

VOTE
16
HEALTH



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2018

National Treasury

Republic of South Africa



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The 2018 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

Foreword

When the Estimates of National Expenditure (ENE) publication was launched in 2001, we referred to it as “a significant step forward in national budget transparency”. Since then, even though the national budget has undergone many reforms, the ENE publications remain a key indicator and embodiment of the candour of the budgeting process.

The publications provide the media, civil society, the public, Parliament, departments, public entities and ministers with information about how taxpayers’ money is being spent: what it buys and for what purpose. Do not be concerned by the magnitude of this publication. Instead, let us use it as a reference to keep government institutions accountable and ensure that the expenditure of public funds achieves its intended policy outcomes to improve the welfare of citizens.

In the current economic climate, spending priorities and the sequencing of programme implementation are subject to a number of trade-offs. The focus of the 2018 Budget has solely been on the reprioritisation of existing baseline funding. The abridged ENE provides a coherent and summarised account of the priorities, spending plans and service delivery commitments of all 40 national votes and of government agencies. The e-publications for each vote contain more detail on, for example, goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

The ENE’s presentation of the detailed expenditure estimates of departments are the result of a lengthy executive and administrative process involving wide-ranging intergovernmental consultation. This process is led by a committee of senior officials in central government departments, under the political guidance of the Ministers’ Committee on the Budget. A special word of thanks is due to all our colleagues from other departments for their contributions. I also wish to express my appreciation to the National Treasury team that worked tirelessly to produce a document of which we are rightly proud.

The independent Open Budget Survey assessment of budget transparency commenced in 2006. It is conducted every two years to measure the accessibility and comprehensiveness of key budget documents and information across the world. In 2010, South Africa was ranked first out of 94 countries surveyed, scoring 92 per cent. In the latest iteration of the survey, which measured 115 countries, South Africa was ranked first again, tied with New Zealand, with a score of 89 per cent. Our country is one of only 11 that publish comprehensive, timely information in all the required budget documents.

Budgets link the outcomes targeted by government with the services that are ultimately delivered. In addition to South African budgets having become more transparent, recent efforts to increase public participation in budgeting are gaining momentum. South Africans are invited to scrutinise budget information and provide opinions on government service delivery. We rely on this participation to strengthen our budgeting system and make it even more reliable.



Dondo Mogajane

Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2018 MTEF period is from 2018/19 to 2020/21.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for entities that report to the vote's executive authority. Explanatory narratives detail the institution's mandate, purpose (and that of its programmes), together with programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2018 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2018 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Health

National Treasury

Republic of South Africa



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Vote 16

Health

Budget summary

R million	2018/19				2019/20	2020/21
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	550.8	537.3	2.5	11.0	592.5	627.1
National Health Insurance, Health Planning and Systems Enablement	1 671.6	1 462.0	30.0	179.5	2 380.3	3 081.7
HIV and AIDS, Tuberculosis, and Maternal and Child Health	20 719.1	417.2	20 301.5	0.4	22 873.3	25 317.7
Primary Health Care Services	301.7	298.4	3.1	0.2	366.6	431.4
Hospitals, Tertiary Health Services and Human Resource Development	22 124.2	279.3	21 000.9	843.9	23 364.2	24 831.1
Health Regulation and Compliance Management	1 775.5	94.1	1 679.0	2.4	1 876.5	1 980.4
Total expenditure estimates	47 142.9	3 088.4	43 017.0	1 037.5	51 453.4	56 269.3
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 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 provides 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	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Total number of primary health care facilities implementing improved patient administration and web-based information systems	National Health Insurance, Health Planning and Systems Enablement	Outcome 2: A long and healthy life for all South Africans	50	657	1 854	2 450	-1	-1	-1
Total number of health facilities reporting stock availability at national surveillance centre	National Health Insurance, Health Planning and Systems Enablement		600	1 901	3 349	3 261 ²	3 625	3 800	3 942
Total number of patients receiving medicines through the centralised chronic medicine dispensing and distribution system	National Health Insurance, Health Planning and Systems Enablement		200 000	396 567	1 252 000	950 000 ²	2 500 000	2 800 000	3 000 000

Table 16.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
Percentage of human papillomavirus vaccination first dose coverage per year	HIV and AIDS, Tuberculosis, and Maternal and Child Health	Outcome 2: A long and healthy life for all South Africans	- ³	85.3% (427 400/ 500 933)	79.3% (420 751/ 530 720)	87%	88%	90%	90%
Total clients remaining on antiretroviral treatment at the end of the year	HIV and AIDS, Tuberculosis, and Maternal and Child Health		3.1 million	3.4 million	3.8 million	4.9 million	5.5 million	5.9 million	6 million
Tuberculosis new client treatment success rate per year ⁴	HIV and AIDS, Tuberculosis, and Maternal and Child Health		82.4% (95 928/ 116 349)	83.3% (80 180/ 95 318)	85.6% (66 230/ 77 371)	86%	87%	88%	89%
Infant polymerase chain reaction test positive around 10 weeks rate per year ⁵	HIV and AIDS, Tuberculosis, and Maternal and Child Health		1.5% (3 801/ 252 269) ⁶	1.5% (2 495/ 169 656) ⁶	1.3% (2 013/ 151 246)	1.35% ²	1.25%	1.2%	1.1%
Total number of functional ward-based primary health care outreach teams	Primary Health Care Services		1 748	2 590	3 275	2 000 ²	3 500	3 600	3 700
Number of additional primary health care facilities in the 52 districts that qualify as ideal clinics per year	Primary Health Care Services		- ³	322	786	1 000	1 200	1 400	1 650
Total number of points of entry assessed against the core capacity requirements of the international health regulations per year	Primary Health Care Services		Port health services transferred from provinces to national	Port health services fully transferred from provinces to national	- ³	- ³	15	20	25
Number of facilities maintained, repaired and/or refurbished in national health insurance districts per year	Hospitals, Tertiary Health Services and Human Resource Development		94	198	67	197	125	120	- ⁷
Percentage of backlog eliminated for blood alcohol tests per year	Hospitals, Tertiary Health Services and Human Resource Development		- ³	- ³	67% (39 928/ 59 697)	100%	100%	- ⁸	- ⁸

1. Indicator discontinued as the department plans to implement improved patient administration and web-based information systems in all primary health care facilities by March 2018.
2. Target exceeded in 2016/17. However, the target for 2017/18 remains as published in the 2017 Estimates of National Expenditure.
3. No historical data available.
4. Indicator reported with a time lag of one year.
5. Indicator for mother-to-child transmission of HIV showing infants who tested positive for HIV as a proportion of all live births by HIV-positive mothers.
6. 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.
7. By the end of 2019/20, all health facilities in national health insurance pilot districts will have been maintained, repaired and/or refurbished.
8. Once the backlog is eliminated, this indicator will be revised to measure turnaround time.

Expenditure analysis

Chapter 10 of the National Development Plan (NDP) sets out health goals, indicators and key actions towards achieving its vision by 2030. These are expressed in terms of outcome 2 (a long and healthy life for all South Africans) of government's medium-term strategic framework, with which the work of the Department of Health is closely aligned. Accordingly, over the MTEF period, the department plans to focus on implementing the second phase of national health insurance; expanding treatment and prevention programmes for HIV and AIDS, and tuberculosis (TB); revitalising public health care facilities; and ensuring accessible specialised tertiary health services.

As provincial health departments are mandated to provide health care services, the national department's role is to formulate policy, and coordinate and support provincial health departments in fulfilling their mandates. In this regard, 86.8 per cent (R133.8 billion) of the department's total budget over the medium term is expected to be transferred to provinces through conditional grants. Two major challenges faced by the sector are weak financial management capacity in provincial departments of health and escalating contingent liabilities due to medical malpractice litigation. To support provinces in these areas, the department has reprioritised R34 million from its goods and services budget over the MTEF period to expand its financial management support programme to provincial health departments. This intervention is to be led by the South African Institute for Chartered Accountants. R22.5 million has been allocated to set up expert medical committees to support provinces in dealing with medico legal claims.

The South African Health Products Regulatory Authority is expected to be established in 2018/19, after which the department's internal regulatory unit is expected to move to the authority. It is anticipated that 180 employees will leave the department on 1 April 2018 to work in the new authority. The department expects to transfer R396.9 million to the entity over the medium term to support the operations of the authority.

The department's expenditure on compensation of employees is expected to increase at an average annual rate of 3.3 per cent over the MTEF period, from R873.4 million in 2017/18 to R961.4 million in 2020/21. The department expects a decrease in its staff complement over the medium term, from 1 508 in 2017/18 to 1 479 in 2020/21. This excludes staff who will be transferred to the South African Health Products Regulatory Authority, and is mainly due to the department applying stricter criteria for filling non-critical vacant posts, particularly those becoming vacant through retirement.

Implementing the second phase of national health insurance

The aim of national health insurance is to fundamentally reform how health care in South Africa is financed in order to increase access to and the quality of health care services. In this regard, over the MTEF period, the department intends to develop a national health insurance fund and related management structures, and expand access to the initial set of the priority services of national health insurance, as announced by the Minister of Health in 2017. For this purpose, additional amounts of R700 million in 2018/19, R1.4 billion in 2019/20 and R2.1 billion in 2020/21 are allocated mainly to the *National Health Insurance, Health Planning and Systems Enablement* programme, financed through downward adjustments of the medical tax credit. Accordingly, the *National Health Insurance, Health Planning and Systems Enablement* programme's total budget is expected to increase at an average annual rate of 49.9 per cent over the medium term, from R914.7 million in 2017/18 to R3.1 billion in 2020/21.

Of the additional amounts, R3.8 billion is allocated to the *national health insurance indirect grant*, thereby increasing its total allocations to R9.1 billion over the medium term. To appropriately manage the increase in allocations, the grant will be restructured to merge all existing components (except the health facility revitalisation component in the *Hospitals, Tertiary Health Services and Human Resource Development* programme) into 2 new components: the personal services component and the non-personal services component. The personal services component of the grant is allocated R4 billion over the medium term to fund priority services for national health insurance, which include: expanding access to school health services, focusing on optometry and audiology; contracting general practitioners by capitation, that is, paying care providers a set annual amount per patient registered in their practice instead of fees per service provided; and providing community mental health services, maternal care for high risk pregnancies, screening and treatment for breast and cervical cancer, hip and knee arthroplasty, cataract surgeries, and wheelchairs.

The non-personal services component of the *national health insurance indirect grant* is allocated R2.3 billion over the MTEF period to fund the expansion of the centralised chronic medicines dispensing and distribution programme, development and rollout of health information systems, a capitation model for the purchasing of primary health care services, and monitoring and supporting the ideal clinic programme. Through the non-personal services component of the grant, by 2020/21, the department aims to implement the electronic stock surveillance system in 3 942 health facilities (from 3 349 in 2016/17), and distribute chronic medicines to 3 million patients through the centralised chronic medicine dispensing and distribution system (from 1.3 million in 2016/17).

The remaining R368 million of the additional allocations is earmarked over the MTEF period to support interim national health insurance activities, including 7 gazetted ministerial advisory committees; strengthen health technology assessment; and fund programmes related to the prevention of non-communicable diseases. The health promotion levy on sugary beverages is expected to be implemented in 2018/19 with consideration being given to use a portion of revenue generated from the levy to further fund programmes related to the prevention of non-communicable diseases.

Expanding treatment and prevention programmes for HIV and AIDS, and TB

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 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, which is the marker for the strength of the immune system. For this purpose, an additional R1 billion is allocated to the *HIV and AIDS, Tuberculosis, and Maternal and Child Health* programme in 2020/21 for the *comprehensive HIV, AIDS and TB grant* for provinces to provide antiretroviral treatment to an estimated 6 million people by the end of the MTEF period. As a result of the additional allocation in 2020/21, funding for the grant increases by 11.6 per cent per year, with a total allocation of R66.4 billion between 2017/18 and 2020/21.

Community health workers play a pivotal role in ensuring access to primary health care services in South Africa's most vulnerable communities. In recognition of this, over the medium term, the department intends adding a community outreach services component to the *comprehensive HIV, AIDS and TB grant*. The new component is expected to enable the sector to improve the efficiencies of the ward-based primary health care outreach teams programme by standardising and strengthening the training, service package, and performance monitoring of community health workers. The community outreach services component framework, which is included in the 2018 Division of Revenue Bill, outlines the grant conditions and performance indicators that will regulate the community outreach services component of the *comprehensive HIV, AIDS and TB grant*. By 2020/21, the number of ward-based primary health care outreach teams is expected to increase to 3 700 from 3 275 in 2016/17. An estimated R4.4 billion over the MTEF period has been reprioritised in the *comprehensive HIV, AIDS and TB grant* to create the community outreach services component.

Revitalising public health care facilities

The department is in the process of finalising a 10-year infrastructure plan to determine areas with the greatest need for capital investments, based on population projections up to 2025. Accordingly, the department plans to invest an estimated R21.1 billion in health care infrastructure over the medium term. These funds will be managed as 2 conditional grants in the *Health Facilities Infrastructure Management* subprogramme in the *Hospitals, Tertiary Health Services and Human Resource Development* programme.

The direct *health facility revitalisation grant*, which receives R18.2 billion over the MTEF period, after reductions of R511 million approved by Cabinet, is transferred to provincial health departments to fund the upgrading, refurbishing and maintenance of existing health care facilities, and the building of new facilities.

The second conditional grant for health care infrastructure is the *national health insurance indirect grant*, in which the health facility revitalisation component focuses on replacing, refurbishing and maintaining infrastructure in the national health insurance pilot districts. This grant is managed by the department, and is allocated R2.8 billion over the medium term after reductions of R309 million that were approved by Cabinet. The department is working closely with implementing agents to ensure that all 872 primary health care facilities in the national health insurance pilot 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 when the required tertiary services are not available in their home province. To compensate provincial health departments for treating patients from other provinces, the department plans to continue subsidising tertiary health services in 29 hospitals and hospital complexes over the medium term through the *national tertiary services grant*.

This direct grant provides funding for specialised personnel, equipment, and advanced medical investigation and treatment according to approved service specifications; and supports the modernisation of tertiary facilities by upgrading medical equipment. For this purpose, R12.4 billion in 2018/19, R13.2 billion in 2019/20 and R14.1 billion in 2020/21 is allocated to the *national tertiary services grant* in the *Hospitals, Tertiary Health Services and Human Resource Development* programme.

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	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18	
Programme 1	389.7	389.7	386.5	457.1	456.6	438.5	463.5	462.0	442.9	512.8	514.8	514.8	97.8%	97.8%
Programme 2	652.0	658.9	338.2	587.8	596.6	553.1	559.8	588.6	679.2	735.1	934.7	914.7	98.0%	89.4%
Programme 3	12 840.7	12 840.7	12 818.7	14 442.1	14 378.9	14 179.0	16 018.6	16 009.6	15 965.2	18 278.3	18 297.8	18 267.8	99.4%	99.5%
Programme 4	200.5	216.2	206.3	225.0	224.9	212.6	257.8	256.5	225.7	264.3	263.9	263.9	95.9%	94.5%
Programme 5	18 929.5	18 816.5	18 448.6	19 159.1	18 970.0	19 002.3	19 573.5	19 574.0	19 468.7	21 108.2	20 907.8	20 907.8	98.8%	99.4%
Programme 6	1 367.6	1 403.1	1 340.7	1 596.9	1 603.9	1 599.4	1 690.2	1 706.7	1 714.5	1 727.0	1 726.6	1 726.6	100.0%	99.1%
Total	34 380.0	34 325.1	33 539.0	36 468.0	36 230.9	35 984.9	38 563.3	38 597.4	38 496.2	42 625.7	42 645.6	42 595.6	99.1%	99.2%
Change to 2017 Budget estimate	19.8													
Economic classification														
Current payments	2 041.0	2 245.1	1 740.1	2 351.5	2 270.1	1 934.0	2 304.8	2 341.6	2 234.7	2 404.7	2 590.6	2 560.6	93.1%	89.6%
Compensation of employees	649.1	656.5	686.3	772.1	774.3	750.1	873.4	857.4	837.3	760.0	873.4	873.4	103.0%	99.5%
Goods and services	1 391.9	1 588.6	1 053.8	1 579.5	1 495.8	1 183.9	1 431.4	1 484.2	1 397.5	1 644.7	1 717.3	1 687.3	88.0%	84.7%
Transfers and subsidies	31 314.1	31 591.1	31 570.6	33 448.5	33 496.1	33 482.2	35 637.0	35 664.6	35 660.0	39 355.4	39 282.1	39 282.1	100.2%	100.0%
Provinces and municipalities	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	37 520.4	37 570.2	37 570.2	100.3%	100.0%
Departmental agencies and accounts	1 202.9	1 212.9	1 178.1	1 416.4	1 417.1	1 419.4	1 494.5	1 494.7	1 497.3	1 649.8	1 516.1	1 516.1	-	-
Higher education institutions	3.0	3.0	-	3.1	3.1	-	3.3	3.3	-	-	-	-	-	-
Foreign governments and international organisations	-	2.7	2.6	-	-	-	-	14.4	16.0	-	-	-	-	109.5%
Non-profit institutions	206.1	208.4	215.3	171.1	171.1	155.1	167.2	167.2	161.7	185.2	193.7	193.7	99.5%	98.0%
Households	0.0	0.0	3.5	-	-	2.9	-	4.0	3.9	-	2.0	2.0	82 053.3%	206.9%
Payments for capital assets	1 024.9	488.9	227.4	668.0	464.7	567.8	621.5	591.0	600.8	865.6	772.8	752.8	67.6%	92.7%
Buildings and other fixed structures	979.9	378.4	168.9	562.5	354.6	470.6	471.9	471.9	574.0	714.6	644.0	644.0	68.1%	100.5%
Machinery and equipment	45.1	100.7	58.4	105.5	110.1	93.0	149.6	119.1	24.6	146.0	123.8	103.8	62.7%	61.7%
Software and other intangible assets	-	9.8	0.2	-	-	4.2	-	-	2.2	5.0	5.0	5.0	231.2%	78.3%
Payments for financial assets	-	-	0.9	-	-	0.9	-	0.3	0.7	-	0.1	0.1	-	678.4%
Total	34 380.0	34 325.1	33 539.0	36 468.0	36 230.9	35 984.9	38 563.3	38 597.4	38 496.2	42 625.7	42 645.6	42 595.6	99.1%	99.2%

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	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Programme 1	514.8	9.7%	1.2%	550.8	592.5	627.1	6.8%	1.2%
Programme 2	914.7	11.6%	1.6%	1 671.6	2 380.3	3 081.7	49.9%	4.1%
Programme 3	18 267.8	12.5%	40.7%	20 719.1	22 873.3	25 317.7	11.5%	44.1%
Programme 4	263.9	6.9%	0.6%	301.7	366.6	431.4	17.8%	0.7%
Programme 5	20 907.8	3.6%	51.7%	22 124.2	23 364.2	24 831.1	5.9%	46.2%
Programme 6	1 726.6	7.2%	4.2%	1 775.5	1 876.5	1 980.4	4.7%	3.7%
Total	42 595.6	7.5%	100.0%	47 142.9	51 453.4	56 269.3	9.7%	100.0%
Change to 2017 Budget estimate				475.9	1 068.4	1 749.9		
Economic classification								
Current payments	2 560.6	4.5%	5.6%	3 088.4	4 019.4	4 806.5	23.4%	7.3%
Compensation of employees	873.4	10.0%	2.1%	828.8	894.3	961.4	3.3%	1.8%
Goods and services	1 687.3	2.0%	3.5%	2 259.6	3 125.0	3 845.1	31.6%	5.5%
Transfers and subsidies	39 282.1	7.5%	92.9%	43 017.0	46 423.6	50 322.4	8.6%	90.7%
Provinces and municipalities	37 570.2	7.6%	88.7%	41 122.6	44 423.1	48 211.9	8.7%	86.8%
Departmental agencies and accounts	1 516.1	7.7%	3.7%	1 698.5	1 793.7	1 892.3	7.7%	3.5%
Non-profit institutions	193.7	-2.4%	0.5%	195.9	206.8	218.2	4.0%	0.4%
Households	2.0	408.5%	0.0%	-	-	-	-100.0%	0.0%
Payments for capital assets	752.8	15.5%	1.4%	1 037.5	1 010.4	1 140.4	14.9%	2.0%
Buildings and other fixed structures	644.0	19.4%	1.2%	748.1	792.1	876.5	10.8%	1.6%
Machinery and equipment	103.8	1.0%	0.2%	289.4	218.3	263.9	36.5%	0.4%
Software and other intangible assets	5.0	-20.0%	0.0%	-	-	-	-100.0%	0.0%
Payments for financial assets	0.1	-	0.0%	-	-	-	-100.0%	0.0%
Total	42 595.6	7.5%	100.0%	47 142.9	51 453.4	56 269.3	9.7%	100.0%

