



2019
BUDGET
ESTIMATES OF
NATIONAL EXPENDITURE

VOTE
16
HEALTH



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2019

National Treasury

Republic of South Africa



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The 2019 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 applicable.

Foreword

The Estimates of National Expenditure (ENE) publications are an integral part of the comprehensive annual budget process. The economic climate has made it necessary to focus on reprioritising existing resources towards areas where the most value can be derived for all South Africans. The budgets shown in this document reflect the outcome of a robust negotiation process, led by a committee of senior officials in central government departments, under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, these decisions are considered and endorsed by Cabinet.

The ENE publications present the detail of national government's expenditure estimates for the three-year 2019 medium-term expenditure framework period, most importantly for 2019/20 allocations contained in the Appropriation Bill, 2019, as tabled by the Minister of Finance, for Parliament's consideration and adoption.

The abridged ENE provides extensive information on the priorities, spending plans and service delivery commitments of all 40 national government votes, as well as for associated government agencies. The e-publications for each vote contain more detail on goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

This information in these chapters ensures that Parliament, the public, civil society, the media, government departments, public entities and the executive can keep state institutions accountable and ensure that public funds are spent to achieve the outcomes for which they were intended. Since its launch in February 2018, the Vulekamali online portal has become the main source of transparent, user-friendly information, including information contained in ENE publications, for anybody who wants to know more about how government compiles its budget and spends public funds. The website, www.vulekamali.gov.za, continues to evolve, and now also provides geospatial information on government's infrastructure projects, which are focal in this year's budget as a key impetus for economic growth. I encourage you to be active citizens and use this information to hold government accountable for obtaining the best possible outcomes with the funds entrusted to it.

I wish to thank the executive for the political leadership shown in the budget process, our government colleagues for all of their efforts and contributions, and my team at the department for working diligently to bring it all together.



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 2019 MTEF period is from 2019/20 to 2021/22.

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 set out the institution's purpose (and that of its programmes), its mandate and 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 2019 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2019 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	2019/20				2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	661.3	650.4	2.7	8.2	703.2	746.2
National Health Insurance	2 111.7	1 419.6	605.7	86.3	2 793.4	3 023.7
Communicable and Non-communicable Diseases	23 007.3	563.6	22 443.3	0.4	25 529.1	28 985.9
Primary Health Care	221.8	221.5	–	0.2	238.0	255.7
Hospital Systems	20 381.1	125.4	19 192.5	1 063.2	22 082.8	23 325.1
Health System Governance and Human Resources	5 077.6	309.3	4 742.4	25.9	5 339.7	5 603.3
Total expenditure estimates	51 460.7	3 289.8	46 986.6	1 184.3	56 686.3	61 939.9

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

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of 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, and chapter 10 of the National Development Plan (NDP), which envisages improved access to health care services and quality of life.

Selected performance indicators

Table 1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total number of primary health care facilities and hospitals implementing improved patient administration and web-based information systems	National Health Insurance	Outcome 2: A long and healthy life for all South Africans	657 facilities	1 854 facilities	2 968 facilities	3 470 facilities and 22 hospitals	3 220 facilities and 52 hospitals	3 470 facilities and 112 hospitals	3 470 facilities and 232 hospitals

Table 16.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total number of individuals registered on the national health insurance patient beneficiary registry ¹	National Health Insurance	Outcome 2: A long and healthy life for all South Africans	– ²	– ²	20.7million	35 million	40 million	45 million	50 million
Total number of health facilities reporting stock availability at national surveillance centre	National Health Insurance		1 901	3 349	3 492	3 625	3 725	3 775	3 850
Total number of patients enrolled in the centralised chronic medicine dispensing and distribution system	National Health Insurance		396 567	1 million	2 million	2.5 million	3 million	3.5 million	3.8 million
Total clients remaining on antiretroviral treatment at the end of the year	Communicable and Non-communicable Diseases		3.4 million	3.8 million	4.1 million	5 million	5.8 million	6.5 million	7 million
Infant polymerase chain reaction test positive around 10 weeks rate per year ³	Communicable and Non-communicable Diseases		1.5% (2 495/ 169 656) ⁴	1.3% (2 013/ 151 246)	0.9% (1 636/ 180 790)	1.25% ⁵	0.9%	0.8%	0.6%
Number of primary health care facilities in the 52 districts that qualify as ideal clinics per year	Primary Health Care		322 ⁶	786 ⁶	1 507 ⁶	1 400 ⁵	1 800	1 950	2 100
Number of facilities maintained, repaired and/or refurbished funded by the national health insurance indirect grant per year	Hospital Systems		198	67	107	125	45 ⁷	50 ⁷	70 ⁷
Number of municipalities assessed for adherence to environmental health norms and standards per year ¹	Primary Health Care		20	35	20	21	31	37	52
Number of points of entry where port health services comply with international health regulations per year	Primary Health Care		– ²	– ²	– ²	15	20	25	30

1. Old indicator selected for publication in the 2019 Estimates of National Expenditure.

2. No historical data available.

3. 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.

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

5. Target exceeded in 2017/18. However, the target for 2018/19 remains as published in the 2018 Estimates of National Expenditure.

6. Increase in achievement due to the provision of dedicated funding for the ideal clinic initiative.

7. This indicator previously also included projects in national health insurance pilot districts funded by the direct health facility revitalisation grant and provincial equitable share. Now it only includes projects from the national health insurance indirect grant.

Expenditure analysis

The Department of Health is responsible for the achievement of outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework. Its work contributes to the goals, indicators and key actions set out in chapter 10 of the NDP, such as reducing the burden of disease and

strengthening the national health system. As such, over the medium term, the department will focus on developing and implementing national health insurance, preventing and treating communicable and non-communicable diseases, investing in public health infrastructure, and supporting equitable access to tertiary health care services.

Provincial health departments are mandated to provide health care services, whereas the national department's role is to formulate policy, and coordinate and support provincial departments in fulfilling their mandates. In this regard, an estimated 87.4 per cent (R148.3 billion) of the department's total budget over the medium term is expected to be transferred to provinces for specific purposes through conditional grants.

The department's budget structure has been changed to better align with the new organisational structure that was developed in consultation with the Department of Public Service and Administration. These structures reflect a new direction in the administration of the health sector, particularly in light of reforms for national health insurance.

Developing and implementing national health insurance

In the 2018 Budget, significant new allocations were made to accelerate progress towards national health insurance through the *national health insurance indirect grant* in the National Health Insurance programme. This was financed through limiting increases to the medical tax credit, which allows people to claim back taxes on their medical expenses.

Over the MTEF period, the non-personal services component of the *national health insurance indirect grant* is allocated R2.4 billion to continue to fund initiatives that strengthen health systems, including health information systems; the ideal clinics initiative, which aims to address deficiencies in the quality of primary health care; and the centralised dispensing and distribution of chronic medicines. This will enable the department to, by 2021/22, implement improved web-based health information systems in a targeted 3 702 health facilities, ensure that 50 million patients are registered on the national health insurance patient beneficiary registry, and ensure that 3 850 health facilities consistently report the availability of medicines stock to the national surveillance centre and distribute chronic medicines to 3.8 million people.

The personal services component of the grant funds priority services for national health insurance, such as school health services, mental health services, obstetric services and the contracting of private general practitioners. Due to slow spending in this component in 2018/19, R2.8 billion over the MTEF period has been reprioritised to the new *human resource capitation grant*, which will enable provincial departments of health to fill critical posts in health facilities. This leaves the personal services component with allocations of R2.3 billion over the medium term to fund priority services for national health insurance.

As a result, spending in the *National Health Insurance* programme is set to increase at an average annual rate of 36.6 per cent, from R1.2 billion in 2018/19 to R3 billion in 2021/22. The allocations for national health insurance will be continually reviewed in tandem with policy and legislative developments, and expenditure trends.

Preventing and treating communicable and non-communicable diseases

Combating HIV and AIDS remains a priority of government. The department is committed to the 90/90/90 targets of the Joint United Nations Programme on HIV / AIDS: ensuring that 90 per cent of people living with HIV are diagnosed, 90 per cent of those diagnosed are initiated on antiretroviral treatment, and 90 per cent of those initiated on treatment have suppressed viral loads. Although HIV and AIDS require specific attention, it is important not to see this in isolation from other communicable diseases given their cumulative impact. For this reason, the *comprehensive HIV, AIDS and TB grant* has been renamed the *HIV, TB, malaria and community outreach grant*, and restructured to have four components.

The HIV and AIDS component will receive the bulk of the total grant allocation to continue the implementation of the universal test-and-treat policy for antiretroviral treatment, and to provide services intended to prevent HIV. An additional R1 billion is allocated to this component in 2021/22, resulting in an increase from R20 billion in 2019/20 to R24.5 billion in 2021/22. The total allocation in the *HIV, AIDS and STIs* subprogram in the *Communicable and Non-communicable Diseases* programme is R75.9 billion over the medium term. These

allocations are expected to enable the department to increase the number of people receiving antiretroviral treatment from 4.3 million in October 2018 to 7 million in 2021/22, and to fund HIV-prevention interventions such as HIV counselling and testing, condom distribution and medical male circumcision.

Tuberculosis (TB) is the leading underlying cause of death in South Africa. To better coordinate national interventions against this disease and improve its detection, treatment coverage and treatment success rate, the new TB component in the *HIV, TB, malaria and community outreach grant* is allocated R1.5 billion over the medium term in the *HIV, AIDS and STIs* subprogramme.

The department aims to eliminate malaria in South Africa by 2023/24 by scaling up cost-effective interventions for malaria prevention, surveillance, diagnosis and treatment. To complement what provincial departments of health already allocate to malaria programmes, the malaria component of the grant has an allocation of R318.8 million over the MTEF period in the *HIV, AIDS and STIs* subprogramme. A further R30 million per year in 2020/21 and 2021/22 is allocated to support a regional co-financing project in Mozambique, where many of the malaria cases in South Africa originate.

In recognition of the pivotal role community health workers play in ensuring access to primary health care services in South Africa's most vulnerable communities, the community outreach services component of the *HIV, TB, malaria and community outreach grant* was created in 2018/19. The aims of this component include harmonising and standardising the training, performance monitoring and remuneration of community health workers, with an additional R1 billion allocated to the component from 2021/22 to support provinces in implementing a standard reimbursement rate for community health workers. The component is allocated R5.7 billion over the MTEF period in the *HIV, AIDS and STIs* subprogramme.

Investing in public health infrastructure

Many public health facilities in the country are in a dire state: in need of maintenance, refurbishment and, in some cases, replacement. The department's 10-year infrastructure plan has identified certain geographic areas where new facilities are needed. Accordingly, the department plans to invest R23.5 billion over the MTEF period in health infrastructure through its 2 infrastructure conditional grants in the *Health Facilities Infrastructure Management* subprogramme in the *Hospital Systems* programme. The *health facility revitalisation grant*, which is transferred to provincial departments of health, is allocated R19.2 billion over the MTEF period to fund an estimated 1 500 infrastructure projects, including new facilities, upgrades, refurbishments and maintenance. This will be supplemented by the health facility revitalisation component of the national health insurance indirect grant, which is managed by the department on behalf of provinces and has an allocation of R4.3 billion over the same period.

Cabinet has approved additional allocations to fund the planning and construction of the Limpopo academic hospital in Polokwane. This is intended to strengthen tertiary health care services in the province and train new health professionals. Over the MTEF period, R1.4 billion (R247 million in 2019/20, R653 million in 2020/21 and R498 million in 2021/22) is allocated to the health facility revitalisation component of the national health insurance indirect grant for this project, although a portion of this will be used to improve the nearby Pietersburg and Mankweng hospitals.

As a result of these initiatives, overall spending in the *Health Facilities Infrastructure Management* subprogramme is set to increase at an average annual rate of 6.9 per cent, from R6.9 billion in 2018/19 to R8.5 billion in 2021/22.

Supporting equitable access to tertiary health care services

Tertiary health care services are highly specialised, hospital-based services that require strong national coordination due to their unequal distribution across South Africa. As a result, many patients receive care in neighbouring provinces if the services they require are not available in their home province. The department subsidises the country's 29 tertiary hospitals through the *national tertiary services grant* to ensure that provincial departments that treat patients from other provinces are adequately funded for this. To fund medical specialists, equipment, and advanced medical investigation and treatment according to approved service

specifications, the grant is allocated R13.2 billion in 2019/20, R14.1 billion in 2021/22 and R14.8 billion in 2021/22 in the *Hospital Systems* programme.

Expenditure trends

Table 16.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. National Health Insurance														
3. Communicable and Non-communicable Diseases														
4. Primary Health Care														
5. Hospital Systems														
6. Health System Governance and Human Resource														
Programme														
R million	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16	Adjusted appropriation	Audited outcome	2016/17	Adjusted appropriation	Audited outcome	2017/18	Adjusted appropriation	Audited outcome	2018/19	Adjusted appropriation	Revised estimate		
Programme 1	457.1	456.6	526.0	463.5	462.0	515.4	571.1	573.1	527.8	619.2	605.6	605.6	103.0%	103.7%
Programme 2	587.8	596.6	396.5	559.8	588.6	508.3	491.9	692.1	641.5	1 506.5	1 687.1	1 187.1	86.9%	76.7%
Programme 3	14 442.1	14 378.9	14 389.5	16 018.6	16 009.6	16 029.9	18 379.9	18 532.2	18 351.0	20 865.8	20 860.4	20 860.4	99.9%	99.8%
Programme 4	225.0	224.9	158.7	257.8	256.5	182.9	210.9	210.8	208.1	210.9	209.3	209.3	83.9%	84.2%
Programme 5	19 159.1	18 970.0	16 485.7	19 573.5	19 574.0	16 834.4	18 313.3	18 113.1	18 043.1	19 158.1	19 344.6	19 344.6	92.8%	93.0%
Programme 6	1 596.9	1 626.9	4 028.6	1 690.2	1 706.7	4 425.3	4 658.6	4 524.3	4 653.2	4 782.4	4 801.3	4 801.3	140.7%	141.5%
Total	36 468.0	36 253.9	35 984.9	38 563.3	38 597.4	38 496.2	42 625.7	42 645.6	42 424.7	47 142.9	47 508.4	47 008.4	99.5%	99.3%
Change to 2018 Budget estimate											365.5			
Economic classification														
Current payments	2 351.5	2 270.1	1 934.0	2 304.8	2 341.6	2 234.7	2 404.5	2 590.6	2 481.8	3 088.4	3 222.8	2 722.8	92.4%	89.9%
Compensation of employees	772.1	774.3	750.1	873.4	857.4	837.3	760.0	873.4	856.3	828.8	828.8	828.8	101.2%	98.2%
Goods and services	1 579.5	1 495.8	1 183.9	1 431.4	1 484.2	1 397.5	1 644.5	1 717.3	1 625.6	2 259.6	2 394.0	1 894.0	88.2%	86.0%
Transfers and subsidies	33 448.5	33 519.1	33 482.2	35 637.0	35 664.6	35 660.0	39 355.6	39 282.1	39 254.6	43 017.0	43 280.9	43 280.9	100.1%	100.0%
Provinces and municipalities	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	41 122.6	41 364.1	41 364.1	100.2%	100.0%
Departmental agencies and accounts	1 416.4	1 417.1	1 419.4	1 494.5	1 494.7	1 497.3	1 649.8	1 516.1	1 518.5	1 698.5	1 720.0	1 720.0	98.3%	100.1%
Higher education institutions	3.1	26.1	-	3.3	3.3	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	14.4	16.0	-	-	-	-	-	-	-	111.6%
Non-profit institutions	171.1	171.1	155.1	167.2	167.2	161.7	185.2	193.7	155.4	195.9	195.9	195.9	92.8%	91.8%
Households	-	-	2.9	-	4.0	3.9	0.2	2.0	10.5	-	0.9	0.9	11 440.0%	266.8%
Payments for capital assets	668.0	464.7	567.8	621.5	591.0	600.8	865.6	772.8	688.0	1 037.5	1 004.6	1 004.6	89.6%	101.0%
Buildings and other fixed structures	562.5	354.6	470.6	471.9	471.9	574.0	714.6	644.0	577.1	748.1	544.1	544.1	86.7%	107.5%
Machinery and equipment	105.5	110.1	93.0	149.6	119.1	24.6	146.0	123.8	110.9	289.4	460.5	460.5	99.8%	84.7%
Software and other intangible assets	-	-	4.2	-	-	2.2	5.0	5.0	-	-	0.0	0.0	128.5%	127.5%
Payments for financial assets	-	-	0.9	-	0.3	0.7	-	0.1	0.2	-	-	-	-	473.9%
Total	36 468.0	36 253.9	35 984.9	38 563.3	38 597.4	38 496.2	42 625.7	42 645.6	42 424.7	47 142.9	47 508.4	47 008.4	99.5%	99.3%

Expenditure estimates

Table 16.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. National Health Insurance								
3. Communicable and Non-communicable Diseases								
4. Primary Health Care								
5. Hospital Systems								
6. Health System Governance and Human Resources								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	605.6	9.9%	1.3%	661.3	703.2	746.2	7.2%	1.3%
Programme 2	1 187.1	25.8%	1.7%	2 111.7	2 793.4	3 023.7	36.6%	4.2%
Programme 3	20 860.4	13.2%	42.5%	23 007.3	25 529.1	28 985.9	11.6%	45.3%
Programme 4	209.3	-2.4%	0.5%	221.8	238.0	255.7	6.9%	0.4%
Programme 5	19 344.6	0.7%	43.1%	20 381.1	22 082.8	23 325.1	6.4%	39.2%
Programme 6	4 801.3	43.4%	10.9%	5 077.6	5 339.7	5 603.3	5.3%	9.6%
Total	47 008.4	9.0%	100.0%	51 460.7	56 686.3	61 939.9	9.6%	100.0%
Change to 2018				7.3	416.9	1 413.4		
Budget estimate								
Economic classification								
Current payments	2 722.8	6.2%	5.7%	3 289.8	3 719.5	4 048.6	14.1%	6.3%
Compensation of employees	828.8	2.3%	2.0%	880.5	946.5	1 008.2	6.7%	1.7%
Goods and services	1 894.0	8.2%	3.7%	2 409.3	2 773.0	3 040.4	17.1%	4.7%
Transfers and subsidies	43 280.9	8.9%	92.5%	46 986.6	51 304.0	56 258.5	9.1%	91.1%
Provinces and municipalities	41 364.1	9.0%	88.4%	44 988.8	49 224.9	54 088.3	9.4%	87.4%
Departmental agencies and accounts	1 720.0	6.7%	3.8%	1 822.7	1 894.3	1 971.6	4.7%	3.4%
Non-profit institutions	195.9	4.6%	0.4%	175.1	184.7	198.6	0.4%	0.3%
Households	0.9	-	0.0%	-	-	-	-100.0%	0.0%
Payments for capital assets	1 004.6	29.3%	1.7%	1 184.3	1 662.8	1 632.8	17.6%	2.5%
Buildings and other fixed structures	544.1	15.3%	1.3%	984.1	1 402.3	1 157.7	28.6%	1.9%
Machinery and equipment	460.5	61.1%	0.4%	200.2	260.5	475.0	1.0%	0.6%
Software and other intangible assets	0.0	-	0.0%	-	-	-	-100.0%	0.0%
Total	47 008.4	9.0%	100.0%	51 460.7	56 686.3	61 939.9	9.6%	100.0%

