15 290.6	-	28.4%	17 557.9	19 921.7	22 039.0	13.0%	96.0%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 4: Primary Health Care Services

Programme purpose

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

Objectives

- Improve district governance and strengthen the management and leadership of the district health system by establishing approved, standardised district management structures in all 52 health districts by 2019/20.
- Improve access to community-based primary health care services by establishing 2 000 ward-based primary health care outreach teams by 2019/20.
- Improve the quality of care at clinics by ensuring that all fixed primary health care facilities qualify as ideal clinics by 2019/20.
- Improve the quality of services at district hospitals through the ideal district hospital programme by implementing the ideal district hospital framework at 25 per cent of all district hospitals by 2019/20.
- Reduce risk factors and improve the management of non-communicable diseases by implementing the strategic plan for the prevention and control of non-communicable diseases over the medium term.
- Improve inter-sectoral collaboration, with a focus on population-wide interventions, to promote healthy lifestyles, and address social and economic determinants by establishing a national health commission by 2019/20.
- Strengthen health promotion, surveillance, vector control and the case management of malaria in order to eliminate malaria by 2019/20.
- Improve South Africa's influenza-prevention and control by implementing a vaccination programme among high-risk groups over the medium term.
- Expand the provision of rehabilitation services by increasing the number of districts resourced with a multi-disciplinary rehabilitation team by 10 per cent by 2019/20.
- Improve accessibility of primary health services to people with physical disabilities, by ensuring that 70 per cent of primary health care facilities have wheelchair ramps, compacted access from gate to entrance, appropriate toilets and signage by 2019/20.
- Ensure the compliance of port health services to international health regulations by 2019/20 by regularly auditing points of entry and addressing findings from these at all 35 commercial points of entry in South Africa.

Subprogrammes

- *Programme Management* supports and provides leadership for the development and 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.
- *District Health Services* promotes, coordinates and institutionalises the district health system; integrates programme implementation using the primary health care approach; and coordinates primary health care re-engineering through ward-based primary health care outreach teams.
- *Communicable Diseases* develops policies and supports provinces to ensure the control of infectious diseases and supports the National Institute for Communicable Diseases, a division of the National Health Laboratory Service. It improves surveillance for disease detection; strengthens preparedness and core response capacity for public health emergencies, in line with international health regulations; and facilitates the implementation of influenza prevention and control programmes, tropical disease prevention and control programmes, and malaria elimination.

- *Non-Communicable Diseases* establishes policy, legislation and guidelines, and assists provinces in implementing and monitoring services for chronic, non-communicable diseases, disability, eye care, oral health, mental health, substance abuse and injury.
- *Health Promotion and Nutrition* formulates and monitors policies, guidelines and norms and standards for health promotion and nutrition. Focusing on South Africa's quadruple burden of disease, it implements the approved health promotion strategy to reduce risk factors for disease, and promotes an integrated approach to working towards an optimal nutritional status for all South Africans.
- *Environmental and Port Health Services* coordinates the delivery of environmental health, including the monitoring and delivery of municipal health services, and ensures compliance with international health regulations by coordinating and implementing port health services in all of South Africa's 44 points of entry.

Expenditure trends and estimates

Table 16.11 Primary Health Care Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R million											
Programme Management	1.7	2.8	3.2	3.0	21.0%	1.3%	3.1	3.5	3.4	4.3%	1.2%
District Health Services	14.0	25.8	9.8	26.0	23.1%	8.8%	46.3	67.5	71.5	40.0%	18.7%
Communicable Diseases	13.8	23.4	21.1	21.6	16.1%	9.3%	21.9	22.9	24.5	4.3%	8.0%
Non-Communicable Diseases	25.5	25.3	20.6	21.6	-5.4%	10.8%	22.5	23.6	25.3	5.4%	8.2%
Health Promotion and Nutrition	23.9	18.4	22.1	22.7	-1.6%	10.1%	26.5	24.8	26.6	5.3%	8.9%
Environmental and Port Health Services	104.6	110.7	135.7	161.6	15.6%	59.7%	144.0	150.8	163.9	0.5%	54.9%
Total	183.5	206.3	212.6	256.5	11.8%	100.0%	264.3	293.1	315.1	7.1%	100.0%
Change to 2016 Budget estimate				(1.3)			(22.0)	(24.1)	(24.4)		
Economic classification											
Current payments	174.8	195.1	207.0	249.9	12.7%	96.3%	256.1	289.7	311.6	7.6%	98.1%
Compensation of employees	140.9	151.3	167.7	212.6	14.7%	78.3%	185.6	202.4	218.4	0.9%	72.5%
Goods and services ¹	33.9	43.8	39.3	37.3	3.2%	18.0%	70.5	87.3	93.3	35.8%	25.5%
of which:											
Consultants: Business and advisory services	0.1	1.3	3.2	2.7	214.0%	0.8%	11.6	31.2	33.0	131.3%	6.9%
Science and technological services	11.1	11.7	-	3.0	-35.1%	3.0%	5.4	4.2	4.5	13.9%	1.5%
Fleet services (including government motor transport)	1.5	1.3	10.6	3.7	34.0%	2.0%	8.3	8.2	8.7	32.8%	2.6%
Consumable supplies	0.0	0.0	2.3	2.6	424.7%	0.6%	5.1	5.3	5.6	29.1%	1.6%
Travel and subsistence	8.7	7.3	9.9	7.0	-7.0%	3.8%	13.5	14.5	15.5	30.6%	4.5%
Operating payments	3.4	10.2	2.1	3.0	-4.8%	2.2%	4.9	4.0	4.2	12.5%	1.4%
Transfers and subsidies¹	6.9	7.2	3.4	4.7	-12.0%	2.6%	3.0	3.1	3.3	-11.2%	1.3%
Foreign governments and international organisations	-	2.6	-	-	-	0.3%	-	-	-	-	-
Public corporations and private enterprises	0.2	-	-	-	-100.0%	-	-	-	-	-	-
Non-profit institutions	6.7	4.4	2.9	3.0	-23.1%	2.0%	3.0	3.1	3.3	2.9%	1.1%
Households	0.1	0.1	0.5	1.7	157.5%	0.3%	-	-	-	-100.0%	0.1%
Payments for capital assets	0.7	4.0	2.1	1.9	41.7%	1.0%	5.3	0.3	0.1	-58.9%	0.7%
Machinery and equipment	0.7	4.0	2.1	1.9	41.7%	1.0%	5.3	0.3	0.1	-58.9%	0.7%
Payments for financial assets	1.1	0.0	0.0	0.0	-76.9%	0.1%	-	-	-	-100.0%	-
Total	183.5	206.3	212.6	256.5	11.8%	100.0%	264.3	293.1	315.1	7.1%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	0.6%	0.6%	0.7%	-	-	0.6%	0.6%	0.6%	-	-
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	-	2.6	-	-	-	0.3%	-	-	-	-	-
World Health Organisation	-	2.6	-	-	-	0.3%	-	-	-	-	-
Non-profit institutions											
Current	6.4	4.3	2.7	2.8	-23.8%	1.9%	3.0	3.1	3.3	5.3%	1.1%
South African Medical Research Council	0.4	0.5	0.5	0.5	5.0%	0.2%	0.5	0.6	0.6	5.4%	0.2%
South African Federation for Mental Health	0.3	0.3	0.3	0.4	5.0%	0.2%	0.4	0.4	0.4	5.5%	0.1%
South African National Council for the Blind	0.7	0.7	0.8	0.8	5.0%	0.3%	0.8	0.9	0.9	5.5%	0.3%
National Council Against Smoking	5.0	0.8	0.8	0.8	-44.7%	0.9%	0.9	0.9	1.0	5.5%	0.3%
National Kidney Foundation of South Africa	-	-	0.4	0.4	-	0.1%	0.4	0.4	0.4	3.8%	0.1%
Health Systems Global: South Africa	-	2.0	-	-	-	0.2%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

