

VOTE 7

Health

Operational budget	R 9 035 474 000
MEC remuneration	R 607 000
Total amount to be appropriated	R 9 036 081 000
Responsible MEC	Dr Z. L. Mkhize, Minister of Health
Administrating department	Department of Health
Accounting officer	Head: Health

1. Overview

Vision

The vision of the Department of Health is: *To achieve the optimal health status for all persons in the Province of KwaZulu-Natal.*

Mission statement

The mission statement of the department is to develop a sustainable, co-ordinated, integrated and comprehensive health system at all levels of care, based on the primary health care approach through the District Health System.

Strategic objectives

The Health's main strategic goals for 2004/05 in line with the provincial priorities, are as follows:

Eradication of poverty and inequity

- To continue to provide and improve the quality of health care in the province;
- To continue to enhance primary health care services through the District Health System approach with special emphasis on the underserved areas;
- To continue to strive towards decreasing morbidity and mortality rates, especially among infants and mothers, and to encourage preventative rather than curative treatment;
- To continue investing in health infrastructure through the Clinic Upgrading and Building Programme and the revitalisation of hospital facilities;
- To focus on resource mobilisation and management of resources to attain equity in resource allocation;
- To strive towards improving human resource management and human resource development through the training of sufficient personnel to meet the needs of the department; and
- To continue to encourage and improve communication and consultation within health services and between the health system and communities.

Addressing the HIV/AIDS pandemic (through a three-pronged approach):

- Prevention through the continued roll-out of the Counselling and Voluntary Testing (CVT) Programme and the Prevention of Mother to Child Transmission of HIV/AIDS (PMTCT) Programme, the Post-Exposure Prophylaxis (PEP) Programme for rape survivors, and protection of health workers through training programmes and anti-retroviral therapy for accidental exposure through needle-stick injuries;
- An improvement in the management of HIV positive people through the provision of quality home-based care and hospice care, as well as the treatment of opportunistic infections and the roll-out of the Anti-Retroviral Programme; and
- Support of dependants through assisting and supporting the families of HIV positive people.

Core functions

The core functions of the Department of Health are to provide information, education and actions in order to prevent the occurrence of disease, and, in the event of disease, to provide appropriate and cost-effective curative care. The department is responsible for the delivery of three main categories of services, namely primary health care services, hospital services and emergency medical rescue services. These are discussed briefly below:

Primary Health Care Services

This category focuses on the prevention of illness and the provision of basic curative health services. These services include immunisation, health promotion, HIV/AIDS awareness, nutrition services, mother and child health services, communicable disease control, environmental health, oral and dental health, rehabilitation support, occupational health and chronic disease support.

Hospital Services

District hospitals cater for those patients who require admission to a hospital for treatment at general practitioner level, while general hospitals cater for patients requiring admission to hospital for treatment at specialist level. Tuberculosis hospitals, psychiatric hospitals and chronic medical hospitals (long-term) provide hospitalisation for patients suffering from tuberculosis, mental illnesses and those patients requiring long-term nursing care. Central and tertiary hospitals provide the facilities and expertise needed for sophisticated medical procedures.

Emergency Medical Rescue Services

The aim of this category is to provide emergency transport and paramedic personnel for victims of trauma, maternity, motor vehicle and other accidents, as well as transport for indigent patients, requiring inter-hospital and outpatient transport.

Legislative mandate

In carrying out its functions, the department is governed by the following Acts, rules and regulations:

- The Constitution of the Republic of South Africa, 1996 (Act 109 of 1996)
- National Health Act of 1977 (Act No. 63 of 1977)
- Mental Health Act of 1973 (Act 18 of 1973)
- Provincial Health Act, 2000 (Act 4 of 2000)
- Public Finance Management Act (Act 1 of 1999 as amended)
- Division of Revenue Act
- Public Finance Management Act: Treasury Regulations
- Public Service Act and Public Service Regulations
- KwaZulu-Natal Procurement Act, 2001 (Act 3 of 2001)

Challenges and developments

In line with the provincial priorities, the main focus of the department is on the following projects, together with the accompanying challenges:

Eradication of poverty and inequity

The department is attempting to address this priority by focussing on the provision of additional clinics and community health centres to ensure access to health services to the poor and underserved areas. This is based on the principles of moving towards equity in service provision and financial allocations, by ensuring that more funds are allocated to the poor areas relative to the more affluent areas, within the limits of available funding. Furthermore, the department is faced with the challenge of continuing to roll out emergency medical and rescue services to the underserved and poverty stricken areas of the province.

The rationalisation of hospital services in terms of the strategic positioning statement (SPS) guidelines is ongoing, with the emphasis on reducing the provision to higher level services and providing more suitable,

less expensive facilities for the treatment and care of patients. At the same time, the standard of higher level services must be maintained in order to provide a balanced health service in the province. The upgrading of district hospitals in the drive towards equity is also continuing, within funding constraints.

The expansion of the Community Health Worker Programme in order to provide basic health services should generate employment for unskilled members of the population in disadvantaged areas. In addition, the improvement and maintenance of the health infrastructure in a safe and acceptable condition must be provided for. This in turn should generate further employment.

A further challenge is to improve the morale of existing personnel, especially nurses and other professionals, by recruiting additional personnel from local communities, as well as providing increased funding for bursaries. The aim is to address the skills shortage in the department, which has resulted from trained personnel leaving to take up employment overseas and in the private sector.

The devolution of coroner services/mortuaries from the South African Police Services is imminent. The roll-out of these services will require specialised management and human resources.

Addressing the HIV/AIDS pandemic in the province

The continued management of both the prevention and treatment of HIV/AIDS in the province continues to pose a major challenge to this department, both from the financial and the human resource aspects. The total impact of HIV/AIDS on health services is not easily identifiable in financial terms, because HIV/AIDS is not a disease *per se*, but attacks the immune system of the patient. Treatment is therefore directed not at HIV/AIDS itself, but rather at the diseases that take advantage of a patient's weakened system.

The department has made substantial progress so far in managing the HIV/AIDS crisis in the province. Through its prevention programme, great strides have been made with the roll-out of the CVT, PMTCT and PEP programmes. However, although roll-out of these programmes thus far has been successful, and the PMTCT programme is among the best in the world, there are still vast areas of the province that need to be reached. This is proving an enormous challenge to the department.

As far as the management of HIV positive people is concerned, the department has successfully reached numerous patients through its home-based care and hospice programmes. The Executive Authority of this province has indicated its readiness and willingness to implement the Anti-retroviral Treatment Programme, and a new challenge facing the department is the roll-out of this programme. However, in view of the cost of treatment and the number of HIV positive persons who qualify for this treatment in terms of the clinical protocol, only a limited impact can be made in this regard over the MTEF period. If the demand for this service is restricted due to financial reasons rather than protocol, socio-political consequences could result.

2. Review of the current financial year – 2003/04

The department continued to make progress in 2003/04 towards improving the quality of health services provided to the indigent population of this province, within available funds. Based on expenditure trends for the first half of 2003/04, indications were that the department was heading for a potential over-expenditure of some R490 million, including a payment of R221 million for previous years' over-expenditure. However, additional funding of R271,439 million was provided in the 2003/04 Adjustments Estimate. Taking the above into account, the department should remain within its 2003/04 allocation, but must still implement measures to make up the over-expenditure of R221 million relating to previous financial years.

Despite these financial limitations, the department continued to provide basic services in the underserved areas in 2003/04, through the primary health care approach. The ultimate aim is to provide 2.8 visits per annum per non-medical aid member at primary health facilities, which calculates to approximately 21 million headcounts per annum. Figures at clinics and community health centres continue to show a steady growth, increasing from 12,773 million in 1999/00, to 19,281 million headcounts in 2003/04.

During 2003/04, the department continued to phase in new and replacement clinics in rural areas. It is anticipated that a further 12 new and replacement clinics should be completed by the end of the year. In

addition, a new community health centre was completed at eDumbe, and the planning for 2 new community health centres, at Turton and St Chad's, was finalised, and these projects are currently under construction.

Substantial progress was made in 2003/04 with regard to controlling tuberculosis (TB) at PHC level. A TB programme was implemented at 377 of the 522 clinics, and these clinics are now able to diagnose and provide TB treatment. This entailed the training of 375 additional health care worker staff, and improving sputum collection for diagnosis. Also during this period, the department successfully conducted the Directly Observed Treatment (DOT) short course programme, training a total of 811 community volunteers, 339 community health workers, and 39 home-based care-givers.

Health promotion events were held throughout the year, in accordance with the Health Calendar. These included World TB Day, World AIDS Day, as well as health promotions for mental health, the disabled, cholera, women's health, and many others. These functions were attended by between 2,000 and 5,000 people, and were supported by media, advertisements, provision of pamphlets, etc.

In respect of HIV/AIDS, the department continued to roll-out the PMTCT Programme. The number of institutions currently participating in this programme is 283, compared with 98 in 2002/03. Furthermore, the department instituted the PEP Programme for the protection of rape survivors and sexually abused persons from infection with HIV. Youth life skills programmes were introduced in all districts during 2003/04, and a high profile communication strategy was conducted to encourage positive and sustained behavioural change by using mass media, billboards, taxis and sports events.

3. Outlook for the coming financial year – 2004/05

It is estimated that the 2004/05 allocation falls short by approximately R2,047 billion, if the Department of Health is to be able to render a universally acceptable health service and meet its targets as set out in the Strategic Positioning Statement (SPS). However, funding to this extent is not available, and therefore the department has to ensure that optimal service delivery will take place in 2004/05 within prevalent financial constraints. Conservative estimates indicate that, despite stringent controls that are already in place, the department will be heading for an over-expenditure of approximately R110 million in 2004/05.