Expenditure trends and estimates for significant spending items

Table 16.4 Expenditure trends and estimates for significant spending items

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
National tertiary services grant	10 381 174	10 846 778	11 676 145	12 400 703	6.1%	27.6%	13 185 528	14 068 863	14 842 650	6.2%	25.1%
Health facility revitalisation grant (direct)	5 417 045	5 272 680	5 684 495	6 057 202	3.8%	13.7%	6 006 973	6 359 557	6 858 024	4.2%	11.6%
Human resources capitation grant	–	–	–	–	–	–	605 696	1 063 083	1 127 227	–	1.3%
National health insurance indirect grant health facility revitalisation component	612 623	686 984	657 099	836 359	10.9%	1.7%	1 136 411	1 595 816	1 562 088	23.2%	2.4%
HIV, TB, malaria and community outreach grant: HIV and AIDS component	–	–	–	–	–	–	19 963 270	22 195 284	24 518 748	–	30.7%
HIV, TB, malaria and community outreach grant: Community outreach services component	–	–	–	–	–	–	1 500 000	1 584 000	2 582 500	–	2.6%
National health insurance indirect grant personal services component	–	–	–	391 500	–	0.2%	639 288	783 000	915 066	32.7%	1.3%
National health insurance indirect grant non-personal services component	–	–	–	700 000	–	0.4%	758 000	832 000	858 860	7.1%	1.5%
Total	16 410 842	16 806 442	18 017 739	20 385 764	7.5%	43.7%	43 795 166	48 481 603	53 265 163	37.7%	76.4%

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 (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total vote (%)
Administrative fees	689	704	213	2 206	47.4%	0.1%	2 256	2 794	2 846	8.9%	0.1%
Advertising	10 402	6 982	13 299	14 400	11.5%	0.7%	14 633	17 795	18 694	9.1%	0.6%
Minor assets	7 055	9 378	11 301	17 504	35.4%	0.7%	21 932	25 296	26 736	15.2%	0.9%
Audit costs: External	20 132	24 458	25 549	36 459	21.9%	1.6%	34 445	36 978	39 004	2.3%	1.4%
Bursaries: Employees	1 553	902	692	621	-26.3%	0.1%	228	51	54	-55.7%	–
Catering: Departmental activities	3 150	2 334	2 941	3 659	5.1%	0.2%	3 371	4 014	4 682	8.6%	0.1%
Communication	19 550	17 063	13 660	25 705	9.6%	1.2%	22 272	25 374	29 028	4.1%	1.0%
Computer services	11 915	12 521	45 001	41 186	51.2%	1.7%	29 194	29 257	33 118	-7.0%	1.3%
Consultants: Business and advisory services	64 192	142 692	272 817	357 279	77.2%	12.7%	668 807	881 089	1 552 110	63.2%	32.6%
Laboratory services	–	4 499	73	1 259	–	0.1%	–	–	–	-100.0%	–
Legal services	6 990	6 451	6 713	10 386	14.1%	0.5%	8 464	9 726	10 426	0.1%	0.4%
Science and technological services	–	–	–	–	–	–	–	2 082	2 197	–	–
Contractors	286 243	363 819	561 904	856 546	44.1%	31.3%	774 588	834 562	319 192	-28.0%	26.2%
Agency and support/outsourced services	154 287	135 561	34 870	351 755	31.6%	10.2%	140 524	184 099	246 197	-11.2%	8.7%
Entertainment	2	3	12	200	364.2%	–	167	207	217	2.8%	–
Fleet services (including government motor transport)	60 757	54 917	81 908	32 421	-18.9%	3.5%	36 444	39 402	41 546	8.6%	1.4%
Housing	24	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Clothing material and accessories	494	209	802	–	-100.0%	–	300	300	317	–	–
Inventory: Farming supplies	–	–	2 016	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	114	147	159	534	67.3%	–	733	737	769	12.9%	–

Table 16.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Inventory: Fuel, oil and gas	2 040	943	2 068	2 598	8.4%	0.1%	3 835	3 982	4 201	17.4%	0.1%
Inventory: Learner and teacher support material	–	2	–	–	–	–	–	–	–	–	–
Inventory: Materials and supplies	131	756	–	53 231	640.7%	0.8%	2 865	1 749	1 846	-67.4%	0.6%
Inventory: Medical supplies	77 538	132 453	83 160	148 788	24.3%	6.7%	152 727	157 788	169 622	4.5%	5.9%
Inventory: Medicine	98 338	119 822	86 407	32 273	-31.0%	5.1%	2 454	2 593	2 789	-55.8%	0.4%
Inventory: Other supplies	11 994	9 238	9 433	13 655	4.4%	0.7%	10 172	13 983	14 752	2.6%	0.5%
Consumable supplies	3 007	840	2 208	1 675	-17.7%	0.1%	2 242	2 760	2 914	20.3%	0.1%
Consumables: Stationery, printing and office supplies	20 196	17 408	15 164	30 933	15.3%	1.3%	32 442	35 634	37 778	6.9%	1.3%
Operating leases	131 666	134 885	134 095	139 529	2.0%	8.2%	181 373	191 268	201 716	13.1%	6.7%
Rental and hiring	98	298	176	600	82.9%	–	767	893	942	16.2%	–
Property payments	23 661	17 076	28 965	25 432	2.4%	1.4%	18 464	19 317	20 231	-7.3%	0.8%
Travel and subsistence	92 748	92 668	90 385	84 677	-3.0%	5.5%	117 956	123 857	128 322	14.9%	4.3%
Training and development	4 546	5 082	5 487	18 538	59.8%	0.5%	26 266	26 003	27 043	13.4%	0.9%
Operating payments	50 972	66 825	83 573	75 288	13.9%	4.2%	74 279	74 542	78 852	1.6%	2.9%
Venues and facilities	19 410	16 534	10 527	14 677	-8.9%	0.9%	25 079	24 858	22 251	14.9%	0.8%
Total	1 183 894	1 397 470	1 625 578	2 394 014	26.5%	100.0%	2 409 279	2 772 990	3 040 392	8.3%	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 (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Households											
Social benefits											
Current	2 858	3 669	3 539	927	-31.3%	–	–	–	–	-100.0%	–
Employee social benefits	2 858	3 669	3 539	927	-31.3%	–	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 416 059	1 493 807	1 514 754	1 716 144	6.6%	4.0%	1 818 644	1 890 028	1 967 128	4.7%	3.7%
Health and Welfare Sector	2 439	2 808	2 259	2 911	6.1%	–	2 683	2 884	3 072	1.8%	–
Education and Training Authority	–	–	66	–	–	–	–	–	–	–	–
South African Broadcasting Corporation	–	–	66	–	–	–	–	–	–	–	–
South African National AIDS Council	19 340	16 711	17 547	17 108	-4.0%	–	18 066	19 059	20 107	5.5%	–
South African Medical Research Council	623 892	660 270	617 211	624 829	0.1%	1.7%	686 666	722 281	758 652	6.7%	1.4%
National Health Laboratory Service	678 926	711 871	746 464	810 759	6.1%	1.9%	785 497	827 989	871 120	2.4%	1.7%
Office of Health Standards Compliance	88 906	100 535	125 711	129 678	13.4%	0.3%	136 471	143 970	151 889	5.4%	0.3%
Council for Medical Schemes	2 556	1 612	5 496	5 670	30.4%	–	5 987	6 317	6 664	5.5%	–
South African Health Products Regulatory Authority	–	–	–	125 189	–	0.1%	183 274	167 528	155 624	7.5%	0.3%
Households											
Other transfers to households											
Current	52	260	6 999	–	-100.0%	–	–	–	–	–	–
Employee social benefits	–	260	–	–	–	–	–	–	–	–	–
Other transfers to households	52	–	–	–	-100.0%	–	–	–	–	–	–
University of the Witwatersrand	–	–	6 999	–	–	–	–	–	–	–	–
Non-profit institutions											
Current	155 073	161 670	155 374	195 909	8.1%	0.4%	175 080	184 711	198 564	0.4%	0.4%
Non-governmental organisations: Lifeline	19 898	20 953	22 000	23 276	5.4%	0.1%	24 579	25 931	27 876	6.2%	0.1%
Non-governmental organisations: loveLife	54 396	57 808	61 200	64 750	6.0%	0.2%	68 376	72 137	77 547	6.2%	0.1%

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 (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Non-governmental organisations: Soul City	16 277	14 465	19 226	20 270	7.6%	–	21 336	22 509	24 197	6.1%	–
Non-governmental organisations: HIV and AIDS	38 131	41 439	41 530	54 434	12.6%	0.1%	57 482	60 644	65 192	6.2%	0.1%
National Kidney Foundation of South Africa	350	–	350	370	1.9%	–	391	413	444	6.3%	–
Mental health and substance abuse	190	–	–	–	-100.0%	–	–	–	–	–	–
Public universities in South Africa	–	–	8 500	–	–	–	–	–	–	–	–
South African Federation for Mental Health	335	353	371	393	5.5%	–	415	438	471	6.2%	–
South African National Council for the Blind	752	792	832	880	5.4%	–	929	980	1 054	6.2%	–
South African Medical Research Council	471	496	520	550	5.3%	–	581	613	659	6.2%	–
National Council Against Smoking	803	–	845	938	5.3%	–	991	1 046	1 124	6.2%	–
Wits University Foundation	–	650	–	–	–	–	–	–	–	–	–
Health information systems programme	12 103	12 745	–	14 158	5.4%	–	–	–	–	-100.0%	–
Health Systems Trust	11 367	11 969	–	15 890	11.8%	–	–	–	–	-100.0%	–
Foreign governments and international organisations											
Current	–	16 031	–	–	–	–	–	–	–	–	–
International AIDS Society	–	14 370	–	–	–	–	–	–	–	–	–
International Hospital Federation	–	1 661	–	–	–	–	–	–	–	–	–
Provinces and municipalities											
Provincial revenue funds											
Current	26 487 703	28 708 332	31 885 731	35 306 896	10.1%	80.7%	38 981 847	42 865 385	47 230 305	10.2%	83.1%
Human papillomavirus vaccine grant	–	–	–	200 000	–	0.1%	211 200	222 816	235 071	5.5%	0.4%
National tertiary services grant	10 381 174	10 846 778	11 676 145	12 400 703	6.1%	29.9%	13 185 528	14 068 863	14 842 650	6.2%	27.5%
Health professions training and development grant	2 374 722	2 476 724	2 631 849	2 784 496	5.4%	6.8%	2 940 428	3 102 152	3 272 770	5.5%	6.1%
Human resources capacitation grant	–	–	–	–	–	–	605 696	1 063 083	1 127 227	–	1.4%
HIV, TB, malaria and community outreach grant: Community outreach services component	–	–	–	–	–	–	1 500 000	1 584 000	2 582 500	–	2.9%
HIV, TB, malaria and community outreach grant: Tuberculosis component	–	–	–	–	–	–	485 300	511 989	540 151	–	0.8%
National health insurance grant	61 077	94 227	–	–	-100.0%	0.1%	–	–	–	–	–
Comprehensive HIV and AIDS grant	13 670 730	–	–	–	-100.0%	9.0%	–	–	–	–	–
HIV, TB, malaria and community outreach grant: HIV and AIDS component	–	–	–	–	–	–	19 963 270	22 195 284	24 518 748	–	33.7%
HIV, TB, malaria and community outreach grant: Malaria elimination component	–	–	–	–	–	–	90 425	117 198	111 188	–	0.2%
Comprehensive HIV, AIDS and TB grant	–	15 290 603	17 577 737	19 921 697	–	34.8%	–	–	–	-100.0%	10.1%
Capital	5 417 045	5 272 680	5 684 495	6 057 202	3.8%	14.8%	6 006 973	6 359 557	6 858 024	4.2%	12.8%
Health facility revitalisation grant	5 417 045	5 272 680	5 684 495	6 057 202	3.8%	14.8%	6 006 973	6 359 557	6 858 024	4.2%	12.8%
Departmental agencies and accounts											
Social security funds											
Current	3 363	3 541	3 718	3 836	4.5%	–	4 050	4 272	4 507	5.5%	–
Compensation Commissioner for Occupational Diseases	3 363	3 541	3 718	3 836	4.5%	–	4 050	4 272	4 507	5.5%	–
Total	33 482 153	35 659 990	39 254 610	43 280 914	8.9%	100.0%	46 986 594	51 303 953	56 258 528	9.1%	100.0%

Personnel information

Table 16.7 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2019		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 2017/18			Revised estimate 2018/19			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)						
		Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20		2020/21		2021/22									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22				
Health		1 512	–	–	1 509	856.3	0.6	1 532	828.8	0.5	1 513	880.5	0.6	1 507	946.5	0.6	1 503	1 008.2	0.7	-0.6%	100.0%
Salary level		1 512	–	–	1 509	856.3	0.6	1 532	828.8	0.5	1 513	880.5	0.6	1 507	946.5	0.6	1 503	1 008.2	0.7	-0.6%	100.0%
1 – 6	472	–	–	476	107.4	0.2	467	100.4	0.2	460	106.3	0.2	457	114.1	0.2	458	123.2	0.3	-0.6%	30.4%	
7 – 10	757	–	–	744	363.2	0.5	784	367.7	0.5	774	388.6	0.5	770	416.8	0.5	768	446.7	0.6	-0.7%	51.1%	
11 – 12	178	–	–	178	214.6	1.2	154	167.4	1.1	149	172.2	1.2	149	184.5	1.2	149	197.3	1.3	-1.1%	9.9%	
13 – 16	103	–	–	109	166.0	1.5	125	187.8	1.5	128	207.6	1.6	129	224.9	1.7	126	234.3	1.9	0.3%	8.4%	
Other	2	–	–	2	5.1	2.6	2	5.5	2.8	2	5.9	2.9	2	6.3	3.2	2	6.7	3.4	–	0.1%	
Programme	1 512	–	–	1 509	856.3	0.6	1 532	828.8	0.5	1 513	880.5	0.6	1 507	946.5	0.6	1 503	1 008.2	0.7	-0.6%	100.0%	
Programme 1	423	–	–	427	195.4	0.5	477	231.5	0.5	475	247.1	0.5	473	265.0	0.6	473	284.4	0.6	-0.3%	31.3%	
Programme 2	60	–	–	60	41.3	0.7	69	50.1	0.7	67	52.0	0.8	65	55.2	0.8	65	59.1	0.9	-2.0%	4.4%	
Programme 3	198	–	–	198	130.3	0.7	226	156.6	0.7	226	167.9	0.7	223	178.1	0.8	223	191.0	0.9	-0.4%	14.8%	
Programme 4	369	–	–	359	160.2	0.4	410	184.2	0.4	407	195.1	0.5	406	209.3	0.5	406	224.8	0.6	-0.3%	26.9%	
Programme 5	34	–	–	37	20.0	0.5	44	28.9	0.7	42	29.8	0.7	42	32.0	0.8	42	34.2	0.8	-1.5%	2.8%	
Programme 6	428	–	–	428	309.0	0.7	306	177.5	0.6	296	188.6	0.6	298	207.0	0.7	294	214.7	0.7	-1.3%	19.7%	

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 (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
R thousand												
Departmental receipts	53 885	59 233	76 056	7 821	7 821	-47.4%	100.0%	4 044	4 681	5 005	-13.8%	100.0%
Sales of goods and services produced by department	46 052	54 298	67 149	4 614	4 614	-53.6%	87.4%	2 948	3 274	3 499	-8.8%	66.5%
Sales by market establishments	160	172	153	170	170	2.0%	0.3%	160	170	175	1.0%	3.1%
of which:												
Parking	160	172	153	170	170	2.0%	0.3%	160	170	175	1.0%	3.1%
Administrative fees	45 395	53 627	66 617	4 250	4 250	-54.6%	86.2%	2 400	2 600	2 800	-13.0%	55.9%
of which:												
Medical (drug control) licences	2 264	2 217	2 316	3 200	3 200	12.2%	5.1%	1 500	1 600	1 700	-19.0%	37.1%
Drug control	42 380	50 262	63 203	–	–	-100.0%	79.1%	–	–	–	–	–
Inspection fees	751	1 148	1 097	1 050	1 050	11.8%	2.1%	900	1 000	1 100	1.6%	18.8%
Request: Promotion of Access to information Act (2000)	–	–	1	–	–	–	–	–	–	–	–	–
Other sales	497	499	379	194	194	-26.9%	0.8%	388	504	524	39.3%	7.5%
of which:												
Yellow fever: Sales of vaccines	334	114	2	–	–	-100.0%	0.2%	–	100	120	–	1.0%
Replacement of security cards	5	10	6	–	–	-100.0%	–	3	4	4	–	0.1%
Commission on insurance	158	375	371	192	192	6.7%	0.6%	385	400	400	27.7%	6.4%

Table 16.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2018/19	Revised estimate	Average growth rate (%) 2015/16 - 2018/19	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
Replacement: Lost office property	-	-	-	2	2	-	-	-	-	-	-100.0%	-
Sales of scrap, waste, arms and other used current goods	44	-	31	4	4	-55.0%	-	1	1	1	-37.0%	-
of which:												
Scrap paper	-	-	3	4	4	-	-	1	1	1	-37.0%	-
Scrap	44	-	28	-	-	-100.0%	-	-	-	-	-	-
Interest, dividends and rent on land	6 536	3 627	4 568	1 800	1 800	-34.9%	8.4%	700	1 000	1 100	-15.1%	21.3%
Interest	6 536	3 627	4 568	1 800	1 800	-34.9%	8.4%	700	1 000	1 100	-15.1%	21.3%
Transactions in financial assets and liabilities	1 253	1 308	4 308	1 403	1 403	3.8%	4.2%	395	406	405	-33.9%	12.1%
Total	53 885	59 233	76 056	7 821	7 821	-47.4%	100.0%	4 044	4 681	5 005	-13.8%	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 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%)	
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22			
R thousand												
Ministry	29 952	29 041	26 493	31 217	1.4%	5.4%	34 483	37 081	39 342	8.0%	5.2%	
Management	10 974	9 913	8 738	11 235	0.8%	1.9%	13 615	13 846	14 705	9.4%	2.0%	
Corporate Services	263 221	251 508	260 089	294 786	3.8%	49.2%	298 630	318 998	339 840	4.9%	46.1%	
Property Management	147 624	142 962	147 103	150 912	0.7%	27.1%	185 995	196 225	207 018	11.1%	27.2%	
Financial Management	74 186	81 995	85 347	117 422	16.5%	16.5%	128 554	137 099	145 281	7.4%	19.5%	
Total	525 957	515 419	527 770	605 572	4.8%	100.0%	661 277	703 249	746 186	7.2%	100.0%	
Change to 2018 Budget estimate				36 854			3 660	8 289	10 126			
Economic classification												
Current payments	514 342	505 253	522 931	597 278	5.1%	98.4%	650 364	691 264	733 512	7.1%	98.4%	
Compensation of employees	214 108	224 577	195 377	231 521	2.6%	39.8%	247 144	265 021	284 399	7.1%	37.8%	
Goods and services ¹	300 234	280 676	327 554	365 757	6.8%	58.6%	403 220	426 243	449 113	7.1%	60.5%	
of which:												
Audit costs: External	20 110	21 818	22 197	33 956	19.1%	4.5%	29 284	32 718	34 518	0.5%	4.8%	
Operating leases	128 222	131 218	122 365	131 896	0.9%	23.6%	174 719	183 984	193 957	13.7%	25.2%	
Property payments	23 330	16 634	28 040	20 733	-3.9%	4.1%	17 617	18 319	19 176	-2.6%	2.8%	
Travel and subsistence	34 534	25 534	34 087	38 379	3.6%	6.1%	51 363	57 298	60 115	16.1%	7.6%	
Training and development	3 851	4 584	4 833	15 932	60.5%	1.3%	23 886	22 843	23 709	14.2%	3.2%	
Operating payments	28 626	24 196	30 904	33 675	5.6%	5.4%	37 696	37 707	40 069	6.0%	5.5%	
Transfers and subsidies¹	3 413	3 136	3 160	3 131	-2.8%	0.6%	2 683	2 884	3 072	-0.6%	0.4%	
Departmental agencies and accounts	2 439	2 808	2 306	2 911	6.1%	0.5%	2 683	2 884	3 072	1.8%	0.4%	
Households	974	328	854	220	-39.1%	0.1%	-	-	-	-100.0%	-	
Payments for capital assets	7 980	6 883	1 613	5 163	-13.5%	1.0%	8 230	9 101	9 602	23.0%	1.2%	
Machinery and equipment	7 980	4 704	1 613	5 163	-13.5%	0.9%	8 230	9 101	9 602	23.0%	1.2%	
Software and other intangible assets	-	2 179	-	-	-	0.1%	-	-	-	-	-	-
Payments for financial assets	222	147	66	-	-100.0%	-	-	-	-	-	-	-
Total	525 957	515 419	527 770	605 572	4.8%	100.0%	661 277	703 249	746 186	7.2%	100.0%	
Proportion of total programme expenditure to vote expenditure	1.5%	1.3%	1.2%	1.3%	-	-	1.3%	1.2%	1.2%	-	-	