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

Programme purpose

Develop policies, delivery models and clinical protocols for hospitals and emergency medical services. Provide human resources for health planning, development and management as well as clinical training platforms for health professionals education. Ensure that planning of health infrastructure meets the health needs of the country.

Objectives

- Accelerate the construction and maintenance of health infrastructure by enhancing the capacity to deliver health infrastructure on an ongoing basis.
- Increase the management capacity of central hospitals through training, coaching and mentoring to facilitate semi-autonomy and the implementation of cost centre management in all 10 central hospitals by 2018/19.
- Ensure equitable access to specialised health care by increasing the training platform for medical specialists by 2019/20.
- Ensure appropriate and affordable staffing levels and staffing mixes at all health facilities by developing and implementing staffing norms and standards in the health workforce over the medium term.
- Improve the quality of nursing-education and practice by ensuring that all 17 nursing colleges are accredited to offer the new nursing qualification by 2019/20.
- Ensure access to the efficient and effective delivery of quality emergency medical services by ensuring that all provinces fully comply with regulations pertaining to emergency medical services by 2019/20.
- Improve the functioning of the criminal justice system by eliminating backlogs for blood alcohol, toxicology and food tests in forensic chemistry laboratories by 2017/18, and reducing turnaround times on an ongoing basis.
- Improve the management of health facilities at all levels of care by ensuring that 90 per cent of all hospital chief executives and primary health-care facility managers benefit from a coaching and mentoring programme, implemented through the knowledge-management hub by 2019/20.

Subprogrammes

- *Programme Management* supports and provides leadership for the development of policies, delivery models and clinical protocols for hospitals and emergency medical services. It also supports the alignment of academic medical centres with health workforce programmes.
- *Health Facilities Infrastructure Management* coordinates and funds health-care infrastructure to enable provinces to plan, manage, modernise, rationalise and transform infrastructure, health technology and hospital management, and improve the quality of care. This subprogramme is responsible for the direct *health facility revitalisation grant* and, since 2013/14, the health facility revitalisation component of the *national health insurance indirect grant*.
- *Tertiary Health Care Planning and Policy* focuses on the provision of tertiary hospital services in a modernised and reconfigured manner; identifies tertiary and regional hospitals that should serve as centres of excellence for disseminating quality improvements; and is responsible for the management of the *national tertiary services grant*.
- *Hospital Management* deals with national policy on hospital services by focusing on developing an effective referral system to ensure clear delineation of responsibilities by level of care; providing clear guidelines for referral and improved communication; developing specific and detailed hospital plans; and facilitating quality improvement plans for hospitals.
- *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 strategy, facilitating capacity development for the planning of a sustainable health workforce, and developing and implementing human resources information systems for planning and monitoring purposes.

- *Nursing Services* is responsible for developing and overseeing the implementation of a policy framework to oversee the development of required nursing skills and capacity, developing nursing norms and standards, and facilitating the development of the curriculum for nursing-education.
- *Forensic Chemistry Laboratories* is responsible for ante- and post-mortem analyses of blood alcohol levels for drunken driving; toxicology analyses of biological fluids and human organs in the event of unnatural deaths, such as murder and suicide; and analyses of foodstuffs.
- *Violence, Trauma and EMS* formulates and monitors policies, guidelines, and norms and standards for the management of violence, trauma and emergency medical services.

