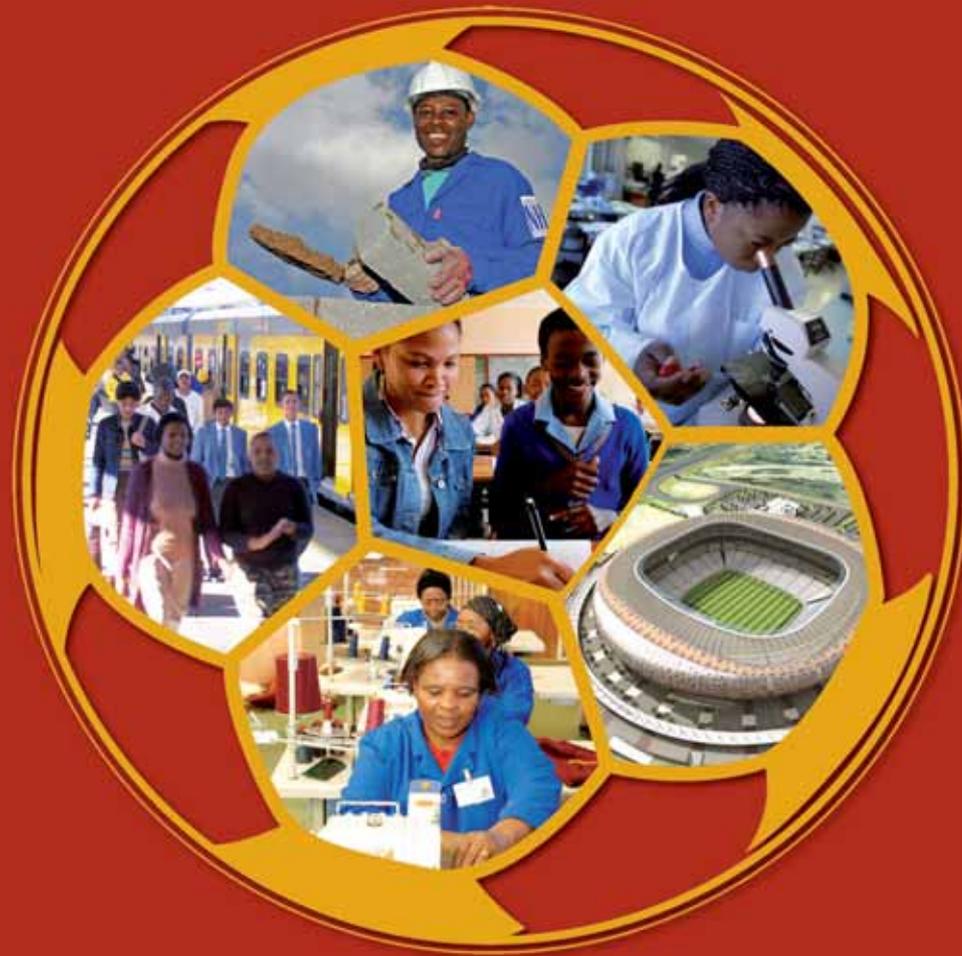


Vote 15 Health



Estimates of National Expenditure 2010



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2010

National Treasury

Republic of South Africa

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The *Estimates of National Expenditure 2010* booklet for each vote is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision. In this booklet, more comprehensive coverage of goods and services, transfers, public entities and lower level institutional information is provided where applicable.

The *Estimates of National Expenditure 2010* as well as the *Estimates of National Expenditure 2010* booklets are also available on www.treasury.gov.za

Foreword

The Estimates of National Expenditure publication provides Parliament, departments and public entities, ministers, the media, civil society and the public with information about how tax payers' money is being spent: what it buys and for what purpose. Do not be concerned regarding the magnitude of this publication. Instead, let us use this unique reference tool to keep departments and agencies accountable and ensure that the expenditure of public funds achieves its intended policy outcomes, ultimately improving the welfare of our people.

Budgets link the policy choices that government makes with the services that are delivered to people – better budgeting plays an important role in improving service delivery. In line with the 2009 Medium Term Strategic Framework, government has adopted 12 desirable outcomes. At the output level, departments and agencies continue to set targets; for the first time these are in support of the attainment of officially stated outcomes. Budgeted spending on outputs and activities will increasingly reflect this.

Following the 2009 elections, a re-organisation of departments was proclaimed to give effect to the required government policy shifts and to accommodate the necessary changes in the programmes and activities of departments and entities. Several new national departments were created; some functions were transferred between departments. This also resulted in certain national departments being re-named to better capture the content of their new responsibilities. In terms of the new structure of government there are now 37 votes in the Estimates of National Expenditure publication, whereas in 2009 there were 34 votes.

This consolidated publication provides extensive vote level information on strategies and objectives. Legislation, policy developments and other factors affecting these are also noted. Information is presented in a format that aligns government's performance commitments with resource allocations. As with the 2009 Budget, we will publish booklets for individual votes that will provide full coverage of public entities and more detail on transfers and lower level institutional information.

Given the current economic climate, there are greater trade-offs in choosing between spending priorities or in the sequencing of programme implementation. Outputs and activities are constantly being re-evaluated to determine if more effective and cost efficient options are available. As a result, some programmes have to be delayed. Alongside the additions to spending, this publication also indicates details per national vote of savings amounting to R23 billion over the period ahead. These savings have been reallocated to other departments in order to augment funding for government's priorities.

All the figures, targets and outputs result from a wide ranging intergovernmental consultative process, leading to executive approval of additional spending allocations and savings. Many people have contributed to making this publication possible, especially my colleagues in national departments and agencies. Their collaboration and understanding during the allocation and publication processes has been invaluable. Thanks are also due to the dedicated National Treasury team for the publication of this useful resource.



Lesetja Kganyago

Director-General: National Treasury

Introduction

Transparent and accountable governance is strengthened when comprehensive budget documents are tabled for public scrutiny and legislative oversight. The Estimates of National Expenditure provides relevant public sector financial information in a timely and systematic manner, linking performance targets to budgeted expenditure. Specifically, it serves to:

- provide members of Parliament with detailed information on how departments and public entities plan to spend the money that is to be authorised by the legislature
- enable Parliament and society to keep departments and agencies accountable for service delivery commitments that are set out in each chapter
- provide parliamentary committees with a valuable source of information that can assist them in performing their oversight functions.

Although it contains a large volume of information, the 2010 Estimates of National Expenditure presents a summarised account of the spending plans of all national departments and agencies for the next three financial years (2010/11 to 2012/13), expenditure outcomes for the past three years (2006/07 to 2008/09) and revised estimates for the current year (2009/10). Newly formed departments are covered in the same way. Information is also provided on legislation and mandates, policy, strategies, objectives and performance targets over the seven-year period – as well as any changes in these, particularly as they relate to trends in planned expenditure. This provides a platform for review that could result in new policy options or operational alternatives in the achievement of government's objectives.

In keeping with ongoing improvements in the way that public finances are managed and reported, both the quality of information and presentation of the 2010 Estimates of National Expenditure have been enhanced. Information on new departments is mostly covered by way of a separate chapter, although in some cases departments are accommodated within a shared vote and discussed together in the same chapter. Information on savings and cost effective service delivery is included under a separate heading following the strategic overview section. Spending on selected key mega infrastructure projects is discussed in text boxes in the expenditure trends sections of relevant votes. For some votes a new personnel table has been included, showing personnel numbers in relation to the different salary levels and other information, such as the number and type of posts on funded establishment and posts filled. The 2010 Estimates of National Expenditure booklets, which are published separately for each vote, provide more extensive coverage on transfers, public entities, goods and services and lower level institutional information.

Value for money

Budget accountability has historically focused mainly on targeting the performance of government departments and agencies at the output level. Government has now adopted an approach which provides a new methodology that is focused on the attainment of 12 desirable outcomes, using measurable outputs and well defined activities to achieve better value, as well as better value for money. The medium term expenditure framework (MTEF) for the next three years targets spending on government's official outcomes and simultaneously seeks to change the culture in the public service towards greater prudence and efficiency in order to obtain better value for money.

The Ministry for the National Planning Commission and the Ministry for Performance Evaluation and Monitoring are to ensure that planning and implementation in government institutions are focused on the achievement of outcomes and the improvement of performance. In line with this service delivery orientation, new functions and a reconfiguration of existing functions have led to a new national government structure. Taking account of the creation of new departments, 37 votes are now contained in the 2010 Estimates of National Expenditure. The table below provides a list of the new votes and alongside each, the department/s from which functions have been shifted in order to form the basis of the new department.

Newly created vote	Department/s from which all or some functions have been shifted
Agriculture, Forestry and Fisheries	Agriculture Water Affairs and Forestry Environmental Affairs and Tourism
Water Affairs	Water Affairs and Forestry
Human Settlements	Housing Water Affairs and Forestry
Environmental Affairs	Environmental Affairs and Tourism
Tourism	Environmental Affairs and Tourism
Basic Education	Education
Higher Education and Training	Education Labour (still exists)
Cooperative Governance and Traditional Affairs	Provincial and Local Government
Defence and Military Veterans	Defence
Economic Development	Trade and Industry (still exists)
Energy	Minerals and Energy
Mineral Resources	Minerals and Energy
International Relations and Cooperation	Foreign Affairs
Police	Safety and Security
Rural Development and Land Reform	Land Affairs Provincial and Local Government
Women, Children and People with Disabilities	The Presidency (still exists) Justice and Constitutional Development (still exists)

Savings

Given the shortfall in government revenue collection and the pressure on the available resources of the fiscus, this year's budget preparation has focused extensively on finding savings within departmental and agency baselines and on redirecting expenditure towards key priorities within these institutions. Savings arise from effecting changes in public sector spending habits and instituting cost-cutting measures. Over the period ahead, government is to reform procurement systems, rationalise public entities and review a range of programmes – in order to accommodate increased spending on government's priorities in the attainment of its desired outcomes.

During the Budget process, judgements on value for money in achieving outcomes are made by examining funding requests in relation to the implementation plans and costings presented, among other considerations. There is extensive consultation with departments, agencies and intergovernmental forums before proposals are presented to the ministers' committee on the budget¹, approved by Cabinet and then tabled in Parliament.

National departments undertook a rigorous budget baseline savings exercise, and identified R23 billion in savings over the medium term: R6.5 billion in 2010/11, R8.6 billion in 2011/12 and R7.9 billion in 2012/13.

1. A committee of cabinet ministers tasked with considering budgetary issues before they are presented to Cabinet.

About R2.6 billion in savings has been identified over the three years at local government level. Every endeavour was made to decrease spending on non-core goods and services, reschedule expenditure over time in the case of delays, effect exchange rate savings in respect of payments to foreigners, reduce transfers to certain public entities, improve financial management, reduce expenditure on administration in favour of frontline services and find alternative sources of financing.

Major savings amounts over the medium term expenditure framework period are:

- Defence and Military Veterans: R4.5 billion (cancellation of the A400M military aircraft contract)
- Social Development: R1.2 billion (slower uptake of social grants than anticipated and rationalisation of the South African Social Security Agency payments system)
- International Relations and Cooperation: R1.5 billion (revision of foreign costs and deferral of the building of the Pan African Parliament)
- Correctional Services: R4.8 billion (rescheduling of prison building plans)
- Transport: R3.4 billion (deferral of public transport infrastructure projects where planning and design have been delayed).

Additional allocations

The revised national Budget framework provides for additional expenditure by departments of R20.7 billion in 2010/11, R26 billion in 2011/12 and R39.9 billion in 2012/13. Including the government savings of R25.6 billion identified across all spheres, in total an additional R112.2 billion is allocated to government institutions to fund government's key priorities over the next three years. Of the R112.2 billion, national departments receive R56.2 billion (50.1 per cent): R13.1 billion in 2010/11, R18.2 billion in 2011/12 and R24.8 billion in 2012/13. Provinces and municipalities receive the remainder. Conditional grants to provinces and municipalities are reflected in both national budgets and the budgets of provinces or municipalities.

A summary of additional funding by national vote is provided below. Information on direct charges against the National Revenue Fund and the amounts for the provincial and local equitable shares are excluded. Adjustments to provincial and local conditional grants have been included. Details are only noted for national votes receiving relatively large additional allocations for implementing new programmes or extending existing programmes. The total amounts per vote in the discussion below represent the gross additional allocations, before the deduction of savings. This means that these total amounts are all bigger than the overall net change in the budget of a particular vote and therefore they do not balance to the amounts reflected in table 2. In the discussion that follows, these vote totals will be referred to as the *gross total allocation*, received over the MTEF period. In some instances, the savings on a specific vote exceed the *gross total allocation* to that vote and the overall net change in the budget is actually negative.

Central government and financial and administrative services

An amount of R448 million is the gross total allocation to **Parliament's** vote. This is mainly to enhance the capacity of the Office of the Speaker, including provision for the establishment of a budget office in terms of the Money Bills Amendment Procedure and Related Matters Act (2009). Also included is provision for increasing the capacity of the Parliamentary oversight committees.

National Treasury receives an addition of R1.1 billion for the neighbourhood development partnership grant for the regeneration of townships through the development of social and economic infrastructure. An amount of R1.5 billion is allocated in the first two years of the MTEF period for the recapitalisation of the Land Bank.

Social services

The gross total allocation to **Health** amounts to R8.8 billion, most of which is for transfers to the provinces. R8.4 billion is provided for the broadening of HIV and AIDS treatment programmes, in support of the rapid expansion of the antiretroviral treatment rollout. R50 million has been set aside for a mass immunisation campaign to combat measles and polio.

Social Development's gross total allocation is R12.5 billion, mainly this is for the extension of the child support grant up to 18 years of age, as a major intervention against child poverty.

Most of the gross total allocation of R3.1 billion to **Basic Education** is for transfers to provinces. An amount of R2.7 billion is allocated for the provision of workbooks in all official languages for grades R to 9, and R28 million is provided for national numeracy and literacy assessments for grades 3, 6 and 9. An additional R120 million is allocated for the national school nutrition programme.

A gross total allocation of R2.4 billion is set aside for **Higher Education and Training**, of which R1 billion is for subsidies for higher education institutions and R1.3 billion is a provincial conditional grant for further education and training colleges.

Justice, crime prevention and security

Police is allocated additional funding of R1.5 billion for an increase in police officers, the establishment of the Directorate for Priority Crime Investigation (the Hawks) and police station property management.

Gross total allocations to **Defence and Military Veterans** amount to R4.7 billion. R2.2 billion is for improving the South African National Defence Force remuneration system. R220 million is provided for expanding the military skills development system intake and R600 million for upgrading the *Landward Defence* programme.

Correctional Services is to receive gross total additional funding amounting to R2.8 billion. This covers the cost of the occupation specific salary dispensation for correctional officials and the impact of the general government employee wage increase.

Economic services and infrastructure

Human Settlements is to receive a R1 billion allocation for upgrading informal settlements and establishing community settlements. The rural household infrastructure grant is allocated R1.2 billion, specifically to support rural communities.

Funds for **Rural Development and Land Reform** are mostly for the rural development programme. An additional allocation of R860 million is for improving the quality of life within rural communities and broadening the base of agricultural production.

Energy receives a gross total allocation of R4.6 billion. R4.5 billion is to provide for part of the capital costs of building a pipeline for fuel from Durban to the Highveld. This allocation will be financed through the fuel levy imposed for this purpose.

Cooperative Governance and Traditional Affairs has a gross total allocation of R10.7 billion. The biggest vote allocation provides for an increase of R2.5 billion for the municipal infrastructure grant, to enable the further expansion of basic services infrastructure delivery aligned to government's 2014 universal access goals. R1.5 billion is allocated for the community work programme, within the expanded public works programme, which enables the non-governmental sector to assist government in providing guaranteed employment on a project basis.

A gross total allocation of R3.8 billion is set aside for **Trade and Industry**. Of this, R3.5 billion is shared equally by the clothing and textile sector and the automotive industry. A further R274 million is allocated for critical infrastructure and regulatory institutions such as the Competition Commission, the Companies and Intellectual Property Commission and other consumer orientated institutions.

Transport's R2.9 billion gross total addition includes funding for the secondary strategic road network, the Passenger Rail Agency of South Africa and the procurement of buses for the 2010 FIFA World Cup.

The main allocation of R500 million for the **Water Affairs** vote is for regional bulk infrastructure to roll out the basic services and water supply in support of human settlement development, in line with government's commitment to universal access by 2014. R498 million is also allocated for the working for water and working on fire programmes, within the expanded public works programme.

Overview of expenditure

The main Budget provides for total expenditure of R818.1 billion in 2010/11, increasing to R888.3 billion in 2011/12 and R964.3 billion in 2012/13. Non-interest expenditure comprises on average 90.1 per cent of total main Budget expenditure, and grows at an average annual rate of 7.6 per cent over the MTEF period. These budgeted estimates provide for a contingency reserve set aside to deal with unanticipated events, amounting to R6 billion in 2010/11, R12 billion in 2011/12 and R24 billion in 2012/13.

The allocations in the main Budget are detailed in the pages of this publication, with a consolidated account provided in the summary tables below.

Summary tables

Table 1: Main budget framework

Table 2: Additional allocation to national votes

Table 3: Expenditure by national vote

Table 4: Expenditure by economic classification

Table 5: Amounts to be appropriated from the National Revenue Fund

Table 6a: Conditional grants to provinces

Table 6b: Conditional grants to municipalities

Table 7: Training expenditure per vote

Table 8: Infrastructure expenditure per vote

Table 9: Personnel expenditure per vote

Table 10: Departmental receipts per vote

Table 1. Main budget framework 2006/07 to 2012/13

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue (National Revenue Fund)							
Tax revenue (gross)	495 548.6	572 814.6	625 100.2	590 425.0	647 850.0	721 477.0	818 298.0
Departmental and other receipts, and repayments	10 843.3	11 671.7	12 616.2	8 982.6	10 380.3	11 483.2	12 379.4
Less: Southern Africa Customs Union payments	-25 194.9	-24 712.6	-28 920.6	-27 915.4	-14 991.3	-11 211.0	-22 781.0
Total revenue	481 197.0	559 773.8	608 795.7	571 492.1	643 239.0	721 749.2	807 896.4
<i>Percentage of GDP</i>	<i>26.2%</i>	<i>26.9%</i>	<i>26.2%</i>	<i>23.3%</i>	<i>23.8%</i>	<i>24.3%</i>	<i>24.5%</i>
Expenditure							
State debt cost	52 192.2	52 877.1	54 393.7	57 599.8	71 357.6	88 462.7	104 022.0
<i>Percentage of GDP</i>	<i>2.8%</i>	<i>2.5%</i>	<i>2.3%</i>	<i>2.4%</i>	<i>2.6%</i>	<i>3.0%</i>	<i>3.2%</i>
Current payments ¹	77 911.5	88 599.8	103 563.2	119 215.8	130 938.5	141 636.6	148 890.9
Transfers and subsidies	332 685.1	391 023.5	458 352.8	530 553.1	579 667.8	634 811.7	674 058.0
Payments for capital assets ¹	6 067.8	7 182.9	8 780.8	8 687.9	9 290.5	10 676.6	13 342.9
Payments for financial assets	1 335.8	1 812.5	10 972.9	32 760.0	20 888.6	750.0	-
Contingency reserve	-	-	-	-	6 000.0	12 000.0	24 000.0
Total expenditure	470 192.5	541 495.7	636 063.5	748 816.5	818 142.9	888 337.6	964 313.8
<i>Percentage of GDP</i>	<i>25.6%</i>	<i>26.0%</i>	<i>27.4%</i>	<i>30.6%</i>	<i>30.3%</i>	<i>29.9%</i>	<i>29.3%</i>
Budget deficit²	11 004.5	18 278.1	-27 267.7	-177 324.3	-174 904.0	-166 588.4	-156 417.4
<i>Percentage of GDP</i>	<i>0.6%</i>	<i>0.9%</i>	<i>-1.2%</i>	<i>-7.2%</i>	<i>-6.5%</i>	<i>-5.6%</i>	<i>-4.7%</i>
<i>GDP</i>	<i>1 833 191.0</i>	<i>2 081 626.0</i>	<i>2 320 117.0</i>	<i>2 449 857.9</i>	<i>2 699 888.0</i>	<i>2 967 560.3</i>	<i>3 295 748.7</i>

1. Excludes conditional grants to provinces and local government, which are included in transfers and subsidies.

2. A positive number reflects a surplus and a negative number a deficit.

Table 2. Additional allocation to national votes 2010/11 to 2012/13¹

R million	Medium term expenditure estimates			Total
	2010/11	2011/12	2012/13	
Central Government Administration	1 882.8	3 072.3	7 510.5	12 465.6
1 The Presidency	85.6	106.5	117.1	309.1
2 Parliament	145.9	150.0	152.5	448.4
3 Cooperative Governance and Traditional Affairs	1 206.7	2 557.8	6 958.5	10 723.1
4 Home Affairs	224.0	80.7	87.3	392.1
5 International Relations and Cooperation	92.6	105.6	115.4	313.5
6 Public Works	97.1	35.5	38.5	171.1
7 Women, Children and People with Disabilities	31.0	36.1	41.2	108.3
Financial and Administrative Services	1 826.9	1 837.5	1 381.0	5 045.4
8 Government Communication and Information System	24.5	25.3	25.7	75.4
9 National Treasury	1 721.7	1 660.0	1 298.6	4 680.3
10 Public Enterprises	38.7	3.2	3.5	45.4
11 Public Service and Administration	10.2	11.9	12.9	35.0
12 Statistics South Africa	31.9	137.2	40.3	209.4
Social Services	5 143.8	8 479.1	13 507.1	27 130.0
13 Arts and Culture	15.3	18.1	19.4	52.8
14 Basic Education	800.8	1 052.5	1 278.0	3 131.3
15 Health	1 930.7	2 896.1	3 998.8	8 825.6
16 Higher Education and Training	421.1	761.3	1 249.0	2 431.4
17 Labour	59.2	49.1	51.9	160.3
18 Social Development	1 910.3	3 694.0	6 900.6	12 505.0
19 Sport and Recreation South Africa	6.3	7.9	9.3	23.6
Justice, Crime Prevention and Security	3 899.4	4 730.2	6 437.0	15 066.6
20 Correctional Services	883.1	919.4	952.8	2 755.3
21 Defence and Military Veterans	1 092.7	1 400.3	2 190.1	4 683.2
22 Independent Complaints Directorate	2.2	4.6	5.8	12.7
23 Justice and Constitutional Development	358.9	529.2	686.1	1 574.1
24 Police	1 562.5	1 876.7	2 602.1	6 041.3
Economic Services and Infrastructure	4 296.7	5 684.4	8 184.8	18 166.0
25 Agriculture, Forestry and Fisheries	57.2	195.8	310.8	563.8
26 Communications	5.1	5.9	6.4	17.4
27 Economic Development	115.0	160.0	175.0	450.0
28 Energy	1 528.8	1 544.4	1 546.8	4 620.0
29 Environmental Affairs	88.8	111.3	216.6	416.7
30 Human Settlements	242.9	360.5	1 761.3	2 364.7
31 Mineral Resources	20.3	33.2	43.0	96.5
32 Rural Development and Land Reform	301.2	348.1	352.1	1 001.4
33 Science and Technology	34.7	40.8	93.7	169.2
34 Tourism	47.7	63.3	74.9	185.9
35 Trade and Industry	905.6	1 294.0	1 638.8	3 838.3
36 Transport	495.8	1 081.6	1 359.3	2 936.7
37 Water Affairs	453.7	445.6	606.1	1 505.4
Total	17 049.6	23 803.6	37 020.3	77 873.6

1. Excludes additional allocations on provincial equitable share and other direct charges against the National Revenue Fund.