Expenditure trends and estimates for significant spending items

Table 16.4 Expenditure trends and estimates for significant spending items

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand					2014/15 - 2017/18					2017/18 - 2020/21	
Comprehensive HIV/AIDS and TB grant	12 102 108	13 670 730	15 290 603	17 757 821	13.6%	39.1%	19 921 697	22 038 995	24 438 471	11.2%	42.6%
National tertiary services grant	10 168 235	10 381 174	10 846 778	11 676 145	4.7%	28.6%	12 400 703	13 185 528	14 068 863	6.4%	26.0%
National health insurance indirect grant (direct)	76 956	61 077	94 227	-	-100.0%	0.2%	-	-	-	-	-
Health facility revitalisation grant (direct)	5 501 981	5 417 045	5 272 680	5 684 495	1.1%	14.5%	5 815 694	6 046 973	6 379 557	3.9%	12.1%
National health insurance indirect grant total	564 095	1 051 122	1 247 860	1 588 037	41.2%	3.0%	2 303 859	3 038 691	3 775 194	33.5%	5.4%
Health facility revitalisation component	292 345	612 623	686 496	688 984	33.1%	1.5%	891 359	940 707	992 111	12.9%	1.8%
Personal services component	-	-	-	-	-	-	712 500	1 324 984	1 931 083	-	2.0%
Non-personal services component	-	-	-	-	-	-	700 000	773 000	852 000	-	1.2%
Total	28 705 720	31 193 771	33 438 644	37 395 482	-6.3%	86.9%	42 745 812	47 348 878	52 437 279	67.9%	91.1%

Goods and services expenditure trends and estimates

Table 16.5 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administrative fees	740	689	704	4 406	81.2%	0.1%	2 206	2 569	2 431	-18.0%	0.1%
Advertising	9 311	10 402	6 982	15 181	17.7%	0.8%	14 400	14 899	16 528	2.9%	0.6%
Minor assets	8 235	7 055	9 378	11 137	10.6%	0.7%	17 784	21 729	25 079	31.1%	0.7%
Audit costs: External	27 921	20 132	24 458	38 554	11.4%	2.1%	32 459	34 981	36 188	-2.1%	1.3%
Bursaries: Employees	1 076	1 553	902	2 000	23.0%	0.1%	1 110	1 228	1 351	-12.3%	0.1%
Catering: Departmental activities	3 222	3 150	2 334	3 635	4.1%	0.2%	3 717	3 768	4 168	4.7%	0.1%
Communication	15 723	19 550	16 559	26 249	18.6%	1.5%	25 705	27 271	27 044	1.0%	1.0%
Computer services	13 776	11 915	13 025	36 696	38.6%	1.4%	30 186	31 872	33 495	-3.0%	1.2%
Consultants: Business and advisory services	54 815	65 595	142 996	137 126	35.8%	7.5%	413 792	1 223 961	1 823 135	136.9%	32.9%
Infrastructure and planning services	4 286	–	–	200	-64.0%	0.1%	–	–	–	-100.0%	–
Laboratory services	–	–	4 499	1 100	–	0.1%	1 259	1 056	1 114	0.4%	–
Legal services	6 197	6 990	6 451	9 306	14.5%	0.5%	10 386	11 620	13 640	13.6%	0.4%
Science and technological services	11 743	–	–	15 643	10.0%	0.5%	–	–	2 175	-48.2%	0.2%
Contractors	95 289	286 243	363 819	553 405	79.7%	24.3%	728 958	804 605	872 343	16.4%	27.0%
Agency and support/outsourced services	92 363	154 287	135 561	145 489	16.4%	9.9%	351 855	273 096	280 035	24.4%	9.6%
Entertainment	18	2	3	436	189.3%	–	200	212	224	-19.9%	–
Fleet services (including government motor transport)	27 201	60 757	54 920	32 747	6.4%	3.3%	32 947	36 525	38 740	5.8%	1.3%
Housing	–	24	–	–	–	–	–	–	–	–	–
Inventory: Clothing material and accessories	2 708	494	209	1 500	-17.9%	0.1%	–	100	–	-100.0%	–
Inventory: Farming supplies	1	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Food and food supplies	93	114	1 065	202	29.5%	–	534	559	590	42.9%	–
Inventory: Fuel, oil and gas	1 076	2 040	25	1 832	19.4%	0.1%	2 608	2 749	2 900	16.5%	0.1%
Inventory: Materials and supplies	334	131	755	2 062	83.4%	0.1%	3 231	3 598	2 543	7.2%	0.1%
Inventory: Medical supplies	209 556	77 538	132 453	122 752	-16.3%	10.1%	148 788	154 343	159 404	9.1%	5.3%
Inventory: Medicine	177 192	98 338	119 821	176 916	-0.1%	10.7%	2 273	2 545	2 685	-75.2%	1.7%
Inventory: Other supplies	10 332	11 994	9 238	16 836	17.7%	0.9%	13 655	13 027	13 743	-6.5%	0.5%
Consumable supplies	1 687	3 007	840	9 853	80.1%	0.3%	1 714	1 990	2 282	-38.6%	0.1%
Consumables: Stationery, printing and office supplies	18 359	20 196	17 408	25 465	11.5%	1.5%	32 344	34 826	38 286	14.6%	1.2%
Operating leases	93 532	131 666	134 885	156 097	18.6%	9.6%	163 529	183 279	193 226	7.4%	6.4%
Rental and hiring	97	98	298	200	27.3%	–	600	678	716	53.0%	–
Property payments	22 592	23 661	17 076	21 201	-2.1%	1.6%	25 575	22 180	23 400	3.3%	0.8%
Travel and subsistence	82 745	92 748	92 668	88 467	2.3%	6.7%	88 307	99 375	103 880	5.5%	3.5%
Training and development	4 789	4 546	5 082	8 545	21.3%	0.4%	17 542	21 217	23 416	39.9%	0.6%
Operating payments	50 262	49 569	66 522	39 865	-7.4%	3.9%	76 276	77 334	81 744	27.0%	2.5%
Venues and facilities	6 490	19 410	16 534	12 155	23.3%	1.0%	15 631	17 828	18 614	15.3%	0.6%
Total	1 053 761	1 183 894	1 397 470	1 717 258	17.7%	100.0%	2 259 571	3 125 020	3 845 119	30.8%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 16.6 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Households											
Social benefits											
Current	3 397	2 858	3 669	1 972	-16.6%	–	–	–	–	-100.0%	–
Employee social benefits	3 397	2 858	3 669	1 972	-16.6%	–	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 174 867	1 416 059	1 493 807	1 512 431	8.8%	4.0%	1 694 688	1 789 609	1 888 038	7.7%	3.8%
Public Service Sector Education and Training Authority	90	–	–	–	-100.0%	–	–	–	–	–	–
Health and Welfare Sector Education and Training Authority	1 276	2 439	2 808	2 252	20.8%	–	2 455	2 612	2 756	7.0%	–
South African Medical Research Council	446 331	623 892	660 270	614 961	11.3%	1.7%	624 829	659 819	696 109	4.2%	1.4%

Table 16.6 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
South African National AIDS Council	15 000	19 340	16 711	17 547	5.4%	-	17 108	18 066	19 059	2.8%	-
National Health Laboratory Service	674 052	678 926	711 871	746 464	3.5%	2.0%	789 759	833 986	879 855	5.6%	1.8%
Office of Health Standards Compliance	33 367	88 906	100 535	125 711	55.6%	0.2%	129 678	136 940	144 472	4.7%	0.3%
Council for Medical Schemes	4 751	2 556	1 612	5 496	5.0%	-	5 670	5 987	6 317	4.8%	-
South African Health Product Regulatory Authority	-	-	-	-	-	-	125 189	132 199	139 470	-	0.2%
Non-profit institutions											
Current	215 283	155 073	161 670	193 737	-3.5%	0.5%	195 909	206 811	218 187	4.0%	0.5%
South African Medical Research Council	512	471	496	520	0.5%	-	550	581	613	5.6%	-
Wits University Foundation	-	-	650	-	-	-	-	-	-	-	-
Non-profit institutions	13 670	-	-	-	-100.0%	-	-	-	-	-	-
Health information systems programme	-	12 103	12 745	13 382	-	-	14 158	14 951	15 773	5.6%	-
Health Systems Trust	12 867	11 367	11 969	15 019	5.3%	-	15 890	16 780	17 703	5.6%	-
Non-governmental organisations: Lifeline	19 023	19 898	20 953	22 000	5.0%	0.1%	23 276	24 579	25 931	5.6%	0.1%
Non-governmental organisations: loveLife	69 843	54 396	57 808	61 200	-4.3%	0.2%	64 750	68 376	72 137	5.6%	0.1%
Non-governmental organisations: Soul City	15 561	16 277	14 465	19 226	7.3%	-	20 270	21 336	22 509	5.4%	-
Non-governmental organisations: HIV and AIDS	79 919	38 131	41 439	51 450	-13.7%	0.2%	54 434	57 482	60 644	5.6%	0.1%
Public Universities South Africa	-	-	-	8 500	-	-	-	-	-	-100.0%	-
South African Federation for Mental Health	320	335	353	371	5.1%	-	393	415	438	5.7%	-
South African National Council for the Blind	718	752	792	832	5.0%	-	880	929	980	5.6%	-
Non-governmental organisations: Mental health	82	-	-	-	-100.0%	-	-	-	-	-	-
National Council Against Smoking	768	803	-	887	4.9%	-	938	991	1 046	5.6%	-
National Kidney Foundation of South Africa	-	350	-	350	-	-	370	391	413	5.7%	-
Health Systems Global: South Africa	2 000	-	-	-	-100.0%	-	-	-	-	-	-
Mental Health and Substance Abuse	-	190	-	-	-	-	-	-	-	-	-
Households											
Other transfers to households											
Current	100	52	260	-	-100.0%	-	-	-	-	-	-
Employee social benefits	-	-	260	-	-	-	-	-	-	-	-
Other transfers to households	-	52	-	-	-	-	-	-	-	-	-
Donation for conference on paediatric cardiology and cardiac surgery	100	-	-	-	-100.0%	-	-	-	-	-	-
Foreign governments and international organisations											
Current	2 622	-	16 031	-	-100.0%	-	-	-	-	-	-
International AIDS Society	-	-	14 370	-	-	-	-	-	-	-	-
World Health Organisation	2 622	-	-	-	-100.0%	-	-	-	-	-	-
International Hospital Federation	-	-	1 661	-	-	-	-	-	-	-	-
Provinces and municipalities											
Provincial revenue funds											
Current	24 669 087	26 487 703	28 708 332	31 885 731	8.9%	79.8%	35 306 896	38 376 151	41 832 302	9.5%	82.3%
National health insurance grant	76 956	61 077	94 227	-	-100.0%	0.2%	-	-	-	-	-
Comprehensive HIV and AIDS grant	12 102 108	13 670 730	-	-	-100.0%	18.4%	-	-	-	-	-
Human papillomavirus vaccine grant	-	-	-	-	-	-	200 000	211 200	222 816	-	0.4%
Comprehensive HIV, AIDS and tuberculosis grant	-	-	15 290 603	17 577 737	-	23.5%	19 921 697	22 038 995	24 438 471	11.6%	46.9%
Health professions training and development grant	2 321 788	2 374 722	2 476 724	2 631 849	4.3%	7.0%	2 784 496	2 940 428	3 102 152	5.6%	6.4%
National tertiary services grant	10 168 235	10 381 174	10 846 778	11 676 145	4.7%	30.8%	12 400 703	13 185 528	14 068 863	6.4%	28.7%
Capital	5 501 981	5 417 045	5 272 680	5 684 495	1.1%	15.6%	5 815 694	6 046 973	6 379 557	3.9%	13.4%
Health facility revitalisation grant	5 501 981	5 417 045	5 272 680	5 684 495	1.1%	15.6%	5 815 694	6 046 973	6 379 557	3.9%	13.4%
Departmental agencies and accounts											
Social security funds											
Current	3 215	3 363	3 541	3 718	5.0%	-	3 836	4 050	4 272	4.7%	-
Compensation Commissioner	3 215	3 363	3 541	3 718	5.0%	-	3 836	4 050	4 272	4.7%	-
Total	31 570 552	33 482 153	35 659 990	39 282 084	7.6%	100.0%	43 017 023	46 423 594	50 322 356	8.6%	100.0%

Personnel information

Table 16.7 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 2018		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 (%)				
		2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Health																			
Salary level	1 739	-	1 694	837.3	0.5	1 688	873.4	0.5	1 498	828.8	0.6	1 489	894.3	0.6	1 479	961.4	0.7	-4.3%	100.0%
1 – 6	602	-	586	138.0	0.2	582	148.3	0.3	503	140.9	0.3	500	154.4	0.3	497	166.6	0.3	-5.1%	33.8%
7 – 10	747	-	754	361.6	0.5	753	385.4	0.5	731	422.3	0.6	729	458.9	0.6	724	498.2	0.7	-1.3%	47.7%
11 – 12	268	-	214	205.8	1.0	214	202.4	0.9	129	123.1	1.0	126	128.8	1.0	126	137.9	1.1	-16.2%	9.7%
13 – 16	122	-	140	131.9	0.9	139	137.2	1.0	135	142.5	1.1	134	152.2	1.1	132	158.7	1.2	-1.7%	8.8%
Programme	1 739	-	1 694	837.3	0.5	1 688	873.4	0.5	1 498	828.8	0.6	1 489	894.3	0.6	1 479	961.4	0.7	-4.3%	100.0%
Programme 1	437	-	443	187.6	0.4	439	197.2	0.4	435	209.2	0.5	433	231.6	0.5	431	244.7	0.6	-0.6%	28.2%
Programme 2	159	-	153	109.5	0.7	153	114.7	0.7	152	116.7	0.8	150	124.3	0.8	148	131.2	0.9	-1.1%	9.8%
Programme 3	120	-	124	75.6	0.6	124	79.4	0.6	121	84.4	0.7	121	89.6	0.7	118	94.6	0.8	-1.6%	7.9%
Programme 4	410	-	414	177.9	0.4	414	185.6	0.4	413	209.1	0.5	410	220.9	0.5	409	233.2	0.6	-0.4%	26.7%
Programme 5	266	-	274	138.0	0.5	273	128.5	0.5	272	145.2	0.5	270	157.7	0.6	270	183.3	0.7	-0.4%	17.6%
Programme 6	347	-	286	148.7	0.5	285	168.0	0.6	105	64.3	0.6	105	70.2	0.7	103	74.5	0.7	-28.8%	9.7%

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

2. Rand million.

Departmental receipts

Table 16.8 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2014/15	2015/16	2016/17					2017/18	2018/19	2019/20		
R thousand												
Departmental receipts	66 140	53 885	59 233	59 524	59 524	-3.5%	100.0%	7 915	8 102	9 199	-46.3%	100.0%
Sales of goods and services produced by department	54 031	46 052	54 298	53 078	53 078	-0.6%	86.9%	4 711	3 995	4 589	-55.8%	78.3%
Sales by market establishments	154	160	172	156	156	0.4%	0.3%	170	200	210	10.4%	0.9%
of which:												
Parking	154	160	172	156	156	0.4%	0.3%	170	200	210	10.4%	0.9%
Administrative fees	53 594	45 395	53 627	52 482	52 482	-0.7%	85.9%	4 250	3 500	3 800	-58.3%	75.6%
of which:												
Medical (drug control) licences	2 961	2 264	2 217	1 576	1 576	-19.0%	3.8%	3 200	2 300	2 500	16.6%	11.3%
Drug control	50 633	42 380	50 262	50 000	50 000	-0.4%	80.9%	-	-	-	-100.0%	59.0%
Inspection fees	-	751	1 148	906	906	-	1.2%	1 050	1 200	1 300	12.8%	5.3%
Other sales	283	497	499	440	440	15.8%	0.7%	291	295	579	9.6%	1.9%
of which:												
Yellow fever	33	334	114	64	64	24.7%	0.2%	134	137	150	32.8%	0.6%
Replacement of security cards	8	5	10	8	8	-	-	7	8	9	4.0%	-
Commission on insurance	242	158	375	368	368	15.0%	0.5%	150	150	420	4.5%	1.3%
Sales of scrap, waste, arms and other used current goods	3	44	-	4	4	10.1%	-	4	7	10	35.7%	-
of which:												
Scrap paper	3	-	-	4	4	10.1%	-	4	7	10	35.7%	-
Scrap	-	44	-	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	6 337	6 536	3 627	2 500	2 500	-26.7%	8.0%	1 800	2 600	3 000	6.3%	11.7%
Interest	6 337	6 536	3 627	2 500	2 500	-26.7%	8.0%	1 800	2 600	3 000	6.3%	11.7%
Transactions in financial assets and liabilities	5 769	1 253	1 308	3 942	3 942	-11.9%	5.1%	1 400	1 500	1 600	-26.0%	10.0%
Total	66 140	53 885	59 233	59 524	59 524	-3.5%	100.0%	7 915	8 102	9 199	-46.3%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 16.9 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 (%)
	2014/15	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand												
Ministry	28 851	29 952	29 041	31 840		3.3%	6.7%	31 217	34 483	37 081	5.2%	5.9%
Management	20 885	19 846	22 121	19 566		-2.2%	4.6%	25 666	28 225	29 856	15.1%	4.5%
Corporate Services	178 331	199 693	199 225	235 501		9.7%	45.6%	244 998	261 753	276 572	5.5%	44.6%
Office Accommodation	110 449	147 624	142 962	165 179		14.4%	31.8%	174 912	185 995	196 225	5.9%	31.6%
Financial Management	47 960	41 386	49 528	62 752		9.4%	11.3%	73 999	82 037	87 357	11.7%	13.4%
Total	386 476	438 501	442 877	514 838		10.0%	100.0%	550 792	592 493	627 091	6.8%	100.0%
Change to 2017				2 000				3 322	10 017	7 932		
Budget estimate												
Economic classification												
Current payments	381 821	426 936	432 768	507 550		10.0%	98.1%	537 331	581 720	615 307	6.6%	98.1%
Compensation of employees	167 468	177 729	187 591	197 170		5.6%	40.9%	209 195	231 617	244 681	7.5%	38.6%
Goods and services ¹	214 353	249 207	245 177	310 380		13.1%	57.2%	328 136	350 103	370 626	6.1%	59.5%
of which:												
Audit costs: External	27 921	20 110	21 818	35 255		8.1%	5.9%	29 956	32 127	33 177	-2.0%	5.7%
Communication	8 895	9 815	9 442	16 432		22.7%	2.5%	17 024	18 577	16 967	1.1%	3.0%
Operating leases	90 241	128 104	131 085	147 579		17.8%	27.9%	155 654	174 899	184 518	7.7%	29.0%
Property payments	22 311	23 330	16 634	20 000		-3.6%	4.6%	20 827	18 217	19 219	-1.3%	3.4%
Travel and subsistence	15 664	15 565	14 284	20 257		8.9%	3.7%	21 634	24 467	27 662	10.9%	4.1%
Training and development	4 591	3 851	4 584	8 445		22.5%	1.2%	15 936	18 909	20 399	34.2%	2.8%
Transfers and subsidies¹	2 150	3 413	3 136	2 677		7.6%	0.6%	2 455	2 612	2 756	1.0%	0.5%
Departmental agencies and accounts	1 366	2 439	2 808	2 252		18.1%	0.5%	2 455	2 612	2 756	7.0%	0.4%
Households	784	974	328	425		-18.5%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	2 322	7 942	6 826	4 597		25.6%	1.2%	11 006	8 161	9 028	25.2%	1.4%
Machinery and equipment	2 322	7 942	4 647	4 597		25.6%	1.1%	11 006	8 161	9 028	25.2%	1.4%
Software and other intangible assets	-	-	2 179	-		-	0.1%	-	-	-	-	-
Payments for financial assets	183	210	147	14		-57.5%	-	-	-	-	-100.0%	-
Total	386 476	438 501	442 877	514 838		10.0%	100.0%	550 792	592 493	627 091	6.8%	100.0%
Proportion of total programme expenditure to vote expenditure	1.2%	1.2%	1.2%	1.2%		-	-	1.2%	1.2%	1.1%	-	-
Details of transfers and subsidies												
Households												
Social benefits												
Current	784	974	328	425		-18.5%	0.1%	-	-	-	-100.0%	-
Employee social benefits	784	974	328	425		-18.5%	0.1%	-	-	-	-100.0%	-
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	1 366	2 439	2 808	2 252		18.1%	0.5%	2 455	2 612	2 756	7.0%	0.4%
Health and Welfare Sector	1 276	2 439	2 808	2 252		20.8%	0.5%	2 455	2 612	2 756	7.0%	0.4%
Education and Training Authority												
Public Service Sector Education and Training Authority	90	-	-	-		-100.0%	-	-	-	-	-	-

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.