Expenditure trends and estimates

Table 16.12 Hospitals, Tertiary Health Services and Human Resource Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million											
Programme Management	2.3	4.2	3.7	3.7	17.9%	–	3.7	4.0	4.3	4.7%	–
Health Facilities Infrastructure Management	5 546.1	5 807.6	6 092.9	6 078.8	3.1%	31.6%	6 623.7	6 934.6	7 323.3	6.4%	31.1%
Tertiary Health Care Planning and Policy	9 624.4	10 172.2	10 384.3	10 851.4	4.1%	55.1%	11 680.8	12 399.6	13 182.9	6.7%	55.5%
Hospital Management	5.7	4.6	4.8	5.7	–	–	5.2	5.5	5.9	1.6%	–
Human Resources for Health	2 208.9	2 340.6	2 394.3	2 500.1	4.2%	12.7%	2 653.8	2 807.8	2 965.5	5.9%	12.6%
Nursing Services	1.1	2.6	4.2	6.6	82.3%	–	6.6	7.1	7.6	4.7%	–
Forensic Chemistry Laboratories	93.9	110.1	112.8	120.5	8.7%	0.6%	127.4	134.8	143.1	5.9%	0.6%
Violence, Trauma and EMS	11.0	6.7	5.3	7.1	-13.5%	–	7.1	7.7	8.2	4.8%	–
Total	17 493.2	18 448.6	19 002.3	19 574.0	3.8%	100.0%	21 108.2	22 301.1	23 640.8	6.5%	100.0%
Change to 2016 Budget estimate				0.5			35.8	76.6	168.8		
Economic classification											
Current payments	227.7	239.5	284.1	409.8	21.6%	1.6%	315.5	337.6	356.3	-4.6%	1.6%
Compensation of employees	95.0	104.7	110.9	131.6	11.5%	0.6%	128.5	140.1	151.1	4.7%	0.6%
Goods and services ¹	132.8	134.8	173.2	278.2	28.0%	1.0%	187.0	197.6	205.2	-9.6%	1.0%
of which:											
Consultants: Business and advisory services	104.5	0.9	1.7	24.1	-38.6%	0.2%	9.1	18.3	19.3	-7.1%	0.1%
Infrastructure and planning services	–	4.3	–	8.0	–	–	36.9	13.9	14.7	22.5%	0.1%
Contractors	1.6	5.0	5.3	5.6	50.0%	–	13.5	12.1	13.1	33.0%	0.1%
Agency and support/outourced services	1.6	88.1	131.6	201.3	396.8%	0.6%	79.0	101.6	104.9	-19.5%	0.6%
Inventory: Other supplies	7.5	10.2	11.6	11.4	15.0%	0.1%	13.2	12.4	11.6	0.8%	0.1%
Travel and subsistence	9.0	9.5	9.8	8.2	-3.2%	–	11.9	12.1	13.5	18.2%	0.1%
Transfers and subsidies¹	17 101.6	17 992.7	18 173.3	18 596.3	2.8%	96.4%	19 962.5	21 094.9	22 365.0	6.3%	94.7%
Provinces and municipalities	17 101.5	17 992.0	18 172.9	18 596.2	2.8%	96.4%	19 962.5	21 094.9	22 365.0	6.3%	94.7%
Households	0.1	0.7	0.4	0.1	22.1%	–	–	–	–	-100.0%	–
Payments for capital assets	163.9	216.3	544.8	567.7	51.3%	2.0%	830.2	868.7	919.5	17.4%	3.7%
Buildings and other fixed structures	113.7	168.3	470.6	471.9	60.7%	1.6%	714.6	748.1	792.1	18.8%	3.1%
Machinery and equipment	50.2	48.0	74.1	95.8	24.1%	0.4%	115.5	120.6	127.4	9.9%	0.5%
Payments for financial assets	0.0	0.1	0.1	0.1	73.5%	–	–	–	–	-100.0%	–
Total	17 493.2	18 448.6	19 002.3	19 574.0	3.8%	100.0%	21 108.2	22 301.1	23 640.8	6.5%	100.0%
Proportion of total programme expenditure to vote expenditure	57.9%	55.0%	52.8%	50.7%	–	–	49.5%	47.8%	46.9%	–	–
Details of selected transfers and subsidies											
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	11 810.7	12 490.0	12 755.9	13 323.5	4.1%	67.6%	14 308.0	15 179.2	16 118.0	6.6%	68.0%
Health professions training and development grant	2 190.4	2 321.8	2 374.7	2 476.7	4.2%	12.6%	2 631.8	2 784.5	2 940.4	5.9%	12.5%
National tertiary services grant	9 620.4	10 168.2	10 381.2	10 846.8	4.1%	55.0%	11 676.1	12 394.7	13 177.6	6.7%	55.5%
Capital	5 290.8	5 502.0	5 417.0	5 272.7	-0.1%	28.8%	5 654.5	5 915.7	6 247.0	5.8%	26.7%
Health facility revitalisation grant	5 290.8	5 502.0	5 417.0	5 272.7	-0.1%	28.8%	5 654.5	5 915.7	6 247.0	5.8%	26.7%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 6: Health Regulation and Compliance Management

Programme purpose

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

Objectives

- Strengthen food safety by expanding laboratory-testing capabilities for adulterants, such as colourants, protein and allergens, and creating partnerships with food laboratories over the medium term.
- Ensure that all five public health entities and six statutory health professional councils are compliant with good governance practices by providing advice and technical support over the medium term.
- Provide for coordinated disease and injury surveillance and research by establishing a national public health institute by 2019/20, pending approval from Cabinet.
- Ensure that the compensation commissioner eliminates the backlog of audited annual financial statements by 2019/20 by appointing external actuarial and financial experts to support this process.

Subprogrammes

- *Programme Management* provides leadership to the programme by supporting the development of regulations for the procurement of medicines and pharmaceutical supplies, food control and the trade of health products and health technology. This subprogramme also provides oversight to regulatory bodies and public entities for effective governance and quality health care.
- *Food Control* regulates foodstuffs and non-medical health products for human and animal use, with the aim of ensuring that they are safe, efficacious and of high quality.
- *Radiation Control and Health Technology* performs regulatory functions related to all medical, industrial, research and agricultural facilities and also performs activities related to radionuclides in South Africa, outside the nuclear fuel cycle. The radiation control inspectorate issues end-user licences for all generators ionizing radiation (and supervises and inspects x-ray generators and low level radioisotope installations).
- *Public Entities Management* supports the executive authority's oversight function and provides guidance to health entities and statutory councils that fall within the mandate of health legislation, with regard to planning and budget procedures, performance and financial reporting, remuneration, governance and accountability.
- *Compensation Commissioner for Occupational Diseases and Occupational Health* is responsible for the payment of benefits to active miners and ex-miners certified to be suffering from lung-related diseases as a result of the high-risk work performed in controlled mines and works. It is also responsible for providing benefit medical examinations for ex-workers in controlled mines and works.