Expenditure trends and estimates

Table 16.9 Administration expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2018/19				2015/16	2018/19	2019/20		
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
Households											
Social benefits											
Current	974	328	854	220	-39.1%	0.1%	-	-	-	-100.0%	-
Employee social benefits	974	328	854	220	-39.1%	0.1%	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2 439	2 808	2 306	2 911	6.1%	0.5%	2 683	2 884	3 072	1.8%	0.4%
Health and Welfare Sector	2 439	2 808	2 259	2 911	6.1%	0.5%	2 683	2 884	3 072	1.8%	0.4%
Education and Training Authority											
South African Broadcasting Corporation	-	-	47.0	-	-	-	-	-	-	-	-

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 2019		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 (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost			Unit cost			
Administration																			
Salary level	423	-	427	195.4	0.5	477	231.5	0.5	475	247.1	0.5	473	265.0	0.6	473	284.4	0.6	-0.3%	100.0%
1-6	207	-	211	40.2	0.2	234	47.9	0.2	233	51.5	0.2	232	55.3	0.2	232	59.7	0.3	-0.3%	49.1%
7-10	137	-	137	59.0	0.4	156	70.0	0.4	156	75.3	0.5	155	80.8	0.5	155	86.9	0.6	-0.2%	32.8%
11-12	42	-	42	41.9	1.0	46	49.4	1.1	45	51.6	1.1	45	55.3	1.2	45	59.2	1.3	-0.7%	9.5%
13-16	35	-	35	49.2	1.4	39	58.7	1.5	39	62.8	1.6	39	67.3	1.7	39	71.9	1.8	-	8.2%
Other	2	-	2	5.1	2.6	2	5.5	2.8	2	5.9	2.9	2	6.3	3.2	2	6.7	3.4	-	0.4%

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

Programme purpose

Achieve universal health coverage by improving the quality and coverage of health services through the development and implementation of policies and health financing reforms.

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 2022.
- Regulate the price of medicines by establishing a transparent pricing system that publishes and implements an exit price list annually.
- Improve access to chronic medicines and alleviate pressure on primary health care facilities by ensuring that 3.8 million patients receive chronic medicine through a centralised dispensing and distribution system for chronic medicines by March 2022.

- Strengthen the monitoring of the availability of medicine by ensuring that the national stock management surveillance centre reports on stock availability at all primary health facilities and hospitals by March 2022.
- Improve health information and operational processes in primary health care facilities by ensuring that 50 million individuals are registered on the health patient registration system by March 2022.

Subprogrammes

- *Programme Management* provides leadership to the programme to improve access to quality health services by developing and implementing universal policies for health coverage and reforms for health financing.
- *Affordable Medicine* 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 people 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 of the Council for Medical Schemes, and manages the national health insurance indirect grant.

Expenditure trends and estimates

Table 16.11 National Health Insurance expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average Expenditure/ Total (%)
R thousand											
Programme Management	597	3 628	3 328	4 649	98.2%	0.4%	5 136	5 408	5 720	7.2%	0.2%
Affordable Medicine	26 282	26 567	39 453	49 508	23.5%	4.4%	47 395	50 017	53 411	2.6%	2.1%
Health Financing and National Health Insurance	369 607	478 099	598 754	1 632 978	64.1%	95.2%	2 059 132	2 737 963	2 964 569	22.0%	97.7%
Total	396 486	508 294	641 535	1 687 135	62.0%	100.0%	2 111 663	2 793 388	3 023 700	21.5%	100.0%
Change to 2018				180 646			(94 019)	(103 800)	(33 372)		
Budget estimate											
Economic classification											
Current payments	334 937	413 418	641 149	1 404 281	61.2%	86.4%	1 419 643	1 627 358	1 787 644	8.4%	64.9%
Compensation of employees	36 416	41 115	41 299	50 074	11.2%	5.2%	52 019	55 156	59 121	5.7%	2.3%
Goods and services ¹	298 521	372 303	599 850	1 354 207	65.5%	81.2%	1 367 624	1 572 202	1 728 523	8.5%	62.6%
of which:											
Minor assets	34	96	158	9 312	549.4%	0.3%	11 879	14 397	15 186	17.7%	0.5%
Computer services	111	2	3 825	13 100	390.5%	0.5%	11 734	12 377	13 056	-0.1%	0.5%
Consultants: Business and advisory services	295	3 827	31 507	182 454	752.0%	6.7%	509 515	656 554	1 338 392	94.3%	27.9%
Contractors	278 071	357 959	548 665	784 000	41.3%	60.9%	711 712	747 175	207 143	-35.8%	25.5%
Agency and support/outsourced services	6 535	–	–	287 000	252.8%	9.1%	84 640	96 730	107 550	-27.9%	6.0%
Travel and subsistence	6 249	6 841	6 111	13 969	30.8%	1.0%	21 182	23 592	24 683	20.9%	0.9%
Transfers and subsidies¹	61 188	94 396	–	–	-100.0%	4.8%	605 696	1 063 083	1 127 227	–	29.1%
Provinces and municipalities	61 077	94 227	–	–	-100.0%	4.8%	605 696	1 063 083	1 127 227	–	29.1%
Households	111	169	–	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	319	479	381	282 854	860.7%	8.8%	86 324	102 947	108 829	-27.3%	6.0%
Machinery and equipment	319	479	381	282 854	860.7%	8.8%	86 324	102 947	108 829	-27.3%	6.0%
Payments for financial assets	42	1	5	–	-100.0%	–	–	–	–	–	–
Total	396 486	508 294	641 535	1 687 135	62.0%	100.0%	2 111 663	2 793 388	3 023 700	21.5%	100.0%
Proportion of total programme expenditure to vote expenditure	1.1%	1.3%	1.5%	3.6%	–	–	4.1%	4.9%	4.9%	–	–

Table 16.11 National Health Insurance 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 (%)	
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21			2021/22
	R thousand											
Households												
Social benefits												
Current	59	169	–	–	-100.0%	–	–	–	–	–	–	
Employee social benefits	59	169	–	–	-100.0%	–	–	–	–	–	–	
Households												
Other transfers to households												
Current	52	–	–	–	-100.0%	–	–	–	–	–	–	
Other transfers to households	52	–	–	–	-100.0%	–	–	–	–	–	–	
Provinces and municipalities												
Provinces												
Provincial revenue funds												
Current	61 077	94 227	–	–	-100.0%	4.8%	605 696	1 063 083	1 127 227	–	29.1%	
Human resources capacitation grant	–	–	–	–	–	–	605 696	1 063 083	1 127 227	–	29.1%	
National health insurance grant	61 077	94 227	–	–	-100.0%	4.8%	–	–	–	–	–	

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

Personnel information

Table 16.12 National Health Insurance personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		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 (%)				
		2017/18		2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
National Health Insurance																		
Salary level																		
60	–	60	41.3	0.7	69	50.1	0.7	67	52.0	0.8	65	55.2	0.8	65	59.1	0.9	-2.0%	100.0%
1 – 6	17	17	4.1	0.2	21	5.4	0.3	20	5.5	0.3	19	5.6	0.3	19	6.1	0.3	-3.3%	29.7%
7 – 10	21	21	9.3	0.4	24	11.8	0.5	24	12.7	0.5	23	13.2	0.6	23	14.2	0.6	-1.4%	35.3%
11 – 12	16	16	18.6	1.2	17	21.3	1.3	16	21.4	1.3	16	23.0	1.4	16	24.6	1.5	-2.0%	24.4%
13 – 16	6	6	9.3	1.5	7	11.7	1.7	7	12.5	1.8	7	13.4	1.9	7	14.3	2.0	–	10.5%

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

2. Rand million.

Programme 3: Communicable and Non-communicable Diseases

Programme purpose

Develop and support the implementation of national policies, guidelines, norms and standards, and the achievement of targets for the national response needed to decrease morbidity and mortality associated with communicable and non-communicable diseases. Develop strategies and implement programmes that reduce maternal and child mortality.

Objectives

- Reduce the maternal mortality ratio to fewer than 75 per 100 000 live births by March 2022 by supporting the implementation of key interventions, such as those proposed by the national committee on confidential enquiries into maternal deaths, and conducting maternal mortality reviews.
- Reduce the neonatal mortality rate to fewer than 10 per 1 000 live births by March 2022 by supporting the implementation of recommendations from the national perinatal mortality committee, and capacitating health care workers to manage sick and small neonates.
- Improve access to sexual and reproductive health services and reduce pregnancies of women younger than 19 to less than 10 per cent of all deliveries by ensuring access to modern contraceptive methods by March 2022.

- Protect girls by reducing the risk of the onset of cervical cancer later in life by vaccinating more than 400 000 girls in grade 4 against the human papilloma virus each year over the medium term.
- Reduce the rate of mother-to-child HIV transmission to less than 0.6 per cent by March 2022 by supporting and monitoring the implementation of the guidelines on the prevention of mother-to-child transmission.
- Reduce the mortality rate for children younger than 5 to less than 30 per 1 000 live births by March 2022 by supporting the implementation of 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 450 000 grade 1 learners and 250 000 grade 8 learners for health-related barriers to learning per year by March 2021.
- Achieve a TB treatment success rate of 95 per cent and a 5 per cent or less tuberculosis loss-to-follow-up rate over the medium term through the increased identification of TB patients and ensuring that patients complete their treatment.
- Increase the life expectancy of people living with HIV by ensuring that 7 million people are accessing antiretroviral treatment by March 2022.
- 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.
- Strengthen district mental health services by facilitating the establishment of at least 30 district mental health teams in provinces by March 2022.
- Strengthen health promotion, surveillance, vector control and the case management of malaria to minimise and/or eradicate malaria over the medium term.
- Improve intersectoral collaboration, with a focus on population-wide initiatives, to promote healthy lifestyles and address social and economic determinants by facilitating the establishment of a national health commission by March 2021.

Subprogrammes

- *Programme Management* is responsible for ensuring that efforts by all stakeholders are harnessed to support the overall purpose of the programme. This includes ensuring that the efforts and resources of provincial departments of health, development partners, funders, and academic, research, non-governmental and civil society organisations all contribute in a coherent, integrated way.
- *HIV, AIDS and STIs* is responsible for policy formulation, coordination, and the monitoring and evaluation of HIV and sexually transmitted disease services. This entails ensuring the implementation of the health sector components of the 2017-2022 South African national strategic plan on HIV, TB and STIs. Other important functions of this subprogramme are the management and oversight of the HIV and AIDS component of the HIV, TB, malaria and community outreach grant implemented by provinces, and the coordination and direction of donor funding for HIV and AIDS, in particular the United States President's Emergency Plan for AIDS Relief, the Global Fund to Fight AIDS, Tuberculosis and Malaria, and the United States Centres for Disease Control and Prevention.
- *Tuberculosis Management* 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 tuberculosis and HIV and AIDS infections, mortality, stigma and discrimination, as outlined in the 2017-2022 national strategic plan on HIV, TB and STIs.
- *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 services. Over the medium term, key initiatives will be implemented as indicated in the maternal and child health strategic plan.
- *Child, Youth and School Health* is responsible for the policy formulation, coordination, and monitoring and evaluation of child, youth and school health services. The subprogramme is also responsible for the management and oversight of the human papillomavirus vaccination grant, and coordinates stakeholders outside of the health sector to play key roles in promoting improved child and youth health and nutrition.

- *Communicable Diseases* develops policies and supports provinces to ensure the control of infectious diseases with the support of 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 the elimination of malaria.
- *Non-communicable Diseases* establishes policies, legislation and guidelines, and assists provinces in implementing and monitoring services for chronic non-communicable diseases, disability, eye care, oral health, mental health and substance abuse.
- *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.

Expenditure trends and estimates

Table 16.13 Communicable and Non-communicable Diseases expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2015/16	2016/17	2017/18		2018/19	2015/16	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
R thousand												
Programme Management	5 388	4 446	5 293	5 409	0.1%	–	5 250	5 606	5 959	3.3%	–	
HIV, AIDS and STIs	13 962 474	15 712 480	18 014 119	20 411 530	13.5%	97.8%	22 572 408	24 968 345	28 350 967	11.6%	97.9%	
Tuberculosis Management	20 094	24 326	25 541	25 240	7.9%	0.1%	27 748	30 664	32 508	8.8%	0.1%	
Women's Maternal and Reproductive Health	13 717	11 569	14 230	17 907	9.3%	0.1%	20 299	22 374	23 757	9.9%	0.1%	
Child, Youth and School Health	177 328	212 361	220 758	253 971	12.7%	1.2%	237 608	250 672	264 660	1.4%	1.0%	
Communicable Diseases	21 133	17 589	18 397	22 487	2.1%	0.1%	24 058	25 410	26 969	6.2%	0.1%	
Non-communicable Diseases	20 562	19 425	21 236	74 046	53.3%	0.2%	65 702	167 159	217 145	43.1%	0.5%	
Health Promotion and Nutrition	168 757	27 706	31 393	49 800	-33.4%	0.4%	54 196	58 877	63 911	8.7%	0.2%	
Total	14 389 453	16 029 902	18 350 967	20 860 390	13.2%	100.0%	23 007 269	25 529 107	28 985 876	11.6%	100.0%	
Change to 2018 Budget estimate				(5 401)			(69 657)	(49 331)	992 026			
Economic classification												
Current payments	555 550	570 444	584 647	555 143	–	3.3%	563 564	693 653	779 119	12.0%	2.6%	
Compensation of employees	198 118	122 721	130 325	156 612	-7.5%	0.9%	167 903	178 142	190 986	6.8%	0.7%	
Goods and services ¹	357 432	447 723	454 322	398 531	3.7%	2.4%	395 661	515 511	588 133	13.9%	1.9%	
of which:												
Consultants: Business and advisory services	44 545	70 331	115 428	65 607	13.8%	0.4%	87 940	122 325	128 017	25.0%	0.4%	
Contractors	205	4	270	34 232	450.7%	–	29 759	66 226	90 707	38.4%	0.2%	
Agency and support/outsourced services	11 641	24 867	31 855	25 200	29.4%	0.1%	20 000	55 270	79 407	46.6%	0.2%	
Inventory: Medical supplies	76 590	132 221	81 436	145 976	24.0%	0.6%	150 994	155 871	167 561	4.7%	0.6%	
Travel and subsistence	33 287	22 940	20 563	20 471	-15.0%	0.1%	24 067	23 910	25 226	7.2%	0.1%	
Operating payments	11 392	32 088	43 717	20 590	21.8%	0.2%	21 946	23 500	24 799	6.4%	0.1%	
Transfers and subsidies¹	13 822 580	15 458 466	17 750 949	20 304 880	13.7%	96.7%	22 443 341	24 835 057	28 206 329	11.6%	97.4%	
Provinces and municipalities	13 670 730	15 290 603	17 577 737	20 121 697	13.8%	95.7%	22 250 195	24 631 287	27 987 658	11.6%	96.6%	
Departmental agencies and accounts	19 340	16 711	17 547	17 108	-4.0%	0.1%	18 066	19 059	20 107	5.5%	0.1%	
Foreign governments and international organisations	–	14 370	–	–	–	–	–	–	–	–	–	
Non-profit institutions	131 603	136 306	155 374	165 861	8.0%	0.8%	175 080	184 711	198 564	6.2%	0.7%	
Households	907	476	291	214	-38.2%	–	–	–	–	-100.0%	–	

Table 16.13 Communicable and Non-communicable Diseases 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 (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Payments for capital assets	10 843	909	15 298	367	-67.7%	-	364	397	428	5.3%	-
Machinery and equipment	7 451	909	15 298	367	-63.3%	-	364	397	428	5.3%	-
Software and other intangible assets	3 392	-	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	480	83	73	-	-100.0%	-	-	-	-	-	-
Total	14 389 453	16 029 902	18 350 967	20 860 390	13.2%	100.0%	23 007 269	25 529 107	28 985 876	11.6%	100.0%
Proportion of total programme expenditure to vote expenditure	40.0%	41.6%	43.3%	43.9%	-	-	44.7%	45.0%	46.8%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	907	476	291	214	-38.2%	-	-	-	-	-100.0%	-
Employee social benefits	907	476	291	214	-38.2%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	19 340	16 711	17 547	17 108	-4.0%	0.1%	18 066	19 059	20 107	5.5%	0.1%
South African National AIDS Council	19 340	16 711	17 547	17 108	-4.0%	0.1%	18 066	19 059	20 107	5.5%	0.1%
Foreign governments and international organisations											
Current	-	14 370	-	-	-	-	-	-	-	-	-
International AIDS Society	-	14 370	-	-	-	-	-	-	-	-	-
Non-profit institutions											
Current	131 603	136 306	155 374	165 861	8.0%	0.8%	175 080	184 711	198 564	6.2%	0.7%
Non-governmental organisations: Lifeline	19 898	20 953	22 000	23 276	5.4%	0.1%	24 579	25 931	27 876	6.2%	0.1%
Non-governmental organisations: loveLife	54 396	57 808	61 200	64 750	6.0%	0.3%	68 376	72 137	77 547	6.2%	0.3%
Non-governmental organisations: Soul City	16 277	14 465	19 226	20 270	7.6%	0.1%	21 336	22 509	24 197	6.1%	0.1%
Non-governmental organisations: HIV and AIDS National Kidney Foundation of South Africa	38 131	41 439	41 530	54 434	12.6%	0.3%	57 482	60 644	65 192	6.2%	0.2%
Mental health and substance abuse	350	-	350	370	1.9%	-	391	413	444	6.3%	-
Public universities South Africa	190	-	-	-	-100.0%	-	-	-	-	-	-
South African Federation for Mental Health	-	-	8 500	-	-	-	-	-	-	-	-
South African National Council for the Blind	335	353	371	393	5.5%	-	415	438	471	6.2%	-
South African Medical Research Council	752	792	832	880	5.4%	-	929	980	1 054	6.2%	-
National Council Against Smoking	471	496	520	550	5.3%	-	581	613	659	6.2%	-
	803	-	845	938	5.3%	-	991	1 046	1 124	6.2%	-
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	13 670 730	15 290 603	17 577 737	20 121 697	13.8%	95.7%	22 250 195	24 631 287	27 987 658	11.6%	96.6%
Human papillomavirus vaccine grant	-	-	-	200 000	-	0.3%	211 200	222 816	235 071	5.5%	0.9%
HIV, TB, malaria and community outreach grant: Community outreach services component	-	-	-	-	-	-	1 500 000	1 584 000	2 582 500	-	5.8%
HIV, TB, malaria and community outreach grant: Tuberculosis component	-	-	-	-	-	-	485 300	511 989	540 151	-	1.6%
Comprehensive HIV/AIDS	13 670 730	-	-	-	-100.0%	19.6%	-	-	-	-	-
HIV, TB, malaria and community outreach grant: HIV and AIDS component	-	-	-	-	-	-	19 963 270	22 195 284	24 518 748	-	67.8%