Personnel information

Table 16.10 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		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 (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost	
Administration		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	437	–	443	187.6	0.4	439	197.2	0.4	435	209.2	0.5	433	231.6	0.5	431	244.7	0.6	-0.6%	100.0%
1 – 6	230	–	233	51.0	0.2	229	53.0	0.2	226	56.1	0.2	225	63.1	0.3	224	67.0	0.3	-0.7%	52.0%
7 – 10	126	–	129	60.8	0.5	129	64.0	0.5	128	68.3	0.5	128	77.0	0.6	127	81.5	0.6	-0.5%	29.5%
11 – 12	46	–	47	37.6	0.8	47	40.2	0.9	47	42.2	0.9	46	44.8	1.0	46	48.4	1.1	-0.7%	10.7%
13 – 16	35	–	34	38.2	1.1	34	39.9	1.2	34	42.5	1.3	34	46.8	1.4	34	47.8	1.4	–	7.8%

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

2. Rand million.

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 the coordination of research.

Objectives

- Achieve universal health coverage by 2030 through the phased implementation of national health insurance over the medium term.
- Lay the legal foundation for national health insurance by enabling the enactment of the National Health Insurance Bill by March 2021.
- Improve equity in the distribution of funding by establishing a functional national health insurance fund by March 2020.
- Strengthen revenue collection by implementing a revenue retention model in all provinces by March 2019.
- Improve access to chronic medicines and alleviate pressure on primary health care facilities by ensuring that 3 million patients receive chronic medicine through a centralised chronic medicine dispensing and distribution system by March 2021.
- Strengthen the monitoring of the availability of medicine by establishing a national stock management surveillance centre that reports on stock availability at all primary health care facilities by March 2021.
- 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 March 2021.

Subprogrammes

- *Programme Management* provides leadership to the programme to improve access to quality health care services by developing and implementing universal health coverage policies; health financing reform; integrated health systems planning, reporting, and 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 support for international development; and profiles and lobbies for South Africa's policy position internationally.

Expenditure trends and estimates

Table 16.11 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 (%)		Medium-term expenditure estimate			Average Expenditure/ Total (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21
R thousand											
Programme Management	331	597	3 628	3 952	128.6%	0.3%	4 649	4 711	4 986	8.1%	0.2%
Technical Policy and Planning	9 979	14 028	18 123	97 761	114.0%	5.6%	21 377	22 411	24 103	-37.3%	2.1%
Health Information Management, Monitoring and Evaluation	51 800	57 421	81 632	67 133	9.0%	10.3%	62 048	65 066	68 640	0.7%	3.3%
Sector-Wide Procurement	24 347	26 282	26 567	139 445	78.9%	8.6%	46 279	46 839	49 239	-29.3%	3.5%
Health Financing and National Health Insurance	177 446	367 663	476 785	546 709	45.5%	62.6%	1 451 193	2 151 160	2 839 828	73.2%	86.6%
International Health and Development	74 296	87 062	72 435	79 687	2.4%	12.5%	86 007	90 124	94 869	6.0%	4.3%
Total	338 199	553 053	679 170	934 687	40.3%	100.0%	1 671 553	2 380 311	3 081 665	48.8%	100.0%
Change to 2017 Budget estimate				199 600			678 731	1 332 960	1 974 008		
Economic classification											
Current payments	233 458	467 496	558 188	822 445	52.2%	83.1%	1 462 027	2 243 112	2 941 091	52.9%	92.6%
Compensation of employees	91 491	98 433	109 525	114 740	7.8%	16.5%	116 693	124 255	131 216	4.6%	6.0%
Goods and services ¹	141 967	369 063	448 663	707 705	70.8%	66.6%	1 345 334	2 118 857	2 809 875	58.3%	86.5%
of which:											
Minor assets	111	220	176	503	65.5%	–	9 724	12 252	14 794	208.7%	0.5%
Consultants: Business and advisory services	9 698	12 564	33 783	14 129	13.4%	2.8%	291 355	1 098 918	1 708 998	394.5%	38.6%
Contractors	75 735	278 074	357 963	524 251	90.6%	49.3%	658 500	711 712	767 175	13.5%	33.0%
Agency and support/outsourced services	239	6 536	–	84 680	607.6%	3.7%	287 646	187 023	199 244	33.0%	9.4%
Travel and subsistence	24 925	28 260	21 869	20 625	-6.1%	3.8%	23 675	29 852	32 860	16.8%	1.3%
Operating payments	24 054	31 634	25 926	33 828	12.0%	4.6%	43 500	44 408	47 269	11.8%	2.1%
Transfers and subsidies¹	103 745	84 667	119 878	28 716	-34.8%	13.5%	30 048	31 731	33 476	5.2%	1.5%
Provinces and municipalities	76 956	61 077	94 227	–	-100.0%	9.3%	–	–	–	–	–
Non-profit institutions	26 537	23 470	25 364	28 401	2.3%	4.1%	30 048	31 731	33 476	5.6%	1.5%
Households	252	120	287	315	7.7%	–	–	–	–	-100.0%	–
Payments for capital assets	940	828	1 080	83 526	346.2%	3.4%	179 478	105 468	107 098	8.6%	5.9%
Machinery and equipment	765	828	1 080	78 526	368.2%	3.2%	179 478	105 468	107 098	10.9%	5.8%
Software and other intangible assets	175	–	–	5 000	205.7%	0.2%	–	–	–	-100.0%	0.1%
Payments for financial assets	56	62	24	–	-100.0%	–	–	–	–	–	–
Total	338 199	553 053	679 170	934 687	40.3%	100.0%	1 671 553	2 380 311	3 081 665	48.8%	100.0%
Proportion of total programme expenditure to vote expenditure	1.0%	1.5%	1.8%	2.2%	–	–	3.5%	4.6%	5.5%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	252	68	287	315	7.7%	–	–	–	–	-100.0%	–
Employee social benefits	252	68	287	315	7.7%	–	–	–	–	-100.0%	–

Table 16.11 National Health Insurance, Health Planning and Systems Enablement expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand		2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Non-profit institutions												
Current		26 537	23 470	25 364	28 401	2.3%	4.1%	30 048	31 731	33 476	5.6%	1.5%
Wits University Foundation		–	–	650	–	–	–	–	–	–	–	–
Non-profit institutions		13 670	–	–	–	-100.0%	0.5%	–	–	–	–	–
Health information systems programme		–	12 103	12 745	13 382	–	1.5%	14 158	14 951	15 773	5.6%	0.7%
Health Systems Trust		12 867	11 367	11 969	15 019	5.3%	2.0%	15 890	16 780	17 703	5.6%	0.8%
Households												
Other transfers to households												
Current		–	52	–	–	–	–	–	–	–	–	–
Other transfers to households		–	52	–	–	–	–	–	–	–	–	–
Provinces and municipalities												
Provinces												
Provincial revenue funds												
Current		76 956	61 077	94 227	–	-100.0%	9.3%	–	–	–	–	–
National health insurance grant		76 956	61 077	94 227	–	-100.0%	9.3%	–	–	–	–	–

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.

Personnel information

Table 16.12 National Health Insurance, Health Planning and Systems Enablement personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		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 (%)				
		2016/17		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21							
National Health Insurance, Health Planning and Systems Enablement		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	159	–	153	109.5	0.7	153	114.7	0.7	152	116.7	0.8	150	124.3	0.8	148	131.2	0.9	-1.1%	100.0%
1–6	35	–	35	10.3	0.3	35	10.8	0.3	35	11.2	0.3	34	11.8	0.3	33	12.3	0.4	-1.9%	22.7%
7–10	67	–	67	38.1	0.6	67	39.8	0.6	66	40.9	0.6	66	44.5	0.7	65	47.1	0.7	-1.0%	43.8%
11–12	32	–	31	30.9	1.0	31	32.8	1.1	31	33.1	1.1	30	34.4	1.1	30	36.6	1.2	-1.1%	20.2%
13–16	25	–	20	30.2	1.5	20	31.4	1.6	20	31.5	1.6	20	33.5	1.7	20	35.3	1.8	–	13.3%

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

2. Rand million.

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 rate to fewer than 100 per 100 000 live births by March 2020 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 9 per 1 000 live births by March 2020 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 access modern contraceptive methods by March 2020.

- Protect girls by reducing the risk of contracting cervical cancer later in life by vaccinating 90 per cent of girls in grade 4 against the human papilloma virus by March 2021.
- Reduce the rate of mother-to-child HIV transmission to below 1.1 per cent by March 2021 through the effective implementation of the guidelines on the prevention of mother-to-child transmission.
- Reduce the mortality rate for children under 5 years to less than 33 per 1 000 live births by March 2020 through implementing the recommendations from the Committee on Morbidity and Mortality in Children Under 5 Years.
- Contribute to the health and wellbeing of learners by screening more than 480 000 grade 1 learners and 230 000 grade 8 learners for health-related barriers to learning per year by March 2020.
- Achieve a TB treatment success rate of 88 per cent and a 5 per cent or less TB loss-to-follow-up rate by March 2020 through the increased identification of TB patients and ensuring patients complete their treatment.
- Increase the life expectancy of people living with HIV by increasing the number of people accessing antiretroviral treatment to 5.9 million by March 2020.
- 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, and 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 2017-2022 national strategic plan on HIV, sexually transmitted infections and TB. Other important functions of this subprogramme are the management and oversight of the *comprehensive HIV, AIDS and TB grant* implemented 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 TB and HIV and AIDS, as outlined in the 2017-2022 national strategic plan on HIV, sexually transmitted infections and TB.
- *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.
- *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 provincial level. This subprogramme is also responsible for coordinating 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 16.13 HIV and AIDS, Tuberculosis, and Maternal and Child Health 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Programme Management	4 225	5 388	4 446	6 458	15.2%	–	5 409	5 480	5 848	-3.3%	–
HIV and AIDS	12 572 819	13 962 474	15 712 480	18 024 381	12.8%	98.4%	20 441 530	22 582 308	25 008 240	11.5%	98.7%
Tuberculosis	21 783	20 094	24 326	26 298	6.5%	0.2%	27 240	27 708	30 619	5.2%	0.1%
Women's Maternal and Reproductive Health	12 422	13 717	11 569	18 190	13.6%	0.1%	19 907	20 259	22 329	7.1%	0.1%
Child, Youth and School Health	207 447	177 328	212 361	222 451	2.4%	1.3%	224 971	237 558	250 625	4.1%	1.1%
Total	12 818 696	14 179 001	15 965 182	18 297 778	12.6%	100.0%	20 719 057	22 873 313	25 317 661	11.4%	100.0%
Change to 2017 Budget estimate				19 434			(26 538)	(36 118)	(40 989)		
Economic classification											
Current payments	515 858	358 495	508 243	523 685	0.5%	3.1%	417 155	433 035	455 837	-4.5%	2.1%
Compensation of employees	65 285	71 345	75 573	79 420	6.8%	0.5%	84 413	89 621	94 580	6.0%	0.4%
Goods and services ¹	450 573	287 150	432 670	444 265	-0.5%	2.6%	332 742	343 414	361 257	-6.7%	1.7%
<i>of which:</i>											
<i>Consultants: Business and advisory services</i>	10 901	19 647	69 169	88 936	101.3%	0.3%	94 723	97 428	102 771	4.9%	0.4%
<i>Fleet services (including government motor transport)</i>	11 418	34 036	22 787	11 577	0.5%	0.1%	11 137	11 861	12 508	2.6%	0.1%
<i>Inventory: Medical supplies</i>	209 221	76 540	131 352	118 909	-17.2%	0.9%	145 801	150 994	155 871	9.4%	0.7%
<i>Consumables: Stationery, printing and office supplies</i>	2 447	2 744	5 467	9 300	56.1%	–	15 117	16 163	17 341	23.1%	0.1%
<i>Travel and subsistence</i>	11 892	15 120	18 395	15 279	8.7%	0.1%	16 671	16 680	17 639	4.9%	0.1%
<i>Operating payments</i>	9 657	9 098	30 787	(8 791)	-196.9%	0.1%	17 975	18 065	19 502	-230.4%	0.1%
Transfers and subsidies¹	12 301 747	13 819 482	15 456 399	17 757 821	13.0%	96.9%	20 301 535	22 440 034	24 861 567	11.9%	97.9%
Provinces and municipalities	12 102 108	13 670 730	15 290 603	17 577 737	13.2%	95.7%	20 121 697	22 250 195	24 661 287	11.9%	97.0%
Departmental agencies and accounts	15 000	19 340	16 711	17 547	5.4%	0.1%	17 108	18 066	19 059	2.8%	0.1%
Foreign governments and international organisations	–	–	14 370	–	–	–	–	–	–	–	–
Non-profit institutions	184 346	128 702	134 665	162 376	-4.1%	1.0%	162 730	171 773	181 221	3.7%	0.8%
Households	293	710	50	161	-18.1%	–	–	–	–	-100.0%	–
Payments for capital assets	531	799	498	16 267	212.9%	–	367	244	257	-74.9%	–
Machinery and equipment	531	799	498	16 267	212.9%	–	367	244	257	-74.9%	–
Payments for financial assets	560	225	42	5	-79.3%	–	–	–	–	-100.0%	–
Total	12 818 696	14 179 001	15 965 182	18 297 778	12.6%	100.0%	20 719 057	22 873 313	25 317 661	11.4%	100.0%
Proportion of total programme expenditure to vote expenditure	38.2%	39.4%	41.5%	42.9%	–	–	43.9%	44.5%	45.0%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	293	710	50	161	-18.1%	–	–	–	–	-100.0%	–
Employee social benefits	293	710	50	161	-18.1%	–	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	15 000	19 340	16 711	17 547	5.4%	0.1%	17 108	18 066	19 059	2.8%	0.1%
South African National AIDS Council	15 000	19 340	16 711	17 547	5.4%	0.1%	17 108	18 066	19 059	2.8%	0.1%
Non-profit institutions											
Current	184 346	128 702	134 665	162 376	-4.1%	1.0%	162 730	171 773	181 221	3.7%	0.8%
Non-governmental organisations: Lifeline	19 023	19 898	20 953	22 000	5.0%	0.1%	23 276	24 579	25 931	5.6%	0.1%
Non-governmental organisations: loveLife	69 843	54 396	57 808	61 200	-4.3%	0.4%	64 750	68 376	72 137	5.6%	0.3%
Non-governmental organisations: Soul City	15 561	16 277	14 465	19 226	7.3%	0.1%	20 270	21 336	22 509	5.4%	0.1%
Non-governmental organisations: HIV and AIDS	79 919	38 131	41 439	51 450	-13.7%	0.3%	54 434	57 482	60 644	5.6%	0.3%
Public Universities South Africa	–	–	–	8 500	–	–	–	–	–	-100.0%	–
Foreign governments and international organisations											
Current	–	–	14 370	–	–	–	–	–	–	–	–
International AIDS Society	–	–	14 370	–	–	–	–	–	–	–	–
Provinces and municipalities											
Provincial revenue funds											
Current	12 102 108	13 670 730	15 290 603	17 577 737	13.2%	95.7%	20 121 697	22 250 195	24 661 287	11.9%	97.0%
Comprehensive HIV and AIDS grant	12 102 108	13 670 730	–	–	-100.0%	42.1%	–	–	–	–	–
Human papillomavirus vaccine grant	–	–	–	–	–	–	200 000	211 200	222 816	–	0.7%
Comprehensive HIV, AIDS and tuberculosis grant	–	–	15 290 603	17 577 737	–	53.7%	19 921 697	22 038 995	24 438 471	11.6%	96.3%

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.

Personnel information

Table 16.14 HIV and AIDS, Tuberculosis, and Maternal and Child Health personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		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 (%)				
		2016/17		Unit	2017/18		Unit	2018/19		Unit	2019/20		Unit			2020/21		Unit	
HIV and AIDS, Tuberculosis, and Maternal and Child Health		Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	2017/18 - 2020/21		
Salary level	120	–	124	75.6	0.6	124	79.4	0.6	121	84.4	0.7	121	89.6	0.7	118	94.6	0.8	-1.6%	100.0%
1 – 6	19	–	19	5.3	0.3	19	5.5	0.3	19	6.1	0.3	19	6.5	0.3	19	7.1	0.4	–	15.7%
7 – 10	63	–	64	34.0	0.5	64	35.6	0.6	62	38.2	0.6	62	40.8	0.7	60	43.3	0.7	-2.1%	51.2%
11 – 12	23	–	25	21.0	0.8	25	22.4	0.9	24	23.1	1.0	24	24.4	1.0	24	26.4	1.1	-1.4%	20.0%
13 – 16	15	–	16	15.3	1.0	16	16.0	1.0	16	17.0	1.1	16	17.9	1.1	15	17.9	1.2	-2.1%	13.0%

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

2. Rand million.

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 disease control, 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 March 2021.
- Improve access to community-based primary health care services by establishing 3 700 ward-based primary health care outreach teams by March 2021.
- Improve the quality of care at clinics by ensuring that at least 3 000 primary health care facilities in total qualify as ideal clinics by March 2021.
- 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 March 2021.
- Reduce risk factors and improve the management of non-communicable diseases by creating awareness of risk factors contributing to non-communicable diseases through at least 3 media campaigns each year over the medium term.
- Improve intersectoral 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 March 2019.
- Strengthen health promotion, surveillance, vector control and the case management of malaria in order to eliminate malaria by March 2021.
- Improve South Africa's influenza prevention and control by providing influenza vaccinations to 650 000 high-risk individuals in each year over the medium term.
- Expand the provision of rehabilitation services by increasing the number of districts resourced to at least 10 multidisciplinary rehabilitation teams by March 2020.
- Improve the 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, and appropriate toilets and signage by March 2020.
- Ensure the compliance of port health services to international health regulations by March 2021 by regularly auditing ports of entry and addressing findings from 25 ports of entry annually 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. This subprogramme 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 (HIV and AIDS and TB, maternal and child mortality, non-communicable diseases, and violence and injury), this subprogramme 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 at all of South Africa's 44 ports of entry.