Expenditure trends and estimates

Table 16.13 Health Regulation and Compliance Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16		2013/14 - 2016/17	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		
R million												
Programme Management	2.8	3.8	3.5	4.1	12.7%	0.2%	4.5	4.9	5.2	8.7%	0.3%	
Food Control	7.2	6.9	8.3	10.0	11.7%	0.6%	11.7	11.5	12.3	7.3%	0.6%	
Radiation Control and Health Technology	105.8	120.5	138.3	156.1	13.8%	8.9%	19.0	19.6	23.3	-47.0%	3.1%	
Public Entities Management	1 062.2	1 162.9	1 399.1	1 474.9	11.6%	87.0%	1 630.1	1 685.1	1 779.6	6.5%	92.4%	
Compensation Commissioner for Occupational Diseases and Occupational Health	36.4	46.6	50.2	61.6	19.2%	3.3%	61.7	65.8	69.5	4.1%	3.6%	
Total	1 214.4	1 340.7	1 599.4	1 706.7	12.0%	100.0%	1 727.0	1 786.9	1 889.9	3.5%	100.0%	
Change to 2016				16.5			(3.4)	(3.1)	(3.9)			
Budget estimate												

Table 16.13 Health Regulation and Compliance Management expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R million					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Current payments	150.7	174.4	190.0	224.7	14.2%	12.6%	94.3	98.2	108.7	-21.5%	7.4%
Compensation of employees	94.2	106.1	124.0	149.1	16.5%	8.1%	54.6	59.6	64.4	-24.4%	4.6%
Goods and services ¹	56.5	68.2	66.0	75.6	10.2%	4.5%	39.6	38.7	44.3	-16.3%	2.8%
of which:											
Audit costs: External	0.0	–	0.0	2.1	1180.6%	–	3.3	2.5	2.9	10.8%	0.2%
Computer services	2.1	1.8	4.1	2.8	9.4%	0.2%	4.0	3.5	6.7	33.6%	0.2%
Consumables: Stationery, printing and office supplies	1.5	1.9	2.0	2.6	21.2%	0.1%	1.5	4.0	3.7	12.0%	0.2%
Operating leases	0.9	1.3	1.2	1.8	24.6%	0.1%	1.3	4.8	4.0	29.9%	0.2%
Property payments	0.0	0.3	0.3	0.5	226.5%	–	1.2	4.1	3.3	85.6%	0.1%
Travel and subsistence	12.1	13.4	14.1	12.6	1.4%	0.9%	5.5	6.3	7.7	-15.0%	0.5%
Transfers and subsidies¹	1 062.0	1 163.0	1 397.9	1 476.8	11.6%	87.0%	1 630.0	1 685.7	1 780.1	6.4%	92.4%
Departmental agencies and accounts	1 061.8	1 161.7	1 397.6	1 475.2	11.6%	87.0%	1 630.0	1 685.7	1 780.1	6.5%	92.4%
Households	0.1	1.3	0.2	1.6	140.0%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	1.8	3.3	11.4	5.2	44.1%	0.4%	2.7	2.9	1.0	-42.7%	0.2%
Buildings and other fixed structures	–	0.5	–	–	–	–	–	–	–	–	–
Machinery and equipment	1.8	2.8	7.2	5.2	44.1%	0.3%	2.7	2.9	1.0	-42.7%	0.2%
Software and other intangible assets	–	–	4.2	–	–	0.1%	–	–	–	–	–
Payments for financial assets	0.0	0.0	0.2	–	-100.0%	–	–	–	–	–	–
Total	1 214.4	1 340.7	1 599.4	1 706.7	12.0%	100.0%	1 727.0	1 786.9	1 889.9	3.5%	100.0%
Proportion of total programme expenditure to vote expenditure	4.0%	4.0%	4.4%	4.4%	–	–	4.1%	3.8%	3.8%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 058.8	1 158.5	1 394.3	1 471.6	11.6%	86.7%	1 626.3	1 681.8	1 776.0	6.5%	92.2%
South African Medical Research Council	419.5	446.3	623.9	657.6	16.2%	36.6%	615.0	624.8	659.8	0.1%	36.0%
National Health Laboratory Service	603.5	674.1	678.9	711.9	5.7%	45.5%	746.5	789.8	834.0	5.4%	43.3%
Office of Health Standards Compliance	31.3	33.4	88.9	100.5	47.6%	4.3%	125.7	133.0	140.5	11.8%	7.0%
Council for Medical Schemes	4.5	4.8	2.6	1.6	-29.1%	0.2%	5.5	5.8	6.1	56.1%	0.3%
South African Health Product Regulatory Authority	–	–	–	–	–	–	133.6	128.4	135.6	–	5.6%
Departmental agencies and accounts											
Social security funds											
Current	3.1	3.2	3.4	3.5	5.0%	0.2%	3.7	3.9	4.2	5.5%	0.2%
Compensation Commissioner	3.1	3.2	3.4	3.5	5.0%	0.2%	3.7	3.9	4.2	5.5%	0.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Entity¹

National Health Laboratory Service

Mandate

The National Health Laboratory Service was established in 2001 in terms of the National Health Laboratory Service Act (2000). The entity is mandated to support 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 biggest diagnostic pathology service in South Africa, servicing more than 80 per cent of the population, through a national network of 268 laboratories. Its specialised divisions include the National Institute for Communicable Diseases, the National Institute for Occupational Health, the National Cancer Registry and the Anti-Venom Unit.

¹ This section has been compiled with the latest available information from the entities concerned.

Selected performance indicators

Table 16.14 National Health Laboratory Service performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of CD4 tests performed within 48 hours	Laboratory tests	Outcome 2: A long and healthy life for all South Africans	90% (3 540 662/ 3 934 069)	89% (3 229 535/ 3 628 691)	89% (3 043 404/ 3 419 555)	90%	90%	90%	90%
Percentage of viral load tests performed within 96 hours	Laboratory tests		86% (2 449 051/ 2 905 873)	81% (2 931 375/ 3 618 981)	64% (2 757 422/ 4 308 472)	90%	70%	75%	80%
Percentage of tuberculosis microscopy/GeneXPert tests performed within 48 hours	Laboratory tests		92% (3 392 935/ 3 687 973)	92% (3 388 492/ 3 683 144)	91% (3 005 801 / 3 303 078)	90%	90%	90%	90%
Percentage of HIV polymerase chain reaction tests performed within 96 hours	Laboratory tests		82% (293 832/ 358 332)	70% (327 897/ 468 424)	73% (408 296/ 559 310)	90%	75%	80%	80%
Percentage of cervical smear tests performed within five weeks	Laboratory tests		63% (525 850/ 834 683)	57% (503 645/ 883 587)	48% (445 827/ 928 806)	90%	55%	70%	80%
Percentage of academic laboratories accredited (national central)	Research		-1	-1	84% (59/70)	90%	95%	99%	100%
Percentage laboratories achieving proficiency testing schemes performance standards at a level of at least 80%	Laboratory tests		-1	-1	-1	80%	82%	83%	85%
Number of research reports submitted to influence policy per year	Research		-1	-1	4	4	4	4	3
Number of peer reviewed journals published per year	Surveillance of communicable diseases		-1	-1	120	120	120	120	120
Number of occupational hygiene assessments conducted per year	Occupational health		-1	-1	-1	17	22	40	48
Percentage of autopsy examinations completed and reported	Occupational health	-1	-1	-1	100%	100%	100%	100%	