Table 16.13 Communicable and Non-communicable Diseases expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
	R thousand										
HIV, TB, malaria and community outreach grant: Malaria elimination component	-	-	-	-	-	-	90 425	117 198	111 188	-	0.3%
Comprehensive HIV/AIDS and TB conditional grant	-	15 290 603	17 577 737	19 921 697	-	75.8%	-	-	-	-100.0%	20.2%

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 16.14 Communicable and Non-communicable Diseases personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		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 (%) 2018/19 - 2021/22	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost	
Communicable and Non-communicable Diseases																			
Salary level	198	-	198	130.3	0.7	226	156.6	0.7	226	167.9	0.7	223	178.1	0.8	223	191.0	0.9	-0.4%	100.0%
1-6	29	-	29	6.4	0.2	37	8.7	0.2	37	9.4	0.3	37	10.2	0.3	37	11.0	0.3	-	16.5%
7-10	103	-	103	48.6	0.5	112	56.2	0.5	112	60.4	0.5	110	64.3	0.6	110	69.2	0.6	-0.6%	49.4%
11-12	43	-	43	47.5	1.1	49	55.3	1.1	49	59.1	1.2	49	63.4	1.3	49	67.8	1.4	-	21.8%
13-16	23	-	23	27.9	1.2	28	36.4	1.3	28	38.9	1.4	27	40.3	1.5	27	43.1	1.6	-1.2%	12.2%

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

Programme purpose

Develop and oversee the implementation of legislation, policies, systems, and norms and standards for a uniform, well-functioning district health system, including for emergency, environmental and port health services.

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 the quality of care at clinics by ensuring that at least 2 100 primary health care facilities qualify as ideal clinics by March 2022.
- Improve the quality of services at district hospitals by implementing the ideal district hospital framework at 20 per cent of all district hospitals by March 2022.
- Improve environmental health services in all 52 districts and metropolitan municipalities by progressively assessing these municipalities for adherence to environmental health norms and standards by March 2022.
- Improve health waste management by assessing 78 major public health facilities each year that generate more than 20kg per day of health care risk waste for adherence to norms and standards.
- Ensure that port health services comply with international health regulations by March 2022 by regularly auditing points of entry and addressing findings from all of South Africa's 44 points of entry on an ongoing basis.

- Ensure access to quality emergency medical services and their efficient delivery by monitoring compliance with regulations pertaining to emergency medical services on an ongoing basis.

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, and emergency, environmental and port health systems.
- *District Health Services* promotes, coordinates and institutionalises the district health system; integrates programme implementation using the primary health care approach; and coordinates the re-engineering of primary health care.
- *Environmental and Port Health Services* coordinates the delivery of environmental health services, including the monitoring and delivery of municipal health services, and ensures compliance with international health regulations by coordinating and implementing port health services in all of South Africa's ports of entry.
- *Emergency Medical Services and Trauma* improves the governance, management and functioning of emergency medical services in the country by formulating policies, guidelines, and norms and standards; strengthening the capacity and skills of emergency medical services personnel; identifying needs and service gaps; and providing oversight to provinces.

Expenditure trends and estimates

Table 16.15 Primary Health Care expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R thousand											
Programme Management	7 818	9 336	3 955	3 017	-27.2%	3.2%	3 940	4 195	4 429	13.7%	1.7%
District Health Services	9 784	19 550	43 161	21 740	30.5%	12.4%	21 413	23 475	25 541	5.5%	10.0%
Environmental and Port Health Services	135 740	146 696	153 930	176 068	9.1%	80.7%	187 501	200 956	215 752	7.0%	84.4%
Emergency Medical Services and Trauma	5 315	7 320	7 098	8 497	16.9%	3.7%	8 897	9 386	9 973	5.5%	4.0%
Total	158 657	182 902	208 144	209 322	9.7%	100.0%	221 751	238 012	255 695	6.9%	100.0%
Change to 2018 Budget estimate				(1 599)			9 595	14 104	17 521		
Economic classification											
Current payments	156 788	181 384	201 770	207 772	9.8%	98.5%	221 512	237 740	255 408	7.1%	99.7%
Compensation of employees	138 159	150 227	160 244	184 184	10.1%	83.4%	195 109	209 272	224 777	6.9%	87.9%
Goods and services ¹	18 629	31 157	41 526	23 588	8.2%	15.1%	26 403	28 468	30 631	9.1%	11.8%
of which:											
Communication	556	1 277	1 902	1 839	49.0%	0.7%	867	1 847	1 976	2.4%	0.7%
Consultants: Business and advisory services	2	309	577	2 536	982.4%	0.5%	777	1 396	1 445	-17.1%	0.7%
Fleet services (including government motor transport)	9 380	10 770	8 995	6 927	-9.6%	4.8%	7 716	7 924	8 429	6.8%	3.4%
Consumables: Stationery, printing and office supplies	1 088	585	1 082	1 549	12.5%	0.6%	1 054	1 294	1 406	-3.2%	0.6%
Travel and subsistence	4 654	8 700	12 769	2 066	-23.7%	3.7%	4 468	2 915	3 664	21.0%	1.4%
Venues and facilities	1 119	3 212	3 651	897	-7.1%	1.2%	2 102	2 322	2 370	38.2%	0.8%
Transfers and subsidies¹	444	813	256	251	-17.3%	0.2%	–	–	–	-100.0%	–
Departmental agencies and accounts	–	–	13	–	–	–	–	–	–	–	–
Households	444	813	243	251	-17.3%	0.2%	–	–	–	-100.0%	–
Payments for capital assets	1 416	704	6 118	1 299	-2.8%	1.3%	239	272	287	-39.5%	0.2%
Machinery and equipment	1 416	704	6 118	1 299	-2.8%	1.3%	239	272	287	-39.5%	0.2%
Payments for financial assets	9	1	–	–	-100.0%	–	–	–	–	–	–
Total	158 657	182 902	208 144	209 322	9.7%	100.0%	221 751	238 012	255 695	6.9%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.5%	0.5%	0.4%	–	–	0.4%	0.4%	0.4%	–	–

Table 16.15 Primary Health Care expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies		Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%) 2018/19 - 2021/22
		2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand												
Households												
Social benefits												
Current												
	444	813	243	251	-17.3%	0.2%	-	-	-	-100.0%	-	-
Employee social benefits	444	813	243	251	-17.3%	0.2%	-	-	-	-100.0%	-	-
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current												
	-	-	13.0	-	-	-	-	-	-	-	-	-
South African Broadcasting Corporation	-	-	13.0	-	-	-	-	-	-	-	-	-

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 16.16 Primary Health Care personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		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 (%) 2018/19 - 2021/22	Average: Salary level/Total (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Primary Health Care																			
Salary level	369	-	359	160.2	0.4	410	184.2	0.4	407	195.1	0.5	406	209.3	0.5	406	224.8	0.6	-0.3%	100.0%
1-6	79	-	79	13.4	0.2	92	17.0	0.2	92	18.3	0.2	92	19.8	0.2	92	21.3	0.2	-	22.6%
7-10	261	-	248	99.3	0.4	281	123.7	0.4	279	131.7	0.5	278	141.2	0.5	278	151.8	0.5	-0.4%	68.5%
11-12	25	-	25	35.9	1.4	26	26.4	1.0	25	26.8	1.1	25	28.7	1.1	25	30.7	1.2	-1.3%	6.2%
13-16	4	-	7	11.6	1.7	11	17.1	1.6	11	18.3	1.7	11	19.6	1.8	11	20.9	1.9	-	2.7%

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

2. Rand million.

Programme 5: Hospital Systems

Programme purpose

Develop national policies and plans for all levels of hospital services to strengthen the referral system and facilitate the improvement of hospitals. Ensure that the planning, coordination, delivery and oversight of health infrastructure meet the country's health needs.

Objectives

- Ensure quality health care by improving compliance with national core standards at all central, tertiary, regional and specialised hospitals through the ideal hospital framework on an ongoing basis.
- Strengthen the decision-making capabilities and accountability of central hospitals to facilitate their increased autonomy through the full delegation of their management functions by assessing and benchmarking the management of all 10 central hospitals against standardised organisational structures by 2020/21.
- Accelerate the construction and maintenance of health infrastructure by coordinating, funding and monitoring health infrastructure projects and enhancing the capacity of provincial departments of health to deliver health infrastructure on an ongoing basis.

Subprogrammes

- *Programme Management* supports and provides leadership for the development of national policy on hospital services, including infrastructure management for health facilities and hospital systems.
- *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.
- *Hospital Systems* focuses on the modernised and reconfigured provision of tertiary hospital services, identifies tertiary and regional hospitals that should serve as centres of excellence for disseminating quality improvements, and is responsible for the management of the national tertiary services grant.

Expenditure trends and estimates

Table 16.17 Hospital Systems expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R thousand											
Programme Management	3 738	2 614	956	3 304	-4.0%	–	3 418	3 623	3 852	5.2%	–
Health Facilities Infrastructure Management	6 092 904	5 973 459	6 356 326	6 927 093	4.4%	35.9%	7 178 830	7 995 682	8 462 951	6.9%	35.9%
Hospital Systems	10 389 107	10 858 291	11 685 795	12 414 241	6.1%	64.1%	13 198 893	14 083 458	14 858 343	6.2%	64.1%
Total	16 485 749	16 834 364	18 043 077	19 344 638	5.5%	100.0%	20 381 141	22 082 763	23 325 146	6.4%	100.0%
Change to 2018 Budget estimate				186 541			157 669	586 251	500 888		
Economic classification											
Current payments	159 075	132 050	105 130	196 542	7.3%	0.8%	125 442	136 210	144 512	-9.7%	0.7%
Compensation of employees	18 434	19 903	20 012	28 947	16.2%	0.1%	29 805	31 968	34 222	5.7%	0.1%
Goods and services ²	140 641	112 147	85 118	167 595	6.0%	0.7%	95 637	104 242	110 290	-13.0%	0.6%
of which:											
Minor assets	996	3 955	110	4 000	59.0%	–	5 000	6 000	6 330	16.5%	–
Communication	250	199	165	2 493	115.2%	–	2 482	2 618	2 762	3.5%	–
Consultants: Business and advisory services	192	780	80 145	93 988	688.1%	0.2%	23 744	50 595	30 628	-31.2%	0.2%
Contractors	3	–	–	15 949	1645.3%	–	15 829	2 721	2 871	-43.5%	–
Agency and support/outsourced services	129 739	100 218	92	32 509	-37.0%	0.4%	28 940	25 869	52 663	17.4%	0.2%
Travel and subsistence	6 501	5 256	3 771	7 805	6.3%	–	8 171	6 955	5 009	-13.7%	–
Transfers and subsidies¹	15 798 324	16 121 119	17 360 640	18 457 905	5.3%	95.8%	19 192 501	20 428 420	21 700 674	5.5%	93.7%
Provinces and municipalities	15 798 219	16 119 458	17 360 640	18 457 905	5.3%	95.8%	19 192 501	20 428 420	21 700 674	5.5%	93.7%
Foreign governments and international organisations	–	1 661	–	–	–	–	–	–	–	–	–
Households	105	–	–	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	528 323	581 195	577 267	690 191	9.3%	3.4%	1 063 198	1 518 133	1 479 960	29.0%	5.6%
Buildings and other fixed structures	470 641	574 044	577 139	544 073	5.0%	3.1%	984 094	1 402 294	1 157 749	28.6%	4.8%
Machinery and equipment	57 682	7 151	128	146 118	36.3%	0.3%	79 104	115 839	322 211	30.2%	0.8%
Payments for financial assets	27	–	40	–	-100.0%	–	–	–	–	–	–
Total	16 485 749	16 834 364	18 043 077	19 344 638	5.5%	100.0%	20 381 141	22 082 763	23 325 146	6.4%	100.0%
Proportion of total programmer expenditure to vote expenditure	45.8%	43.7%	42.5%	40.7%	–	–	39.6%	39.0%	37.7%	–	–

Table 16.17 Hospital Systems expenditure trends and estimates by subprogramme and economic classification

R thousand	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2015/16	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22			2018/19 - 2021/22
	Details of transfers and subsidies												
Households													
Social benefits													
Current													
Employee social benefits	105	-	-	-	-100.0%	-	-	-	-	-	-	-	
Foreign governments and international organisations													
Current													
International Hospital Federation	-	1 661	-	-	-	-	-	-	-	-	-	-	
Provinces and municipalities													
Provinces													
Provincial revenue funds													
Current													
National tertiary services grant	10 381 174	10 846 778	11 676 145	12 400 703	6.1%	64.1%	13 185 528	14 068 863	14 842 650	6.2%	64.0%		
Capital	5 417 045	5 272 680	5 684 495	6 057 202	3.8%	31.7%	6 006 973	6 359 557	6 858 024	4.2%	29.7%		
Health facility revitalisation grant (direct)	5 417 045	5 272 680	5 684 495	6 057 202	3.8%	31.7%	6 006 973	6 359 557	6 858 024	4.2%	29.7%		

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

Personnel information

Table 16.18 Hospital Systems personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		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 (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Hospital Systems																			
Salary level	34	-	37	20.0	0.5	44	28.9	0.7	42	29.8	0.7	42	32.0	0.8	42	34.2	0.8	-1.5%	100.0%
1-6	6	-	6	1.0	0.2	7	1.2	0.2	6	1.1	0.2	6	1.2	0.2	6	1.3	0.2	-5.0%	14.7%
7-10	9	-	9	2.7	0.3	12	3.7	0.3	12	4.0	0.3	12	4.3	0.4	12	4.6	0.4	-	28.2%
11-12	12	-	12	8.0	0.7	12	9.5	0.8	12	10.2	0.8	12	10.9	0.9	12	11.7	1.0	-	28.2%
13-16	7	-	10	8.4	0.8	13	14.5	1.1	12	14.5	1.2	12	15.5	1.3	12	16.6	1.4	-2.6%	28.8%

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

2. Rand million.

Programme 6: Health System Governance and Human Resources

Programme purpose

Develop policies and systems for the planning, managing and training of health sector human resources, and for planning, monitoring and evaluation, and research in the sector. Provide oversight to all public entities in the sector and to statutory health professional councils in South Africa. Provide forensic laboratory services.

Objectives

- Support and strengthen the key governance functions of the health sector by establishing and maintaining an effective information system to improve planning, monitoring and evaluation over the medium term.
- Ensure that the required number of individuals are trained and well distributed across the country and the levels of care by developing workforce policies and plans over the medium term.
- Ensure that all 5 public health entities and 6 statutory health professional councils comply with good governance practices by providing advice and technical support over the medium term.
- Increase production by placing all eligible students returning from the Nelson Mandela Fidel Castro medical programme in Cuba in local medical schools for final clinical training by March 2022.

- Achieve an equitable distribution of human resources across the country and the levels of care by developing and implementing regulations in terms of section 52 of the National Health Act (2003) by March 2022.
- Improve the quality of nursing education and practice by implementing a new three-year diploma in general nursing at all 10 nursing colleges by March 2022.
- Contribute to improving the functioning of the criminal justice system by eliminating backlogs for blood-alcohol tests at forensic chemistry laboratories by 2019/20, 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 health workforce programmes, key governance functions such as planning and monitoring, public entity oversight and forensic chemistry laboratories.
- *Policy and Planning* provides advisory and strategic technical assistance on policy and planning, and supports policy analysis and implementation.
- *Public Entities Management and Laboratories* 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. The subprogramme is also 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.
- *Nursing Services* develops and oversees the implementation of a policy framework for the development of required nursing skills and capacity, nursing norms and standards, and the facilitation of the development of the curriculum for nursing education.
- *Health Information, Monitoring and Evaluation* develops and maintains a national health information system, commissions and coordinates research, implements surveillance programmes for disease notification, and monitors and evaluates strategic health programmes.
- *Human Resources for Health* is responsible for the medium- to long-term planning of human resources 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.