Expenditure trends and estimates

Table 16.15 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 (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand					2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Programme Management	2 834	3 245	3 336	3 136	3.4%	1.4%	3 976	4 157	4 465	12.5%	1.2%
District Health Services	25 790	9 784	19 550	46 266	21.5%	11.2%	10 606	11 242	11 689	-36.8%	5.9%
Communicable Diseases	23 366	21 133	17 589	21 723	-2.4%	9.2%	22 727	24 048	25 390	5.3%	6.9%
Non-Communicable Diseases	25 282	20 562	19 425	22 491	-3.8%	9.7%	74 183	125 682	177 134	99.0%	29.3%
Health Promotion and Nutrition	18 353	22 107	19 135	26 256	12.7%	9.4%	24 682	25 770	27 651	1.7%	7.7%
Environmental and Port Health Services	110 697	135 740	146 696	144 027	9.2%	59.1%	165 562	175 719	185 110	8.7%	49.2%
Total	206 322	212 571	225 731	263 899	8.6%	100.0%	301 736	366 618	431 439	17.8%	100.0%
Change to 2017 Budget estimate				(400)			8 647	51 547	94 675		
Economic classification											
Current payments	195 103	207 024	221 809	255 618	9.4%	96.8%	298 386	363 084	427 667	18.7%	98.6%
Compensation of employees	151 285	167 726	177 860	185 583	7.0%	75.1%	209 054	220 937	233 187	7.9%	62.2%
Goods and services ¹	43 818	39 298	43 949	70 035	16.9%	21.7%	89 332	142 147	194 480	40.6%	36.4%
of which:											
Contractors	312	301	293	179	-16.9%	0.1%	25 200	50 312	75 240	649.1%	11.1%
Agency and support/outsourced services	-	-	-	1 000	-	0.1%	25 758	50 366	75 408	322.5%	11.2%
Fleet services (including government motor transport)	1 283	10 623	13 566	8 343	86.7%	3.7%	7 571	7 301	7 707	-2.6%	2.3%
Travel and subsistence	7 325	9 879	12 116	13 082	21.3%	4.7%	8 892	10 038	9 162	-11.2%	3.0%
Operating payments	10 182	2 115	2 977	4 900	-21.6%	2.2%	4 679	5 201	4 432	-3.3%	1.4%
Venues and facilities	1 307	3 238	5 129	1 973	14.7%	1.3%	2 524	3 149	2 561	9.1%	0.7%

Table 16.15 Primary Health Care Services 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand	7 169	3 417	2 894	3 015	-25.1%	1.8%	3 131	3 307	3 490	5.0%	0.9%
Transfers and subsidies¹											
Foreign governments and international organisations	2 622	–	–	–	-100.0%	0.3%	–	–	–	–	–
Non-profit institutions	4 400	2 901	1 641	2 960	-12.4%	1.3%	3 131	3 307	3 490	5.6%	0.9%
Households	147	516	1 253	55	-27.9%	0.2%	–	–	–	-100.0%	–
Payments for capital assets	4 015	2 098	1 000	5 255	9.4%	1.4%	219	227	282	-62.3%	0.4%
Machinery and equipment	4 015	2 098	1 000	5 255	9.4%	1.4%	219	227	282	-62.3%	0.4%
Payments for financial assets	35	32	28	11	-32.0%	–	–	–	–	-100.0%	–
Total	206 322	212 571	225 731	263 899	8.6%	100.0%	301 736	366 618	431 439	17.8%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	0.6%	0.6%	0.6%	–	–	0.6%	0.7%	0.8%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	47	516	1 253	55	5.4%	0.2%	–	–	–	-100.0%	–
Employee social benefits	47	516	1 253	55	5.4%	0.2%	–	–	–	-100.0%	–
Non-profit institutions											
Current	4 400	2 901	1 641	2 960	-12.4%	1.3%	3 131	3 307	3 490	5.6%	0.9%
South African Medical Research Council	512	471	496	520	0.5%	0.2%	550	581	613	5.6%	0.2%
South African Federation for Mental Health	320	335	353	371	5.1%	0.2%	393	415	438	5.7%	0.1%
South African National Council for the Blind	718	752	792	832	5.0%	0.3%	880	929	980	5.6%	0.3%
Non-governmental organisations: Mental health	82	–	–	–	-100.0%	–	–	–	–	–	–
National Council Against Smoking	768	803	–	887	4.9%	0.3%	938	991	1 046	5.6%	0.3%
National Kidney Foundation of South Africa	–	350	–	350	–	0.1%	370	391	413	5.7%	0.1%
Health Systems Global: South Africa	2 000	–	–	–	-100.0%	0.2%	–	–	–	–	–
Mental Health and Substance Abuse	–	190	–	–	–	–	–	–	–	–	–
Households											
Other transfers to households											
Current	100	–	–	–	-100.0%	–	–	–	–	–	–
Donation for conference on paediatric cardiology and cardiac surgery	100	–	–	–	-100.0%	–	–	–	–	–	–
Foreign governments and international organisations											
Current	2 622	–	–	–	-100.0%	0.3%	–	–	–	–	–
World Health Organisation	2 622	–	–	–	-100.0%	0.3%	–	–	–	–	–

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.

Personnel information

Table 16.16 Primary Health Care Services personnel numbers and cost by salary level¹

Primary Health Care Services	Number of posts estimated for 31 March 2018		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 (%)					
			2016/17		2017/18			2018/19		2019/20		2020/21			2017/18 - 2020/21				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number				Cost	Unit cost		
Salary level	410	–	414	177.9	0.4	414	185.6	0.4	413	209.1	0.5	410	220.9	0.5	409	233.2	0.6	-0.4%	100.0%
1 – 6	93	–	94	19.2	0.2	94	20.1	0.2	94	22.9	0.2	94	24.5	0.3	94	26.0	0.3	–	22.8%
7 – 10	274	–	277	121.4	0.4	277	126.6	0.5	276	143.3	0.5	274	152.1	0.6	273	160.7	0.6	-0.5%	66.8%
11 – 12	27	–	27	21.1	0.8	27	22.3	0.8	27	24.7	0.9	26	25.2	1.0	26	26.6	1.0	-1.3%	6.4%
13 – 16	16	–	16	16.2	1.0	16	16.7	1.0	16	18.2	1.1	16	19.1	1.2	16	19.9	1.2	–	3.9%

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

2. Rand million.

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 the education of health professionals. 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 of the health sector to deliver health infrastructure on an ongoing basis.
- Increase the management capacity of central hospitals through training, coaching, mentoring and benchmarking 10 central hospitals against the standardised organisational structure by March 2020.
- Ensure appropriate and affordable staffing levels and staffing mixes at all health facilities by benchmarking all primary health care facilities and district hospitals against normative guidelines by March 2020.
- Improve the quality of nursing education and practice by ensuring that all 17 nursing colleges are accredited to offer the new nursing qualification by March 2020.
- Ensure access to the efficient and effective delivery of quality emergency medical services by monitoring compliance with regulations pertaining to emergency medical services by March 2020.
- Improve the functioning of the criminal justice system by eliminating backlogs for blood alcohol level testing in forensic chemistry laboratories by March 2019, and reducing turnaround times on an ongoing basis.
- Improve the management of health facilities at all levels of care by ensuring that hospital chief executives and primary health care facility managers benefit from a coaching and mentoring programme implemented through the knowledge management hub over the medium term.

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 manages 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 foodstuff analyses.

- *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 16.17 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Programme Management	4 191	3 738	2 614	3 692	-4.1%	–	3 271	3 418	3 623	-0.6%	–
Health Facilities Infrastructure Management	5 807 614	6 092 904	5 973 459	6 423 670	3.4%	31.2%	6 740 585	7 022 896	7 411 977	4.9%	30.3%
Tertiary Health Care Planning and Policy	10 172 223	10 384 336	10 850 183	11 680 763	4.7%	55.4%	12 405 087	13 190 103	14 073 690	6.4%	56.3%
Hospital Management	4 583	4 771	8 108	4 955	2.6%	–	6 498	6 825	7 222	13.4%	–
Human Resources for Health	2 340 618	2 394 258	2 515 297	2 653 788	4.3%	12.7%	2 805 363	2 963 774	3 126 790	5.6%	12.7%
Nursing Services	2 563	4 229	7 289	6 562	36.8%	–	9 077	9 438	10 004	15.1%	–
Forensic Chemistry Laboratories	110 056	112 764	104 446	127 405	5.0%	0.6%	145 804	158 835	188 406	13.9%	0.7%
Violence, Trauma and EMS	6 730	5 315	7 320	6 949	1.1%	–	8 497	8 897	9 386	10.5%	–
Total	18 448 578	19 002 315	19 468 716	20 907 784	4.3%	100.0%	22 124 182	23 364 186	24 831 098	5.9%	100.0%
Change to 2017 Budget estimate				(200 400)			(176 948)	(276 570)	(271 052)		
Economic classification											
Current payments	239 485	284 070	279 872	254 651	2.1%	1.4%	279 342	295 455	257 300	0.3%	1.2%
Compensation of employees	104 678	110 874	138 008	128 470	7.1%	0.6%	145 181	157 689	183 272	12.6%	0.7%
Goods and services ¹	134 807	173 196	141 864	126 181	-2.2%	0.7%	134 161	137 766	74 028	-16.3%	0.5%
of which:											
Minor assets	5 840	1 093	3 993	1 879	-31.5%	–	4 917	5 964	7 023	55.2%	–
Consultants: Business and advisory services	916	1 652	1 140	9 068	114.7%	–	18 324	19 326	1 390	-46.5%	0.1%
Contractors	4 976	5 318	4 852	13 069	38.0%	–	21 490	23 317	9 983	-8.6%	0.1%
Agency and support/outsourced services	88 115	131 620	101 976	56 219	-13.9%	0.5%	35 113	32 902	2 976	-62.5%	0.1%
Inventory: Other supplies	10 247	11 612	9 068	13 200	8.8%	0.1%	12 442	11 641	12 281	-2.4%	0.1%
Travel and subsistence	9 502	9 835	11 416	11 111	5.4%	0.1%	13 920	15 011	11 938	2.4%	0.1%
Transfers and subsidies¹	17 992 739	18 173 324	18 598 040	19 993 255	3.6%	96.1%	21 000 893	22 172 929	23 550 572	5.6%	95.1%
Provinces and municipalities	17 992 004	18 172 941	18 596 182	19 992 489	3.6%	96.1%	21 000 893	22 172 929	23 550 572	5.6%	95.1%
Foreign governments and international organisations	–	–	1 661	–	–	–	–	–	–	–	–
Households	735	383	197	766	1.4%	–	–	–	–	-100.0%	–
Payments for capital assets	216 301	544 782	590 431	659 872	45.0%	2.6%	843 947	895 802	1 023 226	15.7%	3.8%
Buildings and other fixed structures	168 329	470 641	574 044	643 984	56.4%	2.4%	748 073	792 125	876 501	10.8%	3.4%
Machinery and equipment	47 972	74 141	16 387	15 888	-30.8%	0.2%	95 874	103 677	146 725	109.8%	0.4%
Payments for financial assets	53	139	373	6	-51.6%	–	–	–	–	-100.0%	–
Total	18 448 578	19 002 315	19 468 716	20 907 784	4.3%	100.0%	22 124 182	23 364 186	24 831 098	5.9%	100.0%
Proportion of total programme expenditure to vote expenditure	55.0%	52.8%	50.6%	49.0%	–	–	46.9%	45.4%	44.1%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	735	383	197	766	1.4%	–	–	–	–	-100.0%	–
Employee social benefits	735	383	197	766	1.4%	–	–	–	–	-100.0%	–
Foreign governments and international organisations											
Current	–	–	1 661	–	–	–	–	–	–	–	–
International Hospital Federation	–	–	1 661	–	–	–	–	–	–	–	–
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	12 490 023	12 755 896	13 323 502	14 307 994	4.6%	67.9%	15 185 199	16 125 956	17 171 015	6.3%	68.8%
Health professions training and development grant	2 321 788	2 374 722	2 476 724	2 631 849	4.3%	12.6%	2 784 496	2 940 428	3 102 152	5.6%	12.6%
National tertiary services grant	10 168 235	10 381 174	10 846 778	11 676 145	4.7%	55.3%	12 400 703	13 185 528	14 068 863	6.4%	56.3%
Capital	5 501 981	5 417 045	5 272 680	5 684 495	1.1%	28.1%	5 815 694	6 046 973	6 379 557	3.9%	26.2%
Health facility revitalisation grant	5 501 981	5 417 045	5 272 680	5 684 495	1.1%	28.1%	5 815 694	6 046 973	6 379 557	3.9%	26.2%

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.

Personnel information

Table 16.18 Hospitals, Tertiary Health Services and Human Resource Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		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 (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		2019/20		2020/21				2017/18 - 2020/21			
Hospitals, Tertiary Health Services and Human Resource Development		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	266	–	274	138.0	0.5	273	128.5	0.5	272	145.2	0.5	270	157.7	0.6	270	183.3	0.7	-0.4%	100.0%
1 – 6	71	–	74	18.5	0.3	74	20.6	0.3	73	23.2	0.3	72	25.1	0.3	72	29.2	0.4	-0.9%	26.8%
7 – 10	153	–	156	78.0	0.5	155	86.1	0.6	155	98.0	0.6	155	107.6	0.7	155	125.4	0.8	–	57.1%
11 – 12	24	–	–	21.7	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13 – 16	18	–	44	19.8	0.5	44	21.8	0.5	44	24.0	0.5	43	25.0	0.6	43	28.7	0.7	-0.8%	16.0%

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

2. Rand million.

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 improved quality of health care.

Objectives

- Strengthen food safety over the medium term by expanding laboratory testing capabilities for adulterants, such as colourants, protein and allergens; and creating partnerships with food laboratories.
- Ensure that all 5 public health entities and 6 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 March 2020, pending approval from Cabinet.

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* performs regulatory functions related to all medical, industrial, research and agricultural facilities, and performs activities related to radionuclides in South Africa outside the nuclear fuel cycle. The radiation control inspectorate issues end-user licences for all generators ionising 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. This subprogramme is also responsible for providing benefit medical examinations for ex-workers of controlled mines and works.

Expenditure trends and estimates

Table 16.19 Health Regulation and Compliance Management 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 (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Programme Management	3 758	3 502	4 114	4 532	6.4%	0.2%	6 021	6 330	6 695	13.9%	0.3%
Food Control	6 871	8 347	8 570	11 528	18.8%	0.6%	10 571	10 991	11 957	1.2%	0.6%
Radiation Control and Health Technology	120 504	138 303	163 843	152 404	8.1%	9.0%	14 218	17 352	18 645	-50.4%	2.8%
Public Entities Management	1 162 942	1 399 104	1 477 814	1 496 434	8.8%	86.8%	1 679 072	1 773 086	1 870 606	7.7%	92.7%
Compensation Commissioner for Occupational Diseases and Occupational Health	46 626	50 164	60 169	61 673	9.8%	3.4%	65 664	68 694	72 472	5.5%	3.6%
Total	1 340 701	1 599 420	1 714 510	1 726 571	8.8%	100.0%	1 775 546	1 876 453	1 980 375	4.7%	100.0%
Change to 2017				(400)			(11 320)	(13 409)	(14 718)		
Budget estimate											
Economic classification											
Current payments	174 365	189 970	233 859	226 667	9.1%	12.9%	94 144	102 960	109 339	-21.6%	7.2%
Compensation of employees	106 122	123 990	148 712	167 975	16.5%	8.6%	64 278	70 227	74 486	-23.7%	5.1%
Goods and services ¹	68 243	65 980	85 147	58 692	-4.9%	4.4%	29 866	32 733	34 853	-15.9%	2.1%
<i>of which:</i>											
<i>Audit costs: External</i>	–	22	2 640	3 299	–	0.1%	2 503	2 854	3 011	-3.0%	0.2%
<i>Computer services</i>	1 822	4 119	2 120	4 650	36.7%	0.2%	835	3 652	3 723	-7.1%	0.2%
<i>Consumables: Stationery, printing and office supplies</i>	1 944	1 977	1 780	1 990	0.8%	0.1%	3 981	3 427	3 875	24.9%	0.2%
<i>Operating leases</i>	1 307	1 163	1 236	1 747	10.2%	0.1%	2 885	2 776	2 795	17.0%	0.1%
<i>Property payments</i>	257	322	437	1 201	67.2%	–	4 148	3 335	3 519	43.1%	0.2%
<i>Travel and subsistence</i>	13 437	14 089	14 588	8 113	-15.5%	0.8%	3 515	3 327	4 619	-17.1%	0.3%
Transfers and subsidies¹	1 163 002	1 397 850	1 479 643	1 496 600	8.8%	86.8%	1 678 961	1 772 981	1 870 495	7.7%	92.7%
Departmental agencies and accounts	1 161 716	1 397 643	1 477 829	1 496 350	8.8%	86.7%	1 678 961	1 772 981	1 870 495	7.7%	92.7%
Households	1 286	207	1 814	250	-42.1%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	3 288	11 368	963	3 261	-0.3%	0.3%	2 441	512	541	-45.1%	0.1%
Buildings and other fixed structures	536	–	–	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	2 752	7 160	963	3 261	5.8%	0.2%	2 441	512	541	-45.1%	0.1%
Software and other intangible assets	–	4 208	–	–	–	0.1%	–	–	–	–	–
Payments for financial assets	46	232	45	43	-2.2%	–	–	–	–	-100.0%	–
Total	1 340 701	1 599 420	1 714 510	1 726 571	8.8%	100.0%	1 775 546	1 876 453	1 980 375	4.7%	100.0%
Proportion of total programme expenditure to vote expenditure	4.0%	4.4%	4.5%	4.0%	–	–	3.8%	3.6%	3.5%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	1 286	207	1 554	250	-42.1%	0.1%	–	–	–	-100.0%	–
Employee social benefits	1 286	207	1 554	250	-42.1%	0.1%	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 158 501	1 394 280	1 474 288	1 492 632	8.8%	86.5%	1 675 125	1 768 931	1 866 223	7.7%	92.4%
South African Medical Research Council	446 331	623 892	660 270	614 961	11.3%	36.8%	624 829	659 819	696 109	4.2%	35.3%
National Health Laboratory Service	674 052	678 926	711 871	746 464	3.5%	44.1%	789 759	833 986	879 855	5.6%	44.2%
Office of Health Standards Compliance	33 367	88 906	100 535	125 711	55.6%	5.5%	129 678	136 940	144 472	4.7%	7.3%
Council for Medical Schemes	4 751	2 556	1 612	5 496	5.0%	0.2%	5 670	5 987	6 317	4.8%	0.3%
South African Health Product Regulatory Authority	–	–	–	–	–	–	125 189	132 199	139 470	–	5.4%
Households											
Other transfers to households											
Current	–	–	260	–	–	–	–	–	–	–	–
Employee social benefits	–	–	260	–	–	–	–	–	–	–	–
Departmental agencies and accounts											
Social security funds											
Current	3 215	3 363	3 541	3 718	5.0%	0.2%	3 836	4 050	4 272	4.7%	0.2%
Compensation Commissioner	3 215	3 363	3 541	3 718	5.0%	0.2%	3 836	4 050	4 272	4.7%	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.

Personnel information

Table 16.20 Health Regulation and Compliance Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		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 (%)					
		2016/17			2017/18			2018/19		2019/20		2020/21			2017/18 - 2020/21				
Health Regulation and Compliance Management		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost		
Salary level	347	–	286	148.7	0.5	285	168.0	0.6	105	64.3	0.6	105	70.2	0.7	103	74.5	0.7	-28.8%	100.0%
1 – 6	154	–	131	33.6	0.3	131	38.3	0.3	56	21.4	0.4	56	23.4	0.4	55	25.1	0.5	-25.1%	49.8%
7 – 10	64	–	61	29.3	0.5	61	33.4	0.5	44	33.6	0.8	44	36.8	0.8	44	40.3	0.9	-10.3%	32.3%
11 – 12	116	–	84	73.6	0.9	84	84.9	1.0	–	–	–	–	–	–	–	–	–	-100.0%	14.0%
13 – 16	13	–	10	12.2	1.2	9	11.4	1.3	5	9.3	1.9	5	10.0	2.0	4	9.1	2.3	-23.7%	3.8%

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

2. Rand million.

Entities¹

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 service supports the Department of Health by providing cost effective diagnostic laboratory services to all state clinics and hospitals. It also provides health science training and education, and supports health research. It is the largest diagnostic pathology service in South Africa, servicing 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.

Selected performance indicators

Table 16.21 National Health Laboratory Service performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	MTEF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
Percentage of CD4 tests performed within the specified timeframe per year	Laboratory tests		89% (3 229 535/ 3 628 691) within 48 hours	89% (3 043 404/ 3 419 555) within 48 hours	94% (3 193 157/ 3 380 991) within 48 hours	95% within 48 hours	90% within 40 hours	90% within 40 hours	90% within 40 hours
Percentage of viral load tests performed within 96 hours per year	Laboratory tests		81% (2 931 375/ 3 618 981)	64% (2 757 422/ 4 308 472)	87% (3 920 964/ 4 491 312)	70%	75%	80%	85%
Percentage of TB microscopy/ GeneXpert tests performed within the specified timeframe per year	Laboratory tests	Outcome 2: A long and healthy life for all South Africans	92% (3 388 492/ 3 683 144) within 48 hours	91% (3 005 801/ 3 303 078) within 48 hours	97% (2 276 816/ 2 354 930) within 48 hours	95%	90% within 40 hours	90% within 40 hours	90% within 40 hours
Percentage of HIV polymerase chain reaction tests performed within 96 hours per year	Laboratory tests		70% (327 897/ 468 424)	73% (408 296/ 559 310)	82% (465 627/ 568 571)	70%	75%	80%	85%
Percentage of cervical smear tests performed within 5 weeks per year	Laboratory tests		57% (503 645/ 883 587)	48% (445 827/ 928 806)	97% (883 168/ 911 720)	70%	75%	80%	85%

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

Table 16.21 National Health Laboratory Service performance indicators by programme/objective/activity and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
Percentage of national central laboratories that are accredited by South African National Accreditation System per year	Laboratory tests	Outcome 2: A long and healthy life for all South Africans	– ¹	84% (59/70)	90% (47/52)	95%	99%	100%	100%
Percentage laboratories achieving proficiency testing schemes performance standards of 80% per year	Research		– ¹	– ¹	87% (214/246)	82%	83%	85%	90%
Number of peer reviewed articles published annually	Research		– ¹	– ¹	570	600	650	700	700
Percentage of occupational and environmental health laboratory tests conducted within predefined turnaround time per year	Occupational health		– ¹	77% (6 226/8 086)	93% (4 366/4 712)	85%	85%	90%	90%
Percentage of outbreaks responded to within 24 hours after notification per year	Surveillance of communicable diseases		– ¹	– ¹	100% (1 212/1 212)	100%	100%	100%	100%

1. No historical data available.

Expenditure analysis

The National Health Laboratory Service will, over the MTEF period, continue to provide affordable, sustainable and high quality laboratory services to health care facilities, mainly in the public sector. The service will focus on the national priority programmes created in 2011 to address the department's need to increase access to patient testing, including HIV and associated opportunistic infections such as TB, cryptococcus and hepatitis. The service will also continue to provide training for pathologists and other health professionals, and conduct research through its own research unit as well as through the National Institute of Communicable Diseases and the National Institute for Occupational Health, which are both housed within the service. These are seen as important contributions to the NDP'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.