Table 3. Expenditure by national vote 2006/07 to 2012/13

R million	Audited Outcome			Adjusted appropriation
	2006/07	2007/08	2008/09	2009/10
Central Government Administration				
1 The Presidency	224.4	651.4	312.4	694.8
2 Parliament	755.1	902.1	1 135.1	1 108.0
3 Cooperative Governance and Traditional Affairs	24 571.6	30 026.2	35 343.2	36 683.5
4 Home Affairs	2 546.9	3 241.7	4 666.6	5 263.8
5 International Relations and Cooperation	2 944.7	4 069.7	5 472.3	5 553.0
6 Public Works	3 025.8	3 402.3	4 197.0	5 890.1
7 Women, Children and People with Disabilities	49.6	52.5	61.9	68.2
Financial and Administrative Services				
8 Government Communication and Information System	293.1	380.9	427.5	496.8
9 National Treasury	16 171.0	18 966.2	31 312.1	62 845.6
10 Public Enterprises	2 589.8	4 604.0	3 265.1	3 991.2
11 Public Service and Administration	583.7	609.6	630.6	682.8
12 Statistics South Africa	1 096.6	1 054.3	1 323.1	1 715.2
Social Services				
13 Arts and Culture	1 329.9	1 585.8	2 114.5	2 632.1
14 Basic Education	1 571.6	2 165.3	3 284.4	4 474.4
15 Health	11 338.0	12 762.7	15 464.5	18 423.5
16 Higher Education and Training	14 292.2	15 997.3	18 765.9	20 696.6
17 Labour	1 343.3	1 431.5	1 507.2	1 709.2
18 Social Development	61 676.1	67 191.4	76 096.7	86 508.2
19 Sport and Recreation South Africa	886.5	5 048.0	4 871.4	2 883.9
Justice, Crime Prevention and Security				
20 Correctional Services	9 251.2	11 122.4	12 822.6	13 834.5
21 Defence and Military Veterans	23 817.6	25 180.1	27 801.3	31 325.3
22 Independent Complaints Directorate	65.3	80.9	99.3	116.5
23 Justice and Constitutional Development	5 853.8	7 194.0	8 244.4	9 721.0
24 Police	32 634.9	36 525.9	41 635.2	47 622.0
Economic Services and Infrastructure				
25 Agriculture, Forestry and Fisheries	2 711.0	3 858.6	3 465.0	3 874.5
26 Communications	1 319.6	1 911.8	2 328.6	2 470.5
27 Economic Development	238.7	245.1	220.4	316.2
28 Energy	1 930.8	2 189.1	2 918.4	3 756.9
29 Environmental Affairs	1 164.2	1 654.1	1 882.7	2 244.2
30 Human Settlements	7 178.2	8 716.1	11 147.4	14 036.2
31 Mineral Resources	676.8	758.2	811.6	925.1
32 Rural Development and Land Reform	3 724.6	5 896.6	6 663.7	6 401.4
33 Science and Technology	2 613.0	3 127.3	3 703.5	4 261.7
34 Tourism	853.5	1 065.1	1 211.8	1 155.7
35 Trade and Industry	3 566.1	5 050.2	4 836.6	6 085.9
36 Transport	13 360.4	16 331.6	24 838.6	24 238.5
37 Water Affairs	3 851.9	4 802.9	5 795.3	7 342.6
Total appropriation by vote	262 101.6	309 853.1	370 678.0	442 049.4
Plus:				
Direct charges against the National Revenue Fund				
President and Deputy President salary (The Presidency)	2.2	2.3	4.0	4.3
Members remuneration (Parliament)	223.3	240.7	356.9	376.7
State debt costs (National Treasury)	52 192.2	52 877.1	54 393.7	59 995.0
Provincial equitable share (National Treasury)	149 245.6	171 053.7	201 795.6	236 877.8
General fuel levy sharing with metros (National Treasury)	-	-	-	6 800.1
Skills levy and Setas (Higher Education and Training)	5 328.4	6 284.3	7 234.1	7 750.0
Judges and magistrates salaries (Justice and Constitutional Development)	1 099.3	1 184.5	1 601.1	1 669.7
Total direct charges against the National Revenue Fund	208 090.9	231 642.6	265 385.4	313 473.5
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-3 000.0
Total	470 192.5	541 495.7	636 063.5	752 522.9

Table 3. Expenditure by national vote 2006/07 to 2012/13

Revised estimate	Medium-term expenditure estimates			R million
	2009/10	2010/11	2011/12	
				Central Government Administration
691.8	722.6	772.2	810.5	The Presidency
1 108.0	1 179.2	1 238.6	1 288.4	Parliament
36 629.6	43 921.5	50 449.1	57 238.3	Cooperative Governance and Traditional Affairs
5 159.4	5 719.6	5 003.5	5 144.8	Home Affairs
5 508.0	4 824.4	5 087.0	5 393.0	International Relations and Cooperation
5 740.1	6 446.3	7 984.1	8 246.2	Public Works
68.2	97.8	108.3	114.9	Women, Children and People with Disabilities
				Financial and Administrative Services
496.8	546.2	507.1	515.4	Government Communication and Information System
62 512.7	50 219.9	33 127.9	34 265.6	National Treasury
3 991.2	350.6	186.8	196.2	Public Enterprises
681.0	651.5	657.1	684.1	Public Service and Administration
1 715.2	1 973.4	2 845.9	1 769.6	Statistics South Africa
				Social Services
2 440.1	2 406.7	2 417.4	2 562.7	Arts and Culture
4 197.9	6 166.2	7 549.8	8 099.3	Basic Education
18 025.5	21 497.0	23 707.9	25 844.7	Health
20 681.8	23 720.7	26 104.6	27 856.1	Higher Education and Training
1 674.4	1 783.9	1 866.6	1 942.5	Labour
86 108.2	95 929.1	105 715.4	114 023.7	Social Development
2 872.4	1 245.6	760.5	793.7	Sport and Recreation South Africa
				Justice, Crime Prevention and Security
13 834.5	15 129.0	16 027.4	18 277.2	Correctional Services
30 325.3	30 715.3	33 931.4	36 386.5	Defence and Military Veterans
116.5	129.3	144.1	152.4	Independent Complaints Directorate
9 673.3	10 250.5	11 083.7	11 730.6	Justice and Constitutional Development
47 622.0	52 556.4	56 916.6	60 390.8	Police
				Economic Services and Infrastructure
3 305.5	3 658.0	4 361.4	4 740.5	Agriculture, Forestry and Fisheries
2 354.5	2 114.0	1 814.1	1 630.4	Communications
316.2	418.6	494.4	520.3	Economic Development
3 740.2	5 535.4	5 739.6	5 538.7	Energy
2 244.2	2 607.8	2 817.5	3 058.7	Environmental Affairs
14 036.2	16 201.5	18 483.0	19 603.8	Human Settlements
924.0	1 030.0	1 112.1	1 168.0	Mineral Resources
6 401.4	6 769.6	7 972.9	8 360.1	Rural Development and Land Reform
4 261.7	4 615.5	4 968.8	4 560.2	Science and Technology
1 155.7	1 151.8	1 223.2	1 291.2	Tourism
5 988.8	6 150.1	6 757.4	7 264.0	Trade and Industry
24 164.1	25 086.3	27 960.1	29 169.5	Transport
6 969.8	7 996.6	9 090.2	9 628.2	Water Affairs
437 736.1	461 517.9	486 987.8	520 261.0	Total appropriation by vote
				Plus:
				Direct charges against the National Revenue Fund
4.3	4.6	4.8	5.1	President and Deputy President salary (The Presidency)
376.7	392.7	409.6	430.1	Members remuneration (Parliament)
57 599.8	71 357.6	88 462.7	104 022.0	State debt costs (National Treasury)
236 877.8	260 973.7	280 688.7	294 780.0	Provincial equitable share (National Treasury)
6 800.1	7 542.4	8 531.1	8 957.7	General fuel levy sharing with metros (National Treasury)
7 750.0	8 424.2	9 148.7	9 606.1	Skills levy and Setas (Higher Education and Training)
1 671.7	1 929.9	2 104.2	2 251.9	Judges and magistrates salaries (Justice and Constitutional Development)
311 080.3	350 625.0	389 349.8	420 052.9	Total direct charges against the National Revenue Fund
-	6 000.0	12 000.0	24 000.0	Contingency reserve
-	-	-	-	Projected underspending
748 816.5	818 142.9	888 337.6	964 313.8	Total

Table 4. Expenditure by economic classification 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation
	2006/07	2007/08	2008/09	2009/10
Current payments				
Compensation of employees	49 574.2	56 243.2	64 973.4	76 392.8
Salaries and wages	41 022.9	46 738.9	53 788.3	63 755.1
Social contributions	8 551.3	9 504.3	11 185.1	12 637.7
Goods and services	28 335.8	32 354.3	38 587.4	44 065.4
Interest and rent on land	52 193.7	52 879.3	54 396.1	59 995.8
Interest (including interest on finance leases)	52 193.0	52 878.6	54 395.9	59 995.0
Rent on land	0.7	0.7	0.2	0.8
Total current payments	130 103.7	141 476.8	157 956.9	180 454.0
Transfers and subsidies to:				
Provinces and municipalities	205 438.3	243 233.9	289 397.3	345 879.0
Provinces	178 867.2	205 829.6	245 302.3	295 353.2
Provincial revenue funds	178 867.2	205 829.6	245 302.3	295 353.2
Municipalities	26 571.1	37 404.3	44 095.1	50 525.8
Municipal bank accounts	26 571.1	37 404.3	44 095.1	50 525.8
Departmental agencies and accounts	38 102.1	44 531.2	53 572.4	58 512.9
Social security funds	7.0	8.5	2 508.7	12.7
Departmental agencies (non-business entities)	38 095.0	44 522.7	51 063.6	58 500.3
Universities and technikons	11 056.0	12 003.8	13 897.7	15 437.4
Foreign governments and international organisations	919.3	936.0	1 010.6	1 266.8
Public corporations and private enterprises	13 424.4	18 764.3	20 170.1	20 061.4
Public corporations	9 872.3	14 155.2	14 694.3	17 851.2
Subsidies on products or production	4 101.1	3 691.7	4 676.1	5 188.9
Other transfers to public corporations	5 771.2	10 463.5	10 018.2	12 662.3
Private enterprises	3 552.1	4 609.0	5 475.8	2 210.2
Subsidies on products or production	3 339.6	4 111.4	5 193.5	1 855.1
Other transfers to private enterprises	212.5	497.6	282.3	355.1
Non-profit institutions	882.1	1 002.8	1 220.2	1 225.3
Households	62 862.9	70 551.4	79 084.5	91 029.5
Social benefits	59 569.1	65 170.5	73 611.2	85 989.9
Other transfers to households	3 293.8	5 381.0	5 473.3	5 039.6
Total transfers and subsidies	332 685.1	391 023.5	458 352.8	533 412.3
Payments for capital assets				
Buildings and other fixed structures	2 481.5	3 838.2	5 566.8	5 961.3
Buildings	2 376.9	3 325.7	4 893.8	4 843.3
Other fixed structures	104.6	512.5	673.0	1 118.0
Machinery and equipment	3 322.8	3 210.7	2 965.0	2 741.0
Transport equipment	1 522.3	1 528.0	1 419.6	1 467.8
Other machinery and equipment	1 800.5	1 682.7	1 545.4	1 273.1
Specialised military assets	-	-	-	27.6
Biological assets	0.7	11.2	2.7	1.1
Land and subsoil assets	31.5	27.4	49.0	-
Software and other intangible assets	231.4	95.5	197.4	167.4
Total payments for capital assets	6 067.8	7 182.9	8 780.8	8 898.3
Payments for financial assets	1 335.8	1 812.5	10 972.9	32 758.3
Total	470 192.5	541 495.7	636 063.5	755 522.9
Contingency reserve	-	-	-	-
Projected underspending	-	-	-	-3 000.0
Total	470 192.5	541 495.7	636 063.5	752 522.9

Table 4. Expenditure by economic classification 2006/07 to 2012/13

Revised estimate	Medium-term expenditure estimates			R million
	2009/10	2010/11	2011/12	
76 008.7	84 093.2	90 167.3	95 232.5	Current payments
				Compensation of employees
63 383.4	69 171.6	74 337.1	78 539.2	Salaries and wages
12 625.3	14 921.6	15 830.2	16 693.2	Social contributions
43 205.8	46 843.3	51 466.9	53 656.0	Goods and services
57 601.0	71 359.6	88 465.0	104 024.5	Interest and rent on land
57 600.2	71 358.7	88 464.1	104 023.5	Interest (including interest on finance leases)
0.8	0.8	0.9	1.0	Rent on land
176 815.6	202 296.0	230 099.3	252 913.0	Total current payments
				Transfers and subsidies to:
				Provinces and municipalities
345 167.9	381 726.9	417 237.3	442 587.4	Provinces
294 968.2	322 858.2	350 547.1	369 348.4	Provincial revenue funds
294 968.2	322 858.2	350 547.1	369 348.4	
50 199.7	58 868.7	66 690.2	73 239.0	Municipalities
50 199.7	58 868.7	66 690.2	73 239.0	Municipal bank accounts
57 114.3	58 456.5	65 123.0	68 388.7	Departmental agencies and accounts
12.7	11.6	12.4	13.0	Social security funds
57 101.6	58 445.0	65 110.6	68 375.7	Departmental agencies (non-business entities)
15 437.4	17 532.0	19 318.5	20 669.2	Universities and technikons
1 260.9	1 313.9	1 288.8	1 380.3	Foreign governments and international organisations
19 725.2	20 129.1	20 700.1	21 489.8	Public corporations and private enterprises
17 555.0	16 988.4	17 034.7	17 355.7	Public corporations
5 198.9	5 180.8	5 262.0	5 499.9	Subsidies on products or production
12 356.1	11 807.6	11 772.7	11 855.7	Other transfers to public corporations
2 170.1	3 140.7	3 665.4	4 134.1	Private enterprises
1 795.1	2 778.8	3 255.0	3 629.1	Subsidies on products or production
375.1	362.0	410.3	505.0	Other transfers to private enterprises
1 225.1	2 275.2	2 339.0	1 894.0	Non-profit institutions
90 622.4	98 234.2	108 805.0	117 648.6	Households
85 620.3	92 792.8	102 213.6	110 636.4	Social benefits
5 002.1	5 441.4	6 591.5	7 012.1	Other transfers to households
530 553.1	579 667.8	634 811.7	674 058.0	Total transfers and subsidies
				Payments for capital assets
5 862.9	5 994.9	7 237.3	9 660.6	Buildings and other fixed structures
4 743.8	4 537.4	4 836.4	6 935.7	Buildings
1 119.2	1 457.5	2 400.9	2 725.0	Other fixed structures
2 735.2	3 236.9	3 381.4	3 525.6	Machinery and equipment
1 467.8	1 352.7	1 474.3	1 690.0	Transport equipment
1 267.4	1 884.2	1 907.2	1 835.6	Other machinery and equipment
27.6	19.6	24.5	122.0	Specialised military assets
1.1	1.6	0.7	0.7	Biological assets
–	–	–	–	Land and subsoil assets
61.0	37.5	32.7	33.8	Software and other intangible assets
8 687.9	9 290.5	10 676.6	13 342.9	Total payments for capital assets
32 760.0	20 888.6	750.0	0.0	Payments for financial assets
748 816.5	812 142.9	876 337.6	940 313.8	Total
–	6 000.0	12 000.0	24 000.0	Contingency reserve
–	–	–	–	Projected underspending
748 816.5	818 142.9	888 337.6	964 313.8	Total

Table 5. Amounts to be appropriated from the National Revenue Fund for 2010/11

	Appropriated (including direct charges)	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease ¹	
R million	2009/10	2010/11						
Central Government Administration								
1	The Presidency	609.6	343.0	371.9	12.2	-	727.2	117.6
2	Parliament	1 350.7	1 275.4	284.8	11.7	-	1 571.9	221.2
3	Cooperative Governance and Traditional Affairs	35 604.4	619.7	43 288.5	13.3	-	43 921.5	8 317.0
4	Home Affairs	5 050.6	3 992.4	1 587.8	139.3	-	5 719.6	669.0
5	International Relations and Cooperation	5 337.0	3 688.6	820.2	315.7	-	4 824.4	-512.6
6	Public Works	5 298.0	2 042.8	3 029.6	1 373.9	-	6 446.3	1 148.3
7	Women, Children and People with Disabilities	64.0	39.3	51.9	6.6	-	97.8	33.8
Financial and Administrative Services								
8	Government Communication and Information System	482.0	355.5	187.4	3.4	-	546.2	64.2
9	National Treasury	354 795.2	72 806.9	296 522.2	14.5	20 750.0	390 093.6	35 298.4
10	Public Enterprises	3 797.3	174.7	36.7	0.6	138.6	350.6	-3 446.8
11	Public Service and Administration	596.3	376.9	271.6	2.9	-	651.5	55.2
12	Statistics South Africa	1 608.6	1 871.5	3.8	98.1	-	1 973.4	364.8
Social Services								
13	Arts and Culture	2 623.5	311.1	2 089.1	6.6	-	2 406.7	-216.7
14	Basic Education	3 929.9	1 777.1	4 385.1	4.1	-	6 166.2	2 236.3
15	Health	17 058.1	1 063.0	20 403.3	30.7	-	21 497.0	4 438.9
16	Higher Education and Training	25 259.6	382.4	31 752.7	9.8	-	32 144.9	6 885.3
17	Labour	1 671.0	1 259.9	515.2	8.8	-	1 783.9	112.9
18	Social Development	86 408.3	543.0	95 376.0	10.1	-	95 929.1	9 520.7
19	Sport and Recreation South Africa	2 859.9	192.9	1 047.6	5.1	-	1 245.6	-1 614.3
Justice, Crime Prevention and Security								
20	Correctional Services	13 238.6	14 007.7	13.1	1 108.3	-	15 129.0	1 890.5
21	Defence and Military Veterans	32 024.4	23 099.0	6 830.1	786.2	-	30 715.3	-1 309.1
22	Independent Complaints Directorate	114.9	126.0	0.1	3.3	-	129.3	14.5
23	Justice and Constitutional Development	11 278.6	9 984.8	1 567.9	627.7	-	12 180.4	901.8
24	Police	46 409.7	49 336.4	438.4	2 781.7	-	52 556.4	6 146.7
Economic Services and Infrastructure								
25	Agriculture, Forestry and Fisheries	2 903.5	1 773.5	1 836.5	47.9	-	3 658.0	754.5
26	Communications	2 266.9	483.2	1 626.7	4.1	-	2 114.0	-152.9
27	Economic Development	292.5	95.2	318.6	4.8	-	418.6	126.1
28	Energy	3 742.3	202.1	5 328.7	4.6	-	5 535.4	1 793.1
29	Environmental Affairs	2 261.0	910.2	1 224.3	473.3	-	2 607.8	346.8
30	Human Settlements	14 020.0	599.5	15 442.8	159.3	-	16 201.5	2 181.5
31	Mineral Resources	904.9	607.3	408.7	14.1	-	1 030.0	125.1
32	Rural Development and Land Reform	6 109.4	1 878.1	4 871.6	19.8	-	6 769.6	660.2
33	Science and Technology	4 234.1	362.0	4 249.5	4.1	-	4 615.5	381.4
34	Tourism	1 109.1	196.1	953.3	2.4	-	1 151.8	42.8
35	Trade and Industry	6 051.7	1 142.9	4 992.6	14.7	-	6 150.1	98.4
36	Transport	23 734.8	743.4	24 301.3	41.6	-	25 086.3	1 351.4
37	Water Affairs	7 462.4	3 632.8	3 238.5	1 125.3	-	7 996.6	534.2
Total	732 562.8	202 296.0	579 667.8	9 290.5	20 888.6	812 142.9	79 580.2	

1. A positive number reflects an increase and a negative number a decrease.

Table 6a. Conditional grants to provinces 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
Central Government Administration									
3	Cooperative Governance and Traditional Affairs	–	–	29.7	–	–	–	–	
6	Public Works	710.1	836.6	889.3	1 501.2	1 401.2	1 483.8	1 962.0	2 060.1
Financial and Administrative Services									
9	National Treasury	4 983.5	6 276.2	7 384.5	13 449.2	13 449.2	11 314.9	13 091.2	14 007.6
Social Services									
13	Arts and Culture	–	163.2	344.6	440.6	440.6	512.7	543.4	570.8
14	Basic Education	1 242.5	1 376.9	2 114.1	2 575.4	2 575.4	3 931.4	5 048.1	5 447.4
15	Health	10 206.5	11 552.7	14 028.7	16 702.5	16 417.5	19 852.8	21 971.8	24 030.4
16	Higher Education and Training	1 973.7	2 435.3	3 005.8	3 168.3	3 168.3	3 772.7	3 972.0	4 169.1
19	Sport and Recreation South Africa	119.0	194.0	293.7	402.3	402.3	426.4	452.0	474.6
Economic Services and Infrastructure									
25	Agriculture, Forestry and Fisheries	401.1	761.7	898.0	973.7	973.7	1 116.9	1 437.1	1 508.9
30	Human Settlements	6 677.8	8 149.9	10 177.9	12 592.3	12 592.3	15 160.6	17 222.4	17 938.7
32	Rural Development and Land Reform	8.0	–	–	–	–	–	–	–
35	Trade and Industry	58.2	–	–	–	–	–	–	–
36	Transport	3 241.0	3 029.4	4 340.3	6 669.9	6 669.9	4 312.4	4 158.5	4 360.9
Total		29 621.6	34 775.9	43 506.6	58 475.4	58 090.4	61 884.5	69 858.4	74 568.4

1. Detail provided in the Division of Revenue Act (2010).

Table 6b. Conditional grants to municipalities 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
Central Government Administration									
3	Cooperative Governance and Traditional Affairs	6 138.4	8 954.1	9 308.4	11 633.5	11 633.5	12 740.9	15 293.3	18 557.9
6	Public Works	–	–	–	201.7	201.7	623.0	1 108.0	1 163.4
Financial and Administrative Services									
9	National Treasury	410.3	716.5	361.5	851.4	611.4	1 394.6	1 575.1	1 586.3
Social Services									
19	Sport and Recreation South Africa	600.0	4 605.0	4 295.0	2 168.7	2 168.7	512.6	–	–
Economic Services and Infrastructure									
28	Energy	390.7	462.5	589.1	1 108.0	1 092.2	1 240.1	1 376.6	1 151.4
36	Transport	518.0	1 174.0	2 928.7	2 428.0	2 428.0	3 709.9	4 436.1	4 136.7
37	Water Affairs	385.7	732.9	994.6	925.0	854.6	890.1	380.0	399.0
Total		8 443.1	16 645.0	18 477.3	19 316.2	18 990.1	21 111.1	24 169.1	26 994.8

1. Detail provided in the Division of Revenue Act (2010).

Table 7. Training expenditure per vote 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Central Government Administration							
1	1.5	2.3	1.4	1.9	2.2	2.4	2.6
2	10.7	10.6	11.9	10.1	10.4	14.2	15.0
3	1.7	2.3	1.7	1.8	2.4	2.6	2.7
4	35.6	32.4	34.0	35.1	30.9	28.2	28.5
5	4.0	13.1	8.1	12.4	14.4	14.1	14.1
6	12.8	15.2	22.0	26.1	27.5	28.5	29.9
Financial and Administrative Services							
8	2.4	4.7	4.2	3.7	4.4	4.2	4.4
9	9.3	16.1	16.9	33.6	19.8	20.4	21.2
10	0.8	1.6	1.7	2.2	1.9	2.0	2.0
11	2.0	2.2	3.7	2.6	3.6	3.5	3.7
12	7.7	11.9	14.0	21.2	45.1	42.1	40.0
Social Services							
13	2.4	3.1	4.5	2.1	2.3	2.4	2.5
14	1.6	2.8	6.5	1.7	2.5	2.4	2.5
15	5.5	9.5	1.8	4.5	5.5	6.1	6.6
16	1.8	2.5	2.9	1.9	2.6	2.8	2.9
17	8.9	6.5	8.9	8.3	8.9	9.3	9.8
18	2.2	1.7	1.8	2.3	2.5	2.6	2.8
19	0.5	0.9	0.9	1.1	1.1	1.1	1.1
Justice, Crime Prevention and Security							
20	111.4	125.6	76.0	89.5	64.0	100.5	105.6
21	85.6	87.4	117.7	113.6	145.6	151.0	167.0
22	0.5	0.6	0.6	0.7	0.7	0.8	0.8
23	12.4	18.3	37.5	86.4	78.9	83.6	89.4
24	807.5	966.0	1 124.0	1 006.5	1 386.6	1 449.0	1 514.2
Economic Services and Infrastructure							
25	27.3	20.3	24.2	16.4	20.0	21.8	23.3
26	3.1	3.7	6.0	9.0	9.4	9.9	10.4
27	-	-	-	-	0.1	0.2	0.2
28	0.6	0.7	1.6	2.1	3.5	3.9	4.1
29	2.3	2.1	2.2	2.3	2.5	2.7	2.9
30	2.0	1.2	2.9	12.9	14.1	15.2	16.1
31	1.5	1.7	3.8	9.1	3.5	3.9	4.1
32	11.6	9.0	9.4	11.9	12.6	13.3	13.9
33	1.0	3.6	5.2	6.5	5.1	5.4	5.6
34	1.5	1.4	1.5	1.0	1.0	1.0	1.1
35	3.2	1.0	2.5	9.3	11.0	11.5	12.0
36	3.0	3.2	1.8	3.9	4.0	4.0	4.1
37	37.0	38.9	40.8	63.1	65.7	67.3	70.7
Total	1 223.1	1 424.2	1 604.9	1 616.8	2 016.3	2 133.7	2 237.8