Expenditure trends and estimates

Table 16.19 Health System Governance and Human Resources 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 (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Programme Management	4 519	4 311	6 262	6 021	10.0%	0.1%	6 220	6 579	7 000	5.2%	0.1%
Policy and Planning	7 503	10 808	82 787	6 818	-3.1%	0.6%	7 713	7 922	8 404	7.2%	0.1%
Public Entities Management and Laboratories	1 560 629	1 805 968	1 810 589	1 930 927	7.4%	39.7%	2 037 390	2 141 329	2 233 624	5.0%	40.1%
Nursing Services	4 229	7 289	8 006	9 344	30.2%	0.2%	9 438	10 004	10 648	4.5%	0.2%
Health Information, Monitoring and Evaluation	57 421	81 632	56 041	39 404	-11.8%	1.3%	45 318	45 257	48 398	7.1%	0.9%
Human Resources for Health	2 394 258	2 515 297	2 689 513	2 808 803	5.5%	58.1%	2 971 510	3 128 641	3 295 243	5.5%	58.6%
Total	4 028 559	4 425 305	4 653 198	4 801 317	6.0%	100.0%	5 077 589	5 339 732	5 603 317	5.3%	100.0%
Change to 2018 Budget estimate				(31 533)			68	(38 591)	(73 757)		
Economic classification											
Current payments	213 299	432 190	426 214	261 812	7.1%	7.4%	309 297	333 288	348 407	10.0%	6.0%
Compensation of employees	144 862	278 726	309 006	177 476	7.0%	5.1%	188 563	206 964	214 705	6.6%	3.8%
Goods and services ¹	68 437	153 464	117 208	84 336	7.2%	2.4%	120 734	126 324	133 702	16.6%	2.2%
<i>of which:</i>											
<i>Consultants: Business and advisory services</i>	13 884	61 706	39 963	4 263	-32.5%	0.7%	43 394	44 545	47 665	123.6%	0.7%
<i>Contractors</i>	6 283	4 961	7 700	6 341	0.3%	0.1%	10 428	11 723	12 367	24.9%	0.2%
<i>Fleet services (including government motor transport)</i>	3 119	10 413	6 262	4 222	10.6%	0.1%	5 611	5 613	5 909	11.9%	0.1%
<i>Inventory: Other supplies</i>	11 724	9 163	9 431	12 732	2.8%	0.2%	9 103	12 856	13 563	2.1%	0.2%
<i>Travel and subsistence</i>	7 523	23 397	13 084	1 987	-35.8%	0.3%	8 705	9 187	9 625	69.2%	0.1%
<i>Operating payments</i>	7 012	8 342	5 119	16 074	31.9%	0.2%	7 770	6 260	6 575	-25.8%	0.2%
Transfers and subsidies¹	3 796 204	3 982 060	4 139 605	4 514 747	5.9%	91.8%	4 742 373	4 974 509	5 221 226	5.0%	93.4%
Provinces and municipalities	2 374 722	2 476 724	2 631 849	2 784 496	5.4%	57.3%	2 940 428	3 102 152	3 272 770	5.5%	58.1%
Departmental agencies and accounts	1 397 643	1 477 829	1 498 606	1 699 961	6.7%	33.9%	1 801 945	1 872 357	1 948 456	4.7%	35.2%
Non-profit institutions	23 470	25 364	–	30 048	8.6%	0.4%	–	–	–	-100.0%	0.1%
Households	369	2 143	9 150	242	-13.1%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	18 936	10 628	87 326	24 758	9.3%	0.8%	25 919	31 935	33 684	10.8%	0.6%
Machinery and equipment	18 120	10 628	87 326	24 722	10.9%	0.8%	25 919	31 935	33 684	10.9%	0.6%
Software and other intangible assets	816	–	–	36	-64.7%	–	–	–	–	-100.0%	–
Payments for financial assets	120	427	53	–	-100.0%	–	–	–	–	–	–
Total	4 028 559	4 425 305	4 653 198	4 801 317	6.0%	100.0%	5 077 589	5 339 732	5 603 317	5.3%	100.0%
Proportion of total programme expenditure to vote expenditure	11.2%	11.5%	11.0%	10.1%	–	–	9.9%	9.4%	9.0%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	369	1 883	2 151	242	-13.1%	–	–	–	–	-100.0%	–
Employee social benefits	369	1 883	2 151	242	-13.1%	–	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 394 280	1 474 288	1 494 888	1 696 125	6.8%	33.8%	1 797 895	1 868 085	1 943 949	4.7%	35.1%
South African Broadcasting Corporation	–	–	6	–	–	–	–	–	–	–	–
South African Medical Research Council	623 892	660 270	617 211	624 829	0.1%	14.1%	686 666	722 281	758 652	6.7%	13.4%
National Health Laboratory Service	678 926	711 871	746 464	810 759	6.1%	16.5%	785 497	827 989	871 120	2.4%	15.8%
Office of Health Standards Compliance	88 906	100 535	125 711	129 678	13.4%	2.5%	136 471	143 970	151 889	5.4%	2.7%
Council for Medical Schemes	2 556	1 612	5 496	5 670	30.4%	0.1%	5 987	6 317	6 664	5.5%	0.1%
South African Health Product Regulatory Authority	–	–	–	125 189	–	0.7%	183 274	167 528	155 624	7.5%	3.0%

Table 16.19 Health System Governance and Human Resources 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 (%)
		2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand												
Households												
Current												
Employee social benefits		260										
University of the Witwatersrand			6 999									
Non-profit institutions												
Current		23 470	25 364		30 048	8.6%	0.4%				-100.0%	0.1%
Wits University Foundation			650									
Health information systems programme		12 103	12 745		14 158	5.4%	0.2%				-100.0%	0.1%
Health Systems Trust		11 367	11 969		15 890	11.8%	0.2%				-100.0%	0.1%
Provinces and municipalities												
Provinces												
Provincial revenue funds												
Current		2 374 722	2 476 724	2 631 849	2 784 496	5.4%	57.3%	2 940 428	3 102 152	3 272 770	5.5%	58.1%
Health professions training and development grant		2 374 722	2 476 724	2 631 849	2 784 496	5.4%	57.3%	2 940 428	3 102 152	3 272 770	5.5%	58.1%
Departmental agencies and accounts												
Social security funds												
Current		3 363	3 541	3 718	3 836	4.5%	0.1%	4 050	4 272	4 507	5.5%	0.1%
Compensation Commissioner		3 363	3 541	3 718	3 836	4.5%	0.1%	4 050	4 272	4 507	5.5%	0.1%

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 System Governance and Human Resources personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2019		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 (%)			
		2017/18	2018/19	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2018/19	2021/22							
Health System Governance and Human Resources		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	428																	
1-6	134																	
7-10	226																	
11-12	40																	
13-16	28																	

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

2. Rand million.

Entities

National Health Laboratory Service

Mandate

The National Health Laboratory Service was established in 2001 in terms of the National Health Laboratory Service Act (2000). It provides cost-effective diagnostic laboratory services to state clinics and hospitals. The entity is the largest diagnostic pathology service in South Africa, and serves more than 80 per cent of the population through its network of 288 laboratories. It also provides health science training and conducts innovative research. 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	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of CD4 tests performed within the specified timeframe per year	Laboratory tests	Outcome 2: A long and healthy life for all South Africans	89% (3 043 404/ 3 419 555) within 48 hours	94% (3 193 157/ 3 380 991) within 48 hours	91% (2 738 438/ 2 990 284) within 40 hours	90% within 40 hours	90% within 40 hours	93% within 40 hours	95% within 40 hours
Percentage of viral load tests performed within 96 hours per year	Laboratory tests		64% (2 757 422/ 4 308 472)	87% (3 920 964/ 4 491 312)	82% (4 087 650/ 4 943 017)	75%	75%	80%	85%
Percentage of TB microscopy/GeneXpert tests performed within the specified timeframe per year	Laboratory tests		91% (3 005 801/ 3 303 078) within 48 hours	97% (2 276 816/ 2 354 930) within 48 hours	91% (1 875 803/ 2 055 569) within 40 hours	90% within 40 hours	90% within 40 hours	95% within 40 hours	95% within 40 hours
Percentage of HIV polymerase chain reaction tests performed within 96 hours per year	Laboratory tests		73% (408 296/ 559 310)	82% (465 627/ 568 571)	77% (442 765/ 576 145)	75%	85%	90%	95%
Percentage of cervical smear tests performed within 5 weeks per year	Laboratory tests		48% (445 827/ 928 806)	97% (883 168/ 911 720)	90% (768 317/ 849 968)	80% ¹	90%	95%	98%
Percentage of national central laboratories accredited by the South African National Accreditation System per year	Research		86% (46/53)	90% (43/48)	92% (50/53)	99%	98%	100%	100%
Percentage of laboratories achieving proficiency testing schemes performance standards of 80 per cent per year	Research		– ²	87% (214/246)	92% (233/254)	83%	94%	95%	98%
Number of peer-reviewed articles published annually	Research		– ²	570	588	590	600	650	700
Percentage of occupational and environmental health laboratory tests conducted within predefined turnaround time	Occupational health		77% (6226/ 8 086)	93% (4 366/ 4 712)	86% (7 052/ 8 200)	85%	90%	90%	90%
Percentage of outbreaks responded to within 24 hours of notification per year	Surveillance of communicable diseases		– ²	100% (1 212/ 1 212)	100% (1341/ 1341)	100%	100%	100%	100%

1. Target was incorrectly published as 75 per cent in the 2018 Estimates of National Expenditure. 80 per cent is the target in the service's 2018/19 annual performance plan.

2. No historical data available.

Expenditure analysis

Over the medium term, the National Health Laboratory Service aims to continue focusing on providing affordable, high-quality laboratory services to health care facilities, primarily in the public sector; training pathologists and other health professionals; and conducting research. Through the National Institute of Communicable Diseases and the National Institute for Occupational Health, the service provides surveillance of communicable and non-communicable diseases. These objectives contribute to the NDP's goals of improving the quality of health care services and controlling epidemics, and to the realisation of outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework.

The *Laboratory tests* programme aims to ensure that laboratory services to test for HIV and associated opportunistic infections, such as TB, cryptococcus and hepatitis, are accessible and affordable. The programme also performs tests for non-communicable diseases such as cancer, diabetes and heart diseases. To ensure better processing of tests and improved service delivery, the service plans to replace old equipment in its facilities across South Africa at a projected cost of R210 million over the MTEF period. As a result, by 2021/22, 95 per cent of tests for CD4 count and TB are expected to be performed within 40 hours; 95 per cent of polymerase chain reaction tests for the diagnosis of HIV in children within 96 hours; and 85 per cent of viral load

tests within 96 hours. To allow for increased test volumes and improved turnaround times, overall expenditure in this programme is set to increase at an average annual rate of 8.3 per cent, from R6.6 billion in 2018/19 to R8.4 billion in 2021/22. Spending in this programme accounts for an estimated 78.7 per cent (R23.5 billion) of the service's total expenditure over the medium term.

As part of its *Research* programme, in 2019/20, 250 registrars are expected to be in training to become pathologists, 45 of whom are set to qualify as pathologists; and 70 new registrars are set to be admitted. The service plans to publish 1 950 peer-reviewed articles over the medium term and ensure that the South African National Accreditation System accredits 100 per cent of national central laboratories. To achieve these targets, R1.5 billion over the MTEF period is allocated to the *Research* programme.

The National Institute for Communicable Diseases, the National Institute for Occupational Health and the *Research* programme are partially funded by departmental transfers, which are projected to increase at an average annual rate of 7.4 per cent, from R980.8 million in 2018/19 to R1.2 billion in 2021/22. R1.2 billion over the MTEF period has been earmarked for the National Institute for Communicable Diseases to carry out surveillance of communicable diseases, with the intention of responding to outbreaks within 24 hours. The National Institute for Occupational Health is expected to receive R421.3 million over the same period to provide training and research in occupational health. It aims to conduct 90 per cent of occupational and environmental health laboratory tests over the medium term within specified turnaround times.

An increase of 1 per cent in the volume of tests, from 91 302 407 in 2016/17 to 92 468 360 in 2017/18, translated into an increase of R789.8 million in revenue, mainly from tests ordered by provincial departments of health, in 2017/18. The volume of tests is anticipated to continue to increase at this rate over the medium term. As a result, boosted by annual tariff increases, revenue from laboratory tests is set to increase at an average annual rate of 6.5 per cent, from R7.6 billion in 2018/19 to R9.2 billion in 2021/22. This equates to 86.2 per cent (R25.8 billion) of the service's total projected revenue over the MTEF period, and 11.5 per cent (R3.5 billion) is set to be generated through transfers from the department.

Programmes/Objectives/Activities

Table 16.22 National Health Laboratory Service 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 (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	1 202 615	667 452	690 648	920 302	-8.5%	11.4%	984 708	1 045 093	1 106 670	6.3%	10.6%
Surveillance of communicable diseases	271 645	342 171	326 176	352 518	9.1%	4.1%	370 016	394 841	420 680	6.1%	4.0%
Occupational health	90 101	93 133	114 014	125 126	11.6%	1.4%	131 267	140 273	149 750	6.2%	1.4%
Laboratory tests	4 937 634	8 106 060	5 474 063	6 623 761	10.3%	78.9%	7 311 736	7 798 033	8 415 508	8.3%	78.7%
Research	190 990	219 241	438 400	462 038	34.2%	4.2%	486 055	515 006	543 190	5.5%	5.2%
Total	6 692 985	9 428 057	7 043 301	8 483 745	8.2%	100.0%	9 283 782	9 893 246	10 635 798	7.8%	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									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19		
Revenue									
Non-tax revenue	5 819 767	6 104 986	6 599 056	6 653 244	6 924 274	7 334 858	7 760 000	7 739 000	102.7%
Sale of goods and services other than capital assets	5 742 732	5 763 268	6 463 609	6 379 635	6 751 134	7 169 413	7 613 605	7 613 608	101.3%
of which:									
Sales by market establishment	5 742 732	5 763 268	6 463 609	6 379 635	6 751 134	7 169 413	7 613 605	7 613 608	101.3%
Other non-tax revenue	77 035	341 718	135 447	273 609	173 140	165 445	146 395	125 392	170.3%
Transfers received	678 926	860 761	711 871	864 646	964 717	1 011 018	959 759	980 759	112.1%
Total revenue	6 498 693	6 965 747	7 310 927	7 517 890	7 888 991	8 345 876	8 719 759	8 719 759	103.7%

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

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Expenses									
Current expenses	6 147 112	6 692 985	6 941 389	9 428 057	7 616 470	7 043 301	8 483 745	8 483 745	108.4%
Compensation of employees	2 423 485	2 565 987	3 064 721	3 228 470	3 454 939	3 326 192	3 856 880	3 856 879	101.4%
Goods and services	3 672 684	4 008 246	3 746 181	6 059 977	4 026 914	3 490 098	4 479 092	4 479 093	113.3%
Depreciation	40 442	118 568	130 303	127 649	134 417	211 708	135 774	135 773	134.6%
Interest, dividends and rent on land	10 500	184	184	11 961	200	15 303	12 000	12 000	172.4%
Total expenses	6 147 112	6 692 985	6 941 389	9 428 057	7 616 470	7 043 301	8 483 745	8 483 745	108.4%
Surplus/(Deficit)	351 581	272 762	369 538	(1 910 167)	272 521	1 302 575	236 014	236 014	
Statement of financial position									
Carrying value of assets	764 229	501 519	784 809	1 240 402	1 114 277	1 257 231	1 569 651	1 569 650	107.9%
<i>of which:</i>									
Acquisition of assets	(526 425)	(155 344)	(200 000)	(187 557)	(235 000)	(128 450)	(320 000)	(320 000)	61.8%
Inventory	103 201	104 218	110 276	116 843	118 011	124 412	119 192	119 191	103.1%
Receivables and prepayments	2 135 463	3 154 924	3 090 945	1 736 903	1 813 165	2 453 438	1 895 643	1 599 495	100.1%
Cash and cash equivalents	699 424	738 975	707 078	391 976	563 614	1 119 144	659 942	1 215 472	131.8%
Total assets	3 702 317	4 499 636	4 693 107	3 486 124	3 609 067	4 954 225	4 244 427	4 503 808	107.4%
Accumulated surplus/(deficit)	2 043 836	1 869 818	2 291 977	(365)	262 133	1 264 598	498 147	1 500 612	90.9%
Capital and reserves	42 837	332	332	597 629	332	688 403	332	332	2 935.5%
Finance lease	-	-	-	81 551	85 989	70 321	75 431	75 430	140.8%
Deferred income	-	4 137	58 171	12 252	12 926	20 316	13 637	13 636	59.4%
Trade and other payables	439 431	872 176	932 434	961 893	1 204 561	1 022 492	1 276 655	856 655	96.4%
Benefits payable	-	21 003	24 839	23 556	26 383	26 480	29 549	29 548	124.5%
Taxation	-	-	-	10 709	-	10 914	-	-	-
Provisions	1 176 213	1 621 283	1 385 354	1 713 069	1 970 081	1 827 395	2 303 082	1 980 000	104.5%
Derivatives financial instruments	-	110 887	-	85 830	46 662	23 306	47 595	47 595	283.9%
Total equity and liabilities	3 702 317	4 499 636	4 693 107	3 486 124	3 609 067	4 954 225	4 244 427	4 503 808	107.4%

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									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
Revenue									
Non-tax revenue	7 739 000	8.2%	88.2%	8 282 563	8 839 141	9 491 650	7.0%	88.5%	
Sale of goods and services other than capital assets	7 613 608	9.7%	85.2%	8 032 187	8 571 053	9 208 397	6.5%	86.2%	
<i>of which:</i>									
Sales by market establishment	7 613 608	9.7%	85.2%	8 032 187	8 571 053	9 208 397	6.5%	86.2%	
Other non-tax revenue	125 392	-28.4%	3.0%	250 376	268 088	283 253	31.2%	2.4%	
Transfers received	980 759	4.4%	11.8%	1 097 794	1 152 103	1 216 440	7.4%	11.5%	
Total revenue	8 719 759	7.8%	100.0%	9 380 357	9 991 244	10 708 090	7.1%	100.0%	
Expenses									
Current expenses	8 483 745	8.2%	100.0%	9 283 782	9 893 246	10 635 798	7.8%	100.0%	
Compensation of employees	3 856 879	14.5%	41.3%	4 193 832	4 571 845	4 984 612	8.9%	45.9%	
Goods and services	4 479 093	3.8%	56.6%	4 939 089	5 163 236	5 485 114	7.0%	52.4%	
Depreciation	135 773	4.6%	1.9%	139 361	147 165	154 522	4.4%	1.5%	
Interest, dividends and rent on land	12 000	302.5%	0.1%	11 500	11 000	11 550	-1.3%	0.1%	
Total expenses	8 483 745	8.2%	100.0%	9 283 782	9 893 246	10 635 798	7.8%	100.0%	
Surplus/(Deficit)	236 014			96 575	97 998	72 292			
Statement of financial position									
Carrying value of assets	1 569 650	46.3%	26.7%	1 500 668	1 551 174	1 730 275	3.3%	30.6%	
<i>of which:</i>									
Acquisition of assets	(320 000)	27.2%	-4.6%	(225 000)	(232 000)	(240 000)	-9.1%	-5.0%	
Inventory	119 191	4.6%	2.7%	120 383	121 587	122 803	1.0%	2.3%	
Receivables and prepayments	1 599 495	-20.3%	51.2%	1 650 000	1 700 000	1 750 000	3.0%	32.3%	
Cash and cash equivalents	1 215 472	18.0%	19.3%	1 674 042	2 083 595	2 420 977	25.8%	34.8%	
Total assets	4 503 808	0.0%	100.0%	4 945 093	5 456 356	6 024 055	10.2%	100.0%	

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

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2019/20	2020/21	2021/22		
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Accumulated surplus/(deficit)	1 500 612	-7.1%	25.1%	1 597 187	1 695 185	1 767 477	5.6%	31.5%
Capital and reserves	332	-	7.8%	332	332	332	-	0.0%
Finance lease	75 430	-	1.4%	91 822	101 161	111 450	13.9%	1.8%
Deferred income	13 636	48.8%	0.3%	14 386	15 178	16 012	5.5%	0.3%
Trade and other payables	856 655	-0.6%	21.7%	915 334	976 867	1 068 554	7.6%	18.3%
Benefits payable	29 548	12.1%	0.6%	33 094	37 065	41 513	12.0%	0.7%
Provisions	1 980 000	6.9%	41.5%	2 244 391	2 581 050	2 968 210	14.4%	46.5%
Derivatives financial instruments	47 595	-24.6%	1.6%	48 547	49 518	50 508	2.0%	0.9%
Total equity and liabilities	4 503 808	0.0%	100.0%	4 945 093	5 456 356	6 024 056	10.2%	100.0%

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

National Health Laboratory Service	Number of posts estimated for 31 March 2019		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 (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Salary level	8 467	8 467	7 615	3 326.3	0.4	8 467	3 856.9	0.5	8 467	4 193.8	0.5	8 467	4 571.8	0.5	8 467	4 984.6	0.6	8.9%	100.0%
1 – 6	3 809	3 809	3 387	748.8	0.2	3 809	896.6	0.2	3 809	990.2	0.3	3 809	1 083.2	0.3	3 809	1 203.3	0.3	10.3%	45.0%
7 – 10	3 938	3 938	3 508	1 575.1	0.4	3 938	1 859.1	0.5	3 938	2 045.9	0.5	3 938	2 262.0	0.6	3 938	2 477.7	0.6	10.0%	46.5%
11 – 12	436	436	436	450.3	1.0	436	504.6	1.2	436	526.6	1.2	436	561.3	1.3	436	595.7	1.4	5.7%	5.1%
13 – 16	283	283	283	549.6	1.9	283	594.0	2.1	283	628.4	2.2	283	662.3	2.3	283	704.7	2.5	5.9%	3.3%
17 – 22	1	1	1	2.5	2.5	1	2.6	2.6	1	2.8	2.8	1	3.0	3.0	1	3.2	3.2	6.5%	0.0%

1. Rand million.

South African Medical Research Council**Mandate**

The mandate of the South African Medical Research Council is to contribute to improving health and quality of life for South Africans through research, development and technology transfer. The council is guided by the amended South African Medical Research Council Act (1991), and its scope of work includes health priorities such as TB, HIV and AIDS, cardiovascular diseases, non-communicable diseases, linkages between gender and health, and alcohol and other drug abuse.