Within the funds available, the department intends to emphasise the following key focus areas, in line with the provincial priorities of poverty and inequality, and the management of HIV/AIDS and tuberculosis:

Eradication of poverty and inequity

There will be further expansion of emergency medical and rescue services into the underserved rural areas. In addition, services will continue to be developed in rural and peri-urban areas, in a drive towards equity. Special health promotion drives in accordance with the Health Calendar will be undertaken in respect of the health programmes such as maternal child and women's health, communicable diseases, rehabilitation, chronic diseases, occupational diseases, nutrition, environmental health and oral, dental and mental health.

Recruitment of personnel to train as community health workers and nurses to alleviate the current acute shortage of qualified personnel will be continued, especially from the poor areas of the province.

Addressing the HIV/AIDS pandemic in the province

Should funds be made available, the roll-out of the anti-retroviral treatment for the HIV positive members of the population will commence in 2004/05. Also, the number of special HIV/AIDS awareness and treatment campaigns will be increased in 2004/05.

Finally, the following policies, which have been introduced since 1995, are to be continued in 2004/05:

- Free health services to pregnant women, children under 5 years of age, and the disabled and the aged;
- The implementation and improvement of primary health care through the district health system;
- The immunisation of all newborns and children;
- The use of community health workers to disseminate information at grass roots level;
- The continuation of a vigorous capital works and maintenance programme; and
- The provision of an integrated nutrition service.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 7.1 below gives the sources of funding used for Vote 7 over the seven-year period 2000/01 to 2006/07. The table also compares actual and budgeted receipts against actual and budgeted payments. As illustrated in the table, the Department of Health will receive a budget allocation of approximately R9,036 billion in 2004/05. Included in this amount are numerous national conditional grants totalling R1,336 billion, which are explained in greater detail below.

Table 7.1: Summary of receipts and financing

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Provincial allocation	4,779,178	5,548,407	6,295,359	7,047,259	7,047,259	7,699,842	8,263,748	8,987,472
Conditional grants	1,100,830	942,970	1,018,521	1,198,899	1,198,899	1,336,239	1,529,063	1,684,697
<i>Health Professionals Training & Development</i>	146,750	154,388	164,755	167,553	167,553	180,629	192,373	192,373
<i>Integrated Nutrition Programme</i>	132,471	132,471	136,337	176,646	176,646	24,513	26,954	-
<i>Inkosi Albert Luthuli Central Hospital</i>	331,400	103,800	-	-	-	-	-	-
<i>Hospital Revitalisation</i>	70,526	87,000	111,000	129,860	129,860	178,054	190,292	220,883
<i>National Tertiary Services</i>	406,645	427,525	488,575	551,831	551,831	619,462	686,637	727,835
<i>Comprehensive HIV/AIDS Grant</i>	1,000	13,924	52,496	85,591	85,591	186,348	251,468	344,304
<i>Provincial Infrastructure</i>	-	23,862	46,358	70,043	70,043	127,168	157,561	174,098
<i>Hospital Management Improvement</i>	3,000	-	19,000	16,375	16,375	20,065	23,778	25,204
<i>Medico legal Mortuaries</i>	-	-	-	1,000	1,000	-	-	-
<i>Flood Disaster Reconstruction</i>	9,038	-	-	-	-	-	-	-
Total	5,880,008	6,491,377	7,313,880	8,246,158	8,246,158	9,036,081	9,792,811	10,672,169
Total payments	5,771,912	7,030,301	7,495,572	8,257,134	8,266,517	9,036,081	9,792,811	10,672,169
Surplus/(Deficit) before financing	108,096	(538,924)	(181,692)	(10,976)	(20,359)	-	-	-
Financing								
<i>of which</i>								
Provincial roll-overs	30,975	114,313	1,974	45	45			
Provincial cash resources		138,039	103,852	80,931	80,931			
Suspension to ensuing year				(70,000)	(70,000)			
Surplus/(deficit) after financing	139,071	(286,572)	(75,866)	-	(9,383)	-	-	-

Conditional grants

The department has been allocated seven national conditional grants over the MTEF, as discussed below:

Health Professionals Training and Development Grant – This grant is to support the training of health professionals, and the increase is related to inflationary pressures.

Integrated Nutrition Programme – This grant is allocated to improving the nutritional status of South Africans, specifically to enhance active learning capacity and improve the school attendance of primary school learners from poor households. The significant decrease in the grant is a result of the transfer of a portion of this grant, namely the Primary School Nutrition Programme, to the Department of Education and Culture in 2004/05. The Integrated Nutrition Programme will continue to be funded for two years as a national conditional grant, and thereafter will be funded by the province.

Hospital Revitalisation – This grant is aimed at transforming and modernising hospitals in line with the national planning framework, and also at achieving sustainability.

National Tertiary Services – This grant is used to fund national tertiary services, as identified and costed by the National Department of Health. The higher than inflation increase in this grant can mainly be ascribed to the agreement to establish equity between provinces.

HIV/AIDS – This grant is provided to enable the social sector to develop an effective integrated response to the HIV/AIDS epidemic, focusing on children infected and affected by HIV/AIDS. The increasing trend is related to the roll-out of the PMTCT, CVT and ARV programmes, as well as the home-based care and the step-down care programmes. Again, however, this grant falls short of actual needs.

Provincial Infrastructure – This grant is aimed at accelerating the construction, maintenance and rehabilitation of new and existing infrastructure. The increase in this grant is mainly due to the special

programme for maintenance and upgrading of health facilities to be undertaken by the Department of Works, under the Extended Public Works Programme.

Hospital Management Improvement Grant – This grant is aimed at strengthening provincial and institutional management teams.

4.2 Departmental receipts collection

Table 7.2 below illustrates the revenue collected by the Department of Health over a seven-year period. Details of these departmental receipts are presented in *Annexure to Vote 7 – Health*.

It should be noted that the only meaningful revenue collected by this department is that of patient fees. Most of the remaining revenue items are not uniform, and are not received on a regular basis. As a result, it is difficult to make accurate projections for future years, and therefore historical figures have been used to estimate revenue trends over the MTEF. Approximately 96 per cent of patients attending the department's health facilities are not able to make any meaningful contribution for services provided, and any positive gains in the collection of revenue are being negated by the provision of further free services. However, it remains a challenge to maximise revenue collection, and, in this regard, capacity building is continuing at the institutions in order to effectively collect the potential revenue due to the department.

A major challenge to the department is the computerisation of the Uniform Patient Fees Schedule (UPFS).

Table 7.2: Details of departmental receipts

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates			
	Audited	Audited	Audited			2003/04	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
Tax receipts	-	-	-	-	-	-	-	-	
Non-tax receipts	109,775	117,964	117,502	124,284	120,641	128,277	135,819	143,118	
Sale of goods and services other than capital assets	109,241	116,115	115,248	123,244	118,604	127,237	134,779	142,078	
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	
Interest, dividends and rent on land	534	1,849	2,254	1,040	2,037	1,040	1,040	1,040	
Transfers received	-	-	-	-	-	-	-	-	
Sales of capital assets	235	261	307	279	432	296	315	331	
Financial transactions	-	-	-	-	-	-	-	-	
Total	110,010	118,225	117,809	124,563	121,073	128,573	136,134	143,449	

5. Payment summary

This section summarises payments and budgeted estimates for the vote in terms of programmes and economic classification in the new economic reporting format. Details according to economic classification are presented in *Annexure to Vote 7 – Health*.

5.1 Programme summary

The department has eight budget programmes in total. Four programmes, explained below, are directly linked to the core functions of the department.

Programme 2: District Health Services focuses on the prevention of illnesses at the primary health care level, including District Hospitals and early detection, diagnosis and treatment of illnesses. Programme 4: Provincial Hospital Services caters for patients requiring specialist services at a regional level, as well as patients requiring special hospital services such as mental health and tuberculosis treatment. Programme 3: Emergency Medical Services provides transport for patients requiring specialised transport and paramedic care, as well as indigent patients who require transport between institutions. Programme 5: Central Hospital Services provides facilities and expertise for sophisticated medical procedures.

The remaining four programmes supporting service delivery are as follows: Programme 1: Administration deals with management functions at Head Office, while Programme 6: Health Sciences and Training covers various aspects pertaining to the training of personnel. Programme 7: Health Care Support Services deals

with the store capital for the Provincial Medical Store, and Programme 8: Health Facilities Management provides mainly for health infrastructure and equipment requirements.

Table 7.3 below provides a summary of payments and estimates according to these 8 programmes.

Table 7.3: Summary of payments and estimates by programme

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
				2003/04				
1. Administration	104,270	134,002	143,866	160,044	159,977	175,055	188,710	195,239
2. District Health Services	2,734,315	3,326,700	3,363,876	3,766,804	3,771,589	3,975,882	4,267,661	4,807,151
3. Emergency Medical Services	154,158	158,336	196,428	264,043	264,113	367,555	396,595	421,580
4. Provincial Hospital Services	1,730,950	2,020,760	2,242,949	2,558,382	2,558,410	2,564,345	2,878,393	2,975,080
5. Central Hospital Services	639,081	556,323	969,210	780,114	781,936	875,332	931,821	1,086,328
6. Health Sciences and Training	174,367	210,109	250,234	308,959	311,704	376,871	396,902	416,456
7. Health Care Support Services	-	-	5,000	10,400	10,400	10,600	5,600	6,060
8. Health Facilities Management	234,771	624,071	324,009	408,388	408,388	690,441	727,129	764,275
Total	5,771,912	7,030,301	7,495,572	8,257,134	8,266,517	9,036,081	9,792,811	10,672,169

Note: Programme 1 includes MEC remuneration payable as from 1 April 2003. Salary: R485,412. Car allowance: R121,353

5.2 Summary of economic classification

Table 7.4 below illustrates the expenditure and budget trends for the department per economic classification. The personnel figures show a strong upward trend from 2000/01 to 2006/07, mainly due to funding for improvements in condition of service.