Table 8. Infrastructure expenditure per vote 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Central Government Administration							
2 Parliament	–	5.1	40.5	–	–	–	–
3 Cooperative Governance and Traditional Affairs	6 138.4	8 754.1	9 138.1	11 433.5	12 528.9	15 068.6	18 322.0
4 Home Affairs	45.1	61.4	68.0	56.1	67.2	132.5	129.8
5 International Relations and Cooperation	119.4	649.9	926.7	423.2	231.5	249.8	317.0
6 Public Works	414.1	488.0	988.4	1 220.6	1 303.9	1 603.9	1 634.7
Financial and Administrative Services							
9 National Treasury	5 035.7	6 327.3	7 768.0	9 910.6	12 569.9	14 486.6	15 405.0
Social Services							
13 Arts and Culture	312.1	281.2	448.6	801.4	557.8	455.6	483.0
14 Basic Education	–	–	–	–	80.0	200.0	210.0
15 Health	1 498.7	2 118.5	1 884.8	3 495.2	3 939.6	3 789.7	3 805.0
16 Higher Education and Training	90.5	77.5	54.8	37.0	32.0	26.0	22.0
17 Labour	78.5	64.4	37.6	56.8	25.9	34.6	0.0
19 Sport and Recreation South Africa	600.0	4 605.0	4 295.0	1 661.1	302.3	–	–
Justice, Crime Prevention and Security							
20 Correctional Services	794.8	1 087.0	1 035.5	1 012.5	1 108.3	1 163.1	2 675.6
21 Defence and Military Veterans	49.2	93.4	476.5	452.0	1 120.7	841.1	1 218.3
23 Justice and Constitutional Development	323.7	361.1	479.5	515.5	631.5	759.4	865.0
24 Police	510.5	727.0	843.3	1 049.7	1 118.2	1 235.3	1 544.6
Economic Services and Infrastructure							
25 Agriculture, Forestry and Fisheries	120.0	112.0	108.6	115.0	172.9	270.8	253.5
26 Communications	100.0	646.0	950.0	810.0	420.9	279.0	167.0
28 Energy	1 328.9	1 525.6	1 888.8	2 400.3	4 271.9	4 366.4	4 565.5
29 Environmental Affairs	199.8	405.7	437.4	512.3	656.7	664.8	693.0
30 Human Settlements	–	3 829.9	1 885.1	1 674.3	2 014.8	2 248.4	2 341.9
32 Rural Development and Land Reform	14.4	5.6	6.3	11.8	17.4	18.3	44.7
33 Science and Technology	175.0	272.0	408.0	699.3	745.7	801.0	254.4
35 Trade and Industry	468.0	911.0	967.5	1 283.3	769.9	721.4	758.6
36 Transport	5 801.6	7 934.8	10 601.2	12 799.8	14 131.7	16 038.7	16 542.4
37 Water Affairs	85.9	644.4	1 467.1	1 976.8	2 279.9	3 358.1	3 805.1
Total	24 304.4	41 988.0	47 205.2	54 408.3	61 099.7	68 813.1	76 057.9

1. Amounts include mega infrastructure projects and programmes (over R300 million per year for a minimum of three years, or R900 million total project cost), large projects and programmes (between R300 million and R50 million per year within a given MTEF period), small projects and programmes (less than R50 million per year). Infrastructure transfers to other spheres, agencies and entities, fixed installations transferred to households and maintenance and repair projects are also included. Details are provided in the additional tables in each vote.

Table 9. Personnel expenditure per vote 2006/07 to 2012/13

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13	
Central Government Administration									
1	The Presidency	100.5	118.7	144.3	187.4	184.4	218.1	242.4	258.2
2	Parliament	446.6	521.0	708.6	780.1	780.1	856.1	905.7	951.2
3	Cooperative Governance and Traditional Affairs	116.2	128.1	153.8	172.3	164.8	241.9	255.3	268.1
4	Home Affairs	844.7	1 087.0	1 296.0	1 659.1	1 659.1	1 896.2	2 134.8	2 243.7
5	International Relations and Cooperation	1 136.5	1 293.2	1 683.4	2 062.6	2 062.6	2 017.1	2 101.4	2 203.1
6	Public Works	613.6	746.4	916.6	1 012.2	1 012.2	1 121.4	1 201.7	1 249.6
7	Women, Children and People with Disabilities	3.8	4.8	5.9	10.0	10.0	15.7	27.5	29.9
Financial and Administrative Services									
8	Government Communication and Information System	84.1	116.2	114.0	137.1	136.9	147.0	157.5	166.3
9	National Treasury	230.9	272.7	321.0	438.5	408.5	538.5	573.0	598.6
10	Public Enterprises	47.2	56.0	70.4	81.4	81.4	88.0	93.5	98.3
11	Public Service and Administration	92.5	115.8	129.1	153.4	153.4	174.4	183.4	193.4
12	Statistics South Africa	414.9	472.0	700.7	1 015.8	1 015.8	891.0	1 065.1	992.5
Social Services									
13	Arts and Culture	95.1	107.2	126.8	146.3	141.3	149.0	159.4	168.7
14	Basic Education	117.0	150.4	186.3	229.9	251.4	255.4	273.8	288.1
15	Health	231.7	258.6	292.5	329.1	329.1	369.7	403.4	442.4
16	Higher Education and Training	131.7	146.2	174.8	203.3	203.6	228.9	245.8	261.1
17	Labour	435.4	497.9	491.3	632.6	611.2	738.4	760.6	811.4
18	Social Development	111.1	133.6	184.1	225.4	225.4	245.1	260.6	277.7
19	Sport and Recreation South Africa	30.1	43.4	54.5	67.6	59.6	75.3	73.7	77.4
Justice, Crime Prevention and Security									
20	Correctional Services	5 606.6	6 799.2	8 077.8	9 313.0	9 313.0	10 483.8	11 058.5	11 611.2
21	Defence and Military Veterans	9 037.6	9 735.9	10 620.0	12 223.2	12 223.2	13 450.4	14 630.1	15 686.9
22	Independent Complaints Directorate	36.8	45.7	58.0	66.5	66.5	74.1	85.5	90.4
23	Justice and Constitutional Development	3 619.7	4 250.9	5 326.2	6 277.1	6 233.7	6 834.7	7 375.3	7 846.8
24	Police	22 730.2	25 610.6	29 147.4	33 770.2	33 770.2	37 148.8	39 660.3	41 777.4
Economic Services and Infrastructure									
25	Agriculture, Forestry and Fisheries	717.4	778.8	908.8	1 138.5	938.5	1 144.2	1 244.2	1 380.2
26	Communications	99.0	97.7	108.0	147.4	147.4	160.4	169.2	177.9
27	Economic Development	-	-	-	12.6	12.6	59.5	78.0	89.8
28	Energy	49.7	68.2	84.6	113.1	112.1	133.0	140.4	142.8
29	Environmental Affairs	156.7	196.3	212.3	260.3	260.3	324.9	351.5	368.9
30	Human Settlements	81.4	107.3	136.9	217.4	217.4	290.2	313.4	328.9
31	Mineral Resources	196.4	222.3	245.5	287.6	287.0	352.3	392.1	414.7
32	Rural Development and Land Reform	406.0	476.4	614.2	954.8	954.8	1 072.2	1 141.5	1 199.8
33	Science and Technology	83.7	104.1	144.9	200.2	200.2	215.0	227.3	239.1
34	Tourism	102.8	130.8	106.4	89.6	89.6	98.5	112.1	160.6
35	Trade and Industry	283.6	327.5	383.1	513.0	469.0	557.8	590.4	628.5
36	Transport	111.2	131.3	182.6	221.0	221.0	259.4	282.2	296.6
37	Water Affairs	972.0	890.7	862.5	1 043.1	1 001.4	1 166.5	1 196.7	1 212.4
Total		49 574.2	56 243.2	64 973.4	76 392.8	76 008.7	84 093.2	90 167.3	95 232.5

Table 10. Departmental receipts per vote 2006/07 to 2012/13 ¹

R million	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Central Government Administration								
1 The Presidency	1.7	0.3	0.2	0.5	0.5	0.3	0.3	0.3
2 Parliament	41.9	51.7	55.2	16.3	17.8	15.5	11.9	11.5
3 Cooperative Governance and Traditional Affairs	6.8	0.7	0.8	0.6	0.6	0.6	0.6	0.6
4 Home Affairs	468.2	421.1	355.7	429.5	429.5	455.3	482.6	506.7
5 International Relations and Cooperation	46.3	65.1	43.6	39.2	18.4	31.2	33.3	33.2
6 Public Works	79.9	95.8	28.5	25.6	31.5	26.6	27.7	29.4
Financial and Administrative Services								
8 Government Communication and Information System	3.1	3.1	3.3	2.9	2.9	3.0	3.0	3.0
9 National Treasury	4 355.1	6 116.7	5 270.4	4 148.5	3 839.0	2 354.2	2 544.8	2 602.9
10 Public Enterprises	0.1	0.1	0.8	0.1	0.1	0.1	0.1	0.1
11 Public Service and Administration	1.8	2.7	1.0	0.9	0.9	0.7	0.7	0.7
12 Statistics South Africa	1.5	17.7	2.8	6.9	6.9	2.2	2.5	2.6
Social Services								
13 Arts and Culture	3.2	0.4	3.6	1.0	1.0	0.6	0.6	0.7
14 Basic Education	0.6	1.9	1.5	0.9	0.9	1.1	1.2	1.2
15 Health	33.3	41.2	31.2	33.7	33.7	31.5	32.8	32.9
16 Higher Education and Training	6.2	6.9	6.7	6.5	6.6	6.9	7.0	7.0
17 Labour	6.1	8.4	28.9	12.9	12.9	16.1	22.4	24.3
18 Social Development	865.3	237.0	16.5	0.2	20.2	510.2	10.2	10.2
19 Sport and Recreation South Africa	5.6	0.0	0.3	0.6	5.7	0.3	0.4	0.4
Justice, Crime Prevention and Security								
20 Correctional Services	100.0	136.3	80.5	131.2	136.7	143.4	152.0	161.0
21 Defence and Military Veterans	492.8	551.9	629.4	676.7	676.7	702.5	729.2	756.9
22 Independent Complaints Directorate	0.0	0.4	0.1	0.1	0.1	0.1	0.1	0.1
23 Justice and Constitutional Development	319.5	317.0	356.8	358.9	358.9	377.6	399.8	422.5
24 Police	251.9	345.1	376.5	332.6	332.6	341.7	321.3	324.5
Economic Services and Infrastructure								
25 Agriculture, Forestry and Fisheries	141.1	121.1	254.0	219.7	216.7	119.3	121.5	118.2
26 Communications	2 613.8	3 007.4	3 520.1	933.0	1 160.8	925.0	959.4	993.4
27 Economic Development	177.5	229.3	244.4	484.8	420.0	230.0	243.8	250.0
28 Energy	0.1	1.2	3.3	3.5	3.5	3.7	3.9	4.1
29 Environmental Affairs	4.9	4.7	8.5	2.7	2.7	0.8	0.8	0.8
30 Human Settlements	1.9	0.7	2.4	0.5	2.8	0.5	0.5	0.6
31 Mineral Resources	191.0	267.1	261.3	161.8	161.8	205.6	211.8	213.9
32 Rural Development and Land Reform	158.8	176.4	64.2	231.2	61.1	68.4	69.0	64.5
33 Science and Technology	1.0	0.2	0.3	1.0	1.0	0.1	0.1	0.1
35 Trade and Industry	66.6	94.2	64.9	66.7	67.0	108.3	114.9	120.2
36 Transport	330.4	362.5	215.8	231.7	116.6	127.8	137.4	144.3
37 Water Affairs	137.2	0.1	26.6	72.6	39.8	41.2	44.0	44.0
Total departmental receipts as per Estimates of National Expenditure	10 915.2	12 686.3	11 960.0	8 635.5	8 188.0	6 852.2	6 691.4	6 887.0
Less: Parliament (retained departmental receipts)	41.9	51.7	55.2	16.3	17.8	15.5	11.9	11.5
Plus: South African Revenue Service departmental receipts collection	-30.0	58.0	711.4	1 205.8	812.4	3 543.6	4 803.7	5 503.9
Total departmental receipts as per Budget Review	10 843.3	12 692.6	12 616.2	9 825.0	8 982.6	10 380.3	11 483.2	12 379.4

1. Departmental receipts exclude extraordinary receipts which are deposited into the National Revenue Fund. Extraordinary receipts are included in the Budget Review.

Information contained in each chapter

The Estimates of National Expenditure publication describes in detail the planned spending of all national government departments for three years going forward: that is, the years of the medium term expenditure framework (MTEF). The Estimates of National Expenditure is tabled in Parliament by the Minister of Finance on the day the main Budget is tabled. It provides details about the allocation of expenditure to all national departments set out in the appropriation bill, which is tabled on the same day.

The appropriation bill is divided into votes. A vote generally specifies the total amount appropriated per department. Each chapter in the Estimates of National Expenditure relates to a vote. By appropriating funds from the National Revenue Fund through the approval of the appropriation bill, Parliament authorises expenditure.

Votes are arranged into the following functional groupings to facilitate analysis of interdepartmental initiatives and service delivery.

- central government administration
- financial and administrative services
- social services
- justice, crime prevention and security
- economic services and infrastructure.

These functional groupings are informal and are not the same as either the government's cluster system groupings or the standard chart of accounts' more rigorous classification of government functions.

The Estimates of National Expenditure booklets for individual votes are available on www.treasury.gov.za. They provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers, public entities and lower level institutional information.

The chapter for each vote contains the following information:

Budget summary

This table shows the budgeted expenditure for the vote for the MTEF period.

R million	2010/11					2011/12	2012/13
	Total to be Appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Programme name							
Programme name							
Programme name							
Subtotal							
Direct charge against the National Revenue Fund							
Item							
Item							
Total expenditure estimates							
Executive authority	Minister						
Accounting officer	Director-General / Chief Operating Officer						
Website address							

Due to rounding off, the figures do not necessarily add up to the total. Figures are mostly denoted in rand million unless otherwise indicated.

The **2010/11 total to be appropriated** shows the expenditure allocation for 2010/11 and corresponds with the information in the 2010 Appropriation Bill.

The totals to be appropriated by Parliament are categorised by economic classification into **current payments, transfers and subsidies, payments for capital assets** and **payments for financial assets**.

Current payments are payments made by the department for its operational requirements.

Transfers and subsidies are payments made by the department for which the department does not directly receive anything in return.

Payments for capital assets are payments made by a department for an asset that can be used for more than one year and from which future economic benefits or service potential are expected to flow.

Payments for financial assets mainly consist of payments made by departments as loans to public corporations or as equity investments in public corporations. The reason for expensing the payments rather than treating them as financing is that, unlike other financial transactions, the purpose of the transaction is not profit oriented. This column is only shown in departments where such payments have been budgeted for. Payments for theft and losses are included in this category; however, these payments are not budgeted for and will thus only appear in the historical information, which can be seen in the expenditure estimates table.

Estimates for the two outer years of the expenditure framework, **2011/12** and **2012/13**, are also shown. These estimates are not included in the 2010 Appropriation Bill as they are still only indicative of actual expenditure levels in the outer years of the MTEF period. Parliament typically only appropriates or authorises expenditure for one financial year at a time. These forward estimates or indicative allocations do, however, form the basis for the planning of the 2011 Budget.

Direct charges against the National Revenue Fund are amounts appropriated in terms of statutes and do not require parliamentary approval. They are not budgeted for in terms of a programme on a particular vote and include, for example, state debt costs.

The last lines of the table provide accountability information: the department's executive authority, accounting officer and website address.

Aim

The aim of the vote captures the department's mandate, strategic objectives or its administrative functions, and corresponds with the aim stated in the appropriation bill.

Programme purposes

Each vote is comprised of several programmes. The activities and functions performed by a department are typically divided into these programmes. Programme 1 is the *Administration* programme, which houses the administrative activities and functions required to keep the department operating. Each vote programme is listed individually with its purpose, as stated in the appropriation bill. The programme purpose outlines the activities and functions of the particular programme as per the approved budget programme structure, in terms of the Public Finance Management Act (1999).

Strategic overview: 2006/07 – 2012/13

This section describes the department's strategic direction over the period under review. It includes policy and mandate developments and legislative changes as well as a table of selected quantitative and trendable performance indicators.

Savings and cost effective service delivery

In this section, departments discuss details of the cost savings measures and reprioritisation of budgets effected in the 2009/10 financial year and to be effected over the MTEF period ahead.

Savings typically emanate from reduced expenditure on non-core goods and services, the rescheduling of expenditure over time in the case of delays, reduced transfers to certain public entities, improved financial management, reduced expenditure on administration in favour of frontline services and through seeking alternative sources of financing.

Selected performance indicators

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13

The table presents only a selected set of a department or entity's performance information and is not intended to provide a comprehensive view of performance.

An **indicator** is a numerical measure that tracks a department's or entity's progress towards its goal. An indicator may measure inputs, activities, outputs, outcomes or in certain instances explanatory information relating to the internal or external environment.

The **programme** column links the indicator to the programme associated with it.

Expenditure estimates

This table shows expenditure outcomes and estimates over a seven-year period, by vote programme and by economic classification item.

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R million								
1. Programme name								
2. Programme name								
3. Programme name								
Subtotal								
Direct charge against the National Revenue Fund								
Item								
Item								
Total								
Change to 2009 Budget estimate								

Economic classification

Current payments			
Economic classification item			
Economic classification item			
Transfers and subsidies			
Economic classification item			
Economic classification item			
Payments for capital assets			
Economic classification item			
Economic classification item			
Payments for financial assets			
Total			

Expenditure is set out first by **programme** and then by **economic classification** over a seven-year period.

For comparability, where programme structures have been changed in recent years, expenditure has, where possible, been reallocated to the new approved programme structure for all seven years. The president's appointment of ministers and deputy ministers after the 2009 general elections has necessitated a reorganisation of national departments, including renaming departments and establishing new departments. As a result, functions may have shifted between departments as a whole or in part, and new functions may have been defined.

Audited outcomes are presented as they appear in the department or entity's annual financial statements, with amounts reallocated for any subsequent approved budget programme structure changes.

Adjusted appropriation includes the changes made to the appropriation voted in the 2009 main Budget for the financial year, with amounts reallocated for any subsequent approved programme structure changes. Changes are generally made mid-year at the time of the adjustments budget. These adjustments can only be made in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). Adjustments are included in the adjustments appropriation bill, which Parliament approves before expenditure can take place, and the details are published in the Adjusted Estimates of National Expenditure publication.

The **revised estimate** for 2009/10 represents National Treasury's current estimate, in consultation with the department, of expenditure outcomes. This does not imply a change in the amounts voted to departments in the 2009/10 adjusted appropriation; it is merely a more recent estimate of what the department will indeed spend.

The **medium-term expenditure estimates** are shown for 2010/11, 2011/12 and 2012/13. The spending figures for 2010/11 constitute the proposed appropriation to be funded from the National Revenue Fund that is contained in the main appropriation bill, which has to be considered by Parliament after it has been tabled. The medium-term expenditure estimates for 2011/12 and 2012/13 are indicative allocations, and will form the basis for planning the 2011 Budget.

Direct charges against the National Revenue Fund are amounts appropriated in terms of statutes and do not require parliamentary approval. They are not budgeted for in terms of a programme on a particular vote and include, for example, state debt costs.

The **totals**, which are the sum of the expenditure on programmes and direct charges, are also classified into current payments, transfers and subsidies, payments for capital assets and payments for financial assets.

Expenditure trends

The main expenditure trends and vote programme structure changes from 2006/07 to 2012/13 are described. Trends are generally represented over the MTEF period between 2009/10 and 2012/13, or over the entire period between 2006/07 and 2012/13.

An explanation of the spending focus over the MTEF period in relation to the strategic objectives and the performance targets that will be achieved over the period is given. Expenditure growth in the historical period is also typically compared to expenditure anticipated over the MTEF period. Reasons are given for trends that are identified, and the significant increases or decreases in expenditure are explained in terms of the underlying policies and service delivery objectives that inform the trends. A summary of the new (additional) allocations to the vote programme's baseline budget is given. The baseline is derived from the previous year's forward estimates. Expenditure on existing and new infrastructure is discussed.

Generally, unless otherwise indicated, average annual growth rates are reflected in nominal, not real, terms. Where inflationary growth has been excluded from the calculation and real growth estimates are provided, the consumer price index has been used to deflate the growth rate.

Departmental receipts

Departmental (non-tax) receipts for 2009/10 are described, as well as the anticipated receipts for the MTEF period.

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Departmental receipts								
Economic classification item								
Economic classification item								
Total								

Information on each programme

Each programme section (with the exception of the *Administration* programme) opens with the purposes of the subprogrammes that form that programme. The details of functions performed within subprogrammes and the principle for distributing funds across spending areas within subprogrammes are also described.

Programme 1 is always *Administration*, which includes spending on the ministry, the director-general's office and central corporate services.

Objectives and measures

Objectives and measures are indicated for each programme. Objectives should include an explanation of strategic intent as well as specific interventions and progress measures. (Programme 1 (*Administration*) is generally exempt from providing objectives and measures.)

For example: Improve service to eligible citizens and residents (objective) by reducing the time taken to issue passports and travel documents (specific intervention) from 10 days in 2008/09 to 5 days in 2011/12 (progress measure).

Service delivery focus

Information is provided on recent achievements for each programme, including service delivery and operational achievements for the previous year and for the current financial year to date. Reports are given relative to the targets that were presented in previous Estimates of National Expenditure and Adjusted Estimates of National Expenditure publications.

Expenditure estimates (per programme)

Tables for each programme set out expenditure by subprogramme and economic classification over a seven-year period.

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Subprogramme name							
Subprogramme name							
Subprogramme name							
Total							
Change to 2009 Budget estimate							

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R million							
Economic classification							
Current payments							
Economic classification item							
Economic classification item							
Transfers and subsidies							
Economic classification item							
Economic classification item							
Payments for capital assets							
Economic classification item							
Economic classification item							
Payments for financial assets							
Total							

Expenditure trends (per programme)

Important expenditure trends for each programme are explained. The scope of the information provided in this section is similar to what is provided for the entire vote.

Public entities and other agencies

Where appropriate, the discussion of an entity is linked to a specific vote programme and is shown directly after the discussion of that programme.

The scope of information contained in the write-up on public entities is similar to what is reported for the department.

Information on each of the public entities generally consists of the following:

- key legislative mandates in terms of which the entity was established and within which it operates
- selected performance indicators relating to the entity's mandate
- planned deliverables for the next MTEF period
- key objectives achieved during the previous reporting periods
- financial data tables for the entity, focusing on the sources of funding for the entity, key spending areas and expenditure trends, and if applicable an analysis of some of the more important items on the entity's balance sheet
- reprioritisation and savings measures implemented.

Additional tables

Additional tables appear at the end of the vote. These include:

Summary of expenditure trends and estimates per programme and economic classification

This table shows the budgeted expenditure as well as the audited outcome and revised estimate for 2008/09 and 2009/10 respectively.

Summary of personnel numbers and compensation of employees

Employment information is provided in respect of the department. The amount spent by a department on compensation of employees is shown.

Information is provided on different categories of employees.

The **unit cost** refers to the average cost per person employed by the department. It is calculated by dividing the compensation figure by the personnel numbers.

Personnel numbers refers to the physical number (head count) of people employed by the department.

Details of establishment and personnel numbers per salary level

Employment information is provided in respect of the department. The amount spent by a department on compensation of employees is shown.

Information is provided on the number of posts in the department at different salary levels **per programme** as at 30 September 2009.

Number of posts on approved establishment refers to the number of departmental employment positions approved by the Department of Public Service and Administration.

Number of funded posts refers to the number of departmental employment positions which are provided within the budget.

Number of posts additional to the establishment typically refers to additional employment positions that have been allocated on an ad hoc basis and that do not form part of the approved departmental establishment.

Summary of expenditure on training

Information is provided on the funds spent on training, and the number of people trained by the department.