To improve service delivery and ensure a safe working environment, the service plans to renovate its laboratories and to replace old equipment nationwide. This will also ensure that tests, such as for CD4 count, GeneXpert and polymerase chain reaction are conducted within stipulated timeframes. In 2018/19, the service aims to perform 90 per cent of CD4 count and GeneXpert tests within 40 hours. Spending for this is expected to amount to R423.4 million in the laboratory tests programme, accounting for 77.9 per cent (R21.2 billion) of the service's total expenditure over the MTEF period.

An increase of 5 per cent in total test volumes between 2015/16 and 2016/17 resulted in increased revenue from tests amounting to R616 million. However, as a result of intensified gatekeeping efforts by provincial departments of health to reduce duplicate and inappropriate tests, the number of tests performed is expected to increase at 0.8 per cent per year, from 91 025 712 in 2016/17 to 93 822 712 by 2020/21. As a result of the annual tariff adjustments and increase in the number of tests conducted, revenue from laboratory tests is expected to increase at an average annual rate of 8.6 per cent, from R6.8 billion in 2017/18 to R8.7 billion in 2020/21.

The service contributes to research and development, and provides a training platform for pathology students through its own research programme, and through the National Institute of Communicable Diseases and the National Institute for Occupational Health. In 2017/18, 227 registrars were in training to become pathologists, 29 were qualified to become pathologists and 38 new registrars have been admitted. Over the MTEF period, 90 new registrars are expected to be admitted.

Over the medium term, R3 billion is allocated to the surveillance of communicable diseases, occupational health and research programmes. Improved surveillance will enable the National Institute of Communicable Diseases to respond to notified outbreaks within 24 hours, and the National Institute for Occupational Health to conduct occupational and environmental health laboratory tests within specified turnaround times.

Laboratory tests are expected to generate 87 per cent of the service's total revenue over the period, with the remainder coming through transfers from the department and other non-tax revenue.

Programmes/objectives/activities

Table 16.22 National Health Laboratory Service expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Administration	621 173	1 202 615	667 452	843 838	10.8%	11.6%	920 302	989 244	1 049 910	7.6%	11.0%
Surveillance of communicable diseases	167 042	271 645	342 171	326 111	25.0%	3.7%	352 518	372 259	397 219	6.8%	4.2%
Occupational health	72 666	90 101	93 114	117 645	17.4%	1.3%	125 126	132 133	141 191	6.3%	1.5%
Laboratory tests	4 919 247	4 937 634	8 076 122	5 890 476	6.2%	79.9%	6 623 761	7 046 922	7 498 677	8.4%	77.9%
Research	179 799	190 990	219 241	438 400	34.6%	3.5%	462 038	487 912	516 982	5.6%	5.5%
Total	5 959 927	6 692 985	9 398 100	7 616 470	8.5%	100.0%	8 483 745	9 028 470	9 603 979	8.0%	100.0%

Statements of historical financial performance and position

Table 16.23 National Health Laboratory Service statements of historical financial performance and position

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17	2017/18		
R thousand									
Revenue									
Non-tax revenue	4 970 361	5 340 359	5 819 767	6 104 986	6 599 056	6 653 244	6 924 274	6 924 274	102.9%
Sale of goods and services other than capital assets	4 906 361	5 066 294	5 742 732	5 763 268	6 463 609	6 379 635	6 751 134	6 751 134	100.4%
<i>of which:</i>									
<i>Sales by market establishment</i>	4 906 361	5 066 294	5 742 732	5 763 268	6 463 609	6 379 635	6 751 134	6 751 134	100.4%
Other non-tax revenue	64 000	274 065	77 035	341 718	135 447	273 609	173 140	173 140	236.3%
Transfers received	225 280	799 315	678 926	860 761	711 871	864 646	964 717	964 717	135.2%
Total revenue	5 195 641	6 139 674	6 498 693	6 965 747	7 310 927	7 517 890	7 888 991	7 888 991	106.0%
Expenses									
Current expenses	5 057 290	5 959 927	6 147 112	6 692 985	6 941 389	9 398 100	7 616 470	7 616 470	115.2%
Compensation of employees	2 107 700	2 112 434	2 423 485	2 565 987	3 064 721	3 228 470	3 454 939	3 454 939	102.8%
Goods and services	2 898 470	3 744 069	3 672 684	4 008 246	3 746 181	6 030 020	4 026 914	4 026 914	124.2%
Depreciation	44 720	101 769	40 442	118 568	130 303	127 649	134 417	134 417	137.9%
Interest, dividends and rent on land	6 400	1 655	10 500	184	184	11 961	200	200	81.0%
Total expenses	5 057 290	5 959 927	6 147 112	6 692 985	6 941 389	9 398 100	7 616 470	7 616 470	115.2%
Surplus/(Deficit)	138 351	179 747	351 581	272 762	369 538	(1 880 210)	272 521	272 521	
Statement of financial position									
Carrying value of assets	676 309	521 893	764 229	501 519	784 809	651 780	989 918	1 114 277	86.8%
<i>of which:</i>									
<i>Acquisition of assets</i>	(213 400)	(47 641)	(526 425)	(155 344)	(200 000)	(213 119)	(235 000)	(235 000)	55.4%
Inventory	100 281	88 970	103 201	104 218	110 276	116 843	111 379	118 011	100.7%
Receivables and prepayments	1 549 228	2 862 359	2 135 463	3 154 924	3 090 945	1 719 404	3 411 911	1 813 165	93.7%
Cash and cash equivalents	677 421	651 166	699 424	738 975	707 078	391 976	623 308	563 614	86.6%
Total assets	3 003 239	4 124 388	3 702 317	4 499 636	4 693 107	2 880 003	5 136 516	3 609 067	91.4%
Accumulated surplus/(deficit)	1 363 770	1 643 151	2 043 836	1 869 818	2 291 977	(10 388)	2 564 498	262 133	45.6%
Capital and reserves	42 837	332	42 837	332	332	332	332	332	1.5%
Capital reserve fund	80 000	-	-	-	-	-	-	-	-
Finance lease	-	-	-	-	-	81 551	-	85 989	-
Deferred income	-	52 264	-	4 137	58 171	12 252	61 371	12 926	68.2%
Trade and other payables	436 407	1 080 795	439 431	872 176	932 434	973 326	1 098 310	1 204 561	142.1%
Benefits payable	-	-	-	21 003	24 839	23 556	24 864	26 383	142.7%
Taxation	-	-	-	-	-	475	-	-	-
Provisions	1 080 225	1 321 709	1 176 213	1 621 283	1 385 354	1 713 069	1 387 141	1 970 081	131.8%
Derivatives financial instruments	-	26 137	-	110 887	-	85 830	-	46 662	-
Total equity and liabilities	3 003 239	4 124 388	3 702 317	4 499 636	4 693 107	2 880 003	5 136 516	3 609 067	91.4%

Statements of estimates of financial performance and position

Table 16.24 National Health Laboratory Service statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2017/18			2014/15 - 2017/18	2018/19	2019/20		
R thousand								
Revenue								
Non-tax revenue	6 924 274	9.0%	87.7%	7 760 000	8 276 367	8 819 657	8.4%	88.8%
Sale of goods and services other than capital assets	6 751 134	10.0%	83.9%	7 613 605	8 120 367	8 652 657	8.6%	87.0%
<i>of which:</i>								
<i>Sales by market establishment</i>	6 751 134	10.0%	83.9%	7 613 605	8 120 367	8 652 657	8.6%	87.0%
Other non-tax revenue	173 140	-14.2%	3.8%	146 395	156 000	167 000	-1.2%	1.8%
Transfers received	964 717	6.5%	12.3%	959 759	1 011 291	1 070 008	3.5%	11.2%
Total revenue	7 888 991	8.7%	100.0%	8 719 759	9 287 658	9 889 665	7.8%	100.0%
Expenses								
Current expenses	7 616 470	8.5%	100.0%	8 483 745	9 028 470	9 603 979	8.0%	100.0%
Compensation of employees	3 454 939	17.8%	38.4%	3 856 880	4 154 909	4 462 372	8.9%	45.8%
Goods and services	4 026 914	2.5%	59.9%	4 479 092	4 722 700	4 983 441	7.4%	52.5%
Depreciation	134 417	9.7%	1.7%	135 774	139 362	147 166	3.1%	1.6%
Interest, dividends and rent on land	200	-50.6%	0.0%	12 000	11 500	11 000	280.3%	0.1%
Total expenses	7 616 470	8.5%	100.0%	8 483 745	9 028 470	9 603 979	8.0%	100.0%
Surplus/(Deficit)	272 521	-	-	236 014	259 188	285 686	1.6%	-
Statement of financial position								
Carrying value of assets	1 114 277	28.8%	19.3%	1 569 651	1 951 375	2 032 812	22.2%	36.3%
<i>of which:</i>								
<i>Acquisition of assets</i>	(235 000)	70.2%	-4.6%	(320 000)	(330 000)	(320 000)	10.8%	-6.7%
Inventory	118 011	9.9%	3.0%	119 192	120 383	121 587	1.0%	2.7%
Receivables and prepayments	1 813 165	-14.1%	62.4%	1 895 643	1 990 425	2 009 946	3.5%	43.2%
Cash and cash equivalents	563 614	-4.7%	15.4%	659 942	867 744	1 207 074	28.9%	17.8%
Total assets	3 609 067	-4.4%	100.0%	4 244 427	4 929 927	5 371 420	14.2%	100.0%
Accumulated surplus/(deficit)	262 133	-45.8%	22.1%	498 147	757 335	1 043 021	58.5%	13.4%
Capital and reserves	332	-	0.0%	332	332	332	-	0.0%
Finance lease	85 989	-	1.3%	75 431	72 426	73 646	-5.0%	1.7%
Deferred income	12 926	-37.2%	0.5%	13 637	14 387	15 178	5.5%	0.3%
Trade and other payables	1 204 561	3.7%	28.2%	1 276 655	1 355 000	1 397 901	5.1%	29.2%
Benefits payable	26 383	-	0.5%	29 549	33 094	37 066	12.0%	0.7%
Provisions	1 970 081	14.2%	45.5%	2 303 082	2 648 806	2 754 759	11.8%	53.5%
Derivatives financial instruments	46 662	21.3%	1.8%	47 595	48 547	49 518	2.0%	1.1%
Total equity and liabilities	3 609 067	-4.4%	100.0%	4 244 427	4 929 927	5 371 420	14.2%	100.0%

Personnel information

Table 16.25 National Health Laboratory Service personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		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 (%)		
		2016/17	2017/18	2017/18		2018/19		2019/20		2020/21				2017/18 - 2020/21	
National Health Laboratory Service		Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost		
Salary level	7 467	7 467	7 443 3 228.5 0.4	7 467 3 454.9 0.5	7 894 3 856.9 0.5	7 894 4 154.9 0.5	7 894 4 154.9 0.5	7 894 4 154.9 0.5	7 894 4 154.9 0.5	7 894 4 154.9 0.5	7 894 4 154.9 0.5	7 894 4 154.9 0.5	7 894 4 154.9 0.5	8.9%	100.0%
1 – 6	3 309	3 309	3 309 763.1 0.2	3 309 812.7 0.2	3 549 949.1 0.3	3 549 1 019.3 0.3	3 549 1 019.3 0.3	3 549 1 019.3 0.3	3 549 1 019.3 0.3	3 549 1 019.3 0.3	3 549 1 019.3 0.3	3 549 1 019.3 0.3	3 549 1 019.3 0.3	10.4%	44.8%
7 – 10	3 438	3 438	3 424 1 518.6 0.4	3 438 1 623.3 0.5	3 625 1 813.5 0.5	3 625 1 960.3 0.5	3 625 1 960.3 0.5	3 625 1 960.3 0.5	3 625 1 960.3 0.5	3 625 1 960.3 0.5	3 625 1 960.3 0.5	3 625 1 960.3 0.5	3 625 1 960.3 0.5	9.1%	46.0%
11 – 12	436	436	426 428.5 1.0	436 466.8 1.1	436 501.4 1.1	436 538.5 1.2	436 538.5 1.2	436 538.5 1.2	436 538.5 1.2	436 538.5 1.2	436 538.5 1.2	436 538.5 1.2	436 538.5 1.2	7.4%	5.6%
13 – 16	283	283	283 516.0 1.8	283 549.6 1.9	283 590.3 2.1	283 634.0 2.2	283 634.0 2.2	283 634.0 2.2	283 634.0 2.2	283 634.0 2.2	283 634.0 2.2	283 634.0 2.2	283 634.0 2.2	7.4%	3.6%
17 – 22	1	1	1 2.3 2.3	1 2.5 2.5	1 2.6 2.6	1 2.8 2.8	1 2.8 2.8	1 2.8 2.8	1 2.8 2.8	1 2.8 2.8	1 2.8 2.8	1 2.8 2.8	1 2.8 2.8	7.4%	0.0%

1. Rand million.

Compensation Commissioner for Occupational Diseases in Mines and Works

Mandate

The Compensation Commissioner for Occupational Diseases in Mines and Works was established in terms of the Occupational Diseases in Mines and Works Act (1973). The act gives the commissioner the mandate to collect levies from controlled mines and works, to compensate workers and ex-workers in controlled mines and works for occupational diseases of cardiorespiratory organs, and reimburse workers for any loss of earnings while being treated for TB. The commissioner compensates the dependants of deceased workers and administers

pensions for qualifying ex-workers or their dependants.

Selected performance indicators

Table 16.26 Compensation Commissioner for Occupational Diseases in Mines and Works performance indicators by programme/ objective/activity and related outcome

Indicator	Programme/objective/activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of workers and ex-workers in controlled mines and works accessing benefit medical examinations per year	Compensation of ex-miners	Outcome 2: A long and healthy life for all South Africans	9 718	15 318	18 145	16 000	20 000	22 000	22 000
Number of claims processed by the certification committee of the Medical Bureau for Occupational Diseases per year	Compensation of ex-miners		6 324	7 233	20 149	12 000	14 000	15 400	15 400
Number of outreach and awareness activities with service providers, unions, employers, workers and ex-workers conducted per year	Compensation of ex-miners		8	34	27	10	10	10	10
Annual reports including the financial statements of the Mines and Works Compensation Fund submitted to the auditor general per year	Administration		-1	-1	2010/11 and 2011/12 annual reports and financial statements	2012/13 and 2013/14 annual reports and financial statements	2014/15 and 2015/16 annual reports and financial statements	2016/17 and 2017/18 annual reports and financial statements	2018/19 and 2019/20 annual reports and financial statements
Number of claims paid by the Compensation Commissioner (other than pensioners) per year	Compensation of pensioners		1 977	1 775	5 249	6 000	7 000	7 700	7 700
Number of workers in controlled mines and works paid for loss of earnings while undergoing TB treatment per year	Compensation of tuberculosis		459	598	2 411	850	950	1 045	1 045

1. No historical data available.

Expenditure analysis

Over the medium term, the Compensation Commissioner for Occupational Diseases in Mines and Works intends to focus on bringing service delivery closer to ex-mineworkers and increasing transfers to households. It will do this by strengthening the operations of newly opened occupational health service centres in neighbouring countries and of new one-stop centres within South Africa. These activities support the NDP's goal of providing welfare to vulnerable groups, and give effect to outcome 2 (a long and healthy life for all South Africans) and outcome 13 (an inclusive and responsive social protection system) of government's 2014-2019 medium-term strategic framework.

In addition to the existing one-stop centres in Carletonville (Gauteng) and Mthatha (Eastern Cape), 2 centres were constructed in Burgersfort (Limpopo) and Kuruman (Northern Cape) in 2017/18. These centres offer medical examinations, rehabilitation assessment, health promotion and counselling to ex-miners. Since 2017, 10 occupational health service centres have been operating in neighbouring countries (Lesotho, Swaziland, Mozambique, Namibia, Botswana, Tanzania and Zimbabwe) through funding from the Global Fund. As at October 2017, 603 benefit medical examinations had been received from occupational health service centres, with a further 780 examinations being processed. The number of mineworkers accessing benefit medical examinations is expected to increase from 16 000 in 2017/18 to 22 000 in 2020/21, and the number of claims paid out is expected to reach 7 700 over the same period. An increase in the number of paid out claims is expected to result in transfers to households increasing from R186.2 million in 2017/18 to R222.6 million in 2020/21. This accounts for 95.9 per cent of the entity's total expenditure over the MTEF period.

The payment of claims is funded from levies collected from controlled mines and works on behalf of their employees. These funds are expected to be used for potential compensation to ex- and current mineworkers for compensable diseases. It is projected that total revenue will decrease to R544.3 million in 2020/21, mainly due to the decrease in levies generated from controlled mines and works because of the high number of retrenchments in the sector. An actuarial valuation exercise was concluded in 2015/16 and a follow-up valuation is being conducted to determine the necessary adjustment in the value of claims paid to ex-

mineworkers. The value of claims is expected to increase as the latest evaluation will adjust for current levels of income and inflationary adjustments.

Programmes/objectives/activities

Table 16.27 Compensation Commissioner for Occupational Diseases in Mines and Works expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand				2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Administration	7 411	7 839	8 127	8 393	4.2%	4.5%	8 500	8 781	8 910	2.0%	4.1%
Compensation of pensioners	3 215	3 363	3 215	3 718	5.0%	1.9%	3 836	4 050	4 272	4.7%	1.9%
Compensation of ex-miners	132 244	134 244	140 956	148 003	3.8%	78.7%	151 300	159 773	175 750	5.9%	75.8%
Compensation of tuberculosis	22 068	25 599	22 068	34 445	16.0%	14.6%	36 650	38 702	42 572	7.3%	18.2%
Eastern Cape project	981	860	-	11	-77.6%	0.3%	8	8	8	-10.1%	0.0%
Total	165 919	171 905	174 366	194 570	5.5%	100.0%	200 294	211 314	231 512	6.0%	100.0%

Statements of historical financial performance

Table 16.28 Compensation Commissioner for Occupational Diseases in Mines and Works statements of historical financial performance

Statement of financial performance	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
R thousand									2014/15 - 2017/18
Revenue									
Tax revenue	346 354	260 939	296 795	296 795	311 635	335 273	320 984	320 984	95.2%
Non-tax revenue	152 435	172 104	201 170	201 170	193 123	270 349	183 467	265 000	124.4%
Sale of goods and services other than capital assets	-	1 621	-	-	-	-	-	-	-
of which:									
Other sales	-	1 621	-	-	-	-	-	-	-
Other non-tax revenue	152 435	170 483	201 170	201 170	193 123	270 349	183 467	265 000	124.2%
Transfers received	3 215	3 215	3 363	3 363	3 541	3 541	3 718	3 718	100.0%
Total revenue	502 004	436 258	501 328	501 328	508 299	609 163	508 169	589 702	105.8%
Expenses									
Current expenses	7 016	7 411	7 839	7 839	8 127	8 127	8 393	8 393	101.3%
Goods and services	6 975	7 175	7 614	7 614	7 908	7 908	8 188	8 172	100.6%
Interest, dividends and rent on land	41	236	225	225	219	219	205	221	130.6%
Transfers and subsidies	248 100	158 508	164 066	164 066	167 220	166 239	186 836	186 177	88.1%
Total expenses	255 116	165 919	171 905	171 905	175 347	174 366	195 229	194 570	88.6%
Surplus/(Deficit)	246 888	270 339	329 423	329 423	332 952	434 797	312 940	395 132	

Statements of estimates of financial performance

Table 16.29 Compensation Commissioner for Occupational Diseases in Mines and Works statements of estimates of financial performance

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2017/18	2014/15 - 2017/18	2018/19		
R thousand								
Revenue								
Tax revenue	320 984	7.1%	57.1%	315 000	311 000	305 000	-1.7%	55.1%
Non-tax revenue	265 000	15.5%	42.2%	260 000	246 000	235 000	-3.9%	44.2%
Other non-tax revenue	265 000	15.8%	42.1%	260 000	246 000	235 000	-3.9%	44.2%
Transfers received	3 718	5.0%	0.7%	3 836	4 050	4 272	4.7%	0.7%
Total revenue	589 702	10.6%	100.0%	578 836	561 050	544 272	-2.6%	100.0%
Expenses								
Current expenses	8 393	4.2%	4.5%	8 500	8 781	8 910	2.0%	4.1%
Goods and services	8 172	4.4%	4.4%	8 275	8 506	8 625	1.8%	4.0%
Interest, dividends and rent on land	221	-2.2%	0.1%	225	275	285	8.8%	0.1%
Transfers and subsidies	186 177	5.5%	95.5%	191 794	202 533	222 602	6.1%	95.9%
Total expenses	194 570	5.5%	100.0%	200 294	211 314	231 512	6.0%	100.0%
Surplus/(Deficit)	395 132			378 542	349 736	312 760	-7.5%	

Council for Medical Schemes

Mandate

The Council for Medical Schemes was established in terms of the Medical Schemes Act (1998) as a 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.