However, when comparing the percentage of funds allocated to personnel against the total allocation, excluding funding for the building and commissioning of the Inkosi Albert Luthuli Central Hospital, the figures show a downward trend from approximately 63 per cent in 2000/01 to approximately 57 per cent in 2006/07. This ratio is slightly below the accepted norm of 60 per cent in this labour intensive department.

The figures pertaining to transfer payments initially show an upward trend, again mainly related to the improvements in condition of service, as well as adjustments for inflation for subsidised institutions and the Integrated Nutrition Programme. The possibility exists that, in the near future, the department will have to either increase the subsidies substantially or to take over some of the subsidised institutions, because of the continued decrease in their donor support. From 2004/05, transfer payments show a marked decrease owing to the shifting of the Primary School Nutrition Programme to the Department of Education and Culture.

Other current expenditure figures show a similar increasing trend, mainly related to the introduction of new policies, the provision of safety nets for the poor and the eradication of inequity, as well as inflation and the foreign exchange rate. Likewise, capital expenditure figures show an increase, largely due to a special drive by the department to improve its physical facilities and equipment to an acceptable level.

Table 7.4: Summary of payments and estimates by economic classification

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03					
				2003/04				
Current payments	5,158,744	5,953,650	6,609,116	7,190,660	7,200,143	7,943,996	8,628,614	9,447,078
Compensation of employees	3,658,669	4,240,830	4,450,531	4,856,100	4,856,100	5,250,144	5,667,783	5,985,654
Goods and services	1,497,622	1,709,070	2,153,807	2,328,431	2,337,914	2,687,249	2,953,707	3,453,790
Other	2,453	3,750	4,778	6,129	6,129	6,603	7,124	7,634
Transfers and subsidies to:	336,659	402,548	427,454	513,569	513,569	335,341	359,601	380,856
Local government	61,407	64,561	71,298	75,448	75,448	80,816	87,481	92,407
Non-profit institutions	193,760	246,334	257,762	322,475	322,475	148,146	157,774	167,241
Households	25,734	31,487	30,301	43,162	43,162	28,733	31,540	33,432
Other	55,758	60,166	68,093	72,484	72,484	77,646	82,806	87,776
Payments for capital assets	276,509	674,103	459,002	552,905	552,805	756,744	804,596	844,235
Buildings and other fixed structures	143,240	525,391	228,039	179,494	179,494	317,736	334,890	346,895
Machinery and equipment	131,281	146,034	230,920	373,229	373,129	438,961	469,654	497,283
Other	1,988	2,678	43	182	182	47	52	57
Total	5,771,912	7,030,301	7,495,572	8,257,134	8,266,517	9,036,081	9,792,811	10,672,169

5.3 Summary of infrastructure expenditure and estimates

Table 7.5 below presents a summary of infrastructure expenditure and estimates by categories for the Vote. Detailed information on infrastructure is given in the *Annexure to Vote 7 – Health*.

The table illustrates that infrastructure spending has increased substantially over the six year period, largely due to a special drive by the department to improve its physical facilities and equipment to an acceptable level. The high expenditure in 2001/02 relates to the final conditional grant for the Inkosi Albert Luthuli Central Hospital. In addition to the infrastructure conditional grant allocation, the department provided for the building of clinics in rural areas, and the upgrading or replacement of unsuitable clinics. In general, the department has made a small, but significant, improvement each year in its infrastructure facilities.

The significant increase against *New construction* from 2003/04 to 2004/05 is due to the original budget for 2003/04 being reduced by R70 million, in respect of projects that will not be completed in that year. This amount was formally suspended in the 2003/04 Adjustments Estimate, and will be re-allocated in the 2004/05 Adjustments Estimate.

Table 7.5: Summary of infrastructure expenditure and estimates

Table 7.3: Summary of infrastructure expenditure and estimates								
R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
New constructions (Buildings and infrastructure)	65,974	445,083	131,035	74,219	74,219	162,524	217,588	199,093
Rehabilitation/upgrading	78,981	80,644	94,618	105,275	105,275	155,212	117,302	147,802
Other capital projects	12,841	13,274	6,685	89,722	89,722	164,705	173,239	183,050
Total	157,796	539,001	232,338	269,216	269,216	482,441	508,129	529,945

5.4 Transfers to local government

Table 7.6 below indicates transfers to local government, including both specific allocations to individual municipalities, as well as amounts still to be negotiated between this department and municipalities. These funds have been earmarked for transfer to municipalities, but transfer is dependant upon satisfactory service level agreements. Details of amounts per municipality are given in the *Annexure to Vote 7 – Health*.

Table 7.6: Summary of departmental transfers to local government by category

Table 7.6: Summary of departmental transfers to local government by category								
R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04				
Category A	22,330	23,052	23,507	25,201	25,201	27,413	30,526	33,029
Category B	18,844	20,407	24,597	27,091	27,091	29,657	32,891	35,588
Category C	4	11	-	-	-	-	-	-
Total	41,178	43,470	48,104	52,292	52,292	57,070	63,417	68,617

6. Programme description

The services rendered by this department are categorised under eight programmes, the details of which are discussed at greater length below. The payments and budgeted estimates for each programme are summarised in terms of the new economic classification, and detailed in *Annexure to Vote 7 – Health*.

6.1 Programme 1: Administration

This programme houses and administers funds for conducting the overall management of the department. There are two sub-programmes within this programme, namely Office of the MEC and Management, with the objectives of formulating policy, organising the department, and managing its personnel and financial management services. The aims of this programme are to ensure that health services are rendered in terms of approved policies, and that comprehensive health care services are coordinated in the province.

Tables 7.7 and 7.8 below summarise payments and budgeted estimates relating to this programme for the financial years 2000/01 to 2006/07. It is the policy of the department to keep the allocation of this programme to a maximum of 2 per cent of total budget allocation, and this has been achieved. The increase in the expenditure trend from 2000/01 to 2001/02 was mainly due to improvements in condition of service, the devolution of functions from the Department of Works to maintain the Natalia building, as well as funds from the Provincial Treasury for the payment of Auditor-General fees.

Table 7.7: Summary of payments and estimates: Programme 1

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03					
				2003/04		2004/05	2005/06	2006/07
Office of the MEC	3,123	3,500	4,188	5,286	5,222	5,765	6,215	6,725
Management	101,147	130,502	139,678	154,758	154,755	169,290	182,495	188,514
Total	104,270	134,002	143,866	160,044	159,977	175,055	188,710	195,239

Table 7.8: Summary of payments and estimates by economic classification: Programme 1

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03					
				2003/04		2004/05	2005/06	2006/07
Current payments	100,735	127,691	141,734	158,094	158,027	173,460	186,971	193,338
Compensation of employees	70,118	82,347	83,963	101,161	101,161	108,243	115,278	122,195
Goods and services	29,553	43,868	56,041	55,125	55,058	63,228	69,505	68,736
Other	1,064	1,476	1,730	1,808	1,808	1,989	2,188	2,407
Transfers and subsidies to:	420	446	248	258	258	276	293	311
Local government	193	239	243	252	252	270	287	304
Non-profit institutions	-	-	-	-	-	-	-	-
Households	217	207	1	-	-	-	-	-
Other	10	-	4	6	6	6	6	7
Payments for capital assets	3,115	5,865	1,884	1,692	1,692	1,319	1,446	1,590
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	3,115	5,865	1,841	1,510	1,510	1,272	1,394	1,533
Other	-	-	43	182	182	47	52	57
Total	104,270	134,002	143,866	160,044	159,977	175,055	188,710	195,239

6.2 Programme 2: District Health Services

This programme is the main vehicle for uplifting the health services provided to the indigent communities within the province. The main aims of the programme are to provide a safety net for the poor, and to ensure equity in health service delivery. This programme includes the following nine sub-programmes, which are used to facilitate identification of the different functions: District Management, Community Health Clinics, Community Health Centres, Community Based Services, Other Community Services, HIV/AIDS, Nutrition, Coroner Services and District Hospitals. The main aims of these sub-programmes are:

- To provide service planning, administration, co-ordination and monitoring of district health services, including those rendered by district councils and non-government organisations;
- To render primary health care services outside hospitals, including those patients who do not need admission for more than 24 hours;
- To render primary health care services for home-based care, the treatment of abused, crisis and trauma victims, as well as those patients treated by community health workers;
- To render primary health care services for the management of environmental health including malaria, as well as specific medical programmes. These include communicable diseases, health promotion, chronic disease, rehabilitation, mental health, maternal child and woman's health, etc;
- To render primary health care services mainly related to the prevention of HIV/AIDS;
- To provide services directed at providing nutrition for the malnourished members of the population;
- To provide in future for all coroner and forensic services in the province; and
- To render hospital services at general practitioner level.

In line with the priorities of the province, the main policy developments and legislative changes that have had a significant influence on expenditure over the MTEF period are as follows:

Eradication of poverty and inequity

This includes an aggressive campaign against TB, the deliberate shifting of services from higher levels of service to primary health care to provide better access to health facilities for the indigent members of the population, the maintenance of the community service programme for certain professions, and the provision of increasing access to less expensive but most important level of health services, namely clinics, community health centres and district hospitals.