Summary of conditional grants to provinces and municipalities

A conditional grant refers to an allocation made by the national government, from its nationally raised revenue, to a province, local government or municipality, on condition that certain requirements or services are met.

Summary of departmental public private partnerships projects

Disclosure notes with additional details are provided for the projects signed in terms of Treasury Regulation 16.

Public private partnerships refer to contractual arrangements in which a private party performs part of a government function and assumes the associated risks. In return, the private party receives a fee according to predefined performance criteria. A public private partnership may also be a project in which a private party uses state assets for its own commercial purposes, and government benefits from the profits generated by the enterprise.

Unitary fee refers to the total payment made to the private party for the provision of all types of services.

A **signed** project is a public private partnership project which has reached financial close and is being implemented.

Projects in preparation are in some stage of inception, feasibility or procurement, but have not yet reached financial close.

Project monitoring costs are associated with the ongoing evaluation and monitoring of public private partnerships in operation.

Advisory fees are costs related to the hiring of transaction advisors who assist government with feasibility studies and procurement in the public private partnership project process.

Revenue generated is shown in cases where public private partnership projects have revenue generating potential such as tourism projects or toll roads.

Summary of donor funding

Donor funding is funding received by departments over and above the allocations provided in the South African government's appropriation legislation.

Donor funding comprises official development assistance and other local and international donations.

Official development assistance is an official resource flow from the international donor community to the South African government in the form of grants, technical cooperation and financial cooperation.

The **programme** column links the donor funding to the vote programme that is associated with it.

The **spending focus** shows what the department aims to achieve by using the funding.

Summary of expenditure on infrastructure

The infrastructure table includes new and replacement assets, maintenance and repairs, upgrades and additions, and rehabilitation, renovation and refurbishment of assets.

Infrastructure transfers to other spheres, agencies and departments refers to transfers and grants to other government components for expenditure on infrastructure.

Fixed installations transferred to households shows the transfer of funds to individual South Africans to be used for the construction of fixed 'on-site' structures that enhance the welfare of households.

Maintenance on infrastructure refers to all maintenance, repairs and refurbishment expenditure on infrastructure that prolongs the life and retains the value of the infrastructure asset. This item does not include day-to-day maintenance.

In all tables a dash (-) indicates that information is unavailable or zero.

Health

**National Treasury
Republic of South Africa**



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Vote 15

Health

Budget summary

R thousand	2010/11				2011/12	2012/13
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	264 834	257 677	370	6 787	299 880	330 921
Strategic Health Programmes	7 294 902	441 323	6 837 256	16 323	8 774 402	10 147 611
Health Planning and Monitoring	406 933	126 027	277 839	3 067	426 123	454 171
Health Human Resources Management and Development	1 897 051	31 137	1 865 387	527	2 011 691	2 111 830
Health Services	11 528 757	103 103	11 422 419	3 235	12 083 474	12 681 711
International Relations, Health Trade and Health Product Regulation	104 508	103 732	-	776	112 360	118 488
Total expenditure estimates	21 496 985	1 062 999	20 403 271	30 715	23 707 930	25 844 732
Executive authority	Minister of Health					
Accounting officer	Acting Director-General of Health					
Website address	www.doh.gov.za					

The Estimates of National Expenditure booklets for individual votes are available on www.treasury.gov.za. They provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers, public entities and lower level institutional information.

Aim

The aim of the Department of Health is to promote the health of all people in South Africa through an accessible, caring and high quality health system based on the primary health care approach.

Programme purposes

Programme 1: Administration

Purpose: Overall management of the department and centralised support services.

Programme 2: Strategic Health Programmes

Purpose: Coordinate, manage and fund strategic national health programmes, including developing policies, systems, and norms and standards.

Programme 3: Health Planning and Monitoring

Purpose: Plan and monitor health services and coordinate health research programmes.

Programme 4: Health Human Resources Management and Development

Purpose: Plan and coordinate human resources for health.

Programme 5: Health Services

Purpose: Support health services in provinces including hospitals, emergency medical services and occupational health.

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

Purpose: Coordinate bilateral and multilateral international health relations, including donor support, regulate procurement of medicines and pharmaceutical supplies, and regulation and oversight of trade in health products.

Strategic overview: 2006/07-2012/13

New 10 point plan for health

A major goal set by government in the medium term strategic framework for 2009 – 2014 is to improve the health profile of all South Africans. Key health outcomes determined in conjunction with The Presidency and which will be subject to performance monitoring for the sector include: increasing the national lifespan; reducing total annual deaths; reducing child and maternal mortality; reducing both the incidence and prevalence of HIV, and perinatal transmission; and improving tuberculosis cure rates. The health sector has therefore adopted a new set of priorities for national health systems for the 2009 – 2014 term of government. Called the 10 point plan, they are: providing strategic leadership and creating a social compact for better health outcomes; implementing a national health insurance plan; improving the quality of services; overhauling the health care system and improving its management; improving human resources management; revitalising physical infrastructure; accelerating the implementation of the HIV and AIDS plan and reducing the rate of mortality due to tuberculosis and associated diseases; mobilising communities to secure and promote their own health; reviewing the medicines policy; and strengthening research and development.

Priorities over the medium term

Strengthening governance

A priority for strategic leadership is to strengthen the governance of the national health system. To do this, the national sphere of government will unify the entire health system to focus on the 10 point plan, assuming greater stewardship over the entire public health system and ensuring that key policies and decisions agreed to in the public sector are implemented. The department will steer the health sector towards a return to the primary health care approach articulated in the 1997 White Paper for the Transformation of the Health System in South Africa and the National Health Act (2003). The primary health care approach will strengthen the district health system.

Developing a national health insurance system

The foundation is being laid for the development of some form of national health insurance, to improve universal access to better quality health care. In September 2009, a 27-member ministerial advisory committee on national health insurance was established in terms of the National Health Act (2003). The committee's policy proposals are being reviewed and discussed by an inter-ministerial committee established by Cabinet, and in 2010/11, public consultations will be conducted. Various options for reform and their affordability are being explored.

Revising standards for health facilities

The revised national core standards for health facilities will be finalised in 2010/11 by the Office of Standards Compliance, and implemented in public and private sector facilities. The department will support the development of quality improvement plans by all facilities in 2010/11, which will focus on turning around six areas: patient safety, infection prevention and control, the availability of medicines, waiting times, and positive and caring attitudes.

Strengthening health management

Changes will also be introduced to strengthen health management. An assessment of the skills, competencies and qualifications of hospital chief executives and managers will be completed, and where skills gaps are identified, appropriate training will be provided. To enhance the monitoring of budgets and expenditure, a provincial support directorate will be established in the department to provide dedicated support to provinces. This is intended to improve financial management and audit outcomes.

Revising human resources plans

In 2010/11, a revised plan for national human resources for health will be produced. The department will also continue to support all provinces to finalise and implement their plans to improve the supply, training and skills mix of health workers and finalise the implementation of the occupation specific dispensations.

Extending the rollout of antiretroviral treatment

With regard to health programmes, new policies will be introduced in 2010/11 to strengthen efforts to combat HIV and AIDS. Antiretroviral treatment will be provided to pregnant women with CD4 counts of less than 350, to improve the chances of maternal survival and further reduce transmission to newborns. The treatment will also be administered to people co-infected with tuberculosis and HIV with a CD4 count of less than 350. This will contribute significantly to reducing morbidity and mortality associated with tuberculosis and HIV and AIDS.

Vaccinating children

Continuous efforts will be made to ensure that children under one year of age are fully vaccinated against pneumococcal infection and the rotavirus. A mass immunisation campaign for measles will be conducted and at risk persons will be vaccinated against H1N1 influenza.

Promoting the prevention of lifestyle diseases

Given the increasing contribution of non-communicable diseases to the burden of disease, the health sector will implement programmes for the prevention and treatment of lifestyle diseases, and make coordinated intersectoral interventions to reduce the incidences of intentional and unintentional injury.

Savings and cost effective service delivery

Efficiency savings of R47.8 million in 2010/11, R51 million in 2011/12 and R54.5 million in 2012/13 have been identified in selected goods and services items, such as consultant costs, catering and entertainment, stationery and printing, travel and subsistence, venues and facilities. Savings have also been identified in transfers to public entities.

Selected performance indicators

Table 15.1 Health

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Percentage of national immunisation coverage	Strategic Health Programmes	84%	85.2%	88%	88%	90%	95%	95%
Total number of health districts with more than 90% full immunisation coverage	Health Services	19/52 (37%)	37/52 (70%)	41/52 (80%)	38/52 (73%)	42/52 (80.7%)	45/52 (86.5%)	48/52 (92.3%)
Percentage of primary health care facilities saturated with integrated management of childhood illness health workers (saturated = 60% of health workers who manage children have been trained in integrated management)	Health Human Resources Management and Development	64%	60%	71%	56%	70%	75%	80%
Tuberculosis cure rate	Strategic Health Programmes	57.7%	60%	60%	64%	70%	75%	85%
Tuberculosis treatment defaulter rate	Strategic Health Programmes	10.4%	7%	8.5%	8.5%	7.5%	6.5%	5.5%

Table 15.1: Health (continued)

Indicator	Programme	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Percentage of multi-drug resistant tuberculosis among new tuberculosis patients	Strategic Health Programmes	1%	<1%	<1%	<1%	<1%	<1%	<1%
Percentage of extensively drug resistant cases among all multi-drug resistant tuberculosis patients	Strategic Health Programmes	5%	4.5%	4%	3%	2%	1%	1%
Number of malaria cases diagnosed and treated per year	Strategic Health Programmes	5596	8743	6167	6049	6639	6900	6439
Malaria case fatality rate	Strategic Health Programmes	0.7%	0.8%	0.7%	0.7%	0.7%	0.7%	0.6%
Toxicology backlog	Strategic Health Programmes	3 652	3 712	4 574	4 954*	3 500	2 000	1 000
Alcohol blood test backlog	Strategic Health Programmes		1 600	4 000	5 760*	4 000	2 000	1 000
Food testing backlog	Strategic Health Programmes	175	141	62	437*	200	0	0
Percentage of facilities (public and private) with initial assessment based on national core standards	Strategic Health Programmes	0%	0%	31%	54%	15% (600/4 029)	25% (1 000/4 029)	50% (2 000/4 029)
Percentage of health facilities reporting a lack (stock out) of antiretroviral drugs	Strategic Health Programmes			4%	4%	0%	0%	0%

*After 7 months

Expenditure estimates

Table 15.2 Health

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
R thousand								
1. Administration	175 592	213 628	241 013	260 437	260 437	264 834	299 880	330 921
2. Strategic Health Programmes	2 658 776	3 096 269	4 129 485	5 791 253	5 688 253	7 294 902	8 774 402	10 147 611
3. Health Planning and Monitoring	301 296	309 125	342 149	396 449	393 449	406 933	426 123	454 171
4. Health Human Resources Management and Development	1 575 979	1 613 578	1 705 345	1 798 974	1 798 974	1 897 051	2 011 691	2 111 830
5. Health Services	6 566 675	7 465 843	8 949 885	10 086 099	9 794 099	11 528 757	12 083 474	12 681 711
6. International Relations, Health Trade and Health Product Regulation	59 729	64 290	96 593	90 247	90 247	104 508	112 360	118 488
Total	11 338 047	12 762 733	15 464 470	18 423 459	18 025 459	21 496 985	23 707 930	25 844 732
Change to 2009 Budget estimate				1 365 365	967 365	1 882 958	2 845 135	3 944 314

Economic classification

Current payments	655 038	728 945	916 773	1 149 674	1 036 674	1 062 999	1 122 141	1 172 389
Compensation of employees	231 729	258 605	292 507	329 132	329 132	369 704	403 441	442 350
Goods and services	423 309	470 340	624 266	820 542	707 542	693 295	718 700	730 039
<i>of which:</i>								
<i>Administrative fees</i>	154	224	718	1 120	1 120	1 052	1 082	1 186
<i>Advertising</i>	45 406	30 633	17 197	42 649	42 649	19 994	21 315	22 089
<i>Assets less than the capitalisation threshold</i>	3 337	2 653	2 701	11 329	11 329	6 594	6 813	7 403
<i>Audit cost: External</i>	6 265	6 131	13 221	7 800	7 800	14 912	16 805	17 393
<i>Bursaries: Employees</i>	543	529	520	1 162	1 162	674	752	788
<i>Catering: Departmental activities</i>	3 438	2 797	3 522	5 657	5 657	5 635	5 882	6 225
<i>Communication</i>	15 750	14 092	12 763	13 085	13 085	16 176	17 566	18 517
<i>Computer services</i>	2 887	12 442	17 790	19 778	19 778	32 688	38 115	39 167
<i>Consultants and professional services: Business and advisory services</i>	21 372	118 192	124 686	147 943	146 443	145 130	147 889	139 687
<i>Consultants and professional services: Infrastructure and planning</i>	-	-	-	-	(8 500)	-	-	-
<i>Consultants and professional services: Laboratory services</i>	1 219	970	-	200	200	-	-	-

Table 15.2 Health (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Economic classification								
Current payments								
<i>Consultants and professional services:</i>	3 630	5 843	8 158	8 099	8 099	8 182	9 235	9 566
<i>Legal costs</i>								
<i>Contractors</i>	10 411	4 811	32 631	18 973	18 973	29 887	30 561	31 036
<i>Agency and support / outsourced services</i>	–	–	6 802	19 850	19 850	12 890	11 276	12 920
<i>Entertainment</i>	96	209	236	1 278	1 278	575	601	663
<i>Inventory: Fuel, oil and gas</i>	45	35	35	459	459	82	86	89
<i>Inventory: Materials and supplies</i>	503	795	314	535	535	487	506	533
<i>Inventory: Medical supplies</i>	133 781	80 979	103 864	266 540	166 540	110 688	110 696	109 829
<i>Inventory: Other consumables</i>	479	357	4 074	5 718	5 718	5 021	5 125	5 225
<i>Inventory: Stationery and printing</i>	18 924	17 046	19 206	33 005	33 005	25 728	27 103	28 742
<i>Lease payments</i>	36 301	42 323	46 795	52 975	52 975	51 311	57 609	59 773
<i>Property payments</i>	1 428	721	–	–	–	–	–	–
<i>Transport provided: Departmental activity</i>	165	176	123	242	242	131	131	131
<i>Travel and subsistence</i>	72 459	89 899	127 679	106 261	103 261	125 293	127 899	134 851
<i>Training and development</i>	4 868	3 230	23 582	10 097	10 097	25 100	25 403	25 503
<i>Operating expenditure</i>	26 303	19 951	51 245	35 183	35 183	46 558	47 349	49 103
<i>Venues and facilities</i>	13 545	15 302	6 404	10 604	10 604	8 507	8 901	9 620
Transfers and subsidies	10 610 188	12 011 728	14 506 138	17 247 364	16 962 364	20 403 271	22 552 770	24 637 675
Provinces and municipalities	10 206 711	11 552 732	14 028 675	16 702 499	16 417 499	19 852 773	21 971 822	24 030 414
Departmental agencies and accounts	282 711	301 884	315 916	335 850	335 850	355 616	374 373	390 359
Universities and technikons	–	400	733	1 000	1 000	1 060	1 124	1 180
Non-profit institutions	120 067	156 033	160 209	206 015	206 015	193 822	205 451	215 722
Payments for capital assets	69 298	21 969	41 361	26 421	26 421	30 715	33 019	34 668
Buildings and other fixed structures	265	–	–	–	–	–	–	–
Machinery and equipment	24 126	21 683	41 361	26 421	26 421	30 715	33 019	34 668
Software and other intangible assets	44 907	286	–	–	–	–	–	–
Payments for financial assets	3 523	91	198	–	–	–	–	–
Total	11 338 047	12 762 733	15 464 470	18 423 459	18 025 459	21 496 985	23 707 930	25 844 732

Expenditure trends

Expenditure grew at an average annual rate of 17.6 per cent between 2006/07 and 2009/10, from R11.3 billion to R18.4 billion, and is expected to increase to R25.8 billion in 2012/13 at an average annual rate of 11.9 per cent. This is due especially to increases in transfers in the HIV and AIDS conditional grant and the hospital revitalisation grant. The growth is attributed to increasing access to and coverage of antiretroviral treatment for HIV and AIDS, and upgrading and rehabilitating public hospitals.

There was a once-off payment on goods and services of R160 million in 2009/10 for the H1N1 influenza epidemic, which increased expenditure in the *Strategic Health Programmes* programme by 40 per cent for that year.

The 2010 Budget sets out additional allocations of R1.9 billion for 2010/11, R2.8 billion for 2011/12 and R3.9 billion for 2012/13, for spending on the following policy priorities, including transfers to public entities:

- the HIV and AIDS conditional grant (R1.7 billion, R2.8 billion and R3.9 billion) to expand treatment, and to start treatment for patients of specified subgroups (tuberculosis, antenatal and new born) at CD4 levels less than 350
- the hospital revitalisation conditional grant (R140 million for the Mitchell's Plein Hospital)
- to subsidise a mass immunisation campaign for measles (R30 million, R20 million)

- the Office of Standards Compliance (R2 million, R8 million and R18 million) for the hospital quality assurance programme to increase functioning and the number of hospitals audited
- the establishment of a provincial finance and budget support unit (R2 million, R4 million and R6 million) to build up internal capacity to monitor and support provinces
- to stabilise personnel expenditure (R22 million, R24 million and R30 million)
- to address backlogs in forensic chemistry laboratories (R2 million, R3 million and R5 million)
- to develop a new hospital reimbursement mechanism linked with case mix (R1 million per year over the MTEF period)
- improve the conditions of service for employees in the department, including the National Health Laboratory Service and South African Medical Research Council.

Infrastructure spending

The Department of Health funds the revitalisation of health facilities through the hospital revitalisation conditional grant. The allocation is project based and follows provincial service transformation plans, which prioritise hospitals that need urgent attention.

By the end of March 2009, the Department of Health had invested R7.4 billion on the revitalisation of hospitals. This cost includes the procurement of health technology, strengthening hospital systems and conducting quality assurance training. The department has completed work on 17 hospitals. In 2009/10, the department received R3.19 billion, which funded 54 projects countrywide. 38 of these are in construction and 18 are in the planning phase. The budget for the revitalisation programme grows strongly to R4 billion in 2010/11.

Departmental receipts

The largest source of departmental revenue is derived from fees for the registration of medicines by the Medicines Control Council. The process of reforming and restructuring the council as a juristic person has not yet been finalised, which is why its revenue is still included in the Department of Health's revenue projection over the MTEF period. Departmental receipts totalling R33.7 million are expected for 2009/10. The increase in revenue in 2008/09 is the result of the renewal of membership of dispensing doctors, which occurs every five years.

Table 15.3 Departmental receipts

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimate		
	2006/07	2007/08	2008/09	2009/10		2010/11	2011/12	2012/13
Departmental receipts	33 303	41 193	31 188	33 730	33 730	31 457	32 776	32 919
Sales of goods and services produced by department	32 146	39 447	29 676	28 534	28 534	30 451	31 766	32 265
Sales of scrap, waste, arms and other used current goods	41	67	71	80	80	84	88	92
Interest, dividends and rent on land	212	297	249	246	246	252	252	263
Transactions in financial assets and liabilities	904	1 382	1 192	4 870	4 870	670	670	299
Total	33 303	41 193	31 188	33 730	33 730	31 457	32 776	32 919

Programme 1: Administration

Expenditure estimates

Table 15.4 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Minister ¹	885	951	1 119	1 709	1 816	1 916	2 012
Deputy Minister ¹	719	275	565	1 407	1 496	1 578	1 657
Management	16 381	19 690	22 901	25 942	28 948	33 576	36 630
Corporate Services	123 769	154 523	174 863	184 913	181 013	207 545	231 814
Office Accommodation	33 838	38 189	41 565	46 466	51 561	55 265	58 808
Total	175 592	213 628	241 013	260 437	264 834	299 880	330 921
Change to 2009 Budget estimate				23 841	4 733	18 964	35 179

¹. From 2008/09, the current payments relating to the total remuneration package of political office bearers are shown, before this, only salary and car allowance are included. Administrative and other subprogramme expenditure may in addition include payments for capital assets as well as transfers and subsidies.

Economic classification

Current payments	171 262	206 147	218 476	252 016	257 677	291 822	322 441
Compensation of employees	67 875	75 572	86 674	98 143	111 709	126 672	151 709
Goods and services	103 387	130 575	131 802	153 873	145 968	165 150	170 732
<i>of which:</i>							
<i>Administrative fees</i>	82	59	82	226	91	101	105
<i>Advertising</i>	8 747	11 285	7 204	18 493	7 975	9 023	9 328
<i>Assets less than the capitalisation threshold</i>	857	725	549	2 166	608	688	711
<i>Audit cost: External</i>	5 775	5 438	12 667	7 000	14 029	15 873	16 410
<i>Bursaries: Employees</i>	543	529	520	934	576	652	674
<i>Catering: Departmental activities</i>	1 356	1 038	973	1 422	1 078	1 220	1 261
<i>Communication</i>	9 824	9 379	8 584	6 678	9 507	10 756	11 120
<i>Computer services</i>	2 378	7 970	4 758	5 159	5 269	5 961	6 162
<i>Consultants and professional services: Business and advisory services</i>	2 834	6 842	2 811	7 026	3 113	3 522	3 641
<i>Consultants and professional services: Laboratory services</i>	–	8	–	–	–	–	–
<i>Consultants and professional services: Legal costs</i>	3 630	5 835	7 193	7 605	7 966	9 013	9 318
<i>Contractors</i>	1 790	1 519	3 277	5 398	3 629	4 106	4 245
<i>Agency and support / outsourced services</i>	–	–	914	1 060	1 012	1 145	1 184
<i>Entertainment</i>	48	134	109	327	121	137	142
<i>Inventory: Fuel, oil and gas</i>	45	29	11	59	12	14	14
<i>Inventory: Materials and supplies</i>	344	605	81	105	90	102	105
<i>Inventory: Medical supplies</i>	18	3	11	10	12	14	14
<i>Inventory: Other consumables</i>	300	163	414	719	459	519	537
<i>Inventory: Stationery and printing</i>	6 624	5 466	7 038	8 041	7 795	8 819	9 117
<i>Lease payments</i>	34 235	39 162	42 494	47 833	47 062	53 247	55 047
<i>Property payments</i>	958	174	–	–	–	–	–
<i>Transport provided: Departmental activity</i>	67	13	–	5	–	–	–
<i>Travel and subsistence</i>	18 519	29 100	28 520	24 014	31 586	35 737	36 945
<i>Training and development</i>	714	861	1 897	5 505	2 101	2 377	2 457
<i>Operating expenditure</i>	1 711	1 957	1 379	2 173	1 527	1 728	1 786
<i>Venues and facilities</i>	1 988	2 281	316	1 915	350	396	409

Table 15.4 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Transfers and subsidies	393	426	355	300	370	403	442
Provinces and municipalities	51	-	-	-	-	-	-
Departmental agencies and accounts	240	252	277	300	370	403	442
Households	102	174	78	-	-	-	-
Payments for capital assets	3 868	7 018	22 041	8 121	6 787	7 655	8 038
Buildings and other fixed structures	265	-	-	-	-	-	-
Machinery and equipment	2 738	6 972	22 041	8 121	6 787	7 655	8 038
Software and other intangible assets	865	46	-	-	-	-	-
Payments for financial assets	69	37	141	-	-	-	-
Total	175 592	213 628	241 013	260 437	264 834	299 880	330 921

Details of transfers and subsidies

Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	51	-	-	-	-	-	-
Regional Services Council levies	51	-	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	240	252	277	300	370	403	442
Service Sector Education and Training Authority	240	252	277	300	370	403	442
Households							
Social benefits							
Current	102	174	76	-	-	-	-
Leave gratuity	102	174	76	-	-	-	-
Households							
Other transfers to households							
Current	-	-	2	-	-	-	-
Donation and Gifts	-	-	2	-	-	-	-

Expenditure trends

Expenditure grew at an average annual rate of 14 per cent, from R176 million in 2006/07 to R260 million in 2009/10, and is projected to increase to R330.9 million in 2012/13, at a slower average annual rate of 8.3 per cent. Growth between 2006/07 and 2009/10 has been partly linked to renovations of the Civitas building, a new organogram structure and strengthening of certain head office functions. However, to effect efficiency savings, spending slows over the MTEF period, particularly for goods and services, which is expected to grow marginally at an average annual rate of 3.5 per cent between 2010/11 and 2012/13. Savings to be effected have been identified in advertising, consultants and venues.