Selected performance indicators

Table 16.30 Council for Medical Schemes performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of broker and broker organisation applications accredited within 21 working days of receipt of complete applications and relevant information per year	Accreditation	Outcome 2: A long and healthy life for all South Africans	5 027	5 634	4 854	4 045	4 980	5 450	4 911
Percentage interim rule amendments processed within 14 working days of receipt of all information per year	Benefit management	Entity mandate	-1	-1	87% (88/101)	80%	80%	80%	80%
Number of non-compliance cases against regulated entities undertaken per year	Compliance and investigation		52	82	40	35	30	30	30
Number of research projects and support projects finalised per year	Research and monitoring	Outcome 2: A long and healthy life for all South Africans	11	10	10	7	8	8	8
Percentage of category 1 clinical opinions ² reviewed within 30 working days of receipt from complaints adjudication per year	Strategy office	Entity mandate	-1	-1	40% (164/410)	90%	90%	90%	90%

1. No historical data available.

2. Clinical opinions are classified into categories 1, 2 and 3 based on each opinion's complexity. A category 1 clinical opinion is an uncomplicated clinical opinion that is expected to be completed within 30 working days of referral/receipt from the complaints adjudication unit.

Expenditure analysis

The 2017 White Paper on National Health Insurance and pronouncements made by the Minister of Health on national health insurance are expected to impact on the council's regulatory work in the private health sector. The minister's pronouncements are aimed at establishing a pricing authority and amending the Medical Schemes Act (1998) to align with objectives for national health insurance. These intentions give effect to outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework.

The governance of medical schemes continues to be a challenge in the health sector's regulatory framework. The council is constantly faced with conducting a series of investigations into areas of irregularities in the governance of medical schemes. The process attracts necessary but high legal costs, as investigations sometimes lead to the appointment of curators to stabilise governance in schemes to ensure that medical scheme beneficiaries are protected. As a result, expenditure in the compliance and investigation programme is expected to increase at an average annual rate of 10 per cent, from R8.6 million in 2017/18 to R11.5 million in 2020/21.

The council plans to continue working on revisions to schemes' prescribed minimum benefits, which are a set of legally defined benefits to ensure that all medical scheme members have access to prescribed minimum health services, regardless of their benefit option. The council intends exploring alternative mechanisms and collaborating with academic institutions and experts in this field to fast-track the review process. The completion of this review will ensure better alignment of prescribed minimum benefits to the most current treatment and care procedures, and reduce complex clinical complaints. The project is expected to be completed in 2019/20.

The council's strategy office programme is under constant pressure to resolve complaints, especially complex clinical complaints, for the protection of scheme beneficiaries. The council is set to resolve 90 per cent of non-complex complaints in 2020/2021 within 30 days, increasing from 40 per cent in 2016/17, due to the appointment of an additional clinical analyst and medical adviser. As a result, expenditure in this programme is expected to increase at an average annual rate of 6.6 per cent, from R9.9 million in 2017/18 to R12 million in

2020/21, mainly due to an increase in spending on compensation of employees.

Government recognises the importance and need for a central repository containing all funded medical scheme patients in South Africa. In 2016, the Minister of Health conferred on the council the function of establishing and administering a beneficiary registry. Accordingly, the council plans to establish and administer a beneficiary registry for collecting data that will be used for regulatory functions such as health resource planning and claim verification. The design and development of the beneficiary registry is expected to be completed in 2017/18. The beneficiary registry project is expected to cost approximately R1.5 million in the administration programme and is largely funded through the transfer from the department.

The activities of the council are almost wholly funded through levies collected from medical schemes and are dependent on the number of medical scheme members registered. It is expected that 92.6 per cent (R485.2 million) of total revenue over the MTEF period will be derived through levies and other fees; 3.9 per cent (R22.2 million) through other non-tax income, such as interest from an interest bearing account at the South African Reserve Bank and penalties imposed on medical schemes; and 3.5 per cent (R18 million) through transfers and grants received from the department. As the council is a service-driven organisation, compensation of employees is its main cost driver, comprising an estimated 64.6 per cent (R341.2 million) of total expenditure over the MTEF period.

Programmes/objectives/activities

Table 16.31 Council for Medical Schemes expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2014/15	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	72 408	68 071	72 535	84 004	5.1%	54.8%	88 976	94 077	99 859	5.9%	54.0%	
Accreditation	7 166	7 693	8 225	9 170	8.6%	5.9%	9 601	10 225	11 042	6.4%	5.9%	
Benefit management	4 758	5 125	5 637	6 332	10.0%	4.0%	7 110	7 726	8 145	8.8%	4.3%	
Complaints adjudication	5 010	5 228	5 956	6 689	10.1%	4.2%	7 250	7 727	8 225	7.1%	4.4%	
Compliance and investigation	6 719	6 505	8 768	8 622	8.7%	5.6%	10 215	10 794	11 490	10.0%	6.0%	
Financial supervision	9 742	10 278	11 098	11 822	6.7%	7.9%	12 649	13 363	14 302	6.6%	7.7%	
Research and monitoring	6 045	6 793	6 711	7 006	5.0%	4.9%	7 339	7 712	8 206	5.4%	4.5%	
Stakeholder relations	8 596	9 007	12 524	10 564	7.1%	7.5%	11 182	11 889	12 630	6.1%	6.8%	
Strategy office	4 935	4 611	8 294	9 867	26.0%	5.0%	10 470	11 218	11 960	6.6%	6.4%	
Total	125 379	123 311	139 748	154 076	7.1%	100.0%	164 792	174 731	185 859	6.5%	100.0%	

Statements of historical financial performance and position

Table 16.32 Council for Medical Schemes statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17			
Revenue									
Non-tax revenue	115 348	117 448	128 791	132 332	139 539	139 862	147 636	148 580	101.3%
Sale of goods and services other than capital assets	114 448	113 815	126 358	126 715	137 198	133 262	145 155	143 957	99.0%
<i>of which:</i>									
Administrative fees	114 448	113 815	126 358	126 715	137 198	133 262	145 155	143 957	99.0%
Other non-tax revenue	900	3 633	2 433	5 617	2 341	6 600	2 481	4 623	251.0%
Transfers received	4 751	4 856	2 556	456	1 613	740	5 496	5 496	80.1%
Total revenue	120 099	122 304	131 347	132 788	141 152	140 602	153 132	154 076	100.7%
Expenses									
Current expenses	123 075	125 359	131 295	123 311	141 098	139 748	153 074	154 076	98.9%
Compensation of employees	77 008	74 357	82 412	78 067	90 790	87 343	97 537	98 175	97.2%
Goods and services	43 656	47 230	45 111	41 225	47 884	47 975	52 972	52 365	99.6%
Depreciation	2 411	3 772	3 772	4 019	2 424	4 430	2 565	3 536	141.0%
Transfers and subsidies	–	20	52	–	54	–	58	–	12.2%
Total expenses	123 075	125 379	131 347	123 311	141 152	139 748	153 132	154 076	98.9%
Surplus/(Deficit)	(2 976)	(3 075)	–	9 477	–	854	–	–	

Table 16.32 Council for Medical Schemes statements of historical financial performance and position

Statement of financial position									Average: Outcome/ Budget (%)
	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%)
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18	
R thousand									
Carrying value of assets	14 665	17 521	19 852	19 060	19 852	20 205	19 852	20 205	103.7%
<i>of which:</i>									
Acquisition of assets	(2 200)	(7 612)	(6 103)	(5 112)	(2 424)	(5 720)	(2 564)	(3 536)	165.4%
Loans	–	–	–	54	–	107	–	107	–
Accrued investment interest	–	–	–	15	–	17	–	17	–
Receivables and prepayments	3 738	6 835	6 836	7 063	6 836	5 729	6 836	5 729	104.6%
Cash and cash equivalents	14 134	10 515	7 749	24 687	7 749	32 470	7 749	32 470	267.9%
Total assets	32 537	34 871	34 437	50 879	34 437	58 528	34 437	58 528	149.3%
Accumulated surplus/(deficit)	13 018	17 072	16 637	27 342	16 637	28 196	16 637	28 196	160.2%
Capital reserve fund	–	–	–	2 254	–	3 271	–	3 271	–
Trade and other payables	19 519	16 771	16 772	18 345	16 772	23 162	16 772	23 162	116.6%
Provisions	–	1 028	1 028	2 938	1 028	3 899	1 028	3 899	381.5%
Total equity and liabilities	32 537	34 871	34 437	50 879	34 437	58 528	34 437	58 528	149.3%

Statements of estimates of financial performance and position**Table 16.33 Council for Medical Schemes statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand								
Revenue								
Non-tax revenue	148 580	8.2%	97.9%	159 122	168 744	179 542	6.5%	96.5%
Sale of goods and services other than capital assets	143 957	8.1%	94.2%	152 129	161 358	171 749	6.1%	92.6%
<i>of which:</i>								
Administrative fees	143 957	8.1%	94.2%	152 129	161 358	171 749	6.1%	92.6%
Other non-tax revenue	4 623	8.4%	3.7%	6 993	7 386	7 793	19.0%	3.9%
Transfers received	5 496	4.2%	2.1%	5 670	5 987	6 317	4.8%	3.5%
Total revenue	154 076	8.0%	100.0%	164 792	174 731	185 859	6.5%	100.0%
Expenses								
Current expenses	154 076	7.1%	100.0%	164 792	174 731	185 859	6.5%	100.0%
Compensation of employees	98 175	9.7%	62.2%	106 703	113 388	121 141	7.3%	64.6%
Goods and services	52 365	3.5%	34.9%	54 308	57 350	60 506	4.9%	33.1%
Depreciation	3 536	-2.1%	2.9%	3 781	3 993	4 212	6.0%	2.3%
Total expenses	154 076	7.1%	100.0%	164 792	174 731	185 859	6.5%	100.0%
Surplus/(Deficit)	–	(1)		–	–	–	–	
Statement of financial position								
Carrying value of assets	20 205	4.9%	39.2%	20 205	20 205	20 205	–	34.5%
<i>of which:</i>								
Acquisition of assets	(3 536)	-22.6%	-11.9%	(3 780)	(3 995)	(4 213)	6.0%	-6.6%
Loans	107	–	0.1%	107	107	107	–	0.2%
Accrued investment interest	17	–	0.0%	17	17	17	–	0.0%
Receivables and prepayments	5 729	-5.7%	13.3%	5 729	5 729	5 729	–	9.8%
Cash and cash equivalents	32 470	45.6%	47.4%	32 470	32 470	32 470	–	55.5%
Total assets	58 528	18.8%	100.0%	58 528	58 528	58 528	–	100.0%
Accumulated surplus/(deficit)	28 196	18.2%	49.8%	28 196	28 196	28 196	–	48.2%
Capital reserve fund	3 271	–	3.9%	3 271	3 271	3 271	–	5.6%
Trade and other payables	23 162	11.4%	40.8%	23 162	23 162	23 162	–	39.6%
Provisions	3 899	56.0%	5.5%	3 899	3 899	3 899	–	6.7%
Total equity and liabilities	58 528	18.8%	100.0%	58 528	58 528	58 528	–	100.0%

Personnel information

Table 16.34 Council for Medical Schemes personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		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/level (%)	Average: Salary level/Total (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost	
Council for Medical Schemes		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21		
Salary level	124	124	116	87.3	0.8	124	98.2	0.8	121	106.7	0.9	121	113.4	0.9	121	121.1	1.0	7.3%	100.0%
1 – 6	13	13	8	0.3	0.0	13	1.4	0.1	10	1.0	0.1	10	1.1	0.1	10	1.2	0.1	-4.4%	8.8%
7 – 10	40	40	39	18.6	0.5	40	20.0	0.5	40	21.9	0.5	40	23.2	0.6	40	24.8	0.6	7.5%	32.9%
11 – 12	36	36	35	24.6	0.7	36	28.5	0.8	36	31.2	0.9	36	33.1	0.9	36	35.5	1.0	7.6%	29.6%
13 – 16	34	34	33	43.0	1.3	34	45.9	1.4	34	50.0	1.5	34	53.2	1.6	34	56.7	1.7	7.3%	27.9%
17 – 22	1	1	1	0.9	0.9	1	2.4	2.4	1	2.6	2.6	1	2.8	2.8	1	2.9	2.9	6.4%	0.8%

1. Rand million.

Office of Health Standards Compliance

Mandate

The Office of Health Standards Compliance was established in terms of the National Health Amendment Act (2013). The office is mandated 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.

Selected performance indicators

Table 16.35 Office of Health Standards Compliance performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Percentage of public sector health facilities inspected per year	Compliance inspectorate, certification and enforcement	Outcome 2: A long and healthy life for all South Africans	-1	13% (496/ 3 816)	18.2% (697/ 3 816)	18%	19%	20%	21%
Percentage of private sector health establishments inspected annually by the Office of Health Standards Compliance	Compliance inspectorate, certification and enforcement		-1	-1	0 ²	0 ²	30%	35%	40%
Percentage of compliant private sector health establishments certified per year within 60 days after the final inspection report	Compliance inspectorate, certification and enforcement		-1	-1	0 ²	0 ²	100%	100%	100%
Percentage of investigations finalised per year by the ombud within 6 months	Complaints management and office of the ombud		-1	-1	15% (1/7)	70%	80%	85%	85%
Percentage of ombud recommendations monitored for implementation per year by health establishments within 6 months of tabling to Office of Health Standards Compliance	Complaints management and office of the ombud		-1	-1	100% (18)	70%	80%	85%	85%

1. No historical data available.

2. The regulations that allow the office to inspect private health establishments have not yet been promulgated.

Expenditure analysis

The Office of Health Standards Compliance was fully established as a public entity in 2015/16. As stipulated in its founding legislation, the primary objectives of the office are to protect and promote the health and safety of users of health services in South Africa. The office will play a key role in implementing national health insurance by certifying public and private health care providers before they can be contracted by the national health insurance fund. In doing so, the office gives effect to outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework. The office is expected to advise the Minister of Health on matters relating to the determination of norms and standards for the national health insurance system, and matters relating to the review of norms and standards mandated by the National Health

Amendment Act (2013). This work is done in the health standards design, analysis and support programme, which develops and recommends criteria that provide guidance on compliance with norms and standards; and develops a functional surveillance system that reports on potential risks to compliance, and therefore serves as an early warning mechanism. Expenditure in this programme is expected to increase at an average annual rate of 4.5 per cent, from R11.7 million in 2017/18 to R13.4 million in 2020/21.

Over the MTEF period, the office plans to increase inspections of public health establishments from 18 per cent (697) in 2017/18 to 21 per cent (801) in 2020/21. The office also anticipates that the norms and standards of regulating the private sector will be promulgated by the end of 2017/18. As a result, inspection targets for private sector health establishments have been set at 30 per cent (92) in 2018/19, increasing to 40 per cent (147) in 2020/21. Expenditure in the compliance inspectorate, certification and enforcement programme accounts for 38.4 per cent (R156.8 million) of total expenditure over the MTEF period, and is set to increase at an average annual rate of 3.7 per cent, from R49.1 million in 2017/18 to R54.7 million in 2020/21.

Subsequent to the appointment of the health ombud in 2016/17, the office launched a call centre in the complaints management and office of the ombud programme, which serves as a mechanism through which the public can lodge complaints. Another major landmark for the office of the ombud was the publication of the report into the circumstances surrounding the deaths of mentally ill patients in Gauteng. The report investigated the transfer of patients from Life Esidimeni mental health facilities to non-governmental organisations that were not equipped to provide necessary care. Due to the unpredictable nature and high costs of the investigations, expenditure in this programme is expected to increase at an average annual rate of 11.5 per cent, from R14.8 million in 2017/18 to R20.5 million in 2020/21. This increase is also expected to enable the programme to increase the percentage of complaints finalised within 6 months, from 70 per cent in 2017/18 to 85 per cent in 2020/21.

The operations of the office are funded entirely by a transfer from the department, which is expected to increase at an average annual rate of 4.7 per cent, from R125.7 million in 2017/18 to R144.5 million in 2020/21. Due to the labour intensive nature of the office's work, 66.5 per cent of the office's budget over the medium term is allocated to spending on compensation of employees. The office's staff complement is expected to increase from 104 in 2016/17 to 121 in 2017/18, remaining at this level over the MTEF period, to ensure that it has sufficient capacity to deal with the expected increase in investigations and inspections to be conducted.

Programmes/objectives/activities

Table 16.36 Office of Health Standards Compliance expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	16 054	24 465	28 611	50 115	46.1%	40.1%	50 380	52 590	55 895	3.7%	39.0%	
Compliance inspectorate, certification and enforcement	12 482	30 493	42 079	49 110	57.9%	43.6%	49 300	52 769	54 738	3.7%	38.4%	
Complaints management and office of the ombud	2 116	3 499	8 791	14 770	91.1%	8.5%	17 811	19 084	20 466	11.5%	13.4%	
Health standards design, analysis and support	2 715	4 155	6 025	11 716	62.8%	7.8%	12 187	12 497	13 373	4.5%	9.3%	
Total	33 367	62 612	85 506	125 711	55.6%	100.0%	129 678	136 940	144 472	4.7%	100.0%	

Statements of historical financial performance and position

Table 16.37 Office of Health Standards Compliance statements of historical financial performance and position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18
Revenue									
Non-tax revenue	–	–	–	194	–	1 504	–	–	–
Other non-tax revenue	–	–	–	194	–	1 504	–	–	–
Transfers received	76 953	33 367	88 906	88 906	100 535	100 196	125 711	125 711	88.8%
Total revenue	76 953	33 367	88 906	89 100	100 535	101 700	125 711	125 711	89.2%
Expenses									
Current expenses	76 203	33 042	88 906	62 612	100 535	85 506	125 711	125 711	78.4%
Compensation of employees	31 174	13 517	53 100	39 479	64 644	55 176	79 161	79 161	82.1%
Goods and services	45 028	19 525	35 806	23 133	35 890	28 578	46 550	46 550	72.1%
Depreciation	–	–	–	–	–	1 752	–	–	–
Transfers and subsidies	750	325	–	–	–	–	–	–	43.3%
Total expenses	76 953	33 367	88 906	62 612	100 535	85 506	125 711	125 711	78.3%
Surplus/(Deficit)	–	–	–	26 488	–	16 194	–	–	
Statement of financial position									
Carrying value of assets	1 509	1 510	2 162	4 133	9 355	7 799	15 867	15 867	101.4%
of which:									
Acquisition of assets	–	(3 991)	(4 363)	(3 636)	(8 929)	(5 396)	(4 562)	(4 562)	98.5%
Receivables and prepayments	1 211	1 211	1 329	89	30	3 370	36	3 299	305.8%
Cash and cash equivalents	796	796	796	32 150	32 150	43 535	32 150	43 535	182.1%
Total assets	3 516	3 517	4 287	36 372	41 535	54 704	48 053	62 701	161.5%
Accumulated surplus/(deficit)	–	–	–	26 488	26 488	42 682	26 488	42 682	211.1%
Finance lease	63	63	–	–	–	–	–	–	100.0%
Trade and other payables	2 914	2 914	2 685	6 101	7 595	8 316	10 912	10 912	117.2%
Provisions	540	540	1 602	3 489	7 192	3 639	10 264	8 718	83.6%
Derivatives financial instruments	–	–	–	294	260	67	389	389	115.6%
Total equity and liabilities	3 517	3 517	4 287	36 372	41 535	54 704	48 053	62 701	161.5%

Statements of estimates of financial performance and position

Table 16.38 Office of Health Standards Compliance statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expend- iture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expend- iture/ Total (%)
R thousand	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Revenue								
Transfers received	125 711	55.6%	99.6%	129 678	136 940	144 472	4.7%	100.0%
Total revenue	125 711	55.6%	100.0%	129 678	136 940	144 472	4.7%	100.0%
Expenses								
Current expenses	125 711	56.1%	99.8%	129 678	136 940	144 472	4.7%	100.0%
Compensation of employees	79 161	80.3%	57.8%	85 823	92 674	100 053	8.1%	66.5%
Goods and services	46 550	33.6%	41.5%	43 855	44 266	44 419	-1.5%	33.5%
Total expenses	125 711	55.6%	100.0%	129 678	136 940	144 472	4.7%	100.0%
Surplus/(Deficit)	–	–	–	–	–	–	–	–
Statement of financial position								
Carrying value of assets	15 867	119.0%	23.5%	18 425	21 690	22 553	12.4%	29.2%
of which:								
Acquisition of assets	(4 562)	4.6%	-35.2%	(2 844)	(2 886)	(3 046)	-12.6%	-5.0%
Receivables and prepayments	3 299	39.7%	11.5%	3 957	4 016	4 129	7.8%	5.7%
Cash and cash equivalents	43 535	279.6%	65.0%	43 535	43 535	43 535	–	65.1%
Total assets	62 701	161.2%	100.0%	65 917	69 241	70 217	3.8%	100.0%
Accumulated surplus/(deficit)	42 682	–	54.7%	42 682	42 682	42 682	–	63.2%
Trade and other payables	10 912	55.3%	33.1%	13 163	15 712	16 248	14.2%	20.6%
Provisions	8 718	152.7%	11.4%	11 014	11 670	10 727	7.2%	15.5%
Derivatives financial instruments	389	–	0.4%	429	510	560	12.9%	0.7%
Total equity and liabilities	62 701	161.2%	100.0%	67 288	70 574	70 217	3.8%	100.0%

Personnel information

Table 16.39 Office of Health Standards Compliance personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		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 (%)				
		2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost
Office of Health Standards Compliance		121	104	55.2	0.5	121	79.2	0.7	121	85.8	0.7	121	92.7	0.8	121	100.1	0.8	8.1%	100.0%
Salary level	121																		
7 – 10	72	72	66	25.4	0.4	72	35.2	0.5	72	38.1	0.5	72	41.3	0.6	72	44.9	0.6	8.5%	59.5%
11 – 12	43	43	34	24.8	0.7	43	36.3	0.8	43	39.4	0.9	43	42.5	1.0	43	45.7	1.1	8.0%	35.5%
13 – 16	6	6	4	5.0	1.2	6	7.7	1.3	6	8.3	1.4	6	8.9	1.5	6	9.4	1.6	6.9%	5.0%

1. Rand million.

South African Health Products Regulatory Authority

Mandate

The South African Health Products Regulatory Authority was established in terms of the Medicines and Related Substances Amendment Act (2008). The authority provides for the monitoring, evaluation, regulation, investigation, inspection, registration and control of medicines, scheduled substances, clinical trials, medical devices, in vitro diagnostics and related matters in the public interest.