Addressing the HIV/AIDS pandemic

This includes the continued roll-out of the PMTCT Programme for HIV/AIDS, the PEP Programme for rape victims, the CVT Programme, as well as the maintenance of the community service programme for certain professions. Currently, the main areas causing expenditure pressures are the provision of medical care for the escalating number of HIV/AIDS patients at district hospitals, requests for overtime payments and demands to unfreeze posts due to work pressure, and the increased incidence of TB and other HIV/AIDS related diseases.

The Comprehensive HIV and AIDS conditional grant reflects a substantial increase over the MTEF when compared to the baseline allocation for HIV/AIDS, as illustrated in the following schedule:

Comprehensive HIV and AIDS grant (R000)	2004/05	2005/06	2006/07
Baseline allocation	122,270	123,313	130,712
Revised allocation	186,348	251,468	344,304
Increase	64,078	128,155	213,592

The revised allocation includes the provision for the roll-out of the anti-retroviral treatment in this province. According to various studies undertaken in the country, it is estimated that approximately 496,563 HIV positive persons in this province qualify for anti-retroviral treatment in terms of the parameters set out in the clinical protocol. However, the revised conditional grant funding over the MTEF period is insufficient to make a significant impact, as is shown hereunder:

Year	Budget allocation R000	Potential number of patients	Costs per patient per annum	No. of patients who can be treated	% of patients treated
2004/05	64,078	496,563	R15,431	4,153	0.84%
2005/06	128,155	496,563	R15,431	8,305	1.67%
2006/07	213,592	496,563	R15,431	13,842	2.79%

Indications are that the cost of the anti-retroviral drugs may be reduced, if large quantities are purchased. Should this be the case, and if the cost reduction in the medication is 50 per cent, the following figures would apply:

Year	Budget allocation R 000	Potential number of patients	Costs per patient per annum	No. of patients who can be treated	% of patients treated
2004/05	64,078	496,563	R10,751	5,960	1.20%
2005/06	128,155	496,563	R10,751	11,920	2.40%
2006/07	213,592	496,563	R10,751	19,867	4.00%

Tables 7.9 and 7.10 below summarise payments and estimates for Programme 2. Despite significant reductions in the Nutrition sub-programme in the outer years, there is a generally increasing trend, mainly as a result of the policy of providing access to less expensive, but the most important level of health services. This includes commissioning new clinics, and establishing district management offices within districts, with special emphasis on the prevention and treatment of HIV/AIDS and the spread of related diseases, especially TB. The decrease in the Nutrition sub-programme is due to the transfer of the Primary School Nutrition Programme to the Department of Education and Culture, and the decrease in District Hospitals is a result of allocating expenditure to the correct services, such as TB Hospitals and HIV/AIDS.

The allocation of R1 million for coroner services in 2003/04 is to cater for the initial costs of the transfer of the Medico-legal services from the South African Police Services. No provision has been made in this regard in the outer years, as the function shift has not yet been finalised. Once finality is reached and the function is transferred, the funds should follow from the South African Police Services.

Ideally, the amount provided for HIV/AIDS should be increased over the MTEF, but this cannot be afforded within the current allocation for the 2004/05 MTEF period.

Table 7.9: Summary of payments and estimates: Programme 2

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04				
District Management	26,056	31,689	42,178	44,750	45,997	61,060	64,662	69,620
Community Health Clinics	624,615	732,585	753,037	869,288	868,872	979,681	1,036,445	1,147,140
Community Health Centres	114,683	136,224	144,650	157,061	157,838	200,638	212,476	235,197
Community Based Services	47,743	64,911	81,669	73,499	73,359	101,565	107,557	114,121
Other Community Services	204,137	310,401	183,896	203,324	202,764	280,290	296,827	322,538
HIV/AIDS	30,403	49,364	123,401	246,523	246,523	338,721	427,852	582,542
Nutrition	128,454	168,550	173,321	219,148	219,907	25,000	26,778	27,549
Coroner Services	-	-	-	1,000	1,000	-	-	-
District Hospitals	1,558,224	1,832,976	1,861,724	1,952,211	1,955,329	1,988,927	2,095,064	2,308,444
Total	2,734,315	3,326,700	3,363,876	3,766,804	3,771,589	3,975,882	4,267,661	4,807,151

Table 7.10: Summary of payments and estimates by economic classification: Programme 2

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
Current payments	2,430,151	2,970,746	2,961,417	3,373,919	3,378,704	3,772,711	4,050,415	4,577,010
Compensation of employees	1,716,319	2,090,113	2,200,203	2,363,132	2,363,132	2,559,951	2,716,281	2,893,441
Goods and services	712,692	878,751	758,665	1,007,058	1,011,843	1,208,770	1,329,885	1,679,065
Other	1,140	1,882	2,549	3,729	3,729	3,990	4,249	4,504
Transfers and subsidies to:	243,341	285,319	289,351	348,745	348,745	176,096	188,410	199,576
Local government	55,695	58,240	65,427	68,592	68,592	73,212	78,839	83,430
Non-profit institutions	169,201	218,485	220,678	278,463	278,463	101,076	107,645	114,104
Households	18,383	8,513	3,118	1,478	1,478	1,581	1,684	1,785
Other	62	81	128	212	212	227	242	257
Payments for capital assets	60,823	70,635	113,108	44,140	44,140	27,075	28,836	30,565
Buildings and other fixed structures	273	2,342	2,386	-	-	-	-	-
Machinery and equipment	60,550	68,293	110,722	44,140	44,140	27,075	28,836	30,565
Other	-	-	-	-	-	-	-	-
Total	2,734,315	3,326,700	3,363,876	3,766,804	3,771,589	3,975,882	4,267,661	4,807,151

Service delivery measures

Table 7.11 below illustrates the most important service delivery measures pertaining to Programme 2.

Table 7.11: Service delivery measures – Programme 2: District Health Services

Service delivery measures – Programme 2: District Health Services		Performance targets	
Output type	Performance measures	2003/04	2004/05
		Est Actual	Estimate
Community Health Clinics:			
To provide facilities for patients to be treated at primary health care level	• Number of headcounts	17,431,259	18,302,821
Community Health Centres:			
To provide facilities for patients to be treated at primary health care level.	• Number of headcounts	1,850,043	1,942,545
HIV/AIDS			
To render primary health care services mainly related to the prevention and treatment of HIV/AIDS			
(a) Voluntary Testing and Counselling	• Number of sites available	450	600
(b) Distribution of condoms	• Number of condoms distributed	30 million	60 million
(c) Prevention of Mother to Child Transmission	• % of all pregnant women using state services	67	90
	• % of state facilities which offer PMTCT services	90	100
District Hospitals:			
To provide for patients who require admission to a hospital for treatment at a general practitioner level.	• No. of admissions to be maintained at present level/ reduced	319,380	303,411

6.3 Programme 3: Emergency Medical Services

The purpose of this programme is to provide emergency transport and paramedic personnel for victims of trauma, maternity, motor vehicle and other accidents, as well as to provide transport for indigent patients who have no other means of transport.

This programme comprises two sub-programmes, namely Emergency Transport and Planned Patient Transport, the main aims of which are the provision of emergency medical services through specialised transport and paramedic personnel, and the provision of transport between institutions for indigent patients who have no other form of transport.

The policy of implementing emergency medical services in the underserved areas, which is in line with the provincial priority of eradicating inequity, faces various expenditure pressures and challenges, including the need to appoint additional staff to accommodate the expansion of the programme, the abnormally high rate of inflation on motor vehicles, and the cost of fuel. In addition, poverty and topography are major cost drivers for both the Emergency Transport and Planned Patient Transport sub-programmes.

Tables 7.12 and 7.13 below summarise payments and budgeted estimates pertaining to Programme 3: Emergency Medical Services. This programme reflects an increasing trend, especially from 2002/03 onwards, mainly related to the planned expansion of emergency medical services to the under-served areas in the province.

Table 7.12: Summary of payments and estimates: Programme 3

Outcome				Adjusted budget	Estimated actual	Medium-term estimates		
Audited 2000/01	Audited 2001/02	Audited 2002/03	2003/04			2004/05	2005/06	2006/07
R000								
Emergency Transport	142,958	147,081	193,691	256,972	257,244	346,840	374,714	397,735
Planned Patient Transport	11,200	11,255	2,737	7,071	6,869	20,715	21,881	23,845
Total	154,158	158,336	196,428	264,043	264,113	367,555	396,595	421,580

Table 7.13: Summary of payments and estimates by economic classification: Programme 3

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Current payments	142,954	153,762	174,422	221,132	221,202	316,253	340,009	359,798
Compensation of employees	70,923	91,191	127,502	170,363	170,363	194,289	212,068	225,387
Goods and services	72,011	62,523	46,872	50,686	50,756	121,875	127,846	134,309
Other	20	48	48	83	83	89	95	102
Transfers and subsidies to:	405	520	593	751	751	926	986	1,045
Local government	197	261	367	467	467	614	654	693
Non-profit institutions	-	-	-	-	-	-	-	-
Households	208	259	226	284	284	312	332	352
Other	-	-	-	-	-	-	-	-
Payments for capital assets	10,799	4,054	21,413	42,160	42,160	50,376	55,600	60,737
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	10,799	4,054	21,413	42,160	42,160	50,376	55,600	60,737
Other	-	-	-	-	-	-	-	-
Total	154,158	158,336	196,428	264,043	264,113	367,555	396,595	421,580

Service delivery measures

Table 7.14 below illustrates the main service delivery measures pertaining to Programme 3.