Selected performance indicators**Table 16.26 South African Medical Research Council performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of published journal articles, book chapters and books by council researchers per year	Core research	Outcome 2: A long and healthy life for all South Africans	680	660	865 ¹	750	800	850	900
Number of journal articles published by council grant holders with acknowledgement of council support per year	Core research		101	135	197	196	214	232	255
Number of published indexed impact factor journal articles produced with authors affiliated with the council per year	Core research		602	605	650	700	750	800	850
Number of journal articles where the first and/or last author is affiliated with the council per year ²	Core research		417	415	490	500	550	600	650
Number of new local/international policies and guidelines per year that reference the council	Core research		4	4	9	6	7	8	9
Number of research grants awarded by the council per year	Core research		112	147	168	176	186	196	225
Number of new innovation and technology projects funded to develop new diagnostics, devices, vaccines and therapeutics per year	Innovation and technology		34	56	92	40 ³	40 ³	45 ³	52 ³
Number of new diagnostics, devices, vaccines and therapeutics developed to the next stage of development per year	Innovation and technology		– ⁴	2	2	2	2	2	3
Number of bursaries/scholarships/fellowships provided for postgraduate study at masters, doctoral and postdoctoral levels per year	Capacity development		66	156	155	101 ³	106 ³	111 ³	115 ³
Number of masters and doctoral students who graduated during the reporting period per year	Capacity development		– ⁴	69	80	60	65	70	75

1. High achievement due to the establishment of new research units.

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.

3. The council will revisit the targets in its next strategic plan.

4. No historical data available.

Expenditure analysis

The South African Medical Research Council's strategic plan remains aligned with the country's changing health research needs. It aims to support the national trajectory towards the achievement of the objectives set out in the United Nations sustainable development goals, the NDP, and outcome 2 (a long and healthy life for all South Africans) of government's 2014-2019 medium-term strategic framework. It does this through its focus on funding and conducting core research, building South Africa's medium- and long-term capacity in health research, and developing innovations and technology. Over the MTEF period, the council intends to increase the number of publications produced from 750 in 2018/19 to 900 in 2021/22, and the number of research grants awarded from 176 to 225 over the same period.

Through its biomedical research collaboration with the National Institutes of Health, an American medical research agency, the council intends to expand the management capacity of biomedical research at a number of South African research institutions, with the council and National Institutes of Health each expected to

contribute R45 million per year from 2019/20. This spending is in the *Core research* programme, which accounts for 57.1 per cent (R2 billion) of the council's total projected expenditure over the medium term, increasing at an average annual rate of 0.8 per cent, from R664.9 million in 2018/19 to R681.4 million in 2021/22. Of this amount, R1.5 million is allocated to develop proposals for further funding to conduct research on the burden of mental health, suicide and depression at tertiary institutions.

In an effort to develop medical research capacity in South Africa, the council has been collaborating with the department and the Public Health Enhancement Fund to initiate the national health scholars programme, a doctoral development programme for young scientists from all health professions. As a result, the number of bursaries, scholarships or fellowships awarded is anticipated to increase from 101 in 2018/19 to 115 in 2021/22, and the number of masters and doctoral students graduating is projected to increase from 60 to 75 over the same period. Accordingly, spending in the *Capacity development* programme is set to increase at an average annual rate of 1.7 per cent, from R93.1 million in 2018/19 to R97.8 million in 2021/22, with R48 million earmarked over the MTEF period for PhD development in scarce skills areas such as biostatistics and epidemiology.

Through the council's co-funding partnerships with institutions such as the Bill and Melinda Gates Foundation, the Newton Fund, the Wellcome Trust, GlaxoSmithKline and the United Kingdom Medical Research Council, priority research is conducted in areas such as TB, HIV, non-communicable diseases and mental health. The council is set to invest an estimated R30 million per year over the medium term for research in these priority areas, while each partner is expected to invest an estimated R40 million. The council also funds the development of new drugs, vaccines and medical devices based on the outcomes of this research, and expects the number of these to increase from 40 in 2018/19 to 52 in 2021/22. These activities are expected to lead to expenditure of R603.7 million over the MTEF period in the *Innovation and technology* programme.

Expenditure is expected to increase at an average annual rate of 1.4 per cent, from R1.1 billion in 2018/19 to R1.2 billion in 2021/22, enabling the council to change its budget balance from a deficit to a surplus in 2020/21. The deficits were incurred by the council to sustain funding for international collaborative partnerships despite very low increases in revenue between 2015/16 and 2018/19.

Cabinet has approved increases to the council's allocation of R120 million over the MTEF period to enable the council to sustain its international co-funding initiatives. As a result, transfers from the department, comprising an estimated 61.4 per cent (R2.2 billion) of the council's total projected revenue over the medium term, are set to increase at an average annual rate of 6.7 per cent, from R624.9 million in 2018/19 to R758.7 million in 2021/22. Revenue derived from contracts with international donors and other research funders is projected to increase more moderately at 3.2 per cent per year, from R387.4 million to R426.2 million over the same period.

Programmes/Objectives/Activities

Table 16.27 South African Medical Research Council expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand											
Administration	170 348	189 396	211 056	183 111	2.4%	17.8%	194 000	202 643	215 754	5.6%	17.1%
Core research	535 096	542 672	639 238	664 890	7.5%	56.1%	638 595	671 047	681 376	0.8%	57.1%
Innovation and technology	151 747	236 581	255 667	206 247	10.8%	19.9%	201 940	199 313	202 427	-0.6%	17.4%
Capacity development	45 059	60 584	67 683	93 065	27.4%	6.2%	98 221	97 396	97 755	1.7%	8.3%
Total	902 250	1 029 233	1 173 644	1 147 313	8.3%	100.0%	1 132 756	1 170 399	1 197 312	1.4%	100.0%

Statements of historical financial performance and position**Table 16.28 South African Medical Research Council statements of historical financial performance and position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Revenue									
Non-tax revenue	413 480	339 097	356 154	403 921	372 762	512 203	418 386	418 386	107.2%
Sale of goods and services other than capital assets	359 221	306 766	322 954	366 443	342 414	467 078	387 436	387 436	108.2%
<i>of which:</i>									
<i>Sales by market establishment</i>	359 221	306 766	322 954	366 443	342 414	467 078	387 436	387 436	108.2%
Other non-tax revenue	54 259	32 331	33 200	37 478	30 348	45 125	30 950	30 950	98.1%
Transfers received	623 892	623 892	657 590	657 590	614 961	614 961	624 829	624 829	100.0%
Total revenue	1 037 372	962 989	1 013 744	1 061 511	987 723	1 127 164	1 043 215	1 043 215	102.8%
Expenses									
Current expenses	990 754	825 632	954 987	948 477	976 185	1 098 082	1 054 840	1 070 580	99.1%
Compensation of employees	312 162	283 168	334 638	303 910	337 545	359 068	361 957	361 957	97.2%
Goods and services	658 192	522 591	599 849	625 335	617 640	716 924	671 383	687 123	100.2%
Depreciation	20 400	18 627	20 500	19 013	21 000	21 340	21 500	21 500	96.5%
Interest, dividends and rent on land	–	1 246	–	219	–	750	–	–	–
Total expenses	1 067 372	902 250	1 035 744	1 029 233	1 051 624	1 173 644	1 131 573	1 147 313	99.2%
Surplus/(Deficit)	(30 000)	60 739	(22 000)	32 278	(63 901)	(46 480)	(88 358)	(104 098)	
Statement of financial position									
Carrying value of assets	146 475	143 990	152 820	147 992	152 074	167 185	156 924	174 431	104.2%
<i>of which:</i>									
<i>Acquisition of assets</i>	(47 348)	(44 163)	(45 812)	(24 105)	(21 915)	(41 276)	(26 750)	(26 750)	96.1%
Investments	6 500	6 371	6 800	6 432	7 000	6 792	7 560	7 560	97.5%
Receivables and prepayments	32 438	15 824	31 950	41 907	40 980	50 015	38 858	38 858	101.6%
Cash and cash equivalents	288 699	449 955	358 646	543 940	349 185	491 211	316 240	382 340	142.3%
Taxation	–	12 495	–	11 797	–	15 094	–	–	–
Total assets	474 112	628 635	550 216	752 068	549 239	730 297	519 582	603 189	129.7%
Accumulated surplus/(deficit)	212 124	303 958	281 958	336 236	272 335	289 755	183 977	185 657	117.4%
Capital reserve fund	141 939	–	165 728	–	–	–	–	–	–
Deferred income	–	206 001	–	288 898	178 201	279 353	245 000	301 500	254.2%
Trade and other payables	81 448	102 237	73 360	104 037	71 152	118 275	70 203	95 630	141.9%
Taxation	16 250	–	12 450	–	9 761	–	10 542	10 542	21.5%
Provisions	22 351	16 439	16 720	22 897	17 790	42 914	9 860	9 860	138.1%
Total equity and liabilities	474 112	628 635	550 216	752 068	549 239	730 297	519 582	603 189	129.7%

Statements of estimates of financial performance and position**Table 16.29 South African Medical Research Council 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 (%)
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Revenue								
Non-tax revenue	418 386	7.3%	39.7%	424 261	454 262	452 262	2.6%	38.6%
Sale of goods and services other than capital assets	387 436	8.1%	36.2%	395 812	426 212	426 212	3.2%	36.0%
<i>of which:</i>								
<i>Sales by market establishment</i>	387 436	8.1%	36.2%	395 812	426 212	426 212	3.2%	36.0%
Other non-tax revenue	30 950	-1.4%	3.5%	28 449	28 050	26 050	-5.6%	2.5%
Transfers received	624 829	0.1%	60.3%	686 666	722 281	758 652	6.7%	61.4%
Total revenue	1 043 215	2.7%	100.0%	1 110 927	1 176 543	1 210 914	5.1%	100.0%
Expenses								
Current expenses	1 070 580	9.0%	92.6%	1 042 330	1 075 264	1 097 394	0.8%	92.2%
Compensation of employees	361 957	8.5%	30.8%	381 516	408 927	435 570	6.4%	34.1%
Goods and services	687 123	9.6%	59.9%	638 083	643 046	638 156	-2.4%	56.1%
Depreciation	21 500	4.9%	1.9%	22 731	23 291	23 668	3.3%	2.0%
Total expenses	1 147 313	8.3%	100.0%	1 132 756	1 170 399	1 197 312	1.4%	100.0%
Surplus/(Deficit)	(104 098)			(21 829)	6 144	13 602		

Table 16.29 South African Medical Research Council statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2018/19	2015/16 - 2018/19	2019/20		
R thousand	2018/19	2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Carrying value of assets	174 431	6.6%	23.6%	176 500	180 459	185 540	2.1%	29.4%
<i>of which:</i>								
Acquisition of assets	(26 750)	-15.4%	-5.1%	(26 000)	(27 250)	(28 749)	2.4%	-4.5%
Investments	7 560	5.9%	1.0%	7 750	7 750	7 750	0.8%	1.3%
Receivables and prepayments	38 858	34.9%	5.3%	34 480	35 500	40 185	1.1%	6.1%
Cash and cash equivalents	382 340	-5.3%	68.6%	363 599	382 795	417 138	2.9%	63.3%
Total assets	603 189	-1.4%	100.0%	582 329	606 504	650 613	2.6%	100.0%
Accumulated surplus/(deficit)	185 657	-15.2%	40.9%	163 828	169 972	183 574	-0.4%	28.8%
Deferred income	301 500	13.5%	39.9%	306 251	316 457	339 179	4.0%	51.7%
Trade and other payables	95 630	-2.2%	15.5%	88 900	92 125	99 710	1.4%	15.4%
Taxation	10 542	-	0.4%	12 000	15 000	15 000	12.5%	2.1%
Provisions	9 860	-15.7%	3.3%	11 350	12 950	13 150	10.1%	1.9%
Total equity and liabilities	603 189	-1.4%	100.0%	582 329	606 504	650 613	2.6%	100.0%

Personnel information**Table 16.30 South African Medical Research Council personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		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 (%)					
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost		
South African Medical Research Council		623	623	640	359.1	0.6	623	362.0	0.6	664	381.5	0.6	673	408.9	0.6	673	435.6	0.6	6.4%	100.0%
Salary level	623			640	359.1	0.6	623	362.0	0.6	664	381.5	0.6	673	408.9	0.6	673	435.6	0.6	6.4%	100.0%
1 – 6	186	186	196	38.0	0.2	186	36.0	0.2	199	38.7	0.2	200	41.6	0.2	200	44.5	0.2	7.3%	29.8%	
7 – 10	311	311	315	157.7	0.5	311	157.0	0.5	332	168.7	0.5	339	180.8	0.5	339	193.4	0.6	7.2%	50.2%	
11 – 12	64	64	68	65.3	1.0	64	65.6	1.0	70	70.3	1.0	71	75.1	1.1	71	79.7	1.1	6.7%	10.5%	
13 – 16	59	59	58	89.4	1.5	59	94.1	1.6	60	94.6	1.6	60	101.7	1.7	60	108.0	1.8	4.7%	9.1%	
17 – 22	3	3	3	8.7	2.9	3	9.2	3.1	3	9.1	3.0	3	9.7	3.2	3	10.1	3.4	3.1%	0.5%	

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 for occupational diseases of the cardiorespiratory organs, and reimburse workers for loss of earnings incurred during treatment for TB. The commissioner compensates the dependants of deceased workers and administers pensions for qualifying ex-workers or their dependants.

Selected performance indicators**Table 16.31 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		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of workers and ex-workers in controlled mines and works accessing benefit medical examinations per year ¹	Compensation of ex-miners	Outcome 2: A long and healthy life for all South Africans	15 318	18 145	12 644	20 000	10 000 ²	10 000 ²	10 000 ²
Number of claims processed by the certification committee of the medical bureau for occupational diseases per year	Compensation of ex-miners		7 233	20 149	12 972	14 000	12 000	12 000	12 000
Number of outreach and awareness activities with service providers, unions, employers, workers and ex-workers conducted per year	Compensation of ex-miners		34	27	17	10	10 ²	10 ²	10 ²
Annual reports including the financial statements of the Mines and Works Compensation Fund submitted to the auditor-general per year	Administration		0 ³	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	2020/21 annual report and financial statements
Number of claims paid by the commissioner (other than pensioners) per year	Compensation of pensioners		1 775	5 249	10 324	7 000 ²	7 700 ²	7 700 ²	7 700 ²
Number of workers in controlled mines and works paid for loss of earnings while undergoing tuberculosis treatment per year	Compensation for tuberculosis		598	2 144	6 772	950 ²	1 045 ²	1 045 ²	1 045 ²

- Benefit medical examinations are carried out to assess whether workers and ex-workers have injuries or diseases that make them eligible for compensation.
- Targets reduced as high past performance was made possible by donor funding, which might come to an end.
- There were no annual reports or annual financial statements for the Mines and Works Compensation Fund for several years before 2016/17, as an actuarial evaluation of its liabilities was pending.

Expenditure analysis

Over the medium term, the Compensation Commissioner for Occupational Diseases in Mines and Works aims to strengthen service delivery to ex-miners in areas with high rates of migrant labour, and increase transfers to households in these locations. It plans to achieve this by consolidating the gains made since 2017 through the provision of improved access to services in the 10 new occupational health service centres in neighbouring countries and the 2 new one-stop centres in South Africa. These centres offer medical examinations to determine eligibility for compensation, rehabilitation assessment, health promotion and counselling to ex-miners.

As a result, the commissioner's expenditure is expected to increase at an average annual rate of 6.8 per cent,

from R200.3 million in 2018/19 to R244 million in 2021/22. The payment of claims for miners and ex-miners is funded through levies imposed on mines and works, which constitute an estimated 55.5 per cent (R937.5 million) of the commissioner's revenue over the MTEF period. 43.8 per cent (R728.7 million) of its revenue is derived from interest earned on investments. The commissioner is set to receive R12.8 million over the MTEF period through transfers from the department to compensate pensioners and their dependants.