Selected performance indicators

Table 16.40 South African Health Products Regulatory Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	MTSF outcome	Past		Current		Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Percentage of dossiers allocated to the appropriate evaluator for professional assessment per year	Authorisation management	Entity mandate	-1	-1	-1	-1	65%	70%	75%
Percentage of evaluations, assessments and registrations of medicines, medical and radiation emitting devices processed per year	Authorisation management		-1	-1	-1	-1	65%	70%	75%
Percentage of inspections conducted per year	Inspectorate and regulatory compliance		-1	-1	-1	-1	60%	70%	80%
Percentage of fast-track applications and priority products reviewed by evaluators within 3 months from allocation per year	Medicines evaluation and registration		-1	-1	-1	-1	55%	65%	75%
Percentage of post-marketing surveillance and vigilance activities performed per year	Medicines evaluation and registration		-1	-1	-1	-1	35%	40%	45%
Percentage of allocated generic applications backlog reduced per year	Medicines evaluation and registration		-1	-1	-1	-1	10%	20%	30%
Percentage of applications for the use of unregistered medical devices and in vitro diagnostics for specified purposes processed per year	Devices and radiation control		-1	-1	-1	-1	90%	95%	100%

1. No historical data available.

Expenditure analysis

The Medicines and Related Substances Amendment Act (2008) was promulgated in June 2017 and provides for the establishment of the South African Health Products Regulatory Authority as a schedule 3A public entity responsible for the regulatory oversight of medicines, scheduled substances, clinical trials, medical devices and in vitro diagnostics. These functions are currently performed by either the Medicines Control Council or radiation control as applicable and managed by the department's medicines regulatory and radiation control units. As per the act, the council intends to transition into the authority in February 2018 following the first meeting of the board. Over the medium term, the authority intends focusing on registering medicines and medical devices; licensing medicine and medical device manufacturers and importers; authorising clinical trials; and monitoring, evaluating and managing the safety, efficacy and performance of any product through its life cycle. These activities give effect to outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework.

The sole mandate of the Medicines Control Council has thus far been to regulate medicine. However, the mandate of the authority has been expanded to include the regulation of medical devices. General regulations to the Medicines and Related Substances Amendment Act (2008) addressing medical and diagnostic devices have been developed and gazetted with the authority regulating these products. As this is a new area of regulation for the authority, and South Africa generally, the staff complement of the devices and radiation control programme is expected to increase. Accordingly, expenditure in the programme is expected to increase at an average annual rate of 11.8 per cent, from R18.2 million in 2018/19 to R22.7 million in 2020/21, accounting for an estimated 7.8 per cent (R62.6 million) of total expenditure over the medium term.

The authority aims to absorb some of its external evaluators as employees in the medicines evaluation and registration programme over the medium term. The number of external evaluators to be absorbed in the programme will be decided by the board in 2018. This programme is aimed at evaluating the safety, quality and therapeutic efficacy of medicines. To improve the efficiency of the authority and allow for the rapid scaling up of access to medicines by improving the timelines for the scientific evaluation of medicines and clinical trials by 2020/21, an estimated 85 per cent (R206.5 million) of expenditure in the programme will be on compensation of employees and external evaluator fees. Spending in this programme is expected to account for 30.3 per cent (R242.9 million) of the authority's total expenditure, increasing at an average annual rate of 17.9 per cent, from R67.2 million 2018/19 to R93.2 million in 2020/21, due to the appointment of additional evaluators.

To ensure public access to safe medicine and monitor compliance with applicable legislation, the authority will conduct inspections of manufacturers, wholesalers, laboratories and clinical trial sites in the inspectorate and regulatory compliance programme. This programme accounts for 15.3 per cent (R123 million) of total projected expenditure, increasing at an average annual rate of 19 per cent, from R34.8 million in 2018/19 to R49.3 million in 2020/21, due to the increase in the number of staff required to carry out inspections. Efficiency will be measured by monitoring the percentage of site inspections conducted within predefined turnaround times. Inspections conducted within these turnaround times are expected to reach 80 per cent by 2020/21.

The effective management and coordination of the registration process and other related processes, such as inspection and licensing, assists the authority to improve its efficiency, and allows for the rapid scaling up of access to medicines and medical devices. By strengthening capacity in the authorisation management programme through recruiting additional technical staff (in-house evaluators) and training existing staff to evaluate applications, the authority expects that 65 per cent of all applications will be allocated to evaluators timeously in 2018/19, increasing to 75 per cent in 2020/21. The programme accounts for 14.2 per cent (R113.9 million) of total projected expenditure, increasing at an average annual rate of 25.9 per cent, from R30.5 million in 2018/19 to R48.5 million in 2020/21, due to additional staff appointed to the programme.

The authority receives its revenue through transfers from the department and from service fees. Transfers are expected to increase at an average annual rate of 5.5 per cent, from R125.1 million in 2018/19 to R139.5 million in 2020/21. It is estimated that revenue generated from fees will increase from R90.7 million in 2018/19 to R177.6 million in 2020/21, at an average annual rate of 39.9 per cent, due to the increased revenue generating potential from providing a wider range of services, increasing the frequency of the service charges, increasing the number of services provided, and increasing the unit cost of each service. A proposed change to the fee structure will be gazetted in 2018/19. This is expected to enable the authority to increase its staff complement from 230 in 2018/19 to 281 in 2020/21. As a result, expenditure on compensation of employees is expected to increase at an average annual rate of 20.9 per cent, from R149.1 million in 2018/19 to R217.9 million in 2020/21.

Programmes/objectives/activities**Table 16.41 South African Health Products Regulatory Authority expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Administration	-	-	-	-	-	-	65 100	90 354	103 319	-	-
Authorisation management	-	-	-	-	-	-	30 555	34 964	48 461	-	-
Inspectorate and regulatory compliance	-	-	-	-	-	-	34 826	38 844	49 340	-	-
Medicines evaluation and registration	-	-	-	-	-	-	67 158	82 537	93 239	-	-
Devices and radiation control	-	-	-	-	-	-	18 231	21 733	22 708	-	-
Total	-	-	-	-	-	-	215 870	268 432	317 067	-	-

Statements of historical financial performance and position**Table 16.42 South African Health Products Regulatory Authority statements of historical financial performance and position**

Statement of financial performance										
	Audited outcome		Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)	
	Budget	2014/15								
R thousand										
Revenue										
Non-tax revenue										
Sale of goods and services other than capital assets		-	-	-	-	-	77 630	-	-	-
<i>of which:</i>										
<i>Administrative fees</i>		-	-	-	-	-	77 630	-	-	-
Transfers received		-	-	-	-	-	133 648	-	-	-
Total revenue		-	-	-	-	-	211 278	-	-	-
Expenses										
Current expenses										
Compensation of employees		-	-	-	-	-	146 771	-	-	-
Goods and services		-	-	-	-	-	64 507	-	-	-
Total expenses		-	-	-	-	-	211 278	-	-	-
Surplus/(Deficit)		-	-	-	-	-	-	-	-	-
Statement of financial position										
Carrying value of assets		-	-	-	-	-	11 550	-	-	-
<i>of which:</i>										
<i>Acquisition of assets</i>		-	-	-	-	-	(8 550)	-	-	-
Receivables and prepayments		-	-	-	-	-	2 000	-	-	-
Total assets		-	-	-	-	-	13 550	-	-	-
Deferred income		-	-	-	-	-	3 050	-	-	-
Trade and other payables		-	-	-	-	-	3 000	-	-	-
Provisions		-	-	-	-	-	7 500	-	-	-
Total equity and liabilities		-	-	-	-	-	13 550	-	-	-

Statements of estimates of financial performance and position**Table 16.43 South African Health Products Regulatory Authority statements of estimates of financial performance and position**

Statement of financial performance										
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)		
				2017/18	2014/15 - 2017/18	2018/19				2019/20
R thousand										
Revenue										
Non-tax revenue										
Sale of goods and services other than capital assets		-	-	-	-	-	90 681	136 233	177 597	-
<i>of which:</i>										
<i>Administrative fees</i>		-	-	-	-	-	90 681	136 233	177 597	-
Transfers received		-	-	-	-	-	125 189	132 199	139 470	-
Total revenue		-	-	-	-	-	215 870	268 432	317 067	-

Table 16.43 South African Health Products Regulatory Authority statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate								
2017/18		2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		
R thousand								
Expenses								
Current expenses	–	–	–	215 870	268 432	317 067	–	–
Compensation of employees	–	–	–	149 145	177 431	217 869	–	–
Goods and services	–	–	–	66 725	91 001	99 198	–	–
Total expenses	–	–	–	215 870	268 432	317 067	–	–
Surplus/(Deficit)	–	–	–	–	–	–	–	–
Statement of financial position								
Carrying value of assets	–	–	–	12 668	13 225	13 952	–	–
<i>of which:</i>								
Acquisition of assets	–	–	–	(5 763)	(5 709)	(6 023)	–	–
Receivables and prepayments	–	–	–	2 500	3 000	3 165	–	–
Total assets	–	–	–	15 168	16 225	17 117	–	–
Deferred income	–	–	–	2 168	1 225	1 292	–	–
Trade and other payables	–	–	–	5 000	6 000	6 330	–	–
Provisions	–	–	–	8 000	9 000	9 495	–	–
Total equity and liabilities	–	–	–	15 168	16 225	17 117	–	–

Personnel information**Table 16.44 South African Health Products Regulatory Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		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 (%)			
		2016/17		Unit cost	2017/18		Unit cost	2018/19		2019/20		2020/21				Unit cost	2017/18 - 2020/21	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
South African Health Products Regulatory Authority																		
Salary level	383	383	–	–	–	–	–	230	149.1	0.6	252	177.4	0.7	281	217.9	0.8	–	–
7 – 10	193	193	–	–	–	–	–	113	38.3	0.3	119	43.7	0.4	129	50.9	0.4	–	–
11 – 12	98	98	–	–	–	–	–	64	50.8	0.8	77	65.8	0.9	80	72.2	0.9	–	–
13 – 16	92	92	–	–	–	–	–	53	60.0	1.1	56	68.0	1.2	72	94.7	1.3	–	–

1. Rand million.

South African Medical Research Council**Mandate**

The South African Medical Research Council was established in 1969 to improve the health and quality of life of South Africa's population through research, development and technology transfer. The council's strategy is guided by the amended South African Medical Research Council Act (1991) and the country's health priorities, as defined by the quadruple burden of disease (HIV and AIDS and tuberculosis, maternal and child mortality, non-communicable diseases, and violence and injury). The Intellectual Property Rights from Publicly Financed Research and Development Act (2008) also informs the council's mandate. Research and innovation are primarily conducted through research units funded by the council.

Selected performance indicators**Table 16.45 South African Medical Research Council performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/objective/activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of journal articles, book chapters and books with an author affiliated to the council that are published in International Science Index journals per year	Core research	Outcome 2: A long and healthy life for all South Africans	481	680	660	700	750	800	850

Table 16.45 South African Medical Research Council performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of journal articles published by South African Medical Research Council grant holders with acknowledgement of South African Medical Research Council support per year	Core research	Outcome 2: A long and healthy life for all South Africans	100	101	135	183	196	214	232
Number of published indexed impact factor journal articles with an author affiliated to the council per year	Core research		-1	602	605	650	700	750	800
Number of journal articles where the first and/or last author ² is affiliated to the South African Medical Research Council per year	Core research		-1	417	415	450	500	550	600
Number of new local/international policies and guidelines per year that reference the council	Core research		4	4	4	6	6	7	8
Number of research grants awarded by the council per year	Core research		100	112	147	168	176	186	196
Number of new innovation and technology projects funded to develop new diagnostics, devices, vaccines and therapeutics per year	Innovation and technology		30	34	56	40	40	40	45
Number of new diagnostics, devices, vaccines and therapeutics developed to the next stage of development per year	Innovation and technology		-1	-1	2	2	2	2	2
Number of bursaries/scholarships/fellowships provided for postgraduate study at masters, doctoral and postdoctoral levels per year	Capacity development		60	66	156	98	101	106	111
Number of masters and doctoral students who graduated during the reporting period per year	Capacity development		-1	-1	69	55	60	65	70

1. No historical data available.

2. First and/or last author refers to the senior author of an article. The council places the senior author first in the list of authors, whereas most extramural units place the senior author last.

Expenditure analysis

Over the medium term, the South African Medical Research Council intends to focus on improving the health and quality of life of South Africans through research and technology transfer. This is in line with outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework.

Core research is the council's main strategic programme. The purpose of this programme is to promote the improvement of health and quality of life, the prevention of ill health, and improvements in public health and treatment in South Africa through research. In pursuit of this purpose, the number of journal articles, chapters and books authored by the council's researchers is expected to increase from 660 in 2016/17 to 850 in 2020/21. Over the MTEF period, spending in the programme is set to increase at an average annual rate of 2.6 per cent, from R603.2 million in 2017/18 to R651.3 million in 2020/21, accounting for 56.9 per cent (R1.9 billion) of the council's total projected expenditure over the MTEF period.

The council plans to fund 125 new innovation and technology projects in the innovation and technology programme to develop new diagnostics, devices, vaccines and therapeutics through an allocation of R611.8 million over the medium term. Many of these projects are co-funded by international partners. Funding from some international partners is directed for research on mental health, hypertension in pregnancy, post-partum haemorrhaging, the causes of maternal and neonatal mortality, and the implementation of TB control.

Over the MTEF period, the council plans to build the capacity of researchers by providing study bursaries, scholarships, and fellowships for postgraduate study and academic centres that are actively involved in health research. R263.6 million is allocated over the medium term in the capacity development programme for these activities. This is the fastest growing area in the council's budget, increasing at an average annual rate of 15.3 per cent over the MTEF period, mainly due to anticipated contract funding from the public health innovation fund. Under the same programme, it is anticipated that the national health scholars programme will fund 52 health professionals who are expected to graduate in the programme over the medium term.

To address identified gaps in research capacity in the health field at selected South African universities, the council plans to fund health research at previously under-resourced institutions: the University of Fort Hare, the University of Limpopo, Walter Sisulu University, the University of Venda, the University of Zululand, the

University of the Western Cape, Sefako Makgatho Health Sciences University and Mangosuthu University of Technology. Each of these institutions is expected to receive R1 million per year over the MTEF period. An additional R2 million per year in the same programme is allocated for postgraduate scholarships at these institutions.

The council is committed to maintaining its staff complement at a constant 586 over the MTEF period and allocating salary increases as per public sector guidelines. New posts will be prioritised only in the core research, and innovation and technology programmes. Accordingly, funding for the new posts will be subject to reprioritisation of available funds from unfilled posts in non-core areas. Spending on compensation of employees is expected to increase at an average annual rate of 7.2 per cent, from R337.5 million in 2017/18 million to R416 million in 2020/21. The increase is based on the cost of living adjustment as projected in public sector guidelines.

The council is expected to derive 60.8 per cent of its revenue over the MTEF period through transfer payments from the department, which are set to increase at an average annual rate of 4.2 per cent, from R615 million in 2017/18 to R696.1 million in 2020/21. Revenue from other grants and contracts is expected to increase at an average annual rate of 7.6 per cent. Over the medium term, the council's total revenue is projected to increase at an average annual rate of 5.3 per cent, from R987.7 million in 2017/18 to R1.2 billion in 2020/21.