Table 7.14: Service delivery measures – Programme 3: Emergency Medical Services

Output type	Performance measures	Performance targets	
		2003/04 Est. Actual	2004/05 Estimate
Emergency Services	• Number of cases using emergency medical services	401,634	481,608
Planned Patient Transport	• Number of patients transported (statistics to be kept from 1 April 2004)	n/a	1,160,000

6.4 Programme 4: Provincial Hospital Services

Programme 4 comprises the following five sub-programmes: General Hospitals, Tuberculosis Hospitals, Psychiatric Hospitals, Chronic Medical Hospitals (long-term), and Dental Training Hospitals. The main objectives of these are:

- To render regional hospital services at specialist level;
- To render hospital services for tuberculosis, including multi-drug resistance;
- To render hospital services for mental health;
- To render hospital services for chronic (long-term) medical care; and
- To render dental health services and to provide training for oral health personnel.

Various policy developments and legislative changes in line with the eradication of inequity continue to have a significant effect on expenditure within this programme. An example in this regard is the departmental policy of moving the higher level services to a more appropriate level, but at the same time maintaining a balanced health service and adequate funding in these hospitals. Other expenditure pressures include the escalating cost of medicines, which is running at a higher rate of inflation than the normal CPI, the high cost of imported plant and equipment, and the increased cost of security contracts as a result of the increase in minimum wages for security personnel, which the department is obliged to provide in terms of the Act. Finally, there is increased pressure on specialised TB facilities as a result of HIV/AIDS.

Tables 7.15 and 7.16 below summarise the payments and estimates relating to programme 4. Although there is an increase in the expenditure trends, funds have been moved to other programmes to more appropriate levels of service, namely district health services, in accordance with the department's stated policy. Moreover, within this programme, funding has been moved from General Hospitals to provide for more psychiatric, tuberculosis and chronic long-term services. However, this movement in monetary terms is negated by the need to provide funds for improvements in condition of service, inflation, and the high cost of imported medicines, medical equipment and plant, which are used mainly at this level of service.

The upward trend in Tuberculosis Hospitals and Chronic Medical Hospitals is related to the anticipated increase in the number of patients requiring hospital treatment, due to HIV/AIDS and related diseases.

Table 7.15 Summary of payments and estimates: Programme 4

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
General Hospitals	1,375,833	1,634,424	1,614,437	1,932,415	1,933,004	1,932,214	2,125,253	2,177,241
Tuberculosis Hospitals	123,923	144,556	267,065	289,201	288,862	291,957	365,948	385,779
Psychiatric Hospitals	211,018	219,254	214,985	265,030	264,700	267,300	311,614	331,947
Chronic Medical Hospitals	13,889	15,297	139,622	63,695	63,703	64,874	66,440	70,162
Dental Training Hospital	6,287	7,229	6,840	8,041	8,141	8,000	9,138	9,951
Total	1,730,950	2,020,760	2,242,949	2,558,382	2,558,410	2,564,345	2,878,393	2,975,080

Table 7.16: Summary of payments and estimates by economic classification: Programme 4

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
Current payments	1,623,032	1,884,043	2,072,522	2,402,650	2,402,678	2,423,321	2,727,562	2,814,531
Compensation of employees	1,201,135	1,458,227	1,483,575	1,741,479	1,741,479	1,755,129	1,957,988	2,042,938
Goods and services	421,815	425,679	588,745	660,979	661,007	667,997	769,344	771,356
Other	82	137	202	192	192	195	230	237
Transfers and subsidies to:	83,930	92,095	104,028	118,001	118,001	125,991	134,746	142,651
Local government	3,697	4,135	3,717	4,757	4,757	4,843	5,724	5,887
Non-profit institutions	24,559	27,849	37,084	44,012	44,012	47,070	50,129	53,137
Households	72	47	2	-	-	-	-	-
Other	55,602	60,064	63,225	69,232	69,232	74,078	78,893	83,627
Payments for capital assets	23,988	44,622	66,399	37,731	37,731	15,033	16,085	17,898
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	23,988	44,622	66,399	37,731	37,731	15,033	16,085	17,898
Other	-	-	-	-	-	-	-	-
Total	1,730,950	2,020,760	2,242,949	2,558,382	2,558,410	2,564,345	2,878,393	2,975,080

Service delivery measures

Table 7.17 below illustrates the main service delivery measures pertaining to Programme 4.

Table 7.17: Service delivery measures – Programme 4: Provincial Hospital Services

Output type	Performance measures	Performance targets	
		2003/04 Est. Actual	2004/05 Estimate
General Hospitals To provide hospital facilities for patients requiring treatment at specialist level.	• Number of admissions to be maintained at present levels or reduced	276,120	267,836
Tuberculosis Hospitals To provide hospital facilities for patients that require treatment for tuberculosis.	• No. of admissions to be increased resulting from HIV/AIDS	9,161	9,435
Psychiatric Hospitals To provide hospital facilities for patients requiring mental health care.	• Number of admissions to be increased in rural areas	9,687	9,880
Chronic Medical Hospitals To provide hospital facilities for patients requiring long-term care	• No. of admissions to be increased as a result of HIV/AIDS	3,601	3,673
Dental Training Hospitals To provide hospital facilities for dental health care and to provide training for dental personnel.	• Number of cases to be increased • Number of students trained to be maintained	40,874 86	41,691 86

6.5 Programme 5: Central Hospital Services

The main purpose of this programme is to provide a highly specialised and quaternary level of health care, as well as a platform for the training of specialists. This programme is divided into two sub-programmes, namely Central Hospitals and Tertiary Hospitals. The services under this programme are being re-organised in that tertiary and central services have been moved from King Edward, Wentworth and Addington Hospitals to Inkosi Albert Luthuli Hospital and Grey's Hospital, while those hospitals will be restricted to regional and district hospital services.

The policy of transferring tertiary services to Grey's Hospital and the commissioning of the Inkosi Albert Luthuli Central Hospital has had a significant influence on the expenditure of this programme. These changes are in line with the national findings regarding tertiary services in the country. Expenditure on this level should increase in line with the phasing in of equity in the National Tertiary Services conditional grant. Additional expenditure pressures include the escalating cost of imported medicines and sophisticated medical equipment for Grey's Hospital, and the pressure to unfreeze posts due to work pressure.

Table 7.18 and 7.19 below summarise payments and budgeted estimates relating to this programme. The upward trend from 2001/02 is due to the commencement of the commissioning of the Inkosi Albert Luthuli Central Hospital. The funding is, however, below the target expenditure of 11 per cent for tertiary services.

The sharp increase in capital, especially from 2002/03 to 2003/04, is in respect of the contractual agreement for equipment at the Inkosi Albert Luthuli Central Hospital.

Table 7.18: Summary of payments and estimates: Programme 5

R000	Outcome			Adjusted budget 2003/04	Estimated actual 2003/04	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Central Hospitals	127,816	111,265	295,290	192,512	194,334	218,750	232,955	271,582
Tertiary Hospitals	511,265	445,058	673,920	587,602	587,602	656,582	698,866	814,746
Total	639,081	556,323	969,210	780,114	781,936	875,332	931,821	1,086,328

Table 7.19: Summary of payments and estimates by economic classification: Programme 5

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Current payments	618,018	545,503	944,762	622,333	624,155	694,260	736,689	882,119
Compensation of employees	453,866	360,239	372,274	260,940	260,940	348,175	366,578	387,128
Goods and services	164,132	185,264	572,488	361,393	363,215	346,085	370,111	494,991
Other	20	-	-	-	-	-	-	-
Transfers and subsidies to:	1,384	1,328	1,188	815	815	1,072	1,132	1,209
Local government	1,298	1,307	1,117	725	725	976	1,030	1,101
Non-profit institutions	-	-	-	-	-	-	-	-
Households	2	-	-	-	-	-	-	-
Other	84	21	71	90	90	96	102	108
Payments for capital assets	19,679	9,492	23,260	156,966	156,966	180,000	194,000	203,000
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	19,679	9,492	23,260	156,966	156,966	180,000	194,000	203,000
Other	-	-	-	-	-	-	-	-
Total	639,081	556,323	969,210	780,114	781,936	875,332	931,821	1,086,328

Service delivery measures

Table 7.20 below illustrates service delivery pertaining to Programme 5: Central Hospital Services.

Table 7.20: Service delivery measures – Programme 5: Central Hospital Services

Output type	Performance measures	Performance targets	
		2003/04 Est. Actual	2003/04 Estimate
Central Hospital Services			
To provide facilities and expertise for sophisticated medical procedures	No of admissions to be increased in line with National guidelines	71,130	78,243

6.6 Programme 6: Health Sciences and Training

The purpose of this programme is to provide for the training of nursing and ambulance personnel, health workers and personnel in health management, administration and health promotion, as well as the granting of bursaries. Programme 6 is made up of five sub-programmes, namely Nursing Training Colleges, Emergency Medical Services (EMS) Training Colleges, Bursaries, Primary Health Care Training and Training Other.

The main aims of this programme are to provide for training of nursing and ambulance personnel, to provide training to improve the clinical skills of nurses working in primary health care, to provide training for health workers and personnel in administration and health management and promotion, and to provide bursaries to improve capacity in health services, and funding for the disadvantaged.

As a result of the loss of nursing staff, mainly due to HIV/AIDS deaths as well as the increasing number of professional staff leaving for more lucrative offers elsewhere, the department has embarked on a vigorous training drive. This has generated additional expenditure for the filling of student posts, as well as making provision for bursaries in order to meet the professional requirements of the department.