Programme 2: Strategic Health Programmes

- *Maternal, Child and Women's Health and Nutrition* formulates and monitors policies, guidelines, and norms and standards for maternal, child and youth, and women's health and nutrition.
- *HIV and AIDS and STIs* develops policy and administers the national HIV and AIDS and sexually transmitted infection programmes, including coordinating the implementation of the comprehensive HIV and AIDS plan and funding and supervision of the related conditional grant. The subprogramme also

manages strategic partnerships and provides secretariat support to the South African National AIDS Council.

- *Communicable Diseases* is responsible for developing policies and supporting provinces to ensure the control of infectious diseases. It is also responsible for several occupational health functions, and cooperates with the Medical Bureau for Occupational Diseases and the Compensation Commissioner for Occupational Diseases.
- *Non-Communicable Diseases* establishes guidelines on chronic diseases, disability, older people, oral health and mental health. It is also responsible for developing a national forensic pathology service, rationalising blood transfusion services and overseeing the National Health Laboratory Service, including funding the National Institute of Communicable Diseases and the National Institute for Occupational Health.
- *TB Control and Management* develops interventions to curb the spread of tuberculosis, supports and oversees the implementation of the tuberculosis crisis management plan, and aims to monitor and improve national tuberculosis performance indicators.

Objectives and measures

- Reduce infant, child and youth morbidity and mortality by:
 - improving immunisation coverage from 88 per cent in 2009/10 to 95 per cent by 2013
 - increasing the number of health districts with more than 95 per cent immunisation coverage from 38/52 (73 per cent) in 2009/10 to 48/52 (92 per cent) in 2009/10
 - ensuring that 80 per cent of primary health care facilities are saturated with health care providers trained in the integrated management of childhood illness (saturated = 60 per cent of health workers who manage children and have been trained in integrated management) by 2012/13.
- Increase the tuberculosis cure rate from 64 per cent in 2009/10 to 85 per cent in 2012/13 by:
 - improving interventions for tuberculosis control and management
 - reducing the tuberculosis defaulter rate by 1 per cent annually, from 8.5 per cent in 2008/09 to 5.5 per cent (or less) in 2012/13.
- Decrease the malaria case fatality rate from 0.7 per cent in 2009/10 to 0.6 per cent in 2012/13.

Service delivery focus

Recent service delivery achievements include: an increase in the national immunisation coverage for vaccine preventable diseases from 85.2 per cent in 2007/08 to 88.8 per cent in 2008/09; improvements in the tuberculosis cure rate from 57.7 per cent in 2006/07 to 64 per cent in 2009/10; providing nutritional supplements in 2008/09 to 734 409 people living with debilitating conditions exceeding the target of 500 000; distributing 4.3 million female condoms in 2008/09, exceeding the target of 3.5 million; and testing 73.8 per cent of tuberculosis patients for HIV in 2008/09, exceeding the target of 60 per cent.

In 2008, results of the national antenatal survey reflected a high antenatal HIV prevalence rate of 29.3 per cent. However, percentages since 2006 reflect a stabilising epidemic, with 29.1 per cent in that year and 29.4 per cent in 2007. 920 678 patients cumulatively had been initiated on antiretroviral therapy by the end of September 2009, compared to 483 084 by the end of April 2008. In the first half of 2008/09, the number of malaria cases had been reduced compared to 2007/08. In the first half of 2009/10, the national case fatality rate decreased slightly (from 0.7 to 0.5 per cent). The 2009/10 target for testing tuberculosis patients for HIV is 80 per cent and a combined total of 8 378 health professionals were trained in tuberculosis management and to support the directly observed treatment short course programme. The health sector will work with neighbouring Southern African Development Community (SADC) countries to implement a proposed malaria elimination strategy for the region, scaling up and adding to ongoing interventions to reduce the number of malaria cases. Other cross-border collaborations such as the Lubombo spatial development initiative and the Trans-Limpopo malaria initiative will also be scaled up.

In 2010/11, measles and polio vaccination campaigns will be conducted across the country in the first quarter and routine immunisation of children will be increased from 88 per cent to 95 per cent in 2011/12. In 2009, only

56 per cent of health facilities were saturated with health workers trained in the integrated management of childhood illnesses. The aim for 2010/11 is to ensure 70 per cent saturation.

Key focus areas in 2010/11 include: protecting South African children from vaccine preventable diseases; enhancing maternal and child survival; rapidly scaling up access to antiretroviral treatment for pregnant women and people co-infected with tuberculosis and HIV; combating outbreaks of communicable diseases; and implementing interventions to curb non-communicable diseases. Other key focus areas over the MTEF period include: reducing backlogs in analysing samples; improving staffing and management; continued engagement with the National Health Laboratory Service; determining the institutional framework for forensic and food laboratory services; and reaching agreement on revenue models.

Expenditure estimates

Table 15.5 Strategic Health Programmes

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Maternal, Child and Women's Health	19 305	19 967	23 549	46 541	57 307	50 037	31 083
HIV and AIDS and STIs	1 953 312	2 385 117	3 359 778	4 877 702	6 489 300	7 935 771	9 303 425
Communicable Diseases	5 806	5 254	8 071	208 938	52 722	57 002	58 831
Non-Communicable Diseases	669 198	676 705	726 974	636 171	665 352	706 308	740 461
TB Control and Management	11 155	9 226	11 113	21 901	30 221	25 284	13 811
Total	2 658 776	3 096 269	4 129 485	5 791 253	7 294 902	8 774 402	10 147 611
Change to 2009 Budget estimate				1 098 925	1 707 687	2 793 943	3 874 428

Economic classification

Current payments	291 531	300 466	405 541	570 639	441 323	449 313	447 900
Compensation of employees	55 854	63 184	70 150	78 522	89 483	96 134	95 717
Goods and services	235 677	237 282	335 391	492 117	351 840	353 179	352 183
<i>of which:</i>							
<i>Administrative fees</i>	40	5	14	114	15	15	15
<i>Advertising</i>	30 123	11 197	6 641	19 395	7 068	7 068	7 068
<i>Assets less than the capitalisation threshold</i>	600	732	654	4 044	696	696	696
<i>Bursaries: Employees</i>	-	-	-	147	-	-	-
<i>Catering: Departmental activities</i>	1 018	730	1 454	1 173	1 548	1 548	1 548
<i>Communication</i>	3 110	2 012	1 329	1 688	1 415	1 415	1 415
<i>Computer services</i>	45	1 417	4 293	787	4 569	4 569	4 569
<i>Consultants and professional services: Business and advisory services</i>	6 842	93 139	104 038	97 777	105 596	110 734	110 734
<i>Consultants and professional services: Laboratory services</i>	473	88	-	200	-	-	-
<i>Consultants and professional services: Legal costs</i>	-	-	-	210	-	-	-
<i>Contractors</i>	6 478	2 826	21 431	10 953	22 810	22 810	22 810
<i>Agency and support / outsourced services</i>	-	-	772	9 042	822	822	822
<i>Entertainment</i>	13	26	48	231	51	51	51
<i>Inventory: Fuel, oil and gas</i>	-	6	24	360	26	26	26
<i>Inventory: Materials and supplies</i>	110	57	172	217	183	183	183
<i>Inventory: Medical supplies</i>	133 525	80 819	103 830	266 388	110 513	110 513	109 630
<i>Inventory: Other consumables</i>	162	130	3 348	4 041	3 563	3 563	3 563
<i>Inventory: Stationery and printing</i>	6 649	5 959	6 157	14 745	6 553	6 553	6 553
<i>Lease payments</i>	363	388	744	2 068	792	792	792
<i>Property payments</i>	468	534	-	-	-	-	-
<i>Transport provided: Departmental activity</i>	38	5	123	237	131	131	131
<i>Travel and subsistence</i>	21 281	24 767	33 266	32 024	35 407	31 608	31 495
<i>Training and development</i>	1 168	838	21 361	4 471	22 736	22 736	22 736
<i>Operating expenditure</i>	16 814	2 623	24 401	17 702	25 972	25 972	25 972
<i>Venues and facilities</i>	6 357	8 984	1 291	4 103	1 374	1 374	1 374

Table 15.5 Strategic Health Programmes (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Transfers and subsidies	2 350 282	2 783 748	3 709 125	5 209 710	6 837 256	8 307 787	9 681 541
Provinces and municipalities	2 177 930	2 558 045	3 479 897	4 928 055	6 568 719	8 023 342	9 384 509
Departmental agencies and accounts	54 920	72 071	70 623	76 475	77 709	82 167	84 640
Universities and technikons	–	400	733	1 000	1 060	1 124	1 180
Non-profit institutions	117 252	153 055	157 583	202 180	189 768	201 154	211 212
Households	180	177	289	2 000	–	–	–
Payments for capital assets	16 783	12 055	14 815	10 904	16 323	17 302	18 170
Machinery and equipment	15 501	11 878	14 815	10 904	16 323	17 302	18 170
Software and other intangible assets	1 282	177	–	–	–	–	–
Payments for financial assets	180	–	4	–	–	–	–
Total	2 658 776	3 096 269	4 129 485	5 791 253	7 294 902	8 774 402	10 147 611

Details of transfers and subsidies

Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	1 942 687	2 259 453	3 479 897	4 928 055	6 568 719	8 023 342	9 384 509
Comprehensive HIV and AIDS grant	1 616 214	2 006 223	2 885 423	4 376 186	6 011 757	7 432 962	8 764 610
Forensic Pathology Services grant	326 473	253 230	594 474	501 869	556 962	590 380	619 899
Disaster Management: Cholera	–	–	–	50 000	–	–	–
Capital	235 203	298 592	–	–	–	–	–
Forensic Pathology Services grant	235 203	298 592	–	–	–	–	–
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	40	–	–	–	–	–	–
Regional Services Council levies	40	–	–	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	54 920	72 071	70 623	76 475	77 709	82 167	84 640
Human Sciences Research Council	5 600	3 000	400	–	–	–	–
National Health Laboratory Services	49 320	69 071	70 223	76 475	–	–	–
National Health Laboratory Services (NICD)	–	–	–	–	40 663	42 996	44 290
National Health Laboratory Services (NIOH)	–	–	–	–	37 046	39 171	40 350
Universities and technikons							
Current	–	400	733	1 000	1 060	1 124	1 180
MEDUNSA	–	400	500	500	530	562	590
University of Cape Town	–	–	233	500	530	562	590
Non-profit institutions							
Current	117 252	153 055	157 583	202 180	189 768	201 154	211 212
Council for the Blind	476	500	525	552	585	620	650
HIV and AIDS: Non-governmental organisations	52 277	53 616	58 141	61 444	65 131	69 038	72 490
Life Line	14 000	15 000	16 000	11 550	12 243	12 978	13 627
loveLife	35 000	40 000	55 000	94 000	77 380	82 023	86 124
Mental Health: Non-Governmental Organisations	–	–	–	131	148	166	182

Table 15.5 Strategic Health Programmes (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Soul City	11 078	17 000	14 000	16 000	16 960	17 977	18 876
South African Aids Vaccine Initiative	–	23 000	10 000	13 000	11 660	12 359	12 977
South African Community Epidemiology Network on Drug Use	200	200	200	508	366	379	390
South African Federation for Mental Health	212	223	234	246	261	277	292
Tuberculosis: Non-governmental organisations	3 074	2 869	3 483	3 665	3 885	4 119	4 325
Maternal, Child and Women's Health: NGO	935	647	–	1 084	1 149	1 218	1 279
Households							
Social benefits							
Current	–	–	87	–	–	–	–
Leave gratuity	–	–	87	–	–	–	–
Households							
Other transfers to households							
Current	180	177	202	2 000	–	–	–
Donation and Gifts	–	–	202	2 000	–	–	–
Leave gratuity	180	177	–	–	–	–	–

Expenditure trends

Expenditure grew from R2.7 billion in 2006/07 to R5.8 billion in 2009/10, at an average annual rate of 29.6 per cent. This was mainly due to the continued rollout of treatment coverage and the implementation of the approved dual therapy prevention of mother to child transmission programme. More than 90 per cent of expenditure in the *Strategic Health Programmes* over the MTEF period is transfer payments to provinces via the HIV and AIDS and forensic pathology conditional grants.

Over the medium term, expenditure is projected to increase to R10.1 billion in 2012/13, at an average annual rate of 20.6 per cent. This is mainly due to the additional allocations for the HIV and AIDS conditional grant to expand treatment and to begin treatment for all patients of subgroups (tuberculosis, antenatal and new born) at CD4 counts of 350 and below. Additional funding has also been allocated for the mass immunisation measles campaign (R20 million, R30 million and R20 million from 2009/10 to 2011/12), which is reflected in the 34.1 per cent increase in the *Maternal, Child and Women's Health* subprogramme from 2006/07 to 2009/10. The large increase in the *Communicable Diseases* subprogramme in 2009/10 was to address the H1N1 influenza epidemic (R160 million). Higher expenditure in the *TB Control and Management* subprogramme has been to fund a national tuberculosis prevalence survey to be conducted from 2009/10 to 2010/11.

Public entity

National Health Laboratory Service

Strategic overview: 2006/7 – 2012/13

The National Health Laboratory Service was established in 2001 in terms of the National Health Laboratory Service Act (2000). The service supports the Department of Health by providing cost effective laboratory services to all state clinics and hospitals. It also provides related health science training and education. It also supports health research. The organisation campaigns to create awareness at universities and schools, awards bursaries to disadvantaged students and has installed automated focal point cervical screening systems in Johannesburg, Durban, Bloemfontein, Tshwane and Stellenbosch.

In 2008/09, the service's executive management changed. Under the new leadership, the National Health Laboratory Service's strategy includes the following objectives: prioritising customer service, strengthening

stakeholder relations, building stronger academic relations, enabling staff to grow professionally and fostering creativity and innovation, attracting young health professionals, encouraging relevant research, and reducing costs to the customer. Cost reductions to the customer have been prioritised with the standardisation of laboratory equipment and the centralisation of specialised tests.

Skills shortages are being addressed. In 2008/09, the organisation employed a combined total of 1 092 trainees at a cost of R174 million to address the countrywide skills shortage. In 2010/11, scarce skilled professionals' salaries will be reviewed and benchmarked against the private sector. Various innovations and investments in technology are being made. Automated focal point cervical screening systems have been installed, billing systems are being modernised, and South African innovations in CD4 testing methods have allowed for larger test numbers at a lower cost.

Service delivery focus

In 2009/10, procurement policies were reviewed and amended to ensure better quality and lower prices. The service will be standardising platforms by levels of care, throughput and material costs to cut costs. Investigations into cost effective point of care options are being considered, including an analysis of available options, and their impact on access, turnaround times and quality.

KwaZulu-Natal was the last province to be incorporated into the organisation. Due to the absence of a billing system in the province, the provincial health department is currently operating on a cost recovery model. The new track care laboratory system will be fully operational in April 2010 to enable the province to migrate to a full fee for service model. Additional revenue will contribute towards lower tariffs in other parts of the country.

The investment in IT systems to all provinces will improve efficiencies and customer service through web enabled results in hospitals, shorter test turnaround times and real-time billing.

Selected performance indicators

Table 15.6 National Health Laboratory Services

Indicator	Programme/Activity	Past			Current 2009/10	Projections		
		2006/7	2007/8	2008/9		2010/11	2011/12	2012/13
Number of operating sites with viral load laboratories per year	Support national priority programmes	8	13	16	17	17	18	18
Number of viral load tests per year	Support national priorities programmes	374 000	771 000	1 129 000	1 066 000	1.1 million	1.15 million	1.2 million
Number of operating sites with CD4 testing laboratories per year	Support national priorities programmes	24	47	51	70	72	75	80
Number of CD4 tests performed per year	Support national priorities programmes	1 566 000	1 901 000	2 577 000	2 951 000	3.2 million	3.5 million	3.8 million
Number of tuberculosis sputum tests performed per year	Perspective: customers	2 0813 000	3 391 000	4 207 000	4 628 000	5 million	5.5 million	5.8 million
Number of tuberculosis cultures performed per year	Perspective: customers	649 000	923 000	1 174 000	1 233 000	1.27 million	1 3 million	1.35 million

Expenditure estimates

Table 15.7 National Health Laboratory Service: Programme information

R thousand	Audited outcome			Revised estimate 2009/10	Medium-term estimate		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
Laboratory Costs	1 579 200	1 986 173	2 507 176	2 726 000	2 951 000	3 130 500	3 275 000
Surveillance Costs	67 923	85 427	94 463	109 000	115 000	125 000	135 000
Occupational Health Costs	16 960	21 357	23 616	40 392	45 415	50 440	55 462
Grant Research	33 958	42 713	47 231	50 000	55 000	60 000	65 000
Total expense	1 698 041	2 135 670	2 672 486	2 925 392	3 166 415	3 365 940	3 530 462

Table 15.8 National Health Laboratory Service: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Non-tax revenue	1 787 957	2 275 911	2 736 990	2 937 000	3 240 000	3 442 000	3 643 000
Sale of goods and services other than capital assets <i>of which:</i>	1 745 558	2 232 292	2 676 092	2 909 000	3 210 000	3 410 000	3 611 000
<i>Sales of laboratory services</i>	1 745 558	2 232 292	2 676 092	2 909 000	3 210 000	3 410 000	3 611 000
<i>Other non-tax revenue</i>	42 399	43 619	60 898	28 000	30 000	32 000	32 000
Transfers received	93 317	104 943	124 506	76 867	78 124	82 607	85 102
Total revenue	1 881 274	2 380 854	2 861 496	3 013 867	3 318 124	3 524 607	3 728 102
Expenses							
Current expense	1 698 041	2 135 670	2 672 486	2 925 392	3 166 415	3 365 940	3 530 462
Compensation of employees	337 869	350 451	404 808	450 000	480 000	520 000	565 000
Goods and services	1 329 008	1 739 635	2 209 521	2 405 392	2 580 415	2 715 440	2 805 462
Depreciation	30 497	44 923	56 865	70 000	106 000	130 500	160 000
Interest, dividends and rent on land	667	661	1 292	-	-	-	-
Total expenses	1 698 041	2 135 670	2 672 486	2 925 392	3 166 415	3 365 940	3 530 462
Surplus / (Deficit)	183 233	245 184	189 010	88 475	151 709	158 667	197 640
Statement of financial position							
Carrying value of assets	356 334	433 753	556 513	657 513	781 513	901 013	991 013
<i>of which: Acquisition of assets</i>	165 357	126 537	181 016	171 000	230 000	250 000	250 000
Inventory	29 583	51 666	116 896	80 000	85 000	90 000	95 000
Receivables and prepayments	586 811	856 642	1 092 883	1 000 000	1 150 000	1 215 000	1 300 000
Cash and cash equivalents	296 948	256 160	139 578	363 053	221 762	248 929	344 569
Total assets	1 269 676	1 598 221	1 905 870	2 100 566	2 238 275	2 454 942	2 730 582
Accumulated surplus/deficit	339 647	589 638	785 890	874 365	1 026 074	1 184 741	1 382 381
Capital and reserves	181 840	178 007	170 170	170 000	170 000	170 000	170 000
Post-retirement benefits	346 143	356 930	399 474	495 201	502 000	538 201	606 201
Trade and other payables	329 957	302 416	328 299	344 000	348 201	365 000	375 000
Provisions	-	96 821	112 322	140 000	115 000	120 000	120 000
Liabilities not classified elsewhere	72 089	74 409	109 715	77 000	77 000	77 000	77 000
Total equity and liabilities	1 269 676	1 598 221	1 905 870	2 100 566	2 238 275	2 454 942	2 730 582
Contingent liabilities	32 310	32 310	32 310	-	-	-	-

Expenditure trends

The main sources of revenue for the National Health Laboratory Service are fees from laboratory tests. Revenue increased from R1.9 billion in 2006/07 to R3 billion in 2009/10, at an average annual rate of 17 per cent. This was due to large increases in test volumes (especially for HIV), increases in tariffs (between 2.2 per cent and 6 per cent with an average 12 per cent volume increase) and the incorporation of KwaZulu-Natal health laboratories services into the National Health Laboratory Service. Over the MTEF period, revenue is projected to increase at an average annual rate of 7.3 per cent to reach R3.7 billion. This is due to inflation, increases in test volumes and an improved billing system for the KwaZulu-Natal services. The decrease in revenue compared to previous years is due to tighter expenditure controls at hospitals and budget cuts.

Expenditure grew from R1.7 billion in 2006/07 to R2.9 billion in 2009/10, at an average annual rate of 19.9 per cent, and is expected to grow to R3.5 billion in 2012/13 at an average annual rate of 6.5 per cent. Over the MTEF period, the growth in costs will be limited due to efficiency gains, the standardisation of laboratory equipment, improvements in logistics, and the elimination of waste in the service's operations. Furthermore, growth in test volumes will continue.

Programme 3: Health Planning and Monitoring

- *Health Information, Research and Planning* develops and maintains a national health information system, and commissions and coordinates research. It provides: disease surveillance and epidemiological analyses and leadership during disease outbreaks; conducts training on epidemic prone disease prevention, preparedness and control; and monitors and evaluates health programmes. It provides funding to the South African Medical Research Council and oversees its activities.
- *Financial Planning and Health Economics* undertakes health economics research and develops policy for medical schemes, social health insurance and public private partnerships. It oversees and provides some funds for the Council for Medical Schemes. Funding will mainly be used in preparation for the 2010 FIFA World Cup.
- *Pharmaceutical Policy and Planning* monitors the procurement and supply of drugs, and ensures that there are no stock-outs of all essential drugs, especially paediatrics, tuberculosis and antiretroviral medicines in accredited sites.
- *Office of Standards Compliance* deals with quality assurance, licensing and the certificates of need required in terms of the National Health Act (2003). It also deals with radiation control. Funding will be used to develop quality standards and inspect hospitals countrywide.

Objectives and measures

- Improve information on population health and health services by doing the 2010 health and demographic survey.
- Monitor HIV and syphilis prevalence by doing the 2010 and 2011 national HIV survey and publishing reports.
- Improve the quality of health services by developing and refining quality standards for the health sector, strengthening the national Office of Standards Compliance and developing a national quality accreditation body by March 2012.
- Ensure a zero stock-out of antiretroviral medicines, tuberculosis medicines, malaria medicines, vaccines for immunisation, and medicines for the integrated management of childhood illness and chronic diseases by improving logistical systems.

Service delivery focus

Recent achievements include publishing the 2008 national antenatal survey in October 2009 and producing quarterly data on the comprehensive plan for HIV and AIDS. A burden of diseases survey was conducted in 2008 and a draft report compiled in 2009. Efforts to improve the quality of health information in line with Statistics South Africa's statistical quality assurance framework have been initiated.

The national core standards for health establishments, first published in 2008, were revised in 2009. These were tabled for approval by the end of 2009/10. Reporting, analysis and guidelines for a national system for adverse event identification will be completed at the beginning of 2010. A national plan has been developed for improving quality in selected priority areas such as patient safety, infection prevention and control, medicines availability, waiting times, and staff attitudes. 100 quality improvement plans for enrolled facilities and projects were developed in 2009/10 as per the target. A national call centre will start functioning in 2010/11 and in the interim, the existing call centre has been expanded with services also referred from the presidential hotline

In 2009, all provinces agreed to use the national patient survey protocol. A review options for establishing an ombuds office will be done in the last quarter of 2009/10.

The key focus areas for 2010/11 remain those of 2009/10: developing national standards and compliance measurement. A ministerial advisory committee will ensure expert input from stakeholders and partners into the programme on a regular basis.

New policies to be implemented in 2010/11 relate to those governing the establishment and functioning of the independent accreditation body, with the amendment to the National Health Act (2003) and the promulgation of regulations under this amendment by March 2012.