Programmes/objectives/activities

Table 16.46 South African Medical Research Council expenditure trends and estimates by programme/objective/activity

	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2014/15	2015/16	2016/17	2017/18				2014/15 - 2017/18	2018/19	2019/20		
R thousand												
Administration	163 146	170 348	189 396	199 232		6.9%	19.5%	183 111	194 684	203 259	0.7%	17.7%
Core research	444 501	535 096	541 656	603 247		10.7%	57.1%	660 301	601 655	651 300	2.6%	56.9%
Innovation and technology	112 058	151 747	236 581	190 992		19.5%	18.2%	202 596	203 330	205 857	2.5%	18.2%
Capacity development	34 229	45 059	60 584	58 153		19.3%	5.2%	85 565	88 980	89 092	15.3%	7.3%
Total	753 934	902 250	1 028 217	1 051 624		11.7%	100.0%	1 131 573	1 088 649	1 149 508	3.0%	100.0%

Statements of historical financial performance and position

Table 16.47 South African Medical Research Council statements of historical financial performance and position

Statement of financial performance									
	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2014/15	2015/16	2015/16	2016/17	2016/17	2017/18	2017/18		
R thousand									
Revenue									
Non-tax revenue	308 056	303 854	413 480	339 097	356 154	402 905	372 762	372 762	97.8%
Sale of goods and services other than capital assets	283 006	278 813	359 221	306 766	322 954	366 443	342 414	342 414	99.0%
of which:									
Sales by market establishment	283 006	278 813	359 221	306 766	322 954	366 443	342 414	342 414	99.0%
Other non-tax revenue	25 050	25 041	54 259	32 331	33 200	36 462	30 348	30 348	86.9%
Transfers received	460 638	446 331	623 892	623 892	657 590	657 590	614 961	614 961	99.4%
Total revenue	768 694	750 185	1 037 372	962 989	1 013 744	1 060 495	987 723	987 723	98.8%
Expenses									
Current expenses	808 694	699 122	990 754	825 632	954 987	947 461	976 185	976 185	92.4%
Compensation of employees	235 811	277 270	312 162	283 168	334 638	303 910	357 394	337 545	96.9%
Goods and services	553 358	402 460	658 192	522 591	599 849	624 319	597 791	617 640	89.9%
Depreciation	19 500	18 022	20 400	18 627	20 500	19 013	21 000	21 000	94.2%
Interest, dividends and rent on land	25	1 370	–	1 246	–	219	–	–	11 340.0%
Total expenses	808 694	753 934	1 067 372	902 250	1 035 744	1 028 217	1 051 624	1 051 624	94.3%
Surplus/(Deficit)	(40 000)	(3 749)	(30 000)	60 739	(22 000)	32 278	(63 901)	(63 901)	

Table 16.47 South African Medical Research Council statements of historical financial performance and position

Statement of financial position									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2014/15 - 2017/18
R thousand	2014/15		2015/16		2016/17		2017/18		
Carrying value of assets	142 000	120 602	146 475	143 990	152 820	147 992	145 670	152 074	96.2%
<i>of which:</i>									
<i>Acquisition of assets</i>	(24 500)	(16 667)	(47 348)	(44 163)	(45 812)	(24 105)	(21 915)	(21 915)	76.6%
Investments	44 440	6 571	6 500	6 371	6 800	6 432	7 000	7 000	40.7%
Receivables and prepayments	37 500	31 886	32 438	15 824	31 950	41 907	40 980	40 980	91.4%
Cash and cash equivalents	237 660	313 790	288 699	449 955	358 646	543 940	301 311	349 185	139.7%
Taxation	-	-	-	12 495	-	11 797	-	-	-
Total assets	461 600	472 849	474 112	628 635	550 216	752 068	494 961	549 239	121.3%
Accumulated surplus/(deficit)	206 640	243 218	212 124	303 958	281 958	336 236	218 057	272 335	125.8%
Capital and reserves	3 330	-	-	-	-	-	-	-	-
Capital reserve fund	180 000	123 425	141 939	-	165 728	-	178 201	-	18.5%
Deferred income	1 130	-	-	206 001	-	288 898	-	178 201	59 566.4%
Trade and other payables	58 500	64 929	81 448	102 237	73 360	104 037	71 152	71 152	120.4%
Taxation	1 300	-	16 250	-	12 450	-	9 761	9 761	24.5%
Provisions	10 700	41 277	22 351	16 439	16 720	22 897	17 790	17 790	145.7%
Total equity and liabilities	461 600	472 849	474 112	628 635	550 216	752 068	494 961	549 239	121.3%

Statements of estimates of financial performance and position**Table 16.48 South African Medical Research Council statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
R thousand	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Revenue								
Non-tax revenue	372 762	7.1%	37.9%	418 386	425 562	458 262	7.1%	39.2%
Sale of goods and services other than capital assets	342 414	7.1%	34.6%	387 436	395 812	426 912	7.6%	36.3%
<i>of which:</i>								
<i>Sales by market establishment</i>	342 414	7.1%	34.6%	387 436	395 812	426 912	7.6%	36.3%
Other non-tax revenue	30 348	6.6%	3.3%	30 950	29 750	31 350	1.1%	2.9%
Transfers received	614 961	11.3%	62.1%	624 829	659 819	696 109	4.2%	60.8%
Total revenue	987 723	9.6%	100.0%	1 043 215	1 085 381	1 154 371	5.3%	100.0%
Expenses								
Current expenses	976 185	11.8%	92.3%	1 054 840	1 007 619	1 064 021	2.9%	92.8%
Compensation of employees	337 545	6.8%	32.5%	361 957	388 116	416 027	7.2%	34.0%
Goods and services	617 640	15.3%	57.7%	671 383	596 253	623 994	0.3%	56.8%
Depreciation	21 000	5.2%	2.1%	21 500	23 250	24 000	4.6%	2.0%
Total expenses	1 051 624	11.7%	100.0%	1 131 573	1 088 649	1 149 508	3.0%	100.0%
Surplus/(Deficit)	(63 901)	-		(88 358)	(3 268)	4 863	-142.4%	
Statement of financial position								
Carrying value of assets	152 074	8.0%	23.9%	156 924	158 474	161 724	2.1%	28.7%
<i>of which:</i>								
<i>Acquisition of assets</i>	(21 915)	9.6%	-4.4%	(26 750)	(26 000)	(27 250)	7.5%	-4.6%
Investments	7 000	2.1%	1.1%	7 560	7 750	7 750	3.5%	1.4%
Receivables and prepayments	40 980	8.7%	5.6%	38 858	34 480	36 500	-3.8%	6.9%
Cash and cash equivalents	349 185	3.6%	68.5%	316 240	345 480	374 683	2.4%	63.1%
Total assets	549 239	5.1%	100.0%	519 582	546 184	580 657	1.9%	100.0%
Accumulated surplus/(deficit)	272 335	3.8%	48.5%	183 977	180 709	185 572	-12.0%	37.5%
Deferred income	178 201	-	25.9%	245 000	268 675	280 235	16.3%	44.3%
Trade and other payables	71 152	3.1%	14.2%	70 203	73 450	87 000	6.9%	13.7%
Taxation	9 761	-	0.4%	10 542	12 000	15 000	15.4%	2.1%
Provisions	17 790	-24.5%	4.4%	9 860	11 350	12 850	-10.3%	2.4%
Total equity and liabilities	549 239	5.1%	100.0%	519 582	546 184	580 657	1.9%	100.0%

Personnel information

Table 16.49 South African Medical Research Council personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		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 (%)					
		2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost	
South African Medical Research Council		586	586	560	303.9	0.5	586	337.5	0.6	586	362.0	0.6	586	388.1	0.7	586	416.0	0.7	7.2%	100.0%
Salary level																				
1-6	128	128	126	22.0	0.2	128	23.7	0.2	128	25.4	0.2	128	27.2	0.2	128	29.2	0.2	7.3%	21.8%	
7-10	324	324	307	132.2	0.4	324	145.2	0.4	324	155.6	0.5	324	166.9	0.5	324	178.8	0.6	7.2%	55.3%	
11-12	64	64	61	52.2	0.9	64	58.8	0.9	64	63.1	1.0	64	67.7	1.1	64	72.6	1.1	7.2%	10.9%	
13-16	66	66	63	88.8	1.4	66	98.4	1.5	66	105.5	1.6	66	113.1	1.7	66	121.2	1.8	7.2%	11.3%	
17-22	4	4	3	8.6	2.9	4	11.5	2.9	4	12.3	3.1	4	13.2	3.3	4	14.2	3.5	7.3%	0.7%	

1. Rand million.

Additional tables

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

R thousand	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Conditional grants to provinces							
National Health Insurance, Health Planning and Systems Enablement							
National health insurance grant	76 956	61 077	94 227	–	–	–	–
HIV and AIDS, Tuberculosis, and Maternal and Child Health							
Comprehensive HIV and AIDS grant	12 102 108	13 670 730	–	–	–	–	–
Human papillomavirus vaccine grant	–	–	–	–	200 000	211 200	222 816
Comprehensive HIV, AIDS and tuberculosis grant	–	–	15 290 603	17 577 737	19 921 697	22 038 995	24 438 471
Hospitals, Tertiary Health Services and Human Resource Development							
Health professions training and development grant	2 321 788	2 374 722	2 476 724	2 631 849	2 784 496	2 940 428	3 102 152
National tertiary services grant	10 168 235	10 381 174	10 846 778	11 676 145	12 400 703	13 185 528	14 068 863
Health facility revitalisation grant	5 501 981	5 417 045	5 272 680	5 684 495	5 815 694	6 046 973	6 379 557
Total	30 171 068	31 904 748	33 981 012	37 570 226	41 122 590	44 423 124	48 211 859

1. Detail provided in the Division of Revenue Act (2018).

Table 16.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2017/18	Medium-term expenditure estimate		
				2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
R thousand										
Departmental infrastructure										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Limpopo: Tshilidzini Hospital	Replacement of hospital (initial design stages only)	Identification	2 301 442	–	–	22 692	26 000	48 000	50 000	–
Limpopo: Elm Hospital	Replacement of hospital (initial design stages only)	Identification	1 869 891	–	–	19 116	26 000	50 000	50 000	–
Limpopo: Siloam Hospital	Replacement of hospital	Pre-feasibility	850 000	36 391	94 653	65 729	18 300	100 000	80 000	100 000
Free State: Dhlabeng Hospital	Refurbishment of hospital	Design	300 000	–	–	–	4 000	100 000	80 000	80 000
Gauteng - Soshanguve (initial stages only)	New Hospital	Site identification	1 100 000	–	–	–	–	30 000	30 000	50 000
Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)										
Eastern Cape: Bambasana Hospital	Revitalisation of hospital	Design	664 322	–	155	14 185	49 500	35 000	100 000	136 819
Eastern Cape: Zithulele Hospital	Revitalisation of hospital	Design	510 825	–	111	160	49 500	35 000	100 000	157 603
Free State: Dhlabeng Hospital emergency ward	Emergency repairs	Construction	90 000	–	7 431	25 426	50 000	7 143	–	–
Limpopo: Siloam Hospital	Replacement of hospital	Identification	850 000	–	–	–	–	–	–	–
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	Identification	59 000	–	–	14 941	20 000	24 059	–	–
KwaZulu-Natal: Kind Edward Hospital (public-private partnership feasibility study)	Development of a feasibility study	Identification	228	228	–	–	–	–	–	–
Gauteng: Chris Hani Baragwanath Hospital (public-private partnership feasibility study)	Development of a feasibility study	Identification	3 035	3 035	–	–	–	–	–	–
Gauteng: Dr George Mukhari Academic Hospital (public-private partnership feasibility study)	Development of a feasibility study	Identification	1 040	1 040	–	–	–	–	–	–
Eastern Cape: Nolitha Clinic	Replacement of clinic	Handed over	31 169	1 971	8 495	2 808	17 895	–	–	–
Eastern Cape: Nkanga Clinic	Replacement of clinic	Handed over	30 424	1 812	15 789	8 925	3 898	–	–	–
Eastern Cape: Lutubeni Clinic	Replacement of clinic	Construction	31 369	2 523	9 103	10 988	8 755	–	–	–
Eastern Cape: Maxwele Clinic	Replacement of clinic	Handed over	28 927	1 898	10 668	9 515	6 846	–	–	–
Eastern Cape: Lotana Clinic	Replacement of clinic	Handed over	31 599	3 200	14 385	8 630	4 344	1 000	–	–
Eastern Cape: Lusikisiki Clinic	Replacement of clinic	Construction	61 473	1 458	20 015	29 926	10 074	–	–	–
Eastern Cape: Gengqo Clinic	Replacement of clinic	Construction	28 143	1 556	5 228	4 226	17 133	–	–	–
Eastern Cape: Sakhela Clinic	Replacement of clinic	Construction	32 211	1 184	10 837	14 543	5 647	–	–	–
Free State: Cocolan Clinic	Replacement of clinic (initial design stages only)	Design	48 479	81	921	7 701	812	9 776	29 188	–
Free State: Borwa Clinic	Replacement of clinic (initial design stages only)	Design	84 942	91	917	783	812	11 702	12 000	39 188
Free State: Lusaka Community Health Centre	Replacement of community health centre	Design	124 710	–	935	663	812	11 702	43 784	44 477
Limpopo: Magwedzha Clinic	Replacement of clinic (initial design stages only)	Construction	52 166	–	959	1 044	959	16 000	19 041	10 207
Limpopo: Thengwe Clinic	Replacement of clinic (initial design stages only)	Construction	49 638	–	959	1 044	959	16 000	30 676	–
Limpopo: Mulenzhe Clinic	Replacement of clinic (initial design stages only)	Construction	50 165	–	959	1 044	959	16 000	26 203	5 000

Table 16.B Summary of expenditure on infrastructure

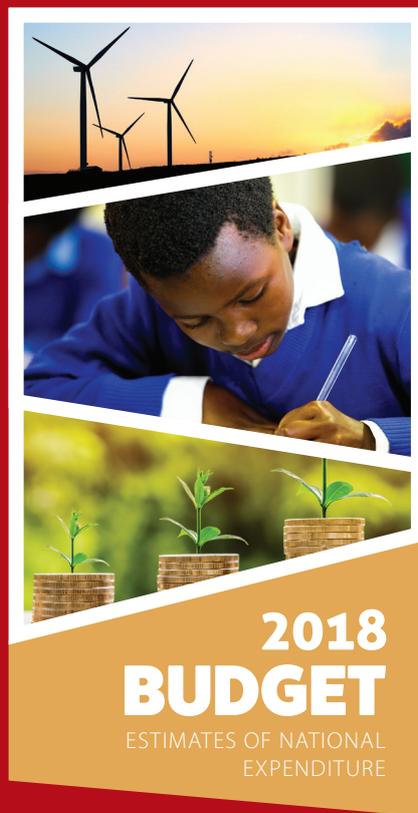
Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
R thousand										
Limpopo: Makonde Clinic	Replacement of clinic (initial design stages only)	Construction	52 163	–	959	1 044	959	9 000	24 041	12 204
Limpopo: Chebeng Community Health Centre	Replacement of community health centre	Design	136 135	–	959	642	959	4 000	9 041	45 041
Mpumalanga: Msukaligwa Community Day Centre	Replacement of clinic (initial design stages only)	Tender	146 761	–	432	1 316	149	9 000	5 000	24 851
Mpumalanga : Ethandakukhanya Community Day Centre	Replacement of clinic (initial design stages only)	Tender	146 761	–	432	2 073	–	9 000	5 000	25 000
Mpumalanga: Vukuzakhe Clinic	Replacement of clinic (initial design stages only)	Design	54 565	–	432	2 020	–	35 000	13 000	4 113
Mpumalanga: Balfour Community Health Centre (24-hour mini-hospital)	Replacement of community health centre	Design	299 123	–	432	190	–	–	5 000	30 000
Mpumalanga: Nhlazathse 6 Clinic	Replacement of clinic (initial design stages only)	Design	54 565	–	432	761	–	9 000	20 000	24 372
Eastern Cape: Butterworth Nursing College	Rehabilitation of existing nursing education institute facility	Handed over	17 288	1 654	10 283	4 068	1 283	–	–	–
Gauteng: Baragwanath Nursing College	Rehabilitation of existing nursing education institute facility	Handed over	20 999	789	11 973	8 237	–	–	–	–
Limpopo: Thohoyandou Nursing College	Rehabilitation of existing nursing education institute facility	Construction	23 646	2 133	15 951	769	2 061	2 732	–	–
Mpumalanga: Middelburg Nursing College	Rehabilitation of existing nursing education institute facility	Construction	15 899	1 796	11 603	1 589	911	–	–	–
Northern Cape: Henrietta Nursing College	Rehabilitation of existing nursing education institute facility	Feasibility	13 620	–	–	2 334	11 286	–	–	–
Doctors consulting rooms	Rehabilitation of existing nursing education institute facility	Handed over	201 007	76 404	64 908	68 695	–	–	–	–
Eastern Cape backlog maintenance through the Development Bank of Southern Africa	Backlog Maintenance	Construction	46 009	33 759	–	8 240	4 010	–	–	–
Eastern Cape: Additions to clinics through the Development Bank of Southern Africa	Upgrades and renovations of 37 clinics	Construction	226 314	–	–	26 532	38 938	–	50 000	50 000
National health insurance backlog maintenance	Rehabilitation and maintenance	Construction	2 985 451	–	25 048	194 825	266 023	232 245	108 733	147 236
Health technology for national health insurance facilities	Various	Construction	106 886	33 344	58 988	14 534	–	–	–	–
Non-capital infrastructure projects, including maintenance	Maintenance, provision of provincial management support units and project management information systems, conditional assessments of facilities in national health insurance scheme pilot districts, in-loco supervision, monitoring of 10-year health infrastructure plan	Ongoing	594 930	85 998	209 194	84 538	69 200	70 000	50 000	6 000

Table 16.B Summary of expenditure on infrastructure

Project name R thousand	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2017/18	Medium-term expenditure estimate		
				2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Infrastructure transfers to other spheres, agencies and departments										
Health facility revitalisation grant: Eastern Cape	Construction of new facilities, upgrades of existing health facilities	Ongoing	4 276 621	599 231	592 073	619 041	620 757	652 071	580 753	612 695
Health facility revitalisation grant: Free State	Construction of new facilities, upgrades of existing health facilities	Ongoing	3 709 518	466 962	586 910	495 447	552 157	576 363	502 034	529 645
Health facility revitalisation grant: Gauteng	Construction of new facilities, upgrades of existing health facilities	Ongoing	5 305 046	671 033	313 630	777 818	890 665	874 841	864 749	912 310
Health facility revitalisation grant: Kwazulu-Natal	Construction of new facilities, upgrades of existing health facilities	Ongoing	8 428 290	1 362 469	1 229 775	1 114 693	1 149 355	1 202 481	1 153 050	1 216 467
Health facility revitalisation grant: Limpopo	Construction of new facilities, upgrades of existing health facilities	Ongoing	3 197 440	467 442	358 512	379 089	508 144	536 898	461 000	486 355
Health facility revitalisation grant: Mpumalanga	Construction of new facilities, upgrades of existing health facilities	Ongoing	2 285 697	343 509	287 942	281 174	325 617	333 934	347 212	366 309
Health facility revitalisation grant: Northern Cape	Construction of new facilities, upgrades of existing health facilities	Ongoing	3 124 652	451 428	582 841	472 267	443 753	374 390	389 281	410 692
Health facility revitalisation grant: North West	Construction of new facilities, upgrades of existing health facilities	Ongoing	3 871 990	500 121	695 261	480 434	558 261	585 886	511 935	540 092
Health facility revitalisation grant: Western Cape	Construction of new facilities, upgrades of existing health facilities	Ongoing	4 618 597	639 786	770 101	673 472	605 786	678 830	608 575	642 047
Health facility revitalisation grant: Incentive-based portion yet to be allocated to provinces	Construction of new facilities, upgrades of existing health facilities	Ongoing	1 291 329	–	–	–	–	–	628 384	662 945
Total			54 536 500	5 794 326	6 031 591	5 979 931	6 373 479	6 707 053	6 987 680	7 371 668

Table 16.C Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Medium-term expenditure estimate			
							2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
R thousand							2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Foreign In cash													
United States: Centres for Disease Control	Cooperation in the prevention and control of HIV and AIDS, and other related infectious diseases	HIV and AIDS, Tuberculosis, and Maternal and Child Health	2009 - 2012	199 657	Goods and services	Strengthen HIV and AIDS programmes and capacity building	34 114	18 709	34 500	48 088	2 472 841	–	–
United States: Centres for Disease Control	Implementation of a primary health care programme in South Africa under the United States President's Emergency Plan for AIDS Relief	HIV and AIDS, Tuberculosis, and Maternal and Child Health	2012 - 2014	40 721	Goods and services	Strengthen the capacity of the Department of Health to scale up primary health care services to improve the management of HIV and AIDS services	4 572	5 622	13 000	7 812	–	–	–
European Union	Primary health care sector policy support programme	National Health Insurance, Health Planning and Systems Enablement	2011 - 2014	1 100 000	Goods and services	Improve access to public health services and increase the quality of service delivery of primary health care	250 468	321 800	280 603	288 000	187 000	–	–
European Union	Masibambane	Primary Health Care Services	2009-2011	1 551	Goods and services	Collaboration with the Department of Water and Sanitation	526	558	239 769	–	–	–	–
Global Fund to Fight AIDS, Tuberculosis and Malaria	New Funding Model	National Health Insurance, Health Planning and Systems Enablement	2016 - 2019	1 683 008	Goods and services	Reduce the rate of new HIV infections in South Africa by 50 per cent; provide appropriate packages of treatment, care and support to 80 per cent of HIV positive people and their families	–	–	644 350	512 411	526 247	–	–
Global Fund to Fight AIDS, Tuberculosis and Malaria	Single stream funding	National Health Insurance, Health Planning and Systems Enablement	2013 - 2016	1 937 000	Goods and services	Reduce the rate of new HIV infections in South Africa by 50 per cent; provide appropriate packages of treatment, care and support to 80 per cent of HIV positive people and their families	658 118	818 135	–	–	–	–	–
German Financial Cooperation	HIV and AIDS Prevention I and II	HIV and AIDS, Tuberculosis, and Maternal and Child Health	2016 - 2019	13 570	Machinery and equipment	Provision of HIV counselling and testing services in Eastern Cape and Mpumalanga	–	–	–	3 990	5 000	4 000	580
Local In cash													
Health and Welfare Sector Education and Training Authority	National skills fund growth and development strategy	Hospitals, Tertiary Health Services and Human Resource Development	2010 - 2014	6 488	Goods and services	Improve the skills of data capturers at health facilities	67	26	–	–	–	–	–
Total				4 981 995			947 865	1 164 850	1 212 222	860 301	3 191 088	4 000	580



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