Tables 7.21 and 7.22 below summarise payments and estimates relating to programme 6 for the financial years 2000/01 to 2006/07. The increasing expenditure trend is largely a result of the consolidation of all training expenditure within one programme, and includes provision for pharmacy interns, family planning training and the head office training component, as well as improvements in condition of service.

The increase reflected in 2002/03 and over the MTEF period is related to the policy of increasing the number of student nurses trained in order to provide sufficient staff to replace those who are leaving the services for more lucrative offers elsewhere, as well as deaths as a result of HIV/AIDS.

Table 7.21: Summary of payments and estimates: Programme 6

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Nursing Training Colleges	101,827	108,027	128,180	162,992	165,871	207,000	218,029	228,870
EMS Training Colleges	1,103	3,050	3,851	4,152	3,083	4,401	4,634	4,635
Bursaries	6,827	22,701	27,555	41,400	41,400	26,840	28,262	29,675
Primary Health Care Training	25,574	32,736	37,207	40,031	39,921	50,862	53,557	56,235
Training Other	39,036	43,595	53,441	60,384	61,429	87,768	92,420	97,041
Total	174,367	210,109	250,234	308,959	311,704	376,871	396,902	416,456

Table 7.22: Summary of payments and estimates by economic classification: Programme 6

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Current payments	166,879	186,835	217,588	262,960	265,805	345,391	362,368	379,892
Compensation of employees	146,308	158,713	183,014	219,025	219,025	284,357	299,590	314,565
Goods and services	20,444	27,915	34,325	43,618	46,463	60,694	62,416	64,943
Other	127	207	249	317	317	340	362	384
Transfers and subsidies to:	7,179	22,840	32,046	44,999	44,999	30,980	34,034	36,064
Local government	327	379	427	655	655	901	947	992
Non-profit institutions	-	-	-	-	-	-	-	-
Households	6,852	22,461	26,954	41,400	41,400	26,840	29,524	31,295
Other	-	-	4,665	2,944	2,944	3,239	3,563	3,777
Payments for capital assets	309	434	600	1,000	900	500	500	500
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	309	434	600	1,000	900	500	500	500
Other	-	-	-	-	-	-	-	-
Total	174,367	210,109	250,234	308,959	311,704	376,871	396,902	416,456

Service delivery measures

Table 7.23 below illustrates service delivery pertaining to Programme 6: Health Sciences and Training.

Table 7.23: Service delivery measures – Programme 6: Health Sciences and Training

Output type	Performance measures	Performance targets	
		2003/04 Est. Actual	2004/05 Estimate
1. Nursing Training Colleges	Number of nurses trained per annum	4,034	4,437
2. Bursaries	Number of students funded per annum	670	670
3. Training Other	• Number of community health workers trained	1,987	1,987
	• Number of employees trained in computer literacy	0	2,500
	• Number of interns	2 91	295
	• Number of persons in skill development programme	1,800	1,800
	• Number of hospital managers trained	240	300

6.7 Programme 7: Health Care Support Services

The purpose of this programme is to provide funding for health care support services. This programme has a single sub-programme, namely the Medicine Trading Account, which is subject to pressures such as the influence of the foreign exchange rate on the cost of medicines, the high inflation rate on medicines, and the increasing demand for medicines at clinic and institutional level.

Tables 7.24 and 7.25 below summarise the payments and estimates relating to this programme for the financial years 2000/01 to 2006/07. The amounts allocated in 2002/03, 2003/04 and the MTEF period are to provide additional funding to allow for the increased turnover of medicines, as well as the increase in the value of the stock, as a result of the performance of the Rand on the international markets.

With regard to service delivery, the aim of this programme is to ensure that the turnover of stock is less than eight times per year.

Table 7.24 Summary of payments and estimates: Programme 7

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03					
				2003/04		2004/05	2005/06	2006/07
Medicine Trading Account	-	-	5,000	10,400	10,400	10,600	5,600	6,060
Total	-	-	5,000	10,400	10,400	10,600	5,600	6,060

Table 7.25: Summary of payments and estimates by economic classification: Programme 7

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03					
				2003/04		2004/05	2005/06	2006/07
Current payments	-	-	5,000	10,400	10,400	10,600	5,600	6,060
Compensation of employees	-	-	-	-	-	-	-	-
Goods and services	-	-	5,000	10,400	10,400	10,600	5,600	6,060
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-
Local government	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total	-	-	5,000	10,400	10,400	10,600	5,600	6,060

6.8 Programme 8: Health Facilities Management

This programme consists of six sub-programmes, the main aim of which is the facilities management of community health clinics, community health centres, district hospitals, emergency medical services facilities, provincial hospitals, central and tertiary hospitals, as well as all other buildings and structures.

The main activities of the programme are to conduct maintenance and facilities audits aimed at improving and maintaining the building structure, and to execute projects related to the Clinic Building and Upgrading Programme. This latter programme is aimed at providing improved access to health services in the underserved areas of the province, and upgrading existing infrastructure. In line with the eradication of poverty, the policy of ensuring better access to health facilities for the population of the province requires that new facilities be provided in previously underserved areas.

This programme is subject to various pressures, including the foreign exchange rate and its influence on medical equipment and specialised plant, as well as general inflation, the cost of maintaining the buildings in a safe and acceptable condition, and the enormous backlog and bad state of the infrastructure.

Tables 7.26 and 7.27 below summarise payments and estimates relating to Programme 8. When the funding of Inkosi Albert Luthuli Central Hospital is excluded, this programme shows a gradual increase from 4 per cent in 2000/01 to 6.35 per cent in 2006/07 of the total budget allocation, which is in line with the policy of making an increasing provision for maintenance and the improvement of the general infrastructure of the department in order to provide safe facilities. The high expenditure in 2001/02 relates to the completion of the Inkosi Albert Luthuli Central Hospital.

The sharp increase in expenditure from 2003/04 to 2004/05 is due to the suspension of an amount of R70 million in the 2003/04 Adjustments Estimate, in respect of projects that will not be completed in that year.

It must be noted that the funding of projects is not dependent on the number of projects, but rather on the size and value of the project. Hence, although the number of projects may decrease from one year to another, the budget allocation may reflect an increase, owing to the size of the planned projects.

Table 7.26: Summary of payments and estimates: Programme 8

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2003/04	2004/05	2005/06
	2000/01	2001/02	2002/03					
Community Health Services	12,288	27,895	61,243	86,004	86,004	107,384	113,639	120,145
District Hospitals	29,300	44,254	43,306	115,000	115,000	213,327	229,770	244,207
Emergency Medical Services	472	435	-	2,292	2,292	12,257	12,347	12,441
Provincial Hospital Services	56,677	72,459	108,051	135,575	135,575	259,348	268,922	280,533
Central Hospital Services	86,956	414,245	48,509	45,100	45,100	39,063	41,826	44,699
Other Services	49,078	64,783	62,900	24,417	24,417	59,062	60,625	62,250
Total	234,771	624,071	324,009	408,388	408,388	690,441	727,129	764,275

Table 7.27: Summary of payments and estimates by economic classification: Programme 8

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
Current payments	76,975	85,070	91,671	139,172	139,172	208,000	219,000	234,330
Compensation of employees	-	-	-	-	-	-	-	-
Goods and services	76,975	85,070	91,671	139,172	139,172	208,000	219,000	234,330
Other	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	-	-	-	-	-	-
Local government	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Payments for capital assets	157,796	539,001	232,338	269,216	269,216	482,441	508,129	529,945
Buildings and other fixed structures	142,967	523,049	225,653	179,494	179,494	317,736	334,890	346,895
Machinery and equipment	12,841	13,274	6,685	89,722	89,722	164,705	173,239	183,050
Other	1,988	2,678	-	-	-	-	-	-
Total	234,771	624,071	324,009	408,388	408,388	690,441	727,129	764,275

Service delivery measures

Table 7.28 below illustrates the main service delivery pertaining to Programme 8: Health Facilities Management.

Table 7.28: Service delivery measures – Programme 8: Health Facilities Management

Output type	Performance measures	Performance targets	
		2003/04 Est. Actual	2004/05 Estimate
Health facilities management	New facilities - number of projects to be completed	102	71
	Rehabilitation - number of projects to be completed	49	39
	Replacement - number of projects to be completed	30	10
	Upgrading - number of projects to be completed	408	307

7. Other programme information

7.1 Personnel numbers and costs

Table 7.29 below reflects personnel information per programme for the Department of Health, for the period March 2000 to March 2005.

Table 7.29: Personnel numbers and costs

Personnel numbers	As at 31 March 2000	As at 31 March 2001	As at 31 March 2002	As at 31 March 2003	As at 31 March 2004	As at 31 March 2005
Programme 1: Administration	798	790	826	758	705	715
Programme 2: District Health Services	20,275	23,597	23,538	24,948	24,941	25,341
Programme 3: Emergency Medical Services	890	884	849	1,610	1,847	2,047
Programme 4: Provincial Hospital Services	19,469	15,355	16,860	16,764	16,767	16,857
Programme 5: Central Hospital Services	4,957	4,717	3,775	2,523	2,456	2,556
Programme 6: Health Sciences and Training	2,272	2,198	2,069	3,161	3,371	3,571
Total	48,661	47,541	47,917	49,764	50,087	51,087
Total personnel cost (R thousand)	3,332,021	3,658,669	4,240,830	4,450,531	4,856,100	5,250,144
Unit cost (R thousand)	68	77	89	89	97	103

7.2 Training

The department is required by the Skills Development Act to budget at least 1 percent of its personnel expense on staff training, to cater for human resource development. Table 7.30 reflects departmental expenditure on training over the seven-year period. The training needs of the department are catered for under Programme 6: Health Sciences Training. Further details of the training provided by the department are given in section 6.6 above.