Expenditure estimates

Table 15.9 Health Planning and Monitoring

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Health Information Research and Evaluation	233 360	251 385	266 444	278 128	304 044	320 993	335 480
Financial Planning and Health Economics	27 586	16 007	24 447	62 381	36 373	24 365	25 258
Pharmaceutical Policy and Planning	11 923	14 394	13 898	14 857	15 526	16 952	17 588
Office of Standards Compliance	28 427	27 339	37 360	41 083	50 990	63 813	75 845
Total	301 296	309 125	342 149	396 449	406 933	426 123	454 171
Change to 2009 Budget estimate				39 365	24 081	27 965	36 104
Economic classification							
Current payments	68 716	78 268	94 753	105 540	126 027	130 749	145 144
Compensation of employees	38 511	43 233	50 048	56 166	64 647	71 456	80 288
Goods and services	30 205	35 035	44 705	49 374	61 380	59 293	64 856
<i>of which:</i>							
<i>Administrative fees</i>	4	27	127	169	212	212	252
<i>Advertising</i>	1 318	1 280	1 363	866	1 088	1 088	1 291
<i>Assets less than the capitalisation threshold</i>	588	457	658	1 184	1 489	1 489	1 767
<i>Bursaries: Employees</i>	–	–	–	56	70	70	83
<i>Catering: Departmental activities</i>	238	245	388	538	676	676	802
<i>Communication</i>	808	841	878	1 637	2 058	2 058	2 422
<i>Computer services</i>	351	2 838	1 808	4 105	5 161	5 161	6 145
<i>Consultants and professional services: Business and advisory services</i>	8 679	13 004	8 371	10 567	12 589	12 353	9 023
<i>Consultants and professional services: Laboratory services</i>	–	1	–	–	–	–	–
<i>Consultants and professional services: Legal costs</i>	–	7	965	82	103	103	122
<i>Contractors</i>	1 633	142	1 578	779	979	979	1 162
<i>Agency and support / outsourced services</i>	–	–	4 546	7 290	9 166	7 315	8 808
<i>Entertainment</i>	4	19	22	212	267	267	317
<i>Inventory: Materials and supplies</i>	13	31	17	67	84	84	100
<i>Inventory: Medical supplies</i>	118	70	–	42	53	53	63
<i>Inventory: Other consumables</i>	1	2	15	142	179	179	212
<i>Inventory: Stationery and printing</i>	3 362	2 482	2 405	3 736	4 697	4 697	5 574
<i>Lease payments</i>	272	315	457	671	844	844	1 002
<i>Transport provided: Departmental activity</i>	30	11	–	–	–	–	–
<i>Travel and subsistence</i>	10 182	10 247	19 332	14 507	18 240	18 240	21 646
<i>Training and development</i>	1 292	745	42	30	38	38	45
<i>Operating expenditure</i>	905	1 170	1 442	1 131	1 422	1 422	1 688
<i>Venues and facilities</i>	407	1 101	291	1 563	1 965	1 965	2 332
Transfers and subsidies	229 973	229 641	245 314	288 153	277 839	292 123	305 613
Provinces and municipalities	27	–	–	30 000	–	–	–
Departmental agencies and accounts	227 451	226 931	242 660	255 396	274 917	289 026	302 361
Non-profit institutions	2 382	2 501	2 626	2 757	2 922	3 097	3 252
Households	113	209	28	–	–	–	–
Payments for capital assets	2 604	1 213	2 029	2 756	3 067	3 251	3 414
Machinery and equipment	2 580	1 183	2 029	2 756	3 067	3 251	3 414
Software and other intangible assets	24	30	–	–	–	–	–
Payments for financial assets	3	3	53	–	–	–	–
Total	301 296	309 125	342 149	396 449	406 933	426 123	454 171

Table 15.9 Health Planning and Monitoring (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Details of transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	-	-	-	30 000	-	-	-
2010 World Cup Health Preparation Strategy Grant	-	-	-	30 000	-	-	-
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	27	-	-	-	-	-	-
Regional Services Council levies	27	-	-	-	-	-	-
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	227 451	226 931	242 660	255 396	274 917	289 026	302 361
Council for Medical Schemes	15 000	3 283	6 151	3 865	3 993	4 194	4 310
Medical Research Council	212 110	223 290	236 133	251 139	270 509	284 392	297 589
National Health Laboratory Services (cancer register)	341	358	376	392	415	440	462
Non-profit institutions							
Current	2 382	2 501	2 626	2 757	2 922	3 097	3 252
Health Systems Trust	2 382	2 501	2 626	2 757	2 922	3 097	3 252
Households							
Other transfers to households							
Current	113	209	28	-	-	-	-
Leave gratuity	113	209	28	-	-	-	-

Expenditure trends

The main spending focus over the MTEF period is on strengthening the establishment of the Office of Standards Compliance and improving on the hospital quality audit process. The largest part of this programme's budget is earmarked for transfers for medical research conducted by the Medical Research Council, which amounts to R270 million in 2010/11. This is funded through the *Health Information Research and Evaluation* subprogramme. Between 2006/07 and 2009/10, total expenditure grew at an average annual rate of 9.6 per cent, from R301.3 million to R396.4 million, and is expected to increase to R454.2 million in 2012/13 at an average annual rate of 4.6 per cent.

The once-off 155 per cent increase in expenditure in the *Financial Planning and Health Economics* subprogramme in 2009/10 (R30 million) was for the preparation by provinces for the 2010 FIFA World Cup, mainly to procure medical equipment for stadiums and emergency medical services.

Expenditure in the *Office of Standards Compliance* subprogramme is expected to grow at an average annual rate of 22.7 per cent over the medium term to build up all aspects of the functioning of the Office of Standards Compliance and to increase the number of hospitals audited. This will be largely funded from goods and services.

Public entities

South African Medical Research Council

Strategic overview: 2006/07 – 2012/13

The South African Medical Research Council was established in 1969 in terms of the South African Medical Research Council Act (1991). The objectives of the council are to promote the improvement of health and

quality of life through research, development and technology transfer. Research is primarily conducted through council funded research units. Currently, 44 research units and 8 professional support divisions implement the 2005–2010 strategic plan, which has three main focuses: promoting and conducting research, professional support for research, and knowledge and stakeholder management. Council researchers have made significant contributions to the key priorities and activities of the Department of Health's 10-point plan, including by serving on policy and technical teams.

The council's work over the past year has included 706 health research publications in peer reviewed journals, 62 PhD graduates, 4 new patents and a spin-off company. Researchers supported by the International AIDS Vaccine Initiative developed a candidate vaccine, which is entering phase 1 clinical trials. Malaria research at Ubombo and the Trans-Zambezi region is assisting with regional malaria control. Tuberculosis research continues in various areas and research on pneumococcal and rotovirus vaccines and on thresholds for AIDS treatment has helped to inform policy decisions in these areas.

Savings and cost effective service delivery

Based on a 4.9 per cent budget increase over the next 3 years, significant rationalisation is required in many of the core human resource, business and operational areas of the organisation. Support services such as financial, human capital management and facility management will be rationalised.

Selected performance indicators

Table 15.10 South African Medical Research Council: Selected performance and operations indicators

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of peer reviewed publications	Linked to all research programmes	564	653	706	700	720	750	780
Number of new patents	Linked to some research programmes	1	4	2	1	2	2	1
Number of PhD students	Linked to all research programmes	62	57	62	55	60	60	65
Number of research projects	Linked to all research programmes	571	694	556	580	585	590	600

Service delivery focus

A large component of the council's work is clinical trials. The telemedicine project will deploy 50 telemedicine workstations by the end of March 2010 in various outlying areas. The facility will allow patients to interact with a doctor or specialist within a period of 48 hours, instead of 2 to 3 weeks.

Expenditure estimates

Table 15.11 South African Medical Research Council: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Non-tax revenue	279 097	306 375	311 909	315 550	321 750	336 050	356 250
Sale of goods and services other than capital assets	239 295	278 606	270 010	287 000	293 000	304 000	320 000
<i>of which:</i>							
<i>Sales by market establishments</i>	239 295	278 606	270 010	287 000	293 000	304 000	320 000
<i>Other non-tax revenue</i>	39 802	27 769	41 899	28 550	28 750	32 050	36 250
Transfers received	175 720	221 290	242 300	251 139	270 509	284 392	297 589
Total revenue	454 817	527 665	554 209	566 689	592 259	620 442	653 839

Table 15.11 South African Medical Research Council: Financial information (continued)

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand							
Expenses							
Current expense	424 766	484 820	516 093	541 494	589 077	620 442	653 839
Compensation of employees	205 300	213 510	232 862	230 782	247 954	265 468	281 736
Goods and services	208 059	261 643	271 969	299 802	329 913	343 674	360 053
Depreciation	9 683	9 578	11 176	10 810	11 110	11 200	11 950
Interest, dividends and rent on land	1 724	89	86	100	100	100	100
Total expenses	424 766	484 820	516 093	541 494	589 077	620 442	653 839
Surplus / (Deficit)	30 051	42 845	38 116	25 195	3 182	-	-
Statement of financial position							
Carrying value of assets	89 916	96 743	102 190	103 298	103 906	105 886	107 686
<i>of which: Acquisition of assets</i>	16 646	11 457	18 302	14 500	14 800	15 830	16 500
Investments	2 641	2 671	28 380	29 000	29 000	29 000	29 000
Inventory	390	362	303	303	303	303	303
Receivables and prepayments	49 530	42 095	37 607	38 000	40 000	42 000	43 000
Cash and cash equivalents	301 748	333 669	407 381	420 000	422 000	415 000	408 000
Total assets	444 225	475 540	575 861	590 601	595 209	592 189	587 989
Accumulated surplus/deficit	62 347	121 225	159 341	169 200	171 517	166 371	157 342
Capital and reserves	1 449	1 417	755	755	755	755	755
Borrowings	11	-	-	-	-	-	-
Post-retirement benefits	22 347	3 931	13 195	13 195	13 195	10 000	10 000
Trade and other payables	53 066	78 099	47 134	50 000	51 000	54 000	56 000
Provisions	12 181	4 284	3 391	4 300	4 983	5 324	6 354
Managed funds	878	1 035	1 109	1 109	1 109	1 109	1 109
Liabilities not classified elsewhere	291 946	265 549	350 936	352 042	352 650	354 630	356 429
Total equity and liabilities	444 225	475 540	575 861	590 601	595 209	592 189	587 989

Expenditure trends

The South African Medical Research Council receives around 45.7 per cent of its revenue (R270 million out of R592 million) in 2010/11) from the Department of Health and the remainder from external contracts for research. Revenue increased from R455 million in 2006/07 to R570 million in 2009/10, at an average annual rate of 7.6 per cent, and is expected to increase to R654 million in 2012/13, at an average annual rate of 4.9 per cent. The largest expenditure on a single project area is on the development of an HIV vaccine and prevention against the virus. R120 million was spent on this for the year ended 31 March 2010 and R185 million on HIV, tuberculosis epidemiology and clinical trials. The main expenditure item is compensation of employees, which constitutes almost 45 per cent of total expenditure over the MTEF period. Payments made to research collaborators (universities, other research councils and non-government organisations) constitute approximately 9 per cent of total expenditure in 2010/11.

Public entity

Council for Medical Schemes

Strategic overview: 2006/07 – 2012/13

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

Since 2006/07, the council has progressed in the reshaping of the regulatory environment to strengthen the governance of medical schemes, to improve the transparency of benefits offered to members and to complete the envisaged systems of risk equalisation. It has also worked closely with the Department of Health to: draft the Medical Schemes Amendment Bill, which seeks to introduce a risk equalisation fund; made consequential changes to the benefit designs of medical schemes; introduced provisions to strengthen governance; and laid the platform for the introduction of low income benefit options.

The chairperson of the Council of Medical Schemes is represented on the national health insurance committee established by the Minister of Health. In November 2007, the initiation of a process to review the prescribed minimum benefits with the Department of Health was approved. Amendments to the regulations are now with external lawyers for review. The council has received unqualified audit reports from the auditor-general for the last five years.

Savings and cost effective service delivery

The council will limit local travelling to economy class and a rate stability measure has been put in place to contain telephone costs.

Selected performance indicators

Table 15.12 Council for Medical Schemes

Indicator	Programme/Activity	Past			Current	Projections		
		2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of administrators accredited within 2 months per year*	Accreditation	29	21	20	16	16	16	16
Percentage of complaints resolved within 30 days	Complaints	26%(575)	27%(781)	27%(874)	27%	27%	27%	27%
Percentage of complaints resolved within 60 days	Complaints	42%(929)	46%(1330)	48%(1506)	48%	48%	48%	48%
Percentage of complaints resolved within 90 days	Complaints	20%(442)	15%(434)	14%(429)	15%	15%	15%	15%
Number of medical schemes financial audited per year	Financial supervision	122	122	120	110	110	110	110

* Number of administrators declines because of amalgamation and exclusion of certain entities

Service delivery focus

The majority of service delivery targets set for 2008/09 were achieved. The council contributed to regulatory and policy developments in relation to the National Health Amendment Bill, the Medical Schemes Amendment Bill and financial legislation pertaining to the demarcation of insurance products. Ongoing projects include: the prescribed minimum benefit review process; the monitoring of the international classification of diseases codes; and the reviewing of cost containment initiatives by medical schemes and the costs of private hospitals and specialists. Over the MTEF period, the council aims to improve its service delivery to all stakeholders and will increase its staff complement.

Expenditure estimates

Table 15.13 Council for Medical Schemes: Financial information

Statement of financial performance R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revenue							
Non-tax revenue	42 148	46 162	53 237	61 446	66 976	73 004	79 575
Sale of goods and services other than capital assets	37 727	44 142	50 125	54 746	59 673	65 044	70 898
<i>of which:</i>							
<i>Levies for medical schemes</i>	37 727	44 142	50 125	54 746	59 673	65 044	70 898
<i>Other non-tax revenue</i>	4 421	2 020	3 112	6 700	7 303	7 960	8 677
Transfers received	7 678	7 881	9 169	3 865	3 993	4 194	4 310
Total revenue	49 826	54 043	62 406	65 311	70 969	77 198	83 885

Table 15.13 Council for Medical Schemes: Financial information (continued)

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand							
Expenses							
Current expense	49 328	52 405	58 343	65 111	70 969	77 198	83 885
Compensation of employees	26 576	30 122	33 900	42 349	46 543	51 153	56 221
Goods and services	21 382	20 061	21 751	21 566	20 342	23 871	25 199
Depreciation	1 370	2 222	2 594	1 196	4 084	2 174	2 465
Interest, dividends and rent on land	–	–	98	–	–	–	–
Total expenses	49 328	52 405	58 343	65 111	70 969	77 198	83 885
Surplus / (Deficit)	498	1 638	4 063	200	0	(0)	0
Statement of financial position							
Carrying value of assets	6 442	5 908	4 701	5 526	3 826	4 054	4 207
of which: Acquisition of assets	5 733	1 708	1 444	2 021	2 384	2 402	2 618
Receivables and prepayments	1 476	484	644	644	644	644	644
Cash and cash equivalents	10 387	10 598	14 328	13 706	15 406	15 177	15 024
Total assets	18 305	16 990	19 673	19 876	19 876	19 875	19 875
Accumulated surplus/deficit	2 037	3 675	7 738	7 941	7 941	7 941	7 941
Trade and other payables	2 045	3 189	4 037	4 037	4 037	4 036	4 036
Provisions	2 952	3 453	4 242	4 242	4 242	4 242	4 242
Liabilities not classified elsewhere	11 271	6 673	3 656	3 656	3 656	3 656	3 656
Total equity and liabilities	18 305	16 990	19 673	19 876	19 876	19 875	19 875

Expenditure trends

The council's main source of revenue is levies on medical schemes, which are raised in terms of the Council for Medical Schemes Levies Act (2000). The council has also historically received a transfer from the Department of Health.

Revenue increased from R49.8 million in 2006/07 to R65.1 million in 2009/10, at an average annual rate of 9.4 per cent. Over the MTEF period, revenue is expected to increase to R83.8 million, at an average annual rate of 8.7 per cent due to a higher levy income as a result of increases in both the levy rate and total number of members.

Expenditure increased from R49.3 million in 2006/07 to R65 million in 2009/10, at an average annual rate of 9.7 per cent. Expenditure over the MTEF period is expected to increase to R83.8 million, at an average annual rate of 8.8 per cent. This is due to inflation and the expanded staff complement projected over the MTEF period.

The key spending area is compensation of employees, which accounts for 65 per cent of total expenditure in 2009/10. Spending in compensation of employees is expected to increase from 46.5 million in 2010/11 to R56.2 million in 2012/13 at an average rate of 10 per cent. The council recruits highly skilled personnel, including accountants, lawyers, economists, researchers, doctors and administrators. Legal costs tend to be high, at about 14 per cent of total expenditure, due to the challenges in the industry. The remaining expenditure is used to support the council's operational objectives.

Programme 4: Human Resources Management and Development

- *Human Resources Policy Planning and Research* is responsible for medium to long term human resources planning in the national health system. Its functions include implementing the national human resources for health plan, facilitating capacity development for sustainable health workforce planning, and developing and implementing human resources information systems for planning and monitoring purposes.
- *Sector Labour Relations and Planning* provides the resources and expertise for bargaining in the national Public Health and Social Development Sectoral Bargaining Council.

- *Human Resources Development and Management* is responsible for developing human resources policies, norms and standards, and for the efficient management of employees of the national Department of Health. This subprogramme funds the health professions training and development conditional grant, which is transferred to provinces.

Objectives and measures

- Improve the human resource capacity in the health sector by:
 - developing and publishing the revised national human resources for health plan by March 2012
 - strengthening human resource planning in all provinces by supporting the development of provincial human resource plans by March 2012
- Develop and train health professionals in new categories (mid-level workers) to support clinical service delivery during 2010/11 by:
 - increasing the number of student clinical associates in the training programme from 99 in 2009/10 to 180 in 2012/13
 - improving access to emergency medical services by increasing the number of emergency care technicians graduating from emergency care training colleges from 127 in 2009/10 to 160 in 2012/13.
- Finalise the policy on community health workers by March 2011 to ensure coherent integration and standardisation of all categories of community health workers.
- Recruit health professionals through specific agreements with countries that have an excess of these professionals.

Service delivery focus

The second academic year of the clinical associate programme was completed in 2009/10 at the Walter Sisulu University, the University of Pretoria and the University of the Witwatersrand. 99 students are currently enrolled for the programme.

Data capturer training continued as part of the expanded public works programme at the health facility level, with a combined total of 1 488 persons trained in 2008 and 2009. The department will train 2 047 persons in 2010/11. A new intake of emergency care professionals was introduced in 2008 and 127 new emergency care technicians graduated after completing the two year training programme. A draft policy on training and utilising community care givers in the public health system was developed in 2009 in consultation with the Department of Social Development.

Following the implementation of an occupational specific remuneration and career progression dispensation for nurses in the public service, an agreement was signed in the Public Health and Social Development Sectoral Bargaining Council in August 2009 to implement the same for medical doctors, dentists, medical and dental specialists, pharmacist assistants, pharmacists and emergency medical services personnel. A proposal for establishing an occupation specific dispensation for therapeutic and related allied health professionals was also tabled at the bargaining council. Negotiations on this are still to be finalised and this occupation specific dispensation will be backdated to July 2009. A new policy was drafted in 2009 for recruiting and employing foreign health professionals in view of various international recruitment protocols and agreements with the SADC and the African Union.

Expenditure estimates

Table 15.14 Health Human Resources Management and Development

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Human Resources Policy, Research and Planning	3 341	3 882	7 476	19 827	8 856	9 646	10 016
Sector Labour Relations and Planning	1 935	2 024	2 880	6 030	3 533	3 821	3 977
Human Resources Development and Management	1 570 703	1 607 672	1 694 989	1 773 117	1 884 662	1 998 224	2 097 837
Total	1 575 979	1 613 578	1 705 345	1 798 974	1 897 051	2 011 691	2 111 830
Change to 2009 Budget estimate				12 750	2 898	3 900	3 648
Economic classification							
Current payments	13 483	17 158	26 124	38 465	31 137	33 822	35 068
Compensation of employees	8 888	11 851	13 831	17 031	17 211	17 830	18 722
Goods and services	4 595	5 307	12 293	21 434	13 926	15 992	16 346
<i>of which:</i>							
<i>Administrative fees</i>	–	(21)	–	2	–	–	–
<i>Advertising</i>	187	200	509	1 012	546	677	716
<i>Assets less than the capitalisation threshold</i>	348	66	68	799	77	92	100
<i>Catering: Departmental activities</i>	150	223	132	673	150	176	190
<i>Communication</i>	83	82	77	401	88	102	108
<i>Computer services</i>	87	39	6 191	59	5 985	7 111	7 516
<i>Consultants and professional services: Business and advisory services</i>	775	223	100	10 972	114	134	143
<i>Contractors</i>	63	80	505	143	573	671	709
<i>Agency and support / outsourced services</i>	–	–	20	33	23	27	29
<i>Entertainment</i>	3	6	11	129	13	16	16
<i>Inventory: Materials and supplies</i>	–	–	1	2	–	–	–
<i>Inventory: Other consumables</i>	–	–	1	77	–	–	–
<i>Inventory: Stationery and printing</i>	479	1 438	510	1 210	579	678	717
<i>Lease payments</i>	185	254	231	461	262	307	324
<i>Transport provided: Departmental activity</i>	3	2	–	–	–	–	–
<i>Travel and subsistence</i>	1 640	2 049	2 975	4 035	3 378	3 497	3 132
<i>Training and development</i>	281	223	110	–	125	146	154
<i>Operating expenditure</i>	239	244	703	356	798	935	988
<i>Venues and facilities</i>	72	199	149	1 070	1 215	1 423	1 504
Transfers and subsidies	1 520 188	1 596 199	1 679 062	1 759 799	1 865 387	1 977 310	2 076 176
Provinces and municipalities	1 520 186	1 596 189	1 679 061	1 759 799	1 865 387	1 977 310	2 076 176
Households	2	10	1	–	–	–	–
Payments for capital assets	42 304	218	159	710	527	559	586
Machinery and equipment	548	218	159	710	527	559	586
Software and other intangible assets	41 756	–	–	–	–	–	–
Payments for financial assets	4	3	–	–	–	–	–
Total	1 575 979	1 613 578	1 705 345	1 798 974	1 897 051	2 011 691	2 111 830

Table 15.14 Health Human Resources Management and Development (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Details of transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	1 520 180	1 596 189	1 679 061	1 759 799	1 865 387	1 977 310	2 076 176
Health professions training and development grant	1 520 180	1 596 189	1 679 061	1 759 799	1 865 387	1 977 310	2 076 176
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	6	-	-	-	-	-	-
Regional Services Council levies	6	-	-	-	-	-	-
Households							
Other transfers to households							
Current	2	10	1	-	-	-	-
Leave gratuity	2	10	1	-	-	-	-

Expenditure trends

The programme's expenditure grew at an average annual rate of 4.5 per cent between 2006/07 and 2009/10 and is projected to increase to a rate of 5.5 per cent over the medium term, growing the budget to R2.1 billion by 2012/13. This is relatively low due to the reform process currently under way in collaboration with the Department of Education financing the health science clinical training programme. 98 per cent of this programme's funding over the MTEF period is for the transfer payments to provinces for the health professions training and development conditional grant made in the *Human Resources Development and Management* subprogramme (R1.9 billion in 2010/11). R30 million is spent on the core human resource functions.

The large increase in expenditure in the *Human Resources Policy, Research and Planning* subprogramme in 2009/10 was to conduct an audit of nursing colleges to inform the recapitalisation process (R10 million in goods and services). The review is anticipated to provide concrete proposals for the physical upgrading of colleges and equipment and teaching facilities.

Programme 5: Health Services

- *District Health Services* promotes and coordinates the district health system and monitors primary healthcare and activities related to the integrated sustainable rural development programme and the urban renewal programme. It also deals with policy and monitoring for health promotion and environmental health.
- *Environmental Health Promotion and Nutrition* provides technical support and monitors the delivery of municipal health services by local government, provides port health services, and supports poison information centres.
- *Occupational Health* promotes occupational health and safety in public health institutions, and ensures the training of occupational health practitioners in risk assessment.
- *Hospitals and Health Facilities Management* deals with national policy on hospital and emergency medical services. It is also responsible for funding the conditional grant for the revitalisation of hospitals and the national tertiary services grant.

Objectives and measures

- Strengthen primary health care and identify needs and service gaps through an audit of primary health care services and infrastructure in all provinces by December 2010.
- Expand access to health infrastructure by developing a plan to add 18 hospitals to the hospital revitalisation project, to be delivered through public private partnerships.
- Improve the delivery of health services in the 18 priority districts through a detailed set of interventions in maternal and child health and other areas by March 2012.

Service delivery focus

13 hospitals were completed by 2008/09 as part of the initiative to revitalise health infrastructure. In 2009/10, 4 new hospitals were nearing completion: Mamelodi hospital in Gauteng; Moses Kotane and Vryburg hospitals in North West; and the new psychiatric hospital in Northern Cape. Patient experiences and staff morale and quality have reportedly improved in hospitals that have been through the programme.