Programmes/Objectives/Activities

Table 16.32 Compensation Commissioner for Occupational Diseases in Mines and Works expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	7 839	8 127	8 393	8 500	2.7%	4.4%	8 781	8 910	9 391	3.4%	4.0%
Compensation of pensioners	3 363	3 215	3 718	3 836	4.5%	1.9%	4 050	4 272	4 503	5.5%	1.9%
Compensation of ex-miners	134 244	140 956	148 003	151 300	4.1%	77.6%	159 773	175 750	185 241	7.0%	75.7%
Compensation for tuberculosis	25 599	22 068	34 445	36 650	12.7%	15.9%	38 702	42 572	44 871	7.0%	18.3%
Eastern Cape project	860	-	11	8	-79.0%	0.1%	8	8	-	-100.0%	0.0%
Total	171 905	174 366	194 570	200 294	5.2%	100.0%	211 314	231 512	244 005	6.8%	100.0%

Statements of historical financial performance

Table 16.33 Compensation Commissioner for Occupational Diseases in Mines and Works statements of historical financial performance

Statement of financial performance	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%) 2015/16 - 2018/19
	2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	
Revenue									
Tax revenue	296 795	296 795	311 635	335 273	320 984	320 984	346 662	315 000	99.4%
Non-tax revenue	201 170	201 170	193 123	270 349	183 467	265 000	196 310	260 000	128.7%
Other non-tax revenue	201 170	201 170	193 123	270 349	183 467	265 000	196 310	260 000	128.7%
Transfers received	3 363	3 363	3 541	3 541	3 718	3 718	3 934	3 836	99.3%
Total revenue	501 328	501 328	508 299	609 163	508 169	589 702	546 906	578 836	110.4%
Expenses									
Current expenses	7 839	7 839	8 127	8 127	8 393	8 393	7 360	8 500	103.6%
Goods and services	7 614	7 614	7 908	7 908	8 188	8 172	7 165	8 275	103.5%
Interest, dividends and rent on land	225	225	219	219	205	221	195	225	105.5%
Transfers and subsidies	164 066	164 066	167 220	166 239	186 836	186 177	191 929	191 794	99.8%
Total expenses	171 905	171 905	175 347	174 366	195 229	194 570	199 289	200 294	99.9%
Surplus/(Deficit)	329 423	329 423	332 952	434 797	312 940	395 132	347 617	378 542	

Statements of estimates of financial performance

Table 16.34 Compensation Commissioner for Occupational Diseases in Mines and Works statements of estimates of financial performance

Statement of financial performance	Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
				2019/20	2020/21	2021/22		
Revenue								
Tax revenue	315 000	2.0%	55.8%	311 000	305 000	321 470	0.7%	55.5%
Non-tax revenue	260 000	8.9%	43.6%	246 000	235 000	247 690	-1.6%	43.8%
Other non-tax revenue	260 000	8.9%	43.6%	246 000	235 000	247 690	-1.6%	43.8%
Transfers received	3 836	4.5%	0.6%	4 050	4 272	4 507	5.5%	0.7%
Total revenue	578 836	4.9%	100.0%	561 050	544 272	573 667	-0.3%	100.0%
Expenses								
Current expenses	8 500	2.7%	4.4%	8 781	8 910	9 391	3.4%	4.0%
Goods and services	8 275	2.8%	4.3%	8 506	8 625	9 091	3.2%	3.9%
Interest, dividends and rent on land	225	-	0.1%	275	285	300	10.1%	0.1%
Transfers and subsidies	191 794	5.3%	95.6%	202 533	222 602	234 614	6.9%	96.0%
Total expenses	200 294	5.2%	100.0%	211 314	231 512	244 005	6.8%	100.0%
Surplus/(Deficit)	378 542			349 736	312 760	329 662		

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

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of broker and broker organisation applications accredited within 30 working days of receipt of completed information per year	Accreditation	Outcome 2: A long and healthy life for all South Africans	– ¹	– ¹	– ¹	– ¹	80%	80%	80%
Percentage interim rule amendments processed within 14 working days of receipt of all information per year	Benefit management		– ¹	87.1% (88/101)	96.3% (104/108)	80%	80%	80%	80%
Number of enforcement actions undertaken to ensure compliance with the Medical Schemes Act (1998), per year	Compliance and investigation	Entity mandate	82	39	72	52	54	56	58
Number of research projects and support projects finalised per year	Research and monitoring	Outcome 2: A long and healthy life for all South Africans	10	10	7	8	12	12	12
Percentage of category 1 clinical opinions ² provided within 30 working days of receipt from the complaints adjudication unit per year	Strategy office	Entity mandate	– ¹	40% (164/410)	97.9% (328/335)	90%	90%	90%	90%

1. No historical data available.

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

Expenditure analysis

Over the medium term, the Council for Medical Schemes plans to ensure that its regulatory mandate is carried out effectively and timeously. This includes meeting targeted turnaround times for the resolution of complaints, broker and broker organisation applications, and amendments to medical scheme rules. The council also intends to investigate non-compliance matters and pursue enforcement action in such cases.

Key areas of focus over the MTEF period include reviewing and revising prescribed minimum benefits, which is a set of legally defined benefits that all medical schemes must offer to ensure that all members have access to a minimum level of health services regardless of their benefit option; the development and introduction of a new risk-based solvency framework for medical schemes; the implementation of the demarcation regulations promulgated in 2017; and the development of a framework for low-cost benefit options. As a result, the council's total expenditure is set to increase at an average annual rate of 9.2 per cent, from R161.2 million in 2018/19 to R209.9 million in 2021/22.

The council is set to derive 93.5 per cent (R568.7 million) of its revenue over the medium term through levies collected from medical schemes, and 3.2 per cent (R19 million) through transfers from the department.

Programmes/Objectives/Activities

Table 16.36 Council for Medical Schemes expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	68 071	72 535	85 117	85 195	7.8%	52.5%	93 979	101 992	107 974	8.2%	51.6%
Accreditation	7 693	8 225	9 263	9 601	7.7%	5.9%	9 839	10 399	10 991	4.6%	5.4%
Benefit management	5 125	5 637	6 521	7 110	11.5%	4.1%	6 794	7 098	7 420	1.4%	3.8%
Complaints adjudication	5 228	5 956	6 499	7 250	11.5%	4.2%	8 861	9 378	9 994	11.3%	4.7%
Compliance and investigation	6 505	8 936	19 627	10 215	16.2%	7.4%	21 689	22 900	24 107	33.1%	10.3%
Financial supervision	10 278	11 098	11 884	12 649	7.2%	7.8%	13 213	14 023	14 722	5.2%	7.3%
Research and monitoring	6 793	6 711	6 414	7 339	2.6%	4.7%	7 032	7 427	7 844	2.2%	4.0%
Stakeholder relations	9 007	12 524	13 130	11 182	7.5%	7.7%	12 632	13 348	14 201	8.3%	6.8%
Strategy office	4 611	8 294	11 463	10 614	32.0%	5.7%	11 285	11 938	12 619	5.9%	6.2%
Total	123 311	139 916	169 918	161 155	9.3%	100.0%	185 324	198 503	209 872	9.2%	100.0%

Statements of historical financial performance and position

Table 16.37 Council for Medical Schemes statements of historical financial performance and position

Statement of financial performance										Average: Outcome/ Budget (%) 2015/16 - 2018/19
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
	2015/16		2016/17		2017/18		2018/19			
Revenue										
Non-tax revenue	128 791	132 332	139 539	140 030	148 580	159 354	159 122	159 266		102.6%
Sale of goods and services other than capital assets	126 358	126 715	137 198	133 420	143 957	153 332	152 129	152 800		101.2%
<i>of which:</i>										
Administrative fees	126 358	126 715	137 198	133 420	143 957	153 332	152 129	152 800		101.2%
Other non-tax revenue	2 433	5 617	2 341	6 610	4 623	6 022	6 993	6 466		150.8%
Transfers received	2 556	456	1 613	740	5 496	6 004	5 670	5 670		83.9%
Total revenue	131 347	132 788	141 152	140 770	154 076	165 358	164 792	164 936		102.1%
Expenses										
Current expenses	131 295	123 311	141 098	139 916	154 076	169 918	164 792	161 155		100.5%
Compensation of employees	82 412	78 067	90 790	87 343	98 175	98 151	106 703	106 703		97.9%
Goods and services	45 111	41 225	47 884	48 144	52 365	66 861	54 308	54 452		105.5%
Depreciation	3 772	4 019	2 424	4 429	3 536	4 906	3 781	-		98.8%
Transfers and subsidies	52	-	54	-	-	-	-	-		-
Total expenses	131 347	123 311	141 152	139 916	154 076	169 918	164 792	161 155		100.5%
Surplus/(Deficit)	-	9 477	-	854	-	(4 560)	-	3 781		
Statement of financial position										
Carrying value of assets	19 852	19 060	19 852	20 205	20 205	18 214	20 205	21 995		99.2%
<i>of which:</i>										
Acquisition of assets	(6 103)	(5 224)	(2 424)	(5 720)	(3 536)	(2 941)	(3 780)	(3 781)		111.5%
Loans	-	54	-	107	107	76	107	76		146.3%
Accrued investment interest	-	15	-	17	17	16	17	16		188.2%
Receivables and prepayments	6 836	7 063	6 836	5 723	5 729	10 297	5 729	10 297		132.8%
Cash and cash equivalents	7 749	24 687	7 749	32 470	32 470	32 372	32 470	32 372		151.5%
Total assets	34 437	50 879	34 437	58 522	58 528	60 975	58 528	64 756		126.5%
Accumulated surplus/(deficit)	16 637	27 342	16 637	28 190	28 196	23 631	28 196	27 412		118.9%
Capital reserve fund	-	2 254	-	3 271	3 271	2 803	3 271	2 803		170.1%
Trade and other payables	16 772	18 345	16 772	23 162	23 162	29 897	23 162	29 897		126.8%
Provisions	1 028	2 938	1 028	3 899	3 899	4 644	3 899	4 644		163.6%
Total equity and liabilities	34 437	50 879	34 437	58 522	58 528	60 975	58 528	64 756		126.5%

Statements of estimates of financial performance and position

Table 16.38 Council for Medical Schemes 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	2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22		
R thousand								
Revenue								
Non-tax revenue	159 266	6.4%	98.0%	183 232	196 295	207 543	9.2%	96.8%
Sale of goods and services other than capital assets	152 800	6.4%	93.9%	177 446	190 191	201 104	9.6%	93.5%
<i>of which:</i>								
Administrative fees	152 800	6.4%	93.9%	177 446	190 191	201 104	9.6%	93.5%
Other non-tax revenue	6 466	4.8%	4.1%	5 786	6 104	6 439	-0.1%	3.2%
Transfers received	5 670	131.7%	2.0%	5 987	6 317	6 664	5.5%	3.2%
Total revenue	164 936	7.5%	100.0%	189 219	202 612	214 207	9.1%	100.0%
Expenses								
Current expenses	161 155	9.3%	100.0%	185 324	198 503	209 872	9.2%	100.0%
Compensation of employees	106 703	11.0%	62.4%	119 890	126 913	133 857	7.9%	64.7%
Goods and services	54 452	9.7%	35.2%	65 434	71 590	76 015	11.8%	35.3%
Total expenses	161 155	9.3%	100.0%	185 324	198 503	209 872	9.2%	100.0%
Surplus/(Deficit)	3 781			3 895	4 109	4 335		
Statement of financial position								
Carrying value of assets	21 995	4.9%	34.0%	25 890	29 998	34 333	16.0%	39.4%
<i>of which:</i>								
Acquisition of assets	(3 781)	-10.2%	-7.7%	(3 895)	(4 108)	(4 335)	4.7%	-5.7%
Loans	76	12.1%	0.1%	76	76	76	-	0.1%
Accrued investment interest	16	2.2%	0.0%	16	16	16	-	0.0%
Receivables and prepayments	10 297	13.4%	14.1%	10 297	10 297	10 297	-	14.6%
Cash and cash equivalents	32 372	9.5%	51.8%	32 372	32 372	32 372	-	45.9%
Total assets	64 756	8.4%	100.0%	68 651	72 759	77 094	6.0%	100.0%
Accumulated surplus/(deficit)	27 412	0.1%	45.7%	31 307	35 415	39 750	13.2%	47.0%
Capital reserve fund	2 803	7.5%	4.7%	2 803	2 803	2 803	-	4.0%
Trade and other payables	29 897	17.7%	42.7%	29 897	29 897	29 897	-	42.4%
Provisions	4 644	16.5%	6.8%	4 644	4 644	4 644	-	6.6%
Total equity and liabilities	64 756	8.4%	100.0%	68 651	72 759	77 094	6.0%	100.0%

Personnel information

Table 16.39 Council for Medical Schemes personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		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 (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Council for Medical Schemes																			
Salary level	121	121	124	98.2	0.8	121	106.7	0.9	131	119.9	0.9	131	126.9	1.0	131	133.9	1.0	7.9%	100.0%
1 – 6	9	9	12	1.1	0.1	9	1.1	0.1	9	1.3	0.1	9	1.3	0.1	9	1.4	0.2	8.8%	7.0%
7 – 10	45	45	45	23.4	0.5	45	25.7	0.6	52	30.6	0.6	52	32.5	0.6	52	34.6	0.7	10.5%	39.1%
11 – 12	33	33	33	26.2	0.8	33	29.2	0.9	35	32.5	0.9	35	34.5	1.0	35	36.2	1.0	7.4%	26.9%
13 – 16	33	33	33	45.2	1.4	33	48.2	1.5	34	52.9	1.6	34	55.8	1.6	34	58.7	1.7	6.8%	26.3%
17 – 22	1	1	1	2.3	2.3	1	2.4	2.4	1	2.6	2.6	1	2.7	2.7	1	2.9	2.9	5.5%	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 16.40 Office of Health Standards Compliance performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
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	13% (496/ 3 816)	18.3% (697/ 3 816)	24.2% (923/ 3 816)	19%	12%	12%	12%
Percentage of private sector health establishments inspected per year	Compliance inspectorate, certification and enforcement		- ¹	0 ²	0 ²	30% ³	6%	6%	6%
Percentage of compliant health establishments certified within 60 days of the final inspection report	Compliance inspectorate, certification and enforcement		- ¹	0 ²	0 ²	0 ²	100%	100%	100%
Percentage of ombud recommendations monitored for implementation per year by health establishments within 6 months of tabling to the office	Complaints management and office of the ombud		- ¹	100% (18/18)	65% (13/20)	80%	85%	85%	85%
Number of norms and standards recommended to the minister per year	Health standards design, analysis and support		- ¹	1	1	1	1	1	1

1. No historical data available.

2. The regulations that govern the inspection of private health establishments had not yet been promulgated.

3. The target for 2018/19 was found to be too ambitious given funding constraints for travel and subsistence. As a result, targets over the MTEF period have been revised downwards.

Expenditure analysis

Over the medium term, the Office of Health Standards Compliance will inspect and certify health establishments against national norms and standards. Following the promulgation of these regulations in 2018/19, the office is permitted to enforce compliance where there is a persistent lack of it, as well as inspect and certify private establishments. The office also aims to develop additional norms and standards, recommend them for approval and promulgation by the Minister of Health, and investigate and respond to complaints within 6 months of their being lodged.

As a result of these initiatives, the office's expenditure is expected to increase at an average annual rate of 5.4 per cent, from R129.7 million in 2018/19 to R151.9 million in 2021/22. The office derives all its revenue through transfers from the department.

Programmes/Objectives/Activities

Table 16.41 Office of Health Standards Compliance expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	24 465	28 611	39 997	50 380	27.2%	36.8%	57 761	60 924	65 984	9.4%	41.7%
Compliance inspectorate, certification and enforcement	30 493	42 079	48 470	49 300	17.4%	44.8%	48 074	50 316	50 465	0.8%	35.4%
Complaints management and office of the ombud	3 499	8 791	16 221	17 811	72.0%	11.0%	18 051	19 588	21 846	7.0%	13.7%
Health standards design, analysis and support	4 155	6 025	6 932	12 187	43.1%	7.3%	12 585	13 142	13 594	3.7%	9.2%
Total	62 612	85 506	111 620	129 678	27.5%	100.0%	136 471	143 970	151 889	5.4%	100.0%

Statements of historical financial performance and position**Table 16.42 Office of Health Standards Compliance statements of historical financial performance and position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Revenue									
Non-tax revenue	–	194	–	1 504	–	10 384	–	–	–
Other non-tax revenue	–	194	–	1 504	–	10 384	–	–	–
Transfers received	88 906	88 906	100 535	100 196	125 711	125 711	129 678	129 678	99.9%
Total revenue	88 906	89 100	100 535	101 700	125 711	136 095	129 678	129 678	102.6%
Expenses									
Current expenses	88 906	62 612	100 535	85 506	125 711	111 620	129 678	129 678	87.5%
Compensation of employees	53 100	39 479	64 644	55 176	79 161	74 152	85 823	85 823	90.1%
Goods and services	35 806	23 133	35 890	28 578	46 550	34 642	43 855	43 855	80.3%
Depreciation	–	–	–	1 752	–	2 826	–	–	–
Total expenses	88 906	62 612	100 535	85 506	125 711	111 620	129 678	129 678	87.5%
Surplus/(Deficit)	–	26 488	–	16 194	–	24 474	–	–	
Statement of financial position									
Carrying value of assets	2 162	4 133	9 355	7 799	15 867	14 653	18 425	25 928	114.6%
of which:									
Acquisition of assets	(4 363)	(3 636)	(8 929)	(5 396)	(4 562)	(3 537)	(2 844)	(2 844)	74.5%
Receivables and prepayments	1 329	89	30	3 370	3 299	1 673	3 957	3 957	105.5%
Cash and cash equivalents	796	32 150	32 150	43 535	43 535	61 877	43 535	61 877	166.2%
Total assets	4 287	36 372	41 535	54 704	62 701	78 203	65 917	91 762	149.6%
Accumulated surplus/(deficit)	–	26 488	26 488	42 682	42 682	67 156	42 682	67 156	181.9%
Trade and other payables	2 685	6 101	7 595	8 316	10 912	6 008	13 163	13 163	97.8%
Provisions	1 602	3 489	7 192	3 639	8 718	4 736	11 014	11 014	80.2%
Derivatives financial instruments	–	294	260	67	389	303	429	429	101.4%
Total equity and liabilities	4 287	36 372	41 535	54 704	62 701	78 203	67 288	91 762	148.5%

Statements of estimates of financial performance and position**Table 16.43 Office of Health Standards Compliance 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 (%)
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Revenue								
Transfers received	129 678	13.4%	97.7%	136 471	143 970	151 889	5.4%	100.0%
Total revenue	129 678	13.3%	100.0%	136 471	143 970	151 889	5.4%	100.0%
Expenses								
Current expenses	129 678	27.5%	100.0%	136 471	143 970	151 889	5.4%	100.0%
Compensation of employees	85 823	29.5%	65.0%	93 136	99 929	107 665	7.9%	68.7%
Goods and services	43 855	23.8%	33.8%	43 335	44 041	44 224	0.3%	31.3%
Total expenses	129 678	27.5%	100.0%	136 471	143 970	151 889	5.4%	100.0%
Surplus/(Deficit)	–			–	–	–		
Statement of financial position								
Carrying value of assets	25 928	84.4%	18.2%	29 155	28 685	29 856	4.8%	30.1%
of which:								
Acquisition of assets	(2 844)	-7.9%	-6.9%	(4 280)	(3 669)	(3 855)	10.7%	-3.9%
Receivables and prepayments	3 957	254.3%	3.2%	4 016	4 129	4 335	3.1%	4.4%
Cash and cash equivalents	61 877	24.4%	78.6%	61 877	61 877	61 877	–	65.6%
Total assets	91 762	36.1%	100.0%	95 048	94 691	96 068	1.5%	100.0%
Accumulated surplus/(deficit)	67 156	36.4%	77.5%	67 156	67 156	67 156	–	71.2%
Trade and other payables	13 163	29.2%	13.5%	15 712	16 248	17 060	9.0%	16.4%
Provisions	11 014	46.7%	8.6%	11 670	10 727	11 264	0.8%	11.8%
Derivatives financial instruments	429	13.4%	0.4%	510	560	588	11.1%	0.6%
Total equity and liabilities	91 762	36.1%	100.0%	95 048	94 691	96 068	1.5%	100.0%

Personnel information

Table 16.44 Office of Health Standards Compliance personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		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 (%)				
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22							
Office of Health Standards Compliance		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost	Number	Cost	Unit cost		
Salary level	121	121	113	74.2	0.7	123	85.8	0.7	125	93.1	0.7	125	99.9	0.8	125	107.7	0.9	7.9%	100.0%
7 – 10	77	77	70	36.4	0.5	77	41.2	0.5	80	44.6	0.6	80	47.9	0.6	80	49.4	0.6	6.3%	63.7%
11 – 12	25	25	25	21.2	0.8	27	23.9	0.9	27	25.6	0.9	27	27.4	1.0	27	30.3	1.1	8.2%	21.7%
13 – 16	19	19	18	16.5	0.9	19	20.7	1.1	18	23.0	1.3	18	24.6	1.4	18	28.0	1.6	10.5%	14.7%

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 Act (1965), as amended. It 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 16.45 South African Health Products Regulatory Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of new work reviewed on the electronic data management system per year	Administration	Outcome 2: A long and healthy life for all South Africans	-1	-1	-1	-1	50%	70%	85%
Percentage of backlog applications with regulatory decisions taken per year	Authorisation management		-1	-1	-1	-1	60%	80%	100%
Percentage of certificates issued within predefined timelines on a quarterly basis per year	Authorisation management		-1	-1	-1	100%	100%	100%	100%
Percentage of establishments due for inspection inspected per year	Inspectorate and regulatory compliance		-1	-1	-1	45%	50%	60%	60%
Percentage of investigations that were initiated by complaints completed per year	Inspectorate and regulatory compliance		-1	-1	-1	45%	85%	85%	85%
Percentage of medicines with public health priority evaluated quarterly per year	Medicines evaluation and registration		-1	-1	-1	0	60%	70%	80%

Table 16.45 South African Health Products Regulatory Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Quarterly reports of new adverse events and signals that have been assessed, actioned and concluded per year	Medicines evaluation and registration	Outcome 2: A long and healthy life for all South Africans	-1	-1	-1	4	4	4	4
Percentage of licences for medical device establishment applications finalised within prescribed timeframes per year	Devices and radiation control		-1	-1	-1	35%	40%	50%	70%
Percentage of licences issued for non-ionising radiation-emitting devices and radioactive nucleoids per year	Devices and radiation control		-1	-1	-1	100%	100%	100%	100%

1. No historical data available.

Expenditure analysis

The South African Health Products Regulatory Authority is expected to register medicines and medical devices; license manufacturers and importers of medicines and medical devices; authorise clinical trials; and monitor, evaluate and manage the safety, quality, efficacy and performance of medical products throughout their life cycle.