1. No historical data available.

Expenditure analysis

The National Health Laboratory Service will, over the medium term, continue to conduct affordable, sustainable and high quality laboratory services to health care facilities, mainly in the public sector. The organisation will focus on the national priority programmes, created in 2010 to address the Department of Health's need to increase access to patient testing, including HIV and associated opportunistic infections, such as tuberculosis, cryptococcus and hepatitis. The organisation will also continue to provide a training platform for pathologists and other health professionals, and conduct research through the National Institute of Communicable Diseases and the National Institute for Occupational Health, both housed within the service. These are seen as important contributions to the National Development Plan's goal of improving the quality of health care services and controlling epidemics, and to the realisation of outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework.

The laboratory testing programme, which makes up 77.7 per cent of the service's total expenditure over the medium term, is set to grow by 7.4 per cent per year. This is expected to allow for increased test volumes and improved turnaround times. In addition, seven uninterrupted power supply systems are being installed nationwide to ensure that processing continues in spite of power failures. This will ensure that the most important tests, such as CD4 count, TB GeneXpert and polymerase chain reaction (for diagnosis of HIV) are conducted within their respective timeframes. An increase of 2.4 per cent in total test volumes, from 84 891 560 in 2014/15 to 86 891 560 in 2015/16, translated into an increase of R697 million in test revenue. The increase in volume was largely due to the increase in HIV viral load and HIV-PCR tests. As a result of increased gate keeping efforts by provincial departments of health, test volumes are estimated to grow at 2 per cent over the medium term, to 94 665 115 by 2019/20. The increased test volumes, coupled with annual tariff adjustments, will increase laboratory test revenue by 5.3 per cent per year over the medium term, from R6.5 billion in 2016/17 to R7.6 billion in 2019/20. Laboratory tests are expected to generate 86.3 per cent of total revenue.

Through the National Institute for Communicable Diseases and the National Institute for Occupational Health, and through its own research programme, the service contributes to research and development and provides a training platform for students of pathology. Altogether, these three programmes are allocated R2.8 billion over the MTEF period. A total of 242 registrars are in training to become pathologists and 27 intern scientists are in training to become scientists. In 2015/16, 27 pathologists and 10 scientists were qualified and the plan is to admit 35 registrars and 50 intern medical scientists per year over the MTEF period. The funding will also enable the National Institute of Communicable Diseases to publish 120 peer-reviewed articles per year and the National Institute for Occupational Health to increase the number of occupational hygiene assessments from 17 in 2016/17 to 48 in 2019/20.

Programmes/objectives/activities

Table 16.15 National Health Laboratory Service expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17	2013/14 - 2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		
Administration	473.6	621.2	1 202.6	640.4	10.6%	11.5%	843.8	908.6	978.0	15.2%	10.7%
Surveillance of communicable diseases	161.2	167.0	271.6	319.7	25.6%	3.6%	326.1	352.5	372.3	5.2%	4.4%
Occupational health	71.2	72.7	90.1	108.3	15.0%	1.3%	117.6	125.1	132.1	6.8%	1.5%
Laboratory tests	4 717.8	4 919.2	4 930.8	5 464.0	5.0%	79.1%	5 890.5	6 292.7	6 761.7	7.4%	77.7%
Research	365.0	179.8	191.0	409.0	3.9%	4.5%	438.4	462.0	487.9	6.1%	5.7%
Total	5 788.9	5 959.9	6 686.1	6 941.4	6.2%	100.0%	7 616.5	8 141.0	8 732.1	8.0%	100.0%

Statements of historical financial performance and position

Table 16.16 National Health Laboratory Service statements of historical financial performance and position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2013/14	Budget	2014/15	Budget	2015/16	2016/17	2016/17	2013/14 - 2016/17
Revenue									
Non-tax revenue	4 328.6	4 802.8	4 970.4	5 340.4	5 819.8	6 104.7	6 143.7	6 599.1	107.5%
Sale of goods and services other than capital assets	4 267.3	4 598.3	4 906.4	5 066.3	5 742.7	5 763.3	6 008.3	6 463.6	104.6%
of which:									
Sales by market establishment	4 267.3	4 598.3	4 906.4	5 066.3	5 742.7	5 763.3	6 008.3	6 463.6	104.6%
Other non-tax revenue	61.3	204.5	64.0	274.1	77.0	341.4	135.4	135.4	282.9%
Transfers received	105.5	833.9	225.3	799.3	678.9	860.8	711.9	711.9	186.2%
Total revenue	4 434.1	5 636.7	5 195.6	6 139.7	6 498.7	6 965.4	6 855.6	7 310.9	113.4%
Expenses									
Current expenses	4 399.6	5 788.9	5 057.3	5 959.9	6 147.1	6 686.1	6 602.3	6 941.4	114.3%
Compensation of employees	2 333.6	2 090.5	2 107.7	2 112.4	2 423.5	2 566.0	2 571.8	3 064.7	104.2%
Goods and services	1 910.3	3 625.7	2 898.5	3 744.1	3 672.7	4 001.4	3 976.0	3 746.2	121.4%
Depreciation	145.7	66.7	44.7	101.8	40.4	118.6	44.5	130.3	151.5%
Interest, dividends and rent on land	10.0	6.0	6.4	1.7	10.5	0.2	10.0	0.2	21.8%
Total expenses	4 399.6	5 788.9	5 057.3	5 959.9	6 147.1	6 686.1	6 602.3	6 941.4	114.3%
Surplus/(Deficit)	34.0	(152.0)	138.0	180.0	352.0	279.0	253.0	370.0	
Statement of financial position									
Carrying value of assets	620.5	551.0	676.3	521.9	764.2	554.1	686.0	784.8	87.8%
of which:									
Acquisition of assets	(194.0)	(186.0)	(213.4)	(47.6)	(526.4)	(155.3)	(250.0)	(200.0)	49.8%
Inventory	97.4	81.0	100.3	89.0	103.2	104.2	110.3	110.3	93.5%
Receivables and prepayments	2 505.1	2 408.6	1 549.2	2 862.4	2 135.5	3 154.9	2 742.6	3 090.9	128.9%
Cash and cash equivalents	639.3	348.0	677.4	651.2	699.4	739.0	889.9	707.1	84.1%
Total assets	3 862.3	3 388.6	3 003.2	4 124.4	3 702.3	4 552.3	4 428.7	4 693.1	111.7%
Accumulated surplus/(deficit)	1 366.0	1 468.8	1 363.8	1 643.2	2 043.8	1 922.4	2 297.1	2 292.0	103.6%
Capital and reserves	42.8	42.8	42.8	0.3	42.8	0.3	0.3	0.3	34.0%
Capital reserve fund	80.0	-	80.0	-	-	-	-	-	-
Finance lease	-	0.1	-	-	-	-	-	-	-
Deferred income	-	58.0	-	52.3	-	4.1	58.2	58.2	296.6%
Trade and other payables	1 282.5	759.8	436.4	1 080.8	439.4	914.2	696.7	932.4	129.1%
Benefits payable	-	-	-	-	-	21.0	24.8	24.8	184.6%
Provisions	1 091.0	1 059.0	1 080.2	1 321.7	1 176.2	1 621.3	1 351.5	1 385.4	114.7%
Derivatives financial instruments	-	-	-	26.1	-	68.9	-	-	-
Total equity and liabilities	3 862.3	3 388.6	3 003.2	4 124.4	3 702.3	4 552.3	4 428.7	4 693.1	111.7%