Over the MTEF period, the department will continue developing a comprehensive national infrastructure plan. Key aspects of this process include: a review of the available hospital revitalisation and infrastructure grant for provinces; the collection and collation of information on the remaining facilities that are not part of these grants, including assessment of the backlog of facilities that need major upgrades; and minor repairs. Health facilities maintenance budgets per health facility will be monitored in each province and a strategy will be developed to progressively increase the maintenance target to 3-5 per cent of capital value by the end of March 2011. To enhance provinces' capacity to deliver and maintain health infrastructure, the health sector will use the results of a skills audit conducted by National Treasury in September 2009 in all 9 provinces.

In 2009/10, the department identified 18 hospital projects as potential public private partnerships. These are being considered by provinces and a list of potential projects will be tabled in 2010.

In 2009/10, hospital management was strengthened through the enrolling of 142 of 400 hospital managers in a hospital management training programme offered by institutions of higher learning. This is an increase from the 122 managers enrolled and trained in 2008/09. The department commissioned the Development Bank of Southern Africa to assess the skills, competencies and qualifications of hospital chief executives in 2009. The outcome of this evaluation will be available in 2010/11 and will be used to determine the appropriate placement of the chief executives.

Planning processes through the district health system were strengthened in 2008/09 and 2009/10, with most districts producing district health plans. In 2010/11, the department will complete an audit of all 3 900 public health care facilities and develop a plan to address the gaps identified. Implementing the district health system will be enhanced through providing support to assist provinces in establishing district management teams, ensuring the delegation of authority to district managers and improving the supervision of public health care facilities.

Expenditure estimates

Table 15.15 Health Services

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
District Health Services	6 733	7 898	11 679	30 326	34 718	30 266	27 377
Environmental Health Promotion and Nutrition	18 190	18 658	26 633	19 002	20 185	22 496	23 172
Occupational Health	20 292	24 887	27 304	30 505	32 451	35 165	36 587
Hospitals and Health Facilities Management	6 521 460	7 414 400	8 884 269	10 006 266	11 441 403	11 995 547	12 594 575
Total	6 566 675	7 465 843	8 949 885	10 086 099	11 528 757	12 083 474	12 681 711
Change to 2009 Budget estimate				187 234	139 824	1 744	(4 105)

Table 15.15 Health Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Economic classification							
Current payments	51 725	63 133	75 793	93 638	103 103	104 898	104 205
Compensation of employees	29 920	32 189	35 923	39 680	43 900	46 241	48 552
Goods and services	21 805	30 944	39 870	53 958	59 203	58 657	55 653
<i>of which:</i>							
<i>Administrative fees</i>	16	107	29	156	172	180	191
<i>Advertising</i>	4 693	6 421	705	1 913	2 113	2 229	2 352
<i>Assets less than the capitalisation threshold</i>	392	337	574	1 230	1 358	1 433	1 511
<i>Audit cost: External</i>	490	693	554	800	883	932	983
<i>Bursaries: Employees</i>	-	-	-	25	28	30	31
<i>Catering: Departmental activities</i>	349	303	339	835	922	973	1 026
<i>Communication</i>	1 439	1 333	1 518	1 610	1 778	1 876	1 979
<i>Computer services</i>	26	132	431	2 175	2 402	2 534	2 673
<i>Consultants and professional services: Business and advisory services</i>	1 903	4 857	3 867	19 789	21 469	18 848	13 655
<i>Consultants and professional services: Laboratory services</i>	746	873	-	-	-	-	-
<i>Consultants and professional services: Legal costs</i>	-	-	-	102	113	119	126
<i>Contractors</i>	169	156	3 576	1 564	1 727	1 822	1 922
<i>Agency and support / outsourced services</i>	-	-	529	1 635	1 806	1 905	2 010
<i>Entertainment</i>	3	8	23	111	123	130	137
<i>Inventory: Fuel, oil and gas</i>	-	-	-	40	44	46	49
<i>Inventory: Materials and supplies</i>	33	82	42	118	130	137	145
<i>Inventory: Medical supplies</i>	104	87	23	100	110	116	122
<i>Inventory: Other consumables</i>	16	47	277	710	784	827	873
<i>Inventory: Stationery and printing</i>	689	747	1 974	3 223	3 559	3 755	3 961
<i>Lease payments</i>	208	227	375	438	484	511	539
<i>Property payments</i>	2	13	-	-	-	-	-
<i>Transport provided: Departmental activity</i>	26	98	-	-	-	-	-
<i>Travel and subsistence</i>	7 321	8 280	13 502	13 280	14 666	15 473	16 324
<i>Training and development</i>	989	290	172	91	100	106	111
<i>Operating expenditure</i>	1 201	3 850	8 655	2 328	2 571	2 712	2 862
<i>Venues and facilities</i>	990	2 003	2 705	1 685	1 861	1 963	2 071
Transfers and subsidies	6 509 279	7 401 646	8 872 212	9 989 402	11 422 419	11 975 147	12 573 903
Provinces and municipalities	6 508 494	7 398 498	8 869 717	9 984 645	11 418 667	11 971 170	12 569 729
Departmental agencies and accounts	100	2 630	2 356	3 679	2 620	2 777	2 916
Non-profit institutions	433	477	-	1 078	1 132	1 200	1 258
Households	252	41	139	-	-	-	-
Payments for capital assets	2 442	1 016	1 880	3 059	3 235	3 429	3 603
Machinery and equipment	1 462	995	1 880	3 059	3 235	3 429	3 603
Software and other intangible assets	980	21	-	-	-	-	-
Payments for financial assets	3 229	48	-	-	-	-	-
Total	6 566 675	7 465 843	8 949 885	10 086 099	11 528 757	12 083 474	12 681 711
Details of transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	4 981 149	5 321 206	6 134 084	6 614 442	7 398 000	7 798 878	8 188 822
National tertiary services grant	4 981 149	5 321 206	6 134 084	6 614 442	7 398 000	7 798 878	8 188 822
Capital	1 527 323	2 077 292	2 735 633	3 370 203	4 020 667	4 172 292	4 380 907
Hospital revitalisation grant	1 527 323	2 077 292	2 735 633	3 370 203	4 020 667	4 172 292	4 380 907

Table 15.15 Health Services (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	22	-	-	-	-	-	-
Regional Services Council levies	22	-	-	-	-	-	-
Departmental agencies and accounts							
Social security funds							
Current	-	2 630	2 355	3 679	2 620	2 777	2 916
Compensation Commissioner	-	2 630	2 355	3 679	2 620	2 777	2 916
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	100	-	1	-	-	-	-
Donation	100	-	1	-	-	-	-
Non-profit institutions							
Current	433	477	-	1 078	1 132	1 200	1 258
Health Promotion: NGO	433	477	-	982	1 037	1 099	1 154
Environmental Health: NGO	-	-	-	96	95	101	104
Households							
Social benefits							
Current	252	41	39	-	-	-	-
Leave Gratuity	252	41	39	-	-	-	-
Households							
Other transfers to households							
Current	-	-	100	-	-	-	-
Donation	-	-	100	-	-	-	-

Expenditure trends

Over the MTEF period, more than 99 per cent of this programme's budget is comprised of 2 conditional grants that are transferred to provinces. Expenditure grew at an average annual rate of 15.4 per cent from R6.6 billion in 2006/07 to R10.1 billion in 2009/10, mainly due to strong growth in the hospital revitalisation grant. Expenditure is expected to increase at an average annual rate of 7.9 per cent over the medium term to reach R12.7 million in 2012/13. This is due to the growth in the national tertiary services grant from R6.6 billion in 2009/10 to R7.4 billion in 2010/11, at an average annual rate of 11.8 per cent, to ensure the provision of modernised tertiary services that allow for improved access and equity. This forms part of the modernisation of tertiary services programme. The hospital revitalisation grant is expected to grow at an average annual rate of 19.3 per cent, from R3.4 billion in 2009/10 to R4 billion in 2010/11 as more projects enter the construction phase.

Trading entity

Compensation Commissioner for Occupational Diseases

Strategic overview: 2006/07 –2012/13

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

A recent focus area has been ensuring the generation of appropriate revenue from the 245 registered mines, based on set criteria, including the number of shifts worked by the mine. To ensure that mines pay the set levies, the commissioner has updated its registers and records of controlled mines, visited mines, and inspected records of risk shifts to assess that payments were calculated correctly.

A key challenge in 2008/09 was that of South Africa's 1 200 mines, only 249 were contributing levies. Also, 16 of the registered mines have since closed down and will be removed from the register, which will affect the commissioner's revenue.

Selected performance and operations indicators

Table 15.16 Compensation Commissioner for Occupational Diseases

Indicator	Past			Current	Projections		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Number of persons compensated per year	3 800	3 755	3 000	2 450	3 000	3 500	4 000
Number of mines visited per year	135	196	220	160	205	240	240
Number of additional inspectors per year	2	2	3	3	4	5	5
Number of fingerprint verification files attended to per day	10	10	10	15	75	100	100
Number of provinces in which workshops are conducted per year	6	5	5	6	9	9	9

Service delivery focus

The number of ex-mine workers compensated through the Compensation Commissioner for Occupational Diseases shows a consistent decrease from 3 800 in 2007/08 to 2 450 in 2009/10. This constitutes a small proportion of claims received and reflects excessively long turnaround times and inefficiencies. Future plans include accelerating the pace of compensation to reach a total of 3 500 in 2011/12 and 4 000 in 2012/13. In 2008/09, the commissioner visited 146 controlled mines and plans to visit 160 controlled mines in 2009/10. The decrease in the number of mines visited was due to limited resources. The commissioner plans to visit 205 mines in 2010/11 and 240 mines in 2012/13 and in 2012/13.

The main challenges for the entity are to improve performance and efficiency to clients. The entity needs to address various financial management shortfalls, such as: not being able to capture certificates owing to a lack of a computerised system in 2004, resulting in these cases being accrued into the new system as a liability; provisions and contingent liabilities; and interest paid. To address these challenges, the spending focus over the medium term will be on: creating more positions for mine inspectors and finance staff; strengthening the management of the fund and improving internal control systems; developing policies and procedures; gazetting new mines as controlled mines; capturing all certificates received from the Medical Bureau for Occupational Diseases before the implementation of the new system; introducing the new fingerprint verification system to reduce turnaround time for compensation; and reviewing and amending the Occupational Diseases in Mines and Works Act (1973).

Expenditure estimates

Table 15.17 Compensation Commissioner For Occupational Diseases in Mines and Works: Financial information

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand							
Revenue							
Tax revenue	66 440	82 225	121 152	139 325	167 190	217 346	293 418
Non-tax revenue	85 750	110 526	134 590	141 315	154 033	170 977	191 494
<i>Other non-tax revenue</i>	85 750	110 526	134 590	141 315	154 033	170 977	191 494
Transfers received	4 006	3 592	2 355	3 679	2 620	2 777	2 916
Total revenue	156 196	196 343	258 097	284 319	323 843	391 100	487 828
Expenses							
Current expense	45	56	212	244	268	348	453
Interest, dividends and rent on land	45	56	212	244	268	348	453
Transfers and subsidies	112 489	158 029	81 066	83 892	91 386	103 641	120 561
Total expenses	112 534	158 085	81 278	84 136	91 654	103 989	121 014
Surplus / (Deficit)	43 662	38 258	176 819	200 183	232 189	287 111	366 814

Table 15.17 Compensation Commissioner For Occupational Diseases in Mines and Works: Financial information (continued)

R thousand	Audited outcome			Revised estimate	Medium-term estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Statement of financial position							
Investments	1 112 004	1 147 578	1 262 378	1 387 269	1 491 314	1 580 793	1 683 545
Receivables and prepayments	6 070	14 208	20 174	17 477	31 471	37 765	45 319
Cash and cash equivalents	15 308	32 590	71 963	64 767	68 006	71 406	74 975
Total assets	1 133 382	1 194 376	1 354 515	1 469 513	1 590 791	1 689 964	1 803 839
Capital and reserves	1 127 799	1 166 057	1 342 876	1 462 182	1 576 535	1 669 737	1 784 018
Trade and other payables	5 583	1 262	4 043	3 750	8 500	12 300	15 500
Provisions	–	27 057	7 596	3 581	5 756	7 927	4 321
Total equity and liabilities	1 133 382	1 194 376	1 354 515	1 469 513	1 590 791	1 689 964	1 803 839

Expenditure trends

The commissioner derives its revenue mainly from controlled mines levies, interest earned on investments and a small transfer from the Department of Health. Revenue increased from R156 million in 2006/07 to R284 million in 2009/10, at an average annual rate of 22.1 per cent, and is expected to increase by 19.7 per cent annually over the medium term to R487 million. This is mainly due to increases in levies on mines to address the fund's large actuarial liabilities.

However, expenditure decreased from R113 million in 2006/07 to R84.1 million in 2009/10, at an average annual rate of 9.2 per cent and is expected to increase to R121 million over the medium term, at an average annual rate of 12.9 per cent. This has largely been due to the fund's poor performance, the low number of compensations awarded and slow turnaround times. The entity aims to provide for the increase in capacity and the proposal of secondment staff to increase the number of claims processed over the MTEF period. In July 2009, the entity approved the increase of benefits to miners and ex-miners based on the inflation rate and this will increase its expenditure over the MTEF period.

Total assets, consisting primarily of savings investments, are projected to increase from R1.4 billion in 2009/10 to R1.8 billion in 2012/13, at an average annual rate of 7.1 per cent

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

- *Multilateral Relations* develops and implements bilateral and multilateral agreements to strengthen the health system, concludes agreements on the recruitment of health workers from other countries, provides technical capacity to South Africa in fields such as health technology management and surveillance systems, and mobilises international resources for priority health programmes.
- *Food Control and Non-Medical Health Product Regulation* ensures food safety by developing and implementing food control policies, norms and standards, and regulations.
- *Pharmaceutical and Related Product Regulation and Management* regulates trade in medicines and pharmaceutical products through the Medicines Control Council, to ensure access to safe and affordable medicines.

Objectives and measures

- Strengthen cooperation on health matters with SADC countries by developing, implementing and monitoring bilateral and multilateral agreements with Tunisia, Congo Brazzaville; Mozambique, Zambia, Mali, Ethiopia, Cameroon, Zimbabwe, Burundi and Rwanda, including agreements on the recruitment of health workers from other countries and the exchange of technical capacity in fields such as health technology management and surveillance systems.
- Accelerate the registration and re-registration of medicines every 5 years by implementing an electronic document management system for medicine registration by March 2011.

- Improve patient safety and adherence by developing a pharmacovigilance plan for monitoring drugs for extensively drug resistant tuberculosis by March 2011.
- Improve the regulation of medicines and health products by:
 - appointing a ministerial task team in 2010 to assist with establishing the new South African Health Products Regulatory Authority
 - developing legislation to support the establishment of the authority

Service delivery focus

In 2009/10, South Africa's bilateral and multilateral relations with countries in the region, continent and abroad were strengthened and will continue to strengthen in 2010/11.

In 2008/09, all the technical staff in the medicines regulatory authority were trained to conduct evaluation applications for clinical trials, which exceeded the 50 per cent target while 50 per cent of applications for clinical trials were evaluated in house, exceeding the target of 30 per cent.

In the first half of 2009/10, the department progressed with developing the electronic document management system, which will assist in fast tracking the registration and re-registration of medicines every 5 years. Document attributes were completed and preparations were made for training.

In 2008/09, 910 clinical trials were registered on the department's database. Guidelines for establishing a functioning community advisory board for clinical trials were produced.

In 2008/09, a central repository of all clinical trials conducted in South Africa was developed by the department in collaboration with the Medical Research Council to link this with various global clinical trial registries. Data collation and verification has begun.

In 2010/11, the department will: improve patient safety through a pharmacovigilance plan for monitoring extreme drug resistant tuberculosis medicines; improve the regulation of medicines and health products through a functional electronic document management system; improve medicine registration timelines from 36 months for new chemical entities and 24 months for generics to 24 and 18 months. Legislation will be developed in 2010/11 to establish the functioning of the South African Health Products Regulatory Authority.

Expenditure estimates

Table 15.18 International Relations, Health Trade and Health Product Regulation

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand							
Multilateral Relations	31 419	36 682	61 453	45 083	50 736	57 096	58 626
Food Control and Non-medical Health Product Regulation	3 514	4 338	6 426	6 463	7 174	7 839	8 131
Pharmaceutical and Related Product Regulation and Management	24 796	23 270	28 714	38 701	46 598	47 425	51 731
Total	59 729	64 290	96 593	90 247	104 508	112 360	118 488
Change to 2009 Budget estimate				3 250	3 735	(1 381)	(940)
Economic classification							
Current payments	58 321	63 773	96 086	89 376	103 732	111 537	117 631
Compensation of employees	30 681	32 576	35 881	39 590	42 754	45 108	47 362
Goods and services	27 640	31 197	60 205	49 786	60 978	66 429	70 269
<i>of which:</i>							
<i>Administrative fees</i>	12	47	466	453	562	574	623
<i>Advertising</i>	338	250	775	970	1 204	1 230	1 334
<i>Assets less than the capitalisation threshold</i>	552	336	198	1 906	2 366	2 415	2 618
<i>Catering: Departmental activities</i>	327	258	236	1 016	1 261	1 289	1 398
<i>Communication</i>	486	445	377	1 071	1 330	1 359	1 473

Table 15.18 International Relations, Health Trade and Health Product Regulation (continued)

R thousand	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Economic classification							
Current payments							
Computer services	–	46	309	7 493	9 302	12 779	12 102
Consultants and professional services: Business and advisory services	339	127	5 499	1 812	2 249	2 298	2 491
Consultants and professional services: Legal costs	–	1	–	100	–	–	–
Contractors	278	88	2 264	136	169	173	188
Agency and support / outsourced services	–	–	21	790	61	62	67
Entertainment	25	16	23	268	–	–	–
Inventory: Materials and supplies	3	20	1	26	–	–	–
Inventory: Medical supplies	16	–	–	–	–	–	–
Inventory: Other consumables	–	15	19	29	36	37	40
Inventory: Stationery and printing	1 121	954	1 122	2 050	2 545	2 601	2 820
Lease payments	1 038	1 977	2 494	1 504	1 867	1 908	2 069
Transport provided: Departmental activity	1	47	–	–	–	–	–
Travel and subsistence	13 516	15 456	30 084	18 401	22 016	23 344	25 309
Training and development	424	273	–	–	–	–	–
Operating expenditure	5 433	10 107	14 665	11 493	14 268	14 580	15 807
Venues and facilities	3 731	734	1 652	268	1 742	1 780	1 930
Transfers and subsidies	73	68	70	–	–	–	–
Provinces and municipalities	23	–	–	–	–	–	–
Households	50	68	70	–	–	–	–
Payments for capital assets	1 297	449	437	871	776	823	857
Machinery and equipment	1 297	437	437	871	776	823	857
Software and other intangible assets	–	12	–	–	–	–	–
Payments for financial assets	38	–	–	–	–	–	–
Total	59 729	64 290	96 593	90 247	104 508	112 360	118 488
Details of transfers and subsidies							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	23	–	–	–	–	–	–
Regional Services Council levies	23	–	–	–	–	–	–
Households							
Social benefits							
Current	–	–	70	–	–	–	–
Leave Gratuities	–	–	70	–	–	–	–
Households							
Other transfers to households							
Current	50	68	–	–	–	–	–
Leave Gratuities	50	68	–	–	–	–	–

Expenditure trends

The main spending focus over the MTEF period is establishing the new medicines regulatory authority. Expenditure in the programme increased from R59.7 million in 2006/07 to R90.2 million in 2009/10, at an average annual rate of 14.7 per cent, and is expected to increase at a slower rate of 9.5 per cent over the medium term to reach R118.5 million. The bulk of the funds in the *Multilateral Relations* subprogramme is used to pay membership fees to international agencies such as the World Health Organisation and for the activities of health attachés. Expenditure between 2006/07 and 2009/10 grew by 12.8 per cent due to an increase in international

bilateral and multilateral activities. South Africa hosted the third session of the conference of the party to the World Health Organisation framework convention for tobacco control. This cost approximately R21 million in 2009/10. Expenditure in the *Pharmaceutical and Related Product Regulation and Management* subprogramme is expected to grow by an average annual rate of 10.2 per cent over the medium term, to support the establishment of the new medicines regulatory agency, develop IT systems and reduce backlogs.

Additional tables

Table 15.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
	2008/09		2008/09	2009/10			2009/10
R thousand							
1. Administration	215 647	246 678	241 013	236 596	23 841	260 437	260 437
2. Strategic Health Programmes	3 713 085	4 189 941	4 129 485	4 692 328	1 098 925	5 791 253	5 688 253
3. Health Planning and Monitoring	326 527	334 128	342 149	357 084	39 365	396 449	393 449
4. Health Human Resources Management and Development	1 714 204	1 712 766	1 705 345	1 786 224	12 750	1 798 974	1 798 974
5. Health Services	9 052 457	9 287 331	8 949 885	9 898 865	187 234	10 086 099	9 794 099
6. International Relations, Health Trade and Health Product Regulation	78 925	80 325	96 593	86 997	3 250	90 247	90 247
Total	15 100 845	15 851 169	15 464 470	17 058 094	1 365 365	18 423 459	18 025 459

Economic classification

Current payments	919 256	943 721	916 773	937 927	211 747	1 149 674	1 036 674
Compensation of employees	278 395	287 674	292 507	299 901	29 231	329 132	329 132
Goods and services	640 861	656 047	624 266	638 026	182 516	820 542	707 542
Transfers and subsidies	14 155 522	14 859 529	14 506 138	16 091 839	1 155 525	17 247 364	16 962 364
Provinces and municipalities	13 686 597	14 362 786	14 028 675	15 578 392	1 124 107	16 702 499	16 417 499
Departmental agencies and accounts	302 150	312 917	315 916	329 586	6 264	335 850	335 850
Universities and technikons	1 000	1 000	733	1 000	–	1 000	1 000
Non-profit institutions	165 775	182 526	160 209	182 861	23 154	206 015	206 015
Households	–	300	605	–	2 000	2 000	2 000
Payments for capital assets	26 067	47 919	41 361	28 328	(1 907)	26 421	26 421
Machinery and equipment	26 067	47 919	41 361	28 328	(1 907)	26 421	26 421
Payments for financial assets	–	–	198	–	–	–	–
Total	15 100 845	15 851 169	15 464 470	17 058 094	1 365 365	18 423 459	18 025 459

Table 15.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
	Permanent and full time contract employees						
Compensation (R thousand)	230 087	256 021	289 205	325 486	366 058	399 795	438 704
Unit cost (R thousand)	187	212	211	245	271	292	315
<i>Administration</i>	220	219	220	237	267	302	360
<i>Strategic Health Programmes</i>	191	210	232	267	304	325	321
<i>Health Planning and Monitoring</i>	79	90	204	261	294	319	354
<i>Health Human Resources Management and Development</i>	54	69	187	233	229	235	234
<i>Health Services</i>	–	–	174	253	266	272	279
<i>International Relations, Health Trade and Health Product Regulation</i>	–	–	241	222	239	244	249
Personnel numbers (head count)	1 233	1 205	1 371	1 331	1 351	1 371	1 391
Total for department							
Compensation (R thousand)	231 729	258 605	292 507	329 132	369 704	403 441	442 350
Unit cost (R thousand)	177	200	197	226	250	269	291
Personnel numbers (head count)	1 309	1 295	1 486	1 458	1 478	1 498	1 518

Table 15.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Compensation of employees (R thousand)	231 729	258 605	287 674	299 901	369 704	403 441	442 350
Training expenditure (R thousand)	5 456	9 513	1 794	4 499	5 545	6 051	6 635
Training as percentage of compensation	2.4%	3.7%	0.6%	1.5%	1.5%	1.5%	1.5%
Total number trained in department (head count)	539	625	261	274			
<i>of which:</i>							
Employees receiving bursaries (head count)	101	115	217	110			
Learnerships trained (head count)	2	-	-	-			
Internships trained (head count)	44	28	81	81			

Table 15.D Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Conditional grants to provinces							
2. Strategic Health Programmes							
Comprehensive HIV and AIDS Grant	1 616 214	2 006 223	2 885 423	4 376 186	6 011 757	7 432 962	8 764 610
Forensic Pathology Services Grant	561 676	551 822	594 474	501 869	556 962	590 380	619 899
Disaster Management Grant: Cholera	-	-	-	50 000	-	-	-
3. Health Planning and Monitoring							
2010 World Cup Preparation Strategy Grant	-	-	-	30 000	-	-	-
4. Health Human Resources Management and Development							
Health Professions Training and Development Grant	1 520 180	1 596 189	1 679 061	1 759 799	1 865 387	1 977 310	2 076 176
5. Health Services							
Hospital Revitalization Grant	1 527 323	2 077 292	2 735 633	3 370 203	4 020 667	4 172 292	4 380 907
National Tertiary Services Grant	4 981 149	5 321 206	6 134 084	6 614 442	7 398 000	7 798 878	8 188 822
Total	10 206 542	11 552 732	14 028 675	16 702 499	19 852 773	21 971 822	24 030 414

1. Detail provided in the Division of Revenue Act (2010)

Table 15.E Summary of departmental public private partnership (PPP) projects

Project description: National fleet project	Project annual unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2009/10	2010/11	2011/12	2012/13
R thousand					
Projects signed in terms of Treasury Regulation 16	5 219	13 866	14 698	9 738	-
PPP unitary charge ¹	5 219	13 866	14 698	9 738	-
Total	5 219	13 866	14 698	9 738	-

1. Phavis fleet services public private partnership. Disclosure notes for this project can be viewed in the public private partnership table of the Department of Transport's chapter.