Table 7.30 Expenditure on training

R000	Outcome			Adjusted budget 2003/04	Estimated actual 2003/04	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03					
Programme 6: Health Sciences and Training	174,367	210,109	250,234	308,959	311,704	376,871	396,902	416,456
Total	174,367	210,109	250,234	308,959	311,704	376,871	396,902	416,456

ANNEXURE TO VOTE 7 – HEALTH

Table 7A: Details of departmental receipts

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Tax receipts	-	-	-	-	-	-	-	-
Casino taxes								
Motor vehicle licenses								
Horseracing								
Other taxes								
Non-tax receipts	109,775	117,964	117,502	124,284	120,641	128,277	135,819	143,118
Sale of goods and services other than capital asset	109,241	116,115	115,248	123,244	118,604	127,237	134,779	142,078
Sales of goods and services produced by dept.	109,241	116,115	115,248	123,244	118,604	127,237	134,779	142,078
Sales by market establishments								
Administrative fees								
Other sales	109,241	116,115	115,248	123,244	118,604	127,237	134,779	142,078
Of which								
Health patient fees	89,327	97,701	97,080	100,713	98,713	105,749	112,094	118,259
Reimbursements	3,061	3,839	2,302	2,898	1,071	3,071	3,255	3,418
Other sales								
Other revenue	16,853	14,575	15,866	19,633	18,820	18,417	19,430	20,401
Sales of scrap, waste, arms and other used current goods (excluding capital assets)								
Fines, penalties and forfeits								
Interest, dividends and rent on land	534	1,849	2,254	1,040	2,037	1,040	1,040	1,040
Interest	534	1,849	2,254	1,040	2,037	1,040	1,040	1,040
Dividends								
Rent on land								
Transfers received from:	-	-	-	-	-	-	-	-
Other governmental units								
Universities and technikons								
Foreign governments								
International organisations								
Public corporations and private enterprises								
Households and non-profit institutions								
Sales of capital assets	235	261	307	279	432	296	315	331
Land and subsoil assets			1					
Other capital assets	235	261	306	279	432	296	315	331
Financial transactions								
Total	110,010	118,225	117,809	124,563	121,073	128,573	136,134	143,449

Table 7.B: Details of payments and estimates by economic classification

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
				2003/04				
Current payments	5,158,744	5,953,650	6,609,116	7,190,660	7,200,143	7,943,996	8,628,614	9,447,078
Compensation of employees	3,658,669	4,240,830	4,450,531	4,856,100	4,856,100	5,250,144	5,667,783	5,985,654
Salaries and wages	3,080,636	3,577,098	3,700,401	4,125,751	4,125,751	4,466,292	4,831,145	5,102,605
Social contributions	578,033	663,732	750,130	730,349	730,349	783,852	836,638	883,049
Goods and services	1,497,622	1,709,070	2,153,807	2,328,431	2,337,914	2,687,249	2,953,707	3,453,790
Interest and rent on land	3	-	-	-	-	-	-	-
Interest	3	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	2,450	3,750	4,778	6,129	6,129	6,603	7,124	7,634
Unauthorised expenditure	-	-	-	-	-	-	-	-
Transfers and subsidies to:	336,659	402,548	427,454	513,569	513,569	335,341	359,601	380,856
Local government	61,407	64,561	71,298	75,448	75,448	80,816	87,481	92,407
Municipalities	61,407	64,561	71,298	75,448	75,448	80,816	87,481	92,407
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	255	111	4,943	3,252	3,252	3,568	3,913	4,149
Social security funds	255	111	276	308	308	329	350	372
Entities receiving funds	-	-	4,667	2,944	2,944	3,239	3,563	3,777
Public corporations and private enterprises	55,503	60,055	63,150	69,232	69,232	74,078	78,893	83,627
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	55,503	60,055	63,150	69,232	69,232	74,078	78,893	83,627
Subsidies on production	55,503	60,055	63,150	69,232	69,232	74,078	78,893	83,627
Other transfers	-	-	-	-	-	-	-	-
Foreign governments and international organisation	-	-	-	-	-	-	-	-
Non-profit institutions	193,760	246,334	257,762	322,475	322,475	148,146	157,774	167,241
Households	25,734	31,487	30,301	43,162	43,162	28,733	31,540	33,432
Social benefits	-	-	-	-	-	-	-	-
Other transfers to households	25,734	31,487	30,301	43,162	43,162	28,733	31,540	33,432
Payments for capital assets	276,509	674,103	459,002	552,905	552,805	756,744	804,596	844,235
Buildings and other fixed structures	143,240	525,391	228,039	179,494	179,494	317,736	334,890	346,895
Buildings	143,240	525,391	228,038	179,494	179,494	317,736	334,890	346,895
Other fixed structures	-	-	1	-	-	-	-	-
Machinery and equipment	131,281	146,034	230,920	373,229	373,129	438,961	469,654	497,283
Transport equipment	16,897	30,120	47,347	58,142	58,142	70,506	75,439	81,728
Other machinery and equipment	114,384	115,914	183,573	315,087	314,987	368,455	394,215	415,555
Cultivated assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	43	182	182	47	52	57
Land and subsoil assets	1,988	2,678	-	-	-	-	-	-
Total	5,771,912	7,030,301	7,495,572	8,257,134	8,266,517	9,036,081	9,792,811	10,672,169

Table 7.C: Details of payments and estimates by economic classification - Programme 1

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited			2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04				
Current payments	100,735	127,691	141,734	158,094	158,027	173,460	186,971	193,338
Compensation of employees	70,118	82,347	83,963	101,161	101,161	108,243	115,278	122,195
Salaries and wages	58,867	69,707	70,746	84,582	84,582	90,503	96,385	102,168
Social contributions	11,251	12,640	13,217	16,579	16,579	17,740	18,893	20,027
Goods and services	29,553	43,868	56,041	55,125	55,058	63,228	69,505	68,736
Interest and rent on land	-	-	-	-	-	-	-	-
Interest								
Rent on land								
Financial transactions in assets and liabilities	1,064	1,476	1,730	1,808	1,808	1,989	2,188	2,407
Unauthorised expenditure								
Transfers and subsidies to:	420	446	248	258	258	276	293	311
Local government	193	239	243	252	252	270	287	304
Municipalities	193	239	243	252	252	270	287	304
Municipal agencies and funds								
Departmental agencies and accounts	10	-	4	6	6	6	6	7
Social security funds	10	-	2	6	6	6	6	7
Entities receiving funds			2		-			
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Foreign governments and international organisation								
Non-profit institution								
Households	217	207	1	-	-	-	-	-
Social benefits								
Other transfers to households	217	207	1		-	-	-	-
Payments for capital assets	3,115	5,865	1,884	1,692	1,692	1,319	1,446	1,590
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Buildings								
Other fixed structures								
Machinery and equipment	3,115	5,865	1,841	1,510	1,510	1,272	1,394	1,533
Transport equipment	1,110	3,465	114	540	540	205	220	242
Other machinery and equipment	2,005	2,400	1,727	970	970	1,067	1,174	1,291
Cultivated assets								
Software and other intangible assets			43	182	182	47	52	57
Land and subsoil assets								
Total	104,270	134,002	143,866	160,044	159,977	175,055	188,710	195,239

Table 7.D: Details of payments and estimates by economic classification - Programme 2

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Current payments	2,430,151	2,970,746	2,961,417	3,373,919	3,378,704	3,772,711	4,050,415	4,577,010
Compensation of employees	1,716,319	2,090,113	2,200,203	2,363,132	2,363,132	2,559,951	2,716,281	2,893,441
Salaries and wages	1,449,038	1,769,178	1,856,700	2,013,945	2,013,945	2,184,921	2,315,495	2,466,865
Social contributions	267,281	320,935	343,503	349,187	349,187	375,030	400,786	426,576
Goods and services	712,692	878,751	758,665	1,007,058	1,011,843	1,208,770	1,329,885	1,679,065
Interest and rent on land	-	-	-	-	-	-	-	-
Interest								
Rent on land								
Financial transactions in assets and liabilities	1,140	1,882	2,549	3,729	3,729	3,990	4,249	4,504
Unauthorised expenditure								
Transfers and subsidies to:	243,341	285,319	289,351	348,745	348,745	176,096	188,410	199,576
Local government	55,695	58,240	65,427	68,592	68,592	73,212	78,839	83,430
Municipalities	55,695	58,240	65,427	68,592	68,592	73,212	78,839	83,430
Municipal agencies and funds								
Departmental agencies and accounts	62	81	128	212	212	227	242	257
Social security funds	62	81	128	212	212	227	242	257
Entities receiving funds								
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Foreign governments and international organisation								
Non-profit institutions	169,201	218,485	220,678	278,463	278,463	101,076	107,645	114,104
Households	18,383	8,513	3,118	1,478	1,478	1,581	1,684	1,785
Social benefits	-	-	-	-	-	-	-	-
Other transfers to households	18,383	8,513	3,118	1,478	1,478	1,581	1,684	1,785
Payments for capital assets	60,823	70,635	113,108	44,140	44,140	27,075	28,836	30,565
Buildings and other fixed structures	273	2,342	2,386	-	-	-	-	-
Buildings	273	2,342	2,385	-	-	-	-	-
Other fixed structures			1					
Machinery and equipment	60,550	68,293	110,722	44,140	44,140	27,075	28,836	30,565
Transport equipment	7,511	18,259	18,329	15,422	15,422	16,347	17,410	18,454
Other machinery and equipment	53,039	50,034	92,393	28,718	28,718	10,728	11,426	12,111
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Total	2,734,315	3,326,700	3,363,876	3,766,804	3,771,589	3,975,882	4,267,661	4,807,151