Statements of estimates of financial performance and position

Table 16.17 National Health Laboratory Service statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)		Average: Expenditure/Total (%)			Average growth rate (%)			Average: Expenditure/Total (%)		
			2016/17	2013/14	2016/17	Medium-term estimate			2016/17 - 2019/20				
R million					2017/18	2018/19	2019/20						
Revenue													
Non-tax revenue		6 599.1		11.2%		87.5%		6 924.3	7 255.9	7 741.3		5.5%	88.4%
Sale of goods and services other than capital assets		6 463.6		12.0%		83.8%		6 751.1	7 080.0	7 554.0		5.3%	86.3%
<i>of which:</i>													
<i>Sales by market establishment</i>		6 463.6		12.0%		83.8%		6 751.1	7 080.0	7 554.0		5.3%	86.3%
Other non-tax revenue		135.4		-12.8%		3.7%		173.1	175.9	187.3		11.4%	2.1%
Transfers received		711.9		-5.1%		12.5%		964.7	1 022.5	1 082.2		15.0%	11.6%
Total revenue		7 310.9		9.1%		100.0%		7 889.0	8 278.4	8 823.5		6.5%	100.0%
Expenses													
Current expenses		6 941.4		6.2%		100.0%		7 616.5	8 141.0	8 732.1		8.0%	137.2%
Compensation of employees		3 064.7		13.6%		38.5%		3 454.9	3 806.1	4 189.9		11.0%	46.1%
Goods and services		3 746.2		1.1%		59.8%		4 026.9	4 198.9	4 402.5		5.5%	52.2%
Depreciation		130.3		25.0%		1.6%		134.4	135.8	139.4		2.3%	1.7%
Interest, dividends and rent on land		0.2		-68.7%		-		0.2	0.3	0.3		17.7%	-
Total expenses		6 941.4		6.2%		100.0%		7 616.5	8 141.0	8 732.1		8.0%	100.0%
Surplus/(Deficit)		370.0		(2.0)				273.0	137.0	91.0		-37.3%	
Statement of financial position													
Carrying value of assets		784.8		12.5%		14.5%		989.9	1 176.0	1 329.7		19.2%	20.3%
<i>of which:</i>													
<i>Acquisition of assets</i>		(200.0)		2.4%		-3.6%		(235.0)	(225.0)	(200.0)		-	-4.1%
Inventory		110.3		10.8%		2.3%		111.4	112.5	113.6		1.0%	2.2%
Receivables and prepayments		3 090.9		8.7%		68.9%		3 411.9	3 473.2	3 460.9		3.8%	64.5%
Cash and cash equivalents		707.1		26.7%		14.3%		623.3	731.1	649.8		-2.8%	13.1%
Total assets		4 693.1		11.5%		100.0%		5 136.5	5 492.7	5 554.0		5.8%	100.0%
Accumulated surplus/(deficit)		2 292.0		16.0%		43.6%		2 564.5	2 701.9	2 793.3		6.8%	49.6%
Capital and reserves		0.3		-80.2%		0.3%		0.3	0.3	0.3		-	-
Deferred income		58.2		0.1%		1.1%		61.4	64.7	68.3		5.5%	1.2%
Trade and other payables		932.4		7.1%		22.1%		1 098.3	1 311.9	1 276.4		11.0%	22.0%
Benefits payable		24.8		-		0.2%		24.9	24.9	24.9		0.1%	0.5%
Provisions		1 385.4		9.4%		32.1%		1 387.1	1 388.9	1 390.7		0.1%	26.7%
Total equity and liabilities		4 693.1		11.5%		100.0%		5 136.5	5 492.7	5 554.0		5.8%	100.0%

Personnel information

Table 16.18 National Health Laboratory Service personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		Number and cost ¹ of personnel posts filled / planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2015/16	2015/16	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20							
National Health Laboratory Service		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	7 965	7 965	6 987	2 566.0	0.4	7 965	3 064.7	0.4	7 965	3 454.9	0.4	7 965	3 806.1	0.5	7 965	4 189.9	0.5	11.0%	100.0%
1 – 6	3 505	3 505	3 005	494.1	0.2	3 505	590.1	0.2	3 505	662.6	0.2	3 505	729.9	0.2	3 505	803.6	0.2	10.8%	44.0%
7 – 10	3 097	3 097	2 797	920.0	0.3	3 097	1 098.9	0.4	3 097	1 233.9	0.4	3 097	1 359.2	0.4	3 097	1 496.5	0.5	10.8%	38.9%
11 – 12	1 085	1 085	907	759.0	0.8	1 085	906.5	0.8	1 085	1 031.5	1.0	1 085	1 136.5	1.0	1 085	1 250.7	1.2	11.3%	13.6%
13 – 16	277	277	277	390.7	1.4	277	466.6	1.7	277	523.9	1.9	277	577.1	2.1	277	635.4	2.3	10.8%	3.5%
17 – 22	1	1	1	2.2	2.2	1	2.7	2.7	1	3.0	3.0	1	3.3	3.3	1	3.7	3.7	10.8%	0.0%

1. Rand million.

Other entities

Comprehensive coverage of the following public entities is provided with the more detailed information for the vote at www.treasury.gov.za under the budget information link.