Over the medium term, the authority plans to focus on addressing the large backlog of product registration applications inherited from the Medicines Control and Council, which was previously part of the department. The backlog emanates from the high volume of applications received by the council and its limited capacity to process them.

As a result, the authority's expenditure is set to increase at an average annual rate of 12 per cent, from R215.9 million in 2018/19 to R303.6 million in 2021/22. Over the medium term, the authority expects to receive R406.4 million through transfers from the department, and to generate R389.5 million through administrative fees charged for the registration of medicines.

Programmes/Objectives/Activities

Table 16.46 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 (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R thousand											
Administration	-	-	-	65 100	-	-	81 076	94 778	104 454	17.1%	30.5%
Authorisation management	-	-	-	30 555	-	-	68 663	44 162	25 297	-6.1%	14.8%
Inspectorate and regulatory compliance	-	-	-	34 826	-	-	56 209	57 711	60 603	20.3%	18.3%
Medicines evaluation and registration	-	-	-	67 158	-	-	65 440	67 585	71 449	2.1%	24.5%
Devices and radiation control	-	-	-	18 231	-	-	36 886	38 792	41 821	31.9%	11.7%
Total	-	-	-	215 870	-	-	308 274	303 028	303 624	12.0%	100.0%

Statements of historical financial performance**Table 16.47 South African Health Products Regulatory Authority statements of historical financial performance**

Statement of financial performance		Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R thousand		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Revenue										
Non-tax revenue		-	-	-	-	-	-	90 681	90 681	100.0%
Sale of goods and services other than capital assets		-	-	-	-	-	-	90 681	90 681	100.0%
<i>of which:</i>										
Administrative fees		-	-	-	-	-	-	90 681	90 681	100.0%
Transfers received		-	-	-	-	-	-	125 189	125 189	100.0%
Total revenue		-	-	-	-	-	-	215 870	215 870	100.0%
Expenses										
Current expenses		-	-	-	-	-	-	215 870	215 870	100.0%
Compensation of employees		-	-	-	-	-	-	149 145	149 145	100.0%
Goods and services		-	-	-	-	-	-	66 725	66 725	100.0%
Total expenses		-	-	-	-	-	-	215 870	215 870	100.0%
Surplus/(Deficit)		-	-	-	-	-	-	-	-	

Statements of estimates of financial performance**Table 16.48 South African Health Products Regulatory Authority 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 (%)
R thousand		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Revenue									
Non-tax revenue		90 681	-	-	125 000	135 500	148 000	17.7%	44.0%
Sale of goods and services other than capital assets		90 681	-	-	112 000	132 500	145 000	16.9%	42.5%
<i>of which:</i>									
Administrative fees		90 681	-	-	112 000	132 500	145 000	16.9%	42.5%
Other non-tax revenue		-	-	-	13 000	3 000	3 000	-	1.5%
Transfers received		125 189	-	-	183 274	167 528	155 624	7.5%	56.0%
Total revenue		215 870	-	-	308 274	303 028	303 624	12.0%	100.0%
Expenses									
Current expenses		215 870	-	-	308 274	303 028	303 624	12.0%	100.0%
Compensation of employees		149 145	-	-	137 611	151 950	163 698	3.2%	54.4%
Goods and services		66 725	-	-	170 663	151 078	139 926	28.0%	45.6%
Total expenses		215 870	-	-	308 274	303 028	303 624	12.0%	100.0%
Surplus/(Deficit)		-			-	-	-		

Personnel information**Table 16.49 South African Health Products Regulatory Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		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 (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost	
South African Health Products Regulatory Authority		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	391	391	-	-	-	230	149.1	0.6	256	137.6	0.5	271	152.0	0.6	278	163.7	0.6	3.2%	100.0%
1 - 6	2	2	-	-	-	2	0.4	0.2	2	0.4	0.2	2	0.4	0.2	2	0.4	0.2	2.2%	0.8%
7 - 10	196	196	-	-	-	115	40.6	0.4	153	57.2	0.4	161	62.7	0.4	165	67.9	0.4	18.7%	57.1%
11 - 12	133	133	-	-	-	81	70.4	0.9	80	56.9	0.7	87	65.0	0.7	90	70.6	0.8	0.1%	32.7%
13 - 16	60	60	-	-	-	32	37.7	1.2	21	23.2	1.1	21	23.9	1.1	21	24.8	1.2	-13.1%	9.4%

1. Rand million.

Additional tables

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

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Conditional grants to provinces							
National Health Insurance							
National health insurance grant	61 077	94 227	–	–	–	–	–
Human resources capacitation grant	–	–	–	–	605 696	1 063 083	1 127 227
Communicable and Non-communicable Diseases							
Comprehensive HIV and AIDS grant	13 670 730	–	–	–	–	–	–
Human papillomavirus vaccine grant	–	–	–	200 000	211 200	222 816	235 071
HIV, TB, malaria and community outreach grant: HIV and AIDS component	–	–	–	–	19 963 270	22 195 284	24 518 748
HIV, TB, malaria and community outreach grant: Malaria elimination component	–	–	–	–	90 425	117 198	111 188
HIV, TB, malaria and community outreach grant: Community outreach services component	–	–	–	–	1 500 000	1 584 000	2 582 500
HIV, TB, malaria and community outreach grant: TB component	–	–	–	–	485 300	511 989	540 151
Comprehensive HIV, AIDS and TB grant	–	15 290 603	17 577 737	19 921 697	–	–	–
Hospital Systems							
National tertiary services grant	10 381 174	10 846 778	11 676 145	12 400 703	13 185 528	14 068 863	14 842 650
Health facility revitalisation grant	5 417 045	5 272 680	5 684 495	6 057 202	6 006 973	6 359 557	6 858 024
Health System Governance and Human Resources							
Health professions training and development grant	2 374 722	2 476 724	2 631 849	2 784 496	2 940 428	3 102 152	3 272 770
Total	31 904 748	33 981 012	37 570 226	41 364 098	44 988 820	49 224 942	54 088 329

1. Detail provided in the Division of Revenue Act (2019).

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		
				2015/16	2016/17	2017/18		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: Tshildzini hospital	Replacement of hospital	Feasibility	2 324 442	–	22 692	985	–	15 000	30 000	30 000
Limpopo: Elim hospital	Replacement of hospital and provision of a new gateway clinic in Vhembe District, Limpopo Province	Feasibility	2 994 000	–	19 116	2 540	–	15 000	30 000	30 000
Limpopo: Academic hospital	Construction of new hospital	Feasibility	3 963 000	–	14 941	7 466	190 059	247 000	653 000	498 000
Limpopo: Siloam hospital	Construction of new hospital	Design	1 350 000	–	–	–	38 200	75 000	117 705	118 943
Gauteng: Soshanguve hospital	Construction of new hospital	Pre-feasibility	1 400 000	–	–	–	15 000	26 000	20 000	100 000
Large projects (total project cost of at least R250 million but less than R1 billion over the project life cycle)										
Eastern Cape: Bambisana hospital (refurbishment)	Revitalisation of hospital	Design	664 322	155	307	2 795	–	71 700	41 819	58 663
Eastern Cape: Zithulele hospital	Revitalisation of hospital	Design	510 825	–	–	2 894	5 000	50 000	43 975	45 445
Free State: Dihlabeng hospital revitalisation	Replacement of hospital	Pre-feasibility	300 000	7 431	25 426	4 888	10 000	55 000	40 000	26 000
Small projects (total project cost of less than R250 million over the project life cycle)										
Eastern Cape: Bambisana hospital (emergency repairs)	Emergency repairs	Handed over	35 791	–	13 877	21 913	–	–	–	–
Eastern Cape: Nolitha clinic	Replacement of clinic	Handed over	32 936	8 495	2 808	18 863	300	500	–	–
Eastern Cape: Nkanga clinic	Replacement of clinic	Handed over	31 864	15 789	8 925	3 639	1 200	500	–	–
Eastern Cape: Lutubeni clinic	Replacement of clinic	Handed over	29 478	9 103	10 988	5 165	1 200	500	–	–
Eastern Cape: Maxwele clinic	Replacement of clinic	Handed over	27 279	10 668	9 515	4 578	120	500	–	–
Eastern Cape: Lotana clinic	Replacement of clinic	Handed over	31 834	14 385	8 630	4 820	300	500	–	–
Eastern Cape: Lusikisiki clinic	Replacement of clinic	Handed over	83 982	20 015	29 926	20 384	11 700	500	–	–
Eastern Cape: Gengqe clinic	Replacement of clinic	Construction	23 865	5 228	4 226	11 055	1 300	500	–	–
Eastern Cape: Sakhela clinic	Replacement of clinic	Construction	35 551	10 837	14 543	3 488	5 000	500	–	–
Free State: Cocolan clinic	Replacement of clinic	Tender	91 000	921	7 701	2 906	1 776	19 188	30 000	28 500
Free State: Borwa clinic	Replacement of clinic	Design	84 942	917	783	614	1 702	12 000	29 188	19 449
Free State: Lusaka community health centre	Replacement of community health centre	Design	250 000	935	663	2 434	1 702	33 784	34 477	22 837
Limpopo: Magwedzha clinic	Replacement of clinic	Construction	87 159	959	1 044	1 936	19 000	24 041	14 207	3 956
Limpopo: Thengwe clinic	Replacement of clinic	Construction	77 186	959	1 044	2 330	21 000	24 676	2 000	5 000
Limpopo: Mulenzhe clinic	Replacement of clinic	Construction	81 076	959	1 044	6 587	16 000	24 203	7 700	5 000
Limpopo: Makonde clinic	Replacement of clinic	Construction	84 642	959	1 044	2 487	13 000	24 041	3 204	11 456
Limpopo: Chebeng community health centre	Replacement of community health centre	Tender	219 646	959	642	3 837	4 000	9 041	55 041	40 000
Mpumalanga: Msukaligwa community day centre	Replacement of clinic	Tender	128 529	432	1 316	252	1 800	25 000	29 851	30 000
Mpumalanga: Ethandakukhanya community day centre	Replacement of clinic	Design	146 761	432	2 073	227	1 800	15 000	43 000	30 000
Mpumalanga: Vukuzakhe clinic	Replacement of clinic	Construction	49 045	432	2 020	2 893	24 700	18 000	1 000	–
Mpumalanga: Balfour community health centre (24-hour mini-hospital)	Replacement of community health centre	Design	299 123	432	190	342	1 500	20 000	31 000	60 000

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		
				2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
R thousand										
Mpumalanga: Nhlazatshe 6 clinic	Replacement of clinic	Construction	90 569	432	761	1 012	26 500	33 300	28 554	-
Eastern Cape: Butterworth nursing college	Rehabilitation of existing nursing education institute facility	Handed over	16 508	10 283	4 068	503	-	-	-	-
Gauteng: Chris Hani Baragwanath nursing college	Rehabilitation of existing nursing education institute facility	Handed over	25 618	15 619	8 237	973	-	-	-	-
Limpopo: Thohoyandou nursing college	Rehabilitation of existing nursing education institute facility	Construction	35 615	15 951	769	1 030	2 732	9 000	4 000	-
Mpumalanga: Middelburg nursing college	Rehabilitation of existing nursing education institute facility	Construction	37 885	11 603	1 589	2 359	7 350	6 000	7 188	-
Northern Cape: Henrietta nursing college	Rehabilitation of existing nursing education institute facility	Design	13 620	129	2 334	202	-	4 000	6 955	-
Doctors' consulting rooms	Provision of doctors' consulting rooms (various projects)	Handed over	370 798	64 908	68 695	15 213	-	-	-	-
Zithulele hospital emergency works	Emergency repairs	Handed over	56 639	-	14 437	42 202	-	-	-	-
Eastern Cape backlog maintenance through the Development Bank of Southern Africa	Backlog maintenance	Construction	163 469	-	15 481	93 908	54 080	-	-	-
Eastern Cape: Additions to clinics through the Development Bank of Southern Africa (ideal clinics)	Upgrading and renovation of 37 clinics	Construction	227 436	-	-	9 499	54 163	50 000	40 000	43 000
National health insurance backlog maintenance	Various projects related to rehabilitation and maintenance at various facilities	Construction	2 989 451	25 048	178 841	218 551	225 245	122 437	161 952	73 839
Health technology for national health insurance facilities	Various	Construction	106 886	58 988	14 534	-	-	-	-	-
Non-capital infrastructure projects, including maintenance (national health insurance facilities)	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	On-going	684 500	205 419	105 376	81 832	70 000	50 000	30 000	10 000
Zithulele hospital replacement (cancelled and now refurbishing hospital)	Refurbishment of Zithulele hospital	On hold	271	111	160	-	-	-	-	-
Limpopo: Hayani hospital	Upgrades and additions	Feasibility	200 000	-	-	-	-	18 000	20 000	80 000
Gauteng: Mamelodi hospital	Rehabilitation	Feasibility	150 000	-	-	-	-	18 000	20 000	112 000
Gauteng: Weskoppies hospital	Additions	Feasibility	200 000	-	-	-	-	18 000	20 000	80 000
Limpopo: Siloam hospital (housing replacement and upgrade of existing mental and mortuary)	Staff housing	Handed over	240 886	94 653	65 729	44 114	-	-	-	-
Free State: Dihlabeng hospital emergency repairs	Emergency repairs	Handed over	12 313	-	-	3 382	8 931	-	-	-

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		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Health facility revitalisation grant: Eastern Cape	Construction of new facilities, upgrades to existing health facilities	On-going	4 538 349	592 073	619 041	620 757	652 071	784 988	610 773	658 646
Health facility revitalisation grant: Free State	Construction of new facilities, upgrades to existing health facilities	On-going	3 786 187	586 910	474 692	552 157	576 362	498 713	527 985	569 368
Health facility revitalisation grant: Gauteng	Construction of new facilities, upgrades to existing health facilities	On-going	5 606 166	313 630	777 818	890 665	874 842	859 028	909 450	980 733
Health facility revitalisation grant: KwaZulu-Natal	Construction of new facilities, upgrades to existing health facilities	On-going	8 769 663	1 229 775	1 114 693	1 149 355	1 401 988	1 353 497	1 212 653	1 307 702
Health facility revitalisation grant: Limpopo	Construction of new facilities, upgrades to existing health facilities	On-going	3 248 256	358 512	379 089	508 144	536 898	457 951	484 830	522 832
Health facility revitalisation grant: Mpumalanga	Construction of new facilities, upgrades to existing health facilities	On-going	2 332 528	287 942	281 174	325 617	333 935	344 915	365 162	393 783
Health facility revitalisation grant: Northern Cape	Construction of new facilities, upgrades to existing health facilities	On-going	3 152 856	582 841	472 267	443 753	416 391	386 706	409 404	441 494
Health facility revitalisation grant: North West	Construction of new facilities, upgrades to existing health facilities	On-going	3 977 387	695 261	480 434	588 261	585 886	508 549	538 398	580 598
Health facility revitalisation grant: Western Cape	Construction of new facilities, upgrades to existing health facilities	On-going	4 871 047	770 101	673 472	605 786	678 829	812 626	640 033	690 199
Health facility revitalisation grant: Incentive-based portion yet to be allocated to provinces	Construction of new facilities, upgrades to existing health facilities	On-going	1 373 537	–	–	–	–	–	660 869	712 668
Total			62 716 718	6 031 591	5 959 175	6 341 593	6 893 562	7 143 384	7 955 373	8 420 112

Table 16.C Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand													
Foreign In cash													
United States: Centres for Disease Control	Cooperation in the prevention and control of HIV and AIDS, and other related infectious diseases	Communicable and Non-communicable Diseases	2009-2012	199 657	Goods and services	Strengthen HIV and AIDS programmes and capacity building	18 709	19 583	–	–	–	–	–
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	Communicable and Non-communicable Diseases	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	5 622	59 148	170 833	2 472 841	–	–	–

Table 16C. Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand													
European Union	Primary health care sector policy support programme	Health System Governance and Human Resources	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	321 800	235 378	185 756	53 000	11 200	-	-
European Union	Masibambane	Primary Health Care	2009-2011	1 551	Goods and services	Collaboration with the Department of Water and Sanitation	558	-	-	-	-	-	-
Global Fund to Fight AIDS, Tuberculosis and Malaria	New funding model	National Health Insurance	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	-	450 111	402 567	526 247	-	-	-
Global Fund to Fight AIDS, Tuberculosis and Malaria	Single stream funding	National Health Insurance	2013-2016	1 937 000	Goods and services		818 135	-	-	-	-	-	-
German Financial Cooperation	HIV and AIDS Prevention	National Health Insurance	2016-2019	13 570	Machinery and equipment	Provision of HIV counselling and testing services in Eastern Cape and Mpumalanga	-	-	4 375	9 195	-	-	-
Global Fund to Fight AIDS, Tuberculosis and Malaria	Focus on high impact	National Health Insurance	2019-2023	2 400 000	Goods and services	Focus on high impact	-	-	-	-	657 894	704 953	677 894
United States: Centres for Disease Control	Strengthen the capacity of the Department of Health to scale up primary health care services to improve the management of HIV and AIDS services	Communicable and Non-communicable Diseases	2019-2024	90 000 000	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	-	-	-	-	1 254 330	1 342 133	1 436 082
Local In cash													
Health and Welfare Sector Education and Training Authority	National skills fund growth and development strategy	Hospital Systems	2010-2014	6 488	Goods and services	Improve the skills of data capturers at health facilities	26	-	-	-	-	-	-
Total				97 381 995			1 164 850	764 220	763 531	3 061 283	1 923 424	2 047 086	2 113 976



2019 BUDGET

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