Disclosure notes for projects signed in terms of Treasury Regulation 16

Project name	Tender: DOT/34/2005/GMT: National Fleet PPP Project
Brief description	To deliver a fleet solution to the Department of Transport and user Departments.
Date PPP agreement was signed	14 November 2006 (Department of Transport)
Duration of PPP agreement	5 years, (13 November 2011)

Table 15.F Summary of donor funding

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
France	Human Resource Management	Health Human Resources Management and Development	-	Universities and technikons	Funding of developmental work to be implemented by the universities of the Witwatersrand and KwaZulu Natal	40	-	-	900	-	-	-
Centre for Disease Control/President's Emergency Plan for AIDS Relief	HIV and AIDS	Strategic Health Programmes	-	Goods and services	Achieving primary prevention of HIV and AIDS infections through confidential counselling and testing programmes and building programmes to reduce mother to child transmission	610	60	-	739	-	-	-
Centre for Disease Control/President's Emergency Plan for AIDS Relief	HIV and AIDS	Strategic Health Programmes	-	Non-profit institutions	Increased number of youth serving non-governmental organisations promoting HIV and AIDS prevention	3 833	-	-	3 731	-	-	-
Centre for Disease Control/President's Emergency Plan for AIDS Relief	HIV and AIDS	Strategic Health Programmes	-	Households	Strengthening the capacity to collect and use surveillance data and manage the national HIV and AIDS programme by expanding surveillance programmes	-	-	-	7	-	-	-
Centre for Disease Control/President's Emergency Plan for AIDS Relief	Maternal, child and women's health	Strategic Health Programmes	-	Goods and services	Achieving primary prevention of HIV and AIDS infections through confidential counselling and testing programmes and building programmes to reduce mother to child transmission	-	-	770	3 771	-	-	-
Global Fund	HIV and AIDS	Strategic Health Programmes	-	Households	Strengthening national and provincial capacity for the prevention, treatment and support related to HIV and AIDS and tuberculosis	-	-	-	-	-	-	-
Belgium	HIV and AIDS	Strategic Health Programmes	-	Compensation of employees	Expansion of tuberculosis, HIV and AIDS and sexually transmitted diseases prevention, care and support by implementing capacity building programmes	1 980	1 728	1 575	129	-	-	-

Table 15.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
Belgium	HIV and AIDS	Strategic Health Programmes	-	Provinces and municipalities	Expansion of tuberculosis, HIV and AIDS and sexually transmitted diseases prevention, care and support by implementing capacity building programmes	2	-	-	-	-	-	-
Belgium	HIV and AIDS	Strategic Health Programmes	-	Machinery and equipment	Expansion of tuberculosis, HIV and AIDS and sexually transmitted diseases prevention, care and support by implementing capacity building programmes	-	-	-	-	-	-	-
European Union	Pharmaceutical and related product management	International Relations, Health Trade and Health Product Regulation	-	Compensation of employees	Improve capacity and effectiveness of the South African Health Products Regulatory Authority by supporting the implementation of an electronic documents and workflow management system according to policies	-	-	694	360	-	-	-
European Union	Pharmaceutical and related product management	International Relations, Health Trade and Health Product Regulation	-	Goods and services	Improve capacity and effectiveness of the South African Health Products Regulatory Authority by supporting the implementation of an electronic documents and workflow management system according to policies	-	-	917	22	-	-	-
European Union	Pharmaceutical and related product management	International Relations, Health Trade and Health Product Regulation	-	Machinery and equipment	Improve capacity and effectiveness of the South African Health Products Regulatory Authority through procuring 40 computers and printer/copier/scanner to implement the electronic data management system	-	-	1 146	-	-	-	-

Table 15.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
Global Fund Round Six	HIV and AIDS	Strategic Health Programmes	-	Compensation of employees	Address major gaps in the national response to HIV and AIDS by expanding and strengthening the role of non-governmental organisations and faith based organisations to support national response and strengthening capacity	-	-	-	5 879	-	-	-
European Union	Health economics	Health Planning and Monitoring	-	Goods and services	Build capacity in health economics and provide incidence benefit analysis, an expenditure tracking matrix and a national health reference price list	-	-	222	-	-	-	-
European Union	Primary health care	Health Services	-	Compensation of employees	Improve the delivery of Primary health care by strengthening research and epidemiology skills and the quality improvement programme, implementing a district hospital referral system and increase tuberculosis cure rates by reducing tuberculosis defaulter	1 152	6 065	26 596	4 008	-	-	-
European Union	Primary health care	Health Services	-	Goods and services	Provide access to primary health care through funding non-governmental organisations	11 086	15 855	35 841	11 919	-	-	-
European Union	Primary health care	Health Services	-	Households	Improve the delivery of primary health care by strengthening research and epidemiology skills and the quality improvement programme, implementing a district hospital referral system and increase tuberculosis cure rates by reducing tuberculosis defaulter	90	-	19	8	-	-	-
European Union	Primary health care	Health Services	-	Machinery and equipment	Implement cost centre management and provide IT capacity in selected hospitals	89	107	230	-	-	-	-
European Union	Hospital services	Health Services	-	Goods and services	Implement cost centre management and provide IT capacity in selected hospitals	791	1 277	3 473	241	-	-	-

Table 15.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
France	Human resource management	Health Human Resources Management and Development	-	Goods and services	Strengthen hospital management training in South Africa	-	15	461	379	-	-	-
Global Fund	HIV and AIDS	Strategic Health Programmes	-	Compensation of employees	Strengthening national and provincial capacity for the prevention, treatment and support related to HIV and AIDS and tuberculosis	142	363	428	722	-	-	-
Global Fund	HIV and AIDS	Strategic Health Programmes	-	Goods and services	Strengthening national and provincial capacity for the prevention, treatment and support related to HIV and AIDS and tuberculosis	4 103	6 075	4 794	28 024	-	-	-
Global Fund	HIV and AIDS	Strategic Health Programmes	-	Non-profit institutions	Strengthening national and provincial capacity for the prevention, treatment and support related to HIV and AIDS and tuberculosis	1 023	2 479	-	5 132	-	-	-
Global Fund Round Six	HIV and AIDS	Strategic Health Programmes	-	Goods and services	Address major gaps in the national response to HIV and AIDS by expanding and strengthening the role of non-governmental organisations and faith based organisations to support national response and strengthening capacity	-	-	39	3 438	-	-	-
Global Fund Round Six	HIV and AIDS	Strategic Health Programmes	-	Machinery and equipment	Address major gaps in the national response to HIV and AIDS by expanding and strengthening the role of non-governmental organisations and faith based organisations to support national response and strengthening capacity	-	-	-	473	-	-	-

Table 15.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
European Union	Medicines regulatory affairs	International Relations, Health Trade and Health Product Regulation	-	Machinery and equipment	Improve capacity and effectiveness of the South African Health Products Regulatory Authority by supporting the implementation of an electronic documents and workflow management system according to policies	131	256	-	-	-	-	-
European Union	Primary health care	Health Services	-	Non-profit institutions	Provide access to primary health care through funding non-governmental organisations	17	-	-	-	-	-	-
European Union	Primary health care	Health Services	-	Software and other intangible assets	Implement cost centre management and provide IT capacity in selected hospitals	15	-	-	-	-	-	-
European Union	Health economics	Health Planning and Monitoring	-	Goods and services	Build capacity in health economics and provide incidence benefit analysis, an expenditure tracking matrix and a national health reference price list	-	110	1 523	-	-	-	-
European Union	Human resource management	Health Human Resources Management and Development	-	Compensation of employees	Improve capacity in health care management by training of hospital managers, awards for service excellence, establishing a service placement call centre	266	481	468	72	-	-	-
European Union	Human resource management	Health Human Resources Management and Development	-	Goods and services	Improve capacity in health care management by training of hospital managers, awards for service excellence, establishing a service placement call centre	2 520	4 247	5 001	380	-	-	-
European Union	Human resource management	Health Human Resources Management and Development	-	Households	Improve capacity in health care management by training of hospital managers, awards for service excellence, establishing a service placement call centre	228	8	37	-	-	-	-
European Union	Human resource management	Health Human Resources Management and Development	-	Machinery and equipment	Improve capacity in health care management by training of hospital managers, awards for service excellence, establishing a service placement call centre	51	343	92	-	-	-	-

Table 15.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
Global Fund Round Six	HIV and AIDS	Strategic Health Programmes	-	Non-profit institutions	HIV and AIDS services by communities within nodal points, increased number of non-governmental organisations and community based organisations with quality gender sensitive programmes	-	44 356	82 481	150 033	-	-	-
Canada	HIV and AIDS	Strategic Health Programmes	-	Goods and services	Improve capacity of national and provincial non-governmental organisations coordination units to increase access to government funding by non-governmental organisations. Increased access to HIV and AIDS services by community nodal points. Increased number	-	182	595	2 236	-	-	-
Canada	HIV and AIDS	Strategic Health Programmes	-	Machinery and equipment	Improve capacity of national and provincial non-governmental organisations coordination units to increase access to government funding by non-governmental organisations. Increased access to HIV and AIDS services by community nodal points. Increased number	-	21	-	14	-	-	-
Belgium	Management	Administration	-	Goods and services	Strengthen capacity building programmes by implementing training and development programmes	-	-	3 361	3 942	-	-	-
Belgium	Management	Administration	-	Machinery and equipment	Strengthen capacity building programmes by implementing training and development programmes	-	333	-	-	-	-	-
Belgium	Corporate services	Administration	-	Goods and services	Strengthen capacity building programmes by implementing training and development programmes	-	403	106	521	-	-	-

Table 15.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand Foreign In cash												
European Union	Corporate services	1. Administration	-	Compensation of employees	Improve management of finance and supply chain by appointing and training of financial and supply chain managers seconded to provinces	-	1 633	9 095	1 813	-	-	-
European Union	Corporate services	1. Administration	-	Goods and services	Improve financial management and logistics of EU funded programmes by contracting service providers	239	1 562	5 050	2 095	-	-	-
European Union	Corporate services	1. Administration	-	Machinery and equipment	Improve financial management and logistics of EU funded programmes by supplying equipment to programme management unit	11	77	12	-	-	-	-
European Union	Medicines regulatory affairs	6. International Relations, Health Trade and Health Product Regulation	-	Compensation of employees	Improve capacity and effectiveness of the South African Health Products Regulatory Authority by supporting the implementation of an electronic documents and workflow management system according to policies	-	521	-	-	-	-	-
European Union	Medicines regulatory affairs	6. International Relations, Health Trade and Health Product Regulation	-	Goods and services	Improve capacity and effectiveness of the South African Health Products Regulatory Authority by supporting the implementation of an electronic documents and workflow management system according to policies	545	1 267	-	-	-	-	-
European Union	Medicines regulatory affairs	6. International Relations, Health Trade and Health Product Regulation	-	Software and other intangible assets	Improve capacity and effectiveness of the South African Health Products Regulatory Authority by supporting the implementation of an electronic documents and workflow management system according to policies	-	82	-	-	-	-	-

Table 15.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
European Union	Health economics	Health Planning and Monitoring	-	Compensation of employees	Build capacity in health economics and provide incidence benefit analysis, an expenditure tracking matrix and a national health reference price list	-	60	360	75	-	-	-
European Union	Health economics	Health Planning and Monitoring	-	Machinery and equipment	Build capacity in health economics and provide incidence benefit analysis, an expenditure tracking matrix and a national health reference price list	-	16	-	-	-	-	-
European Union	Hospital services	Health Services	-	Compensation of employees	Implement cost centre management and provide IT capacity in selected hospitals	-	3 803	1 892	869	-	-	-
European Union	Hospital services	Health Services	-	Machinery and equipment	Implement cost centre management and provide IT capacity in selected hospitals	-	287	191	-	-	-	-
European Union	Hospital services	Health Services	-	Software and other intangible assets	Implement cost centre management and provide IT capacity in selected hospitals	-	116	-	-	-	-	-
Canada	HIV and AIDS	Strategic Health Programmes	-	Compensation of employees	Improve capacity of national and provincial non-governmental organisations coordination units to increase access to government funding by non-governmental organisations. Increased access to HIV and AIDS services by community nodal points. Increased number	-	-	305	2 658	-	-	-
Centre for Disease Control/President's Emergency Plan for AIDS Relief	Health information evaluation & research	Health Planning and Monitoring	-	Goods and services	Improve capacity of national and provincial non-governmental organisations coordination units to increase access to government funding by non-governmental organisations. Increased access to HIV and AIDS services by community nodal points Increased number	-	-	-	1 207	-	-	-

Table 15.F Summary of donor funding (continued)

Donor	Project	Departmental programme name	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
R thousand												
Foreign In cash												
Denmark	District health	Health Services	-	Goods and services	The development objective of the urban environmental management programme is sustainable and poverty-orientated environmental management of urban areas within South Africa	-	-	56	5 744	-	-	-
European Union	Primary health care	Health Services	-	Universities and technikons	Provided access to primary health care	-	-	877	-	-	-	-
Centre for Disease Control/President's Emergency Plan for AIDS Relief	HIV and AIDS	Strategic Health Programmes	-	Compensation of employees	Achieving primary prevention of HIV and AIDS infections through confidential counselling and testing programmes and building programmes to reduce mother to child transmission	-	-	-	261	-	-	-
Centre for Disease Control/President's Emergency Plan for AIDS Relief	Health information evaluation & research	Health Planning and Monitoring	-	Machinery and equipment	Disease notification project	-	-	-	1 305	-	-	-
Centre for Disease Control/President's Emergency Plan for AIDS Relief	Health information evaluation & research	Health Planning and Monitoring	-	Software and other intangible assets	Disease notification project	-	-	-	1 705	-	-	-
Total			-			29 559	95 089	189 392	254 443	-	-	-

Table 15.G Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2009/10	Medium-term expenditure estimate		
				2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
R thousand										
Infrastructure transfers to other spheres, agencies and departments										
Limpopo Academic hospital	540 beds	Feasibility	1 872 237	-	-	-	-	30 755	50 000	100 000
Nelspruit tertiary hospital	400 new beds	Feasibility	1 829 514	-	-	50	-	42 000	125 557	182 419
Natalspruit hospital	Downscale to 500 beds	Construction	1 678 837	162 305	198 000	204 408	388 000	281 113	302 093	147 370
Kimberley hospital	577 new beds	Feasibility	1 672 380	-	-	179	6 000	45 000	100 000	100 000
Rustenburg hospital levels 1, 2 and 3	792 new beds	Feasibility	1 654 620	-	-	-	-	-	-	-
Edendale hospital	850 new beds	Feasibility	1 201 500	-	-	-	8 000	34 517	40 000	65 000
King Edward VIII hospital	850 new beds	Feasibility	1 185 500	-	-	-	-	45 000	80 000	87 000
Cecilia Makiwani psychiatric hospital	355 new beds	Feasibility	1 162 118	-	-	-	-	-	12 000	45 000
Ngwelezane war memorial hospital	Downscale to 859 beds	Construction	1 114 838	44 680	50 000	46 482	77 260	109 160	116 000	128 000
Madadeni hospital	620 bed revitalisation	Design	1 096 425	-	-	2 035	7 000	60 000	60 000	65 000
King George V hospital	Downscale to 960 beds	Construction	874 581	129 045	260 000	147 383	185 448	151 025	145 198	53 000
Kimberley Mental Hospital	Upgrade to 310 beds	Design	843 113	-	-	-	7 000	65 000	95 000	126 000
Kuruman hospital	422 new beds	Identification	817 950	-	-	-	-	39 000	48 870	50 000
Chris Hanu Baragwanath hospital 3	1 510 new beds	Construction	812 579	118 376	195 000	149 790	175 000	61 000	-	-
Dora Nginza hospital	800 new beds	Identification	796 842	-	-	-	-	-	-	-
Zola hospital	Downscale to 250 beds	Construction	773 267	38 545	110 000	60 626	135 000	187 709	340 256	300 000
Boitumelo hospital level 2	Downscale to 246 beds	Construction	762 140	39 867	50 000	51 588	111 244	80 000	60 725	60 000
Pelonomi hospital level 2 and 3	Downscale to 346 beds	Construction	745 496	7 859	18 147	17 883	67 178	90 000	111 603	44 000
Upington Hospital	Upgrade to 231 beds	Construction	678 756	-	15 000	119 194	140 000	155 000	100 000	98 000
Germiston hospital	Upgrade to 149 beds	Construction	636 569	21 165	42 000	46 676	72 000	180 147	-	-
Bophelong hospital	365 new beds	Design	627 306	-	-	-	8 000	96 303	130 014	168 366
Valkenberg hospital	420 new beds	Design	618 920	5 159	5 000	4 238	11 740	650	72 925	189 501
National hospital level 1	250 new beds	Design	606 638	-	-	-	5 000	35 000	40 000	70 000
Hlabisa hospital	308 new beds	Various	597 894	51 952	12 466	77 649	48 910	-	-	-
Brits hospital	Upgrade to 175 beds	Construction	585 465	6 167	17 015	25 981	74 130	106 000	160 060	146 000
Khayelitsha hospital	230 new beds	Construction	546 052	-	-	2 984	141 000	233 000	103 000	55 000
Mitchell's Plein hospital	230 new beds	Construction	509 342	-	-	712	113 000	158 904	198 000	214 862
Dihlabeng hospital level 2	155 new beds	Identification	495 220	-	-	-	-	25 000	35 000	71 000
Dr J Dube hospital	250 new beds	Design	491 976	161	9 850	3 407	2 500	-	5 000	39 060
Dr Pixley ka Seme hospital	450 new beds	Design	487 472	-	-	3 027	71 223	80 013	100 000	130 000
Mental health facility	310 new beds	Construction	468 590	98 788	150 000	29 014	155 967	75 000	-	-
Vryburg hospital	Upgrade to 120 beds	Construction	460 945	81 521	75 685	97 928	85 943	37 000	5 000	-
Rob Ferreira hospital	Downscale to 212 beds	Construction	456 299	20 841	32 140	16 250	206 534	95 300	20 000	-
Moses Kotane hospital	200 new beds	Construction	455 359	92 956	89 266	87 833	66 936	46 000	5 000	-
Brooklyn chest hospital	420 new beds	Identification	452 000	-	-	-	-	-	-	29 000
Mpumalanga Province psychiatric hospital	400 new beds	Feasibility	450 000	-	-	-	50 000	38 591	90 000	120 000
Paarl hospital	Upgrade to 326 beds	Construction	427 929	45 610	81 640	100 312	130 000	62 500	22 850	-
Mamelodi hospital	Upgrade to 250 beds	Construction	335 904	89 665	100 000	60 599	14 000	76 000	18 118	-
De Aar hospital	Upgrade to 190 beds	Design	331 363	37 941	8 000	16 671	18 307	89 218	80 000	86 750
Ermelo hospital	Upgrade to 735 beds	Construction	306 830	13 894	34 824	14 735	128 326	97 233	81 000	-

Table 15.G Summary of expenditure on infrastructure (continued)

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
R thousand										
St Elizabeth's hospital	Upgrade to 410 beds	Construction	301 099	13 902	85 000	42 360	65 785	94 415	85 024	98 500
Worcester hospital	Upgrade to 315 beds	Construction	294 479	31 836	73 944	62 688	44 000	30 000	3 750	-
St Lucy's hospital	Downscale to 154 beds	Construction	278 554	67 468	94 125	94 125	35 500	2 800	-	-
Themba hospital	Downscale to 212 beds	Construction	272 461	9 777	23 900	15 106	117 681	53 534	20 000	-
Frontier hospital	Upgrade to 400 beds	Construction	229 292	29 185	61 000	48 907	71 450	75 450	82 574	62 909
Ladybrand hospital level 1	60 new beds	Design	223 170	-	-	-	10 205	40 000	37 000	36 000
Madwaleni hospital	220 new beds	Design	222 403	-	-	-	-	1 096	2 000	60 000
George hospital phase 4	Upgrade to 265 beds	Construction	218 844	1 737	15 639	9 271	48 000	32 000	5 900	-
Trompsburg hospital level 1	45 new beds	Construction	209 060	-	-	-	40 314	39 000	37 000	30 000
Rietvlei hospital	Downscale to 205 beds	Construction	200 127	12 498	-	25 181	41 165	15 600	-	-
Piet Retief hospital	Downscale to 140 beds	Handed over	198 073	10 803	10 000	3 179	-	-	-	-
Madzikane Ka Zulu hospital	Upgrade to 267 beds	Handed over	195 918	16 949	7 000	12 017	-	-	-	-
Postmasburg hospital	Upgrade to 55 beds	Design	173 736	5 196	-	565	-	10 000	55 000	67 000
Dilokong hospital	Downscale to 252 beds	Handed over	166 547	28 171	5 750	9 735	2 000	-	-	-
St Patrick's hospital	Downscale to 245 beds	Construction	162 096	24 696	29 000	43 741	46 523	81 400	70 950	40 000
Thabazimbi hospital	112 new beds	Construction	162 094	-	-	-	38 493	94 120	65 157	11 593
Letaba hospital	Upgrade to 400 beds	Construction	161 188	16 487	52 150	34 210	51 245	16 000	-	-
Ditsobotla hospital	108 new beds	Design	156 116	-	-	-	6 000	36 000	67 000	86 000
Nkhensani hospital	Upgrade to 363 beds	Handed over	154 352	36 568	16 628	20 365	2 000	-	-	-
Thabamooopo hospital	400 new beds 1152	Construction	144 305	9 119	47 579	48 610	42 749	8 000	-	-
Vredenburg hospital phase 2	Upgrade to 80 beds	Construction	144 165	5 484	15 992	8 439	50 300	58 500	74 076	-
Maphuta Malatji hospital	Downscale to 93 beds	Construction	124 744	6 178	12 750	15 517	43 644	64 000	2 000	-
Jane Furse hospital	Downscale to 252 beds	Construction	120 000	13 416	-	3 075	15 500	1 550	-	-
Musina hospital	92 new beds	Design	103 432	-	-	-	3 000	76 000	75 000	63 322
Port Nolloth hospital	30 new beds	Identification	69 540	-	-	-	-	2 000	22 022	25 003
Barkly West hospital	Upgrade to 55 beds	Construction	50 052	25 181	14 000	84	9 000	-	-	-
Baberton hospital	151 new beds	Identification	-	-	-	-	-	-	2 000	14 000
Kwa Mhlanga hospital	153 new beds	Identification	-	-	-	-	-	-	10 000	30 000
Mapulaneng hospital	279 new beds	Identification	-	-	-	-	-	-	2 000	15 000
Tintswalo hospital	329 new beds	Identification	-	-	-	-	-	-	5 000	15 000
Warmbaths hospital	To be determined	Identification	-	-	-	-	-	-	3 000	72 305
Calvinia hospital	Downscale to 35 beds	Handed over	-	704	-	-	-	-	-	-
Cecilia Makiwane regional hospital	625 new beds	Design	-	-	-	-	-	100 000	110 000	95 000
Chris Hani Baragwanath hospital level 1	210 new beds	Various	-	18 585	-	-	-	-	-	-
Colesburg hospital	Upgrade to 35 beds	Handed over	-	1 930	-	-	-	-	-	-
Lebowakgomo hospital	Upgrade to 241 beds	Handed over	-	6 363	-	-	-	-	-	-
Mosselbay hospital	To be determined	Identification	-	-	-	-	-	-	-	13 000
Total			36 656 613	1 498 730	2 118 490	1 884 809	3 495 200	3 939 603	3 789 722	3 804 960