- The **Compensation Commissioner for Occupational Diseases in Mines and Works** is mandated to compensate workers and ex-workers in controlled mines and works for occupational diseases of the cardiorespiratory organs and reimburse for loss of earnings incurred during tuberculosis treatment. The commissioner's total budget for 2017/18 is R195.2 million.
- The **Council for Medical Schemes** was established in terms of the Medical Schemes Act (1998) as the regulatory authority responsible for overseeing the medical schemes industry in South Africa. Section 7 of the act sets out the functions of the council, which include protecting the interests of beneficiaries,

controlling and coordinating the functioning of medical schemes, collecting and disseminating information about private health care and advising the Minister of Health on any matter concerning medical schemes. The council's total budget for 2017/18 is R153.1 million.

- The **Office of Health Standards Compliance** was established in terms of the National Health Amendment Act (2013), which mandates the office to: monitor and enforce the compliance of health establishments with the norms and standards prescribed by the Minister of Health in relation to the national health system; and ensure the consideration, investigation and disposal of complaints relating to non-compliance with prescribed norms and standards in a procedurally fair, economical and expeditious manner. The office's total budget for 2017/18 is R125.7 million.
- The **South African Health Products Regulatory Authority** will be established by April 2017 in terms of the Medicines Amendment Act (2015). The authority is the national medicines regulatory authority of South Africa. It is responsible for the regulation and control of registration, licensing, manufacturing, importation, and all other aspects pertaining to active pharmaceutical ingredients, medicines, medical devices; and for conducting clinical trials in a manner compatible with the national medicines policy. The authority's total budget for 2017/18 is R211.3 million.
- The **South African Medical Research Council** was established in terms of the South African Medical Research Council Act (1969), and also derives its mandate from the Intellectual Property Rights from Publicly Financed Research and Development Act (2008). The council is mandated to promote the improvement of health and quality of life through research, development and technology transfers. Research and innovation are primarily conducted through council-funded research units located within the council and in higher education institutions. The council's total budget for 2017/18 is R1.1 billion.

Additional table: Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
R million										
Departmental infrastructure										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Limpopo: Tshlidzini Hospital	Replacement of hospital (Initial design stages only)	Site identification	2 301.4	–	–	–	20.0	26.0	9.0	50.0
Limpopo: Elim Hospital	Replacement of hospital	Site identification	1 869.9	–	–	–	20.0	26.0	6.0	50.0
Limpopo: Siloam Hospital	Replacement of hospital	Construction	1 599.0	–	36.4	94.7	87.0	18.3	172.9	211.0
Free State: Dihlabeng Hospital	Replacement of hospital	Site identification	2 018.9	–	–	–	1.0	3.0	50.0	100.0
Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)										
Eastern Cape: Bambisana Hospital	Revitalisation of hospital	Site identification	664.3	–	–	0.2	7.0	49.5	125.0	125.0
Eastern Cape: Zithulele Hospital	Revitalization of hospital	Site identification	510.8	–	–	0.1	7.0	49.5	150.0	125.0
Free State: Dihlabeng Hospital emergency ward	Emergency repairs	Design	168.6	–	–	7.4	30.8	50.0	22.0	–
Small projects (total project cost of less than R250 million over the project life cycle)										
Limpopo: Limpopo Academic Hospital	Planning and design of a new hospital	Site identification	59.0	–	–	–	39.0	20.0	–	–
Eastern Cape: Nelson Mandela Hospital (public private partnership feasibility study)	Development of a feasibility study	Site identification	3.9	3.9	–	–	–	–	–	–
KwaZulu-Natal: Kind Edward Hospital (public private partnership feasibility study)	Development of a feasibility study	Site identification	5.6	4.4	0.2	–	–	1.0	–	–
Gauteng: Chris Hani Baragwanath Hospital (public private partnership feasibility study)	Development of a feasibility study	Site identification	7.4	4.4	3.0	–	–	–	–	–
Gauteng: Dr George Mukhari Academic Hospital (public private partnership feasibility study)	Development of a feasibility study	Site identification	13.7	11.6	1.0	–	–	1.0	–	–
Eastern Cape: Nolitha Clinic	Replacement of clinic	Construction	31.2	–	2.0	8.5	3.5	17.2	–	–
Eastern Cape: Nkanga Clinic	Replacement of clinic	Construction	30.4	–	1.8	15.8	6.3	6.5	–	–
Eastern Cape: Lutubeni Clinic	Replacement of clinic	Construction	31.4	–	2.5	9.1	12.0	7.7	–	–
Eastern Cape: Maxwele Clinic	Replacement of clinic	Construction	28.9	–	1.9	10.7	9.5	6.8	–	–
Eastern Cape: Lotana Clinic	Replacement of clinic	Construction	31.6	–	3.2	14.4	7.9	6.1	–	–
Eastern Cape: Lusikisiki Clinic	Replacement of clinic	Construction	61.5	–	1.5	20.0	15.0	30.0	–	–
Eastern Cape: Gengge Clinic	Replacement of clinic	Construction	28.1	–	1.6	5.2	3.5	17.9	–	–
Eastern Cape: Sakhela Clinic	Replacement of clinic	Construction	30.7	–	1.2	10.8	9.0	9.6	–	–
Free State: Clocolan Clinic	Replacement of clinic (initial design stages only)	Construction	48.5	0.1	0.1	0.9	4.0	–	–	–
Free State: Borwa Clinic	Replacement of clinic (initial design stages only)	Design	84.9	0.3	0.1	0.9	4.0	–	–	–
Free State: Lusaka Community Health Centre	Replacement of community health centre	Design	124.7	–	–	0.9	3.0	–	–	–
Limpopo: Magwedzha Clinic	Replacement of clinic (initial design stages only)	Design	52.2	–	–	1.0	5.0	–	–	–
Limpopo: Thengwe Clinic	Replacement of clinic (initial design stages only)	Design	49.6	–	–	1.0	5.0	–	–	–
Limpopo: Mulenzhe Clinic	Replacement of clinic (initial design stages only)	Design	50.2	–	–	1.0	5.0	–	–	–
Limpopo: Makonde Clinic	Replacement of clinic (initial design stages only)	Design	52.2	–	–	1.0	5.0	–	–	–
Limpopo: Chebeng Community Health Centre	Replacement of community health centre	Design	136.1	–	–	1.0	5.0	–	–	–
Mpumalanga: Msukaligwa Community Day Centre	Replacement of clinic (initial design stages only)	Design	146.8	–	–	0.4	3.0	–	–	–
Mpumalanga: Ethandakuhanya Community Day Centre	Replacement of clinic (initial design stages only)	Design	146.8	–	–	0.4	3.0	–	–	–
Mpumalanga: Vukuzakhe Clinic	Replacement of clinic (initial design stages only)	Design	54.6	–	–	0.4	3.0	–	–	–
Mpumalanga: Balfour Community Health Centre (24-hour mini-hospital)	Replacement of community health centre	Design	299.1	–	–	0.4	–	–	–	–
Mpumalanga: Nhlazathse 6 Clinic	Replacement of clinic (initial design stages only)	Design	54.6	–	–	0.4	3.0	–	–	–

Additional table: Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
R million										
Eastern Cape: Butterworth Nursing College	Rehabilitation of existing nursing education institute facility	Construction	17.3	–	1.7	10.3	4.9	0.4	–	–
Gauteng: Baragwanath Nursing College	Rehabilitation of existing nursing education institute facility	Construction	20.9	–	0.8	12.0	6.5	5.7	–	–
Limpopo: Thohoyandou Nursing College	Rehabilitation of existing nursing education institute facility	Construction	23.6	–	2.1	16.0	3.5	2.1	–	–
Mpumalanga: Middelburg Nursing College	Rehabilitation of existing nursing education institute facility	Construction	15.9	–	1.8	11.6	4.5	–	–	–
Northern Cape: Henrietta Nursing College	Rehabilitation of existing nursing education institute facility	Feasibility	14.1	–	–	–	0.9	13.3	–	–
Doctors consulting rooms	Provision of doctors consulting rooms	Handed over	346.1	115.9	76.4	64.9	88.9	–	–	–
Eastern Cape backlog maintenance through the Development Bank of Southern Africa	Backlog maintenance	Construction	46.0	–	33.8	–	9.0	3.3	–	–
Eastern Cape: Additions to clinics through the Development Bank of Southern Africa	Upgrades and renovations of 37 clinics	Construction	226.3	–	–	–	8.8	38.9	50.0	50.0
National health insurance backlog maintenance	Rehabilitation and maintenance	Construction	2 985.5	–	–	25.0	242.4	469.0	387.4	293.7
Health technology for national health insurance facilities	Various	Construction	97.3	–	33.3	59.0	10.0	–	–	–
Non-capital infrastructure projects, including maintenance	Maintenance, provision of provincial management support units and project management information systems, conditional assessments of facilities in NHI pilot districts, in-loco supervision, monitoring of 10 year health infrastructure plan	Ongoing	490.5	42.2	86.0	209.2	83.9	69.2	10.0	–
North West: Witrand Nursing college refurbishment - initial investigations only	Rehabilitation of existing nursing education institute facility	Site identification	7.0	–	–	–	–	1.0	6.0	–
Various organisational development and quality assurance projects at hospitals	Various organisational development and quality assurance Projects	Site identification	39.0	–	–	–	–	–	–	39.0
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Health facility revitalisation grant: Eastern Cape	Construction of new facilities, upgrades of existing health facilities	Ongoing	4 197.5	562.8	599.2	592.1	619.0	620.8	568.1	600.0
Health facility revitalisation grant: Free State	Construction of new facilities, upgrades of existing health facilities	Ongoing	3 863.2	539.0	467.0	586.9	474.7	552.2	491.1	518.6
Health facility revitalisation grant: Gauteng	Construction of new facilities, upgrades of existing health facilities	Ongoing	5 148.4	771.0	671.0	313.6	777.8	890.7	846.0	893.4
Health facility revitalisation grant: KwaZulu-Natal	Construction of new facilities, upgrades of existing health facilities	Ongoing	8 205.5	1 072.5	1 362.5	1 229.8	1 114.7	1 149.4	1 128.0	1 191.2
Health facility revitalisation grant: Limpopo	Construction of new facilities, upgrades of existing health facilities	Ongoing	3 145.3	457.4	467.4	358.5	379.1	508.1	451.0	476.2
Health facility revitalisation grant: Mpumalanga	Construction of new facilities, upgrades of existing health facilities	Ongoing	2 367.5	283.7	343.5	287.9	281.2	325.6	339.7	358.7
Health facility revitalisation grant: Northern Cape	Construction of new facilities, upgrades of existing health facilities	Ongoing	3 257.8	478.4	451.4	582.8	472.3	443.8	380.8	402.2
Health facility revitalisation grant: North West	Construction of new facilities, upgrades of existing health facilities	Ongoing	3 737.8	496.1	500.1	695.3	480.4	558.3	500.8	528.9
Health facility revitalisation grant: Western Cape	Construction of new facilities, upgrades of existing health facilities	Ongoing	4 609.4	629.8	639.8	770.1	673.5	605.8	595.4	628.7
Health facility revitalisation grant: Incentive-based portion yet to be allocated to provinces	Construction of new facilities, upgrades of existing health facilities	Ongoing	1 195.8	–	–	–	–	–	614.7	649.2
Total			54 854.2	5 473.5	5 794.3	6 031.6	6 062.4	6 603.5	6 904.1	7 290.7