Table 7.E: Details of payments and estimates by economic classification - Programme 3

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Current payments	142,954	153,762	174,422	221,132	221,202	316,253	340,009	359,798
Compensation of employees	70,923	91,191	127,502	170,363	170,363	194,289	212,068	225,387
Salaries and wages	59,178	76,995	107,016	145,941	145,941	166,157	182,107	193,628
Social contributions	11,745	14,196	20,486	24,422	24,422	28,132	29,961	31,759
Goods and services	72,011	62,523	46,872	50,686	50,756	121,875	127,846	134,309
Interest and rent on land	-	-	-	-	-	-	-	-
Interest								
Rent on land								
Financial transactions in assets and liabilities	20	48	48	83	83	89	95	102
Unauthorised expenditure								
Transfers and subsidies to:	405	520	593	751	751	926	986	1,045
Local government	197	261	367	467	467	614	654	693
Municipalities	197	261	367	467	467	614	654	693
Municipal agencies and funds								
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Social security funds								
Entities receiving funds								
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Foreign governments and international organisation								
Non-profit institutions								
Households	208	259	226	284	284	312	332	352
Social benefits								
Other transfers to households	208	259	226	284	284	312	332	352
Payments for capital assets	10,799	4,054	21,413	42,160	42,160	50,376	55,600	60,737
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Buildings								
Other fixed structures								
Machinery and equipment	10,799	4,054	21,413	42,160	42,160	50,376	55,600	60,737
Transport equipment	7,296	1,789	17,380	30,226	30,226	36,249	40,360	44,402
Other machinery and equipment	3,503	2,265	4,033	11,934	11,934	14,127	15,240	16,335
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Total	154,158	158,336	196,428	264,043	264,113	367,555	396,595	421,580

Table 7.F: Details of payments and estimates by economic classification - Programme 4

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates			
	Audited	Audited	Audited			2003/04	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
Current payments	1,623,032	1,884,043	2,072,522	2,402,650	2,402,678	2,423,321	2,727,562	2,814,531	
Compensation of employees	1,201,135	1,458,227	1,483,575	1,741,479	1,741,479	1,755,129	1,957,988	2,042,938	
Salaries and wages	1,016,283	1,235,970	1,212,433	1,480,679	1,480,679	1,494,065	1,678,650	1,754,046	
Social contributions	184,852	222,257	271,142	260,800	260,800	261,064	279,338	288,892	
Goods and services	421,815	425,679	588,745	660,979	661,007	667,997	769,344	771,356	
Interest and rent on land	-	-	-	-	-	-	-	-	
Interest									
Rent on land									
Financial transactions in assets and liabilities	82	137	202	192	192	195	230	237	
Unauthorised expenditure									
Transfers and subsidies to:	83,930	92,095	104,028	118,001	118,001	125,991	134,746	142,651	
Local government	3,697	4,135	3,717	4,757	4,757	4,843	5,724	5,887	
Municipalities	3,697	4,135	3,717	4,757	4,757	4,843	5,724	5,887	
Municipal agencies and funds									
Departmental agencies and accounts	99	9	75	-	-	-	-	-	
Social security funds	99	9	75	-	-	-	-	-	
Entities receiving funds									
Public corporations and private enterprises	55,503	60,055	63,150	69,232	69,232	74,078	78,893	83,627	
Public corporations	-	-	-	-	-	-	-	-	
Subsidies on production									
Other transfers									
Private enterprises	55,503	60,055	63,150	69,232	69,232	74,078	78,893	83,627	
Subsidies on production	55,503	60,055	63,150	69,232	69,232	74,078	78,893	83,627	
Other transfers									
Foreign governments and international organisation									
Non-profit institutions	24,559	27,849	37,084	44,012	44,012	47,070	50,129	53,137	
Households	72	47	2	-	-	-	-	-	
Social benefits									
Other transfers to households	72	47	2	-	-	-	-	-	
Payments for capital assets	23,988	44,622	66,399	37,731	37,731	15,033	16,085	17,898	
Buildings and other fixed structures	-	-	-	-	-	-	-	-	
Buildings									
Other fixed structures									
Machinery and equipment	23,988	44,622	66,399	37,731	37,731	15,033	16,085	17,898	
Transport equipment	784	2,498	11,152	3,954	3,954	3,000	3,210	4,120	
Other machinery and equipment	23,204	42,124	55,247	33,777	33,777	12,033	12,875	13,778	
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	1,730,950	2,020,760	2,242,949	2,558,382	2,558,410	2,564,345	2,878,393	2,975,080	

Table 7.G: Details of payments and estimates by economic classification - Programme 5

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Current payments	618,018	545,503	944,762	622,333	624,155	694,260	736,689	882,119
Compensation of employees	453,866	360,239	372,274	260,940	260,940	348,175	366,578	387,128
Salaries and wages	381,248	298,278	305,265	223,194	223,194	297,817	313,340	328,600
Social contributions	72,618	61,961	67,009	37,746	37,746	50,358	53,238	58,528
Goods and services	164,132	185,264	572,488	361,393	363,215	346,085	370,111	494,991
Interest and rent on land	3	-	-	-	-	-	-	-
Interest	3	-	-	-	-	-	-	-
Rent on land								
Financial transactions in assets and liabilities	17	-	-	-	-	-	-	-
Unauthorised expenditure								
Transfers and subsidies to:	1,384	1,328	1,188	815	815	1,072	1,132	1,209
Local government	1,298	1,307	1,117	725	725	976	1,030	1,101
Municipalities	1,298	1,307	1,117	725	725	976	1,030	1,101
Municipal agencies and funds								
Departmental agencies and accounts	84	21	71	90	90	96	102	108
Social security funds	84	21	71	90	90	96	102	108
Entities receiving funds								
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Foreign governments and international organisations								
Non-profit institutions								
Households	2	-	-	-	-	-	-	-
Social benefits	2	-	-	-	-	-	-	-
Other transfers to households								
Payments for capital assets	19,679	9,492	23,260	156,966	156,966	180,000	194,000	203,000
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Buildings								
Other fixed structures								
Machinery and equipment	19,679	9,492	23,260	156,966	156,966	180,000	194,000	203,000
Transport equipment	196	545	356	-	-	-	-	-
Other machinery and equipment	19,483	8,947	22,904	156,966	156,966	180,000	194,000	203,000
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Total	639,081	556,323	969,210	780,114	781,936	875,332	931,821	1,086,328

Table 7.H: Details of payments and estimates by economic classification - Programme 6

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Current payments	166,879	186,835	217,588	262,960	265,805	345,391	362,368	379,892
Compensation of employees	146,308	158,713	183,014	219,025	219,025	284,357	299,590	314,565
Salaries and wages	116,022	126,970	148,241	177,410	177,410	232,829	245,168	257,298
Social contributions	30,286	31,743	34,773	41,615	41,615	51,528	54,422	57,267
Goods and services	20,444	27,915	34,325	43,618	46,463	60,694	62,416	64,943
Interest and rent on land	-	-	-	-	-	-	-	-
Interest								
Rent on land								
Financial transactions in assets and liabilities	127	207	249	317	317	340	362	384
Unauthorised expenditure								
Transfers and subsidies to:	7,179	22,840	32,046	44,999	44,999	30,980	34,034	36,064
Local government	327	379	427	655	655	901	947	992
Municipalities	327	379	427	655	655	901	947	992
Municipal agencies and funds								
Departmental agencies and accounts	-	-	4,665	2,944	2,944	3,239	3,563	3,777
Social security funds								
Entities receiving funds			4,665	2,944	2,944	3,239	3,563	3,777
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Foreign governments and international organisations								
Non-profit institutions								
Households	6,852	22,461	26,954	41,400	41,400	26,840	29,524	31,295
Social benefits								
Other transfers to households	6,852	22,461	26,954	41,400	41,400	26,840	29,524	31,295
Payments for capital assets	309	434	600	1,000	900	500	500	500
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Buildings								
Other fixed structures								
Machinery and equipment	309	434	600	1,000	900	500	500	500
Transport equipment								
Other machinery and equipment	309	434	600	1,000	900	500	500	500
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Total	174,367	210,109	250,234	308,959	311,704	376,871	396,902	416,456

Budget Statement 2

Table 7.I: Details of payments and estimates by economic classification - Programme 7

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
Current payments	-	-	5,000	10,400	10,400	10,600	5,600	6,060
Compensation of employees	-	-	-	-	-	-	-	-
Salaries and wages								
Social contributions								
Goods and services	-	-	5,000	10,400	10,400	10,600	5,600	6,060
Interest and rent on land	-	-	-	-	-	-	-	-
Interest								
Rent on land								
Financial transactions in assets and liabilities								
Unauthorised expenditure								
Transfers and subsidies to:	-	-	-	-	-	-	-	-
Local government	-	-	-	-	-	-	-	-
Municipalities								
Municipal agencies and funds								
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Social security funds								
Entities receiving funds								
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Foreign governments and international organisations								
Non-profit institutions								
Households	-	-	-	-	-	-	-	-
Social benefits								
Other transfers to households								
Payments for capital assets	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Buildings								
Other fixed structures								
Machinery and equipment	-	-	-	-	-	-	-	-
Transport equipment								
Other machinery and equipment								
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets								
Total	-	-	5,000	10,400	10,400	10,600	5,600	6,060

Table 7.J: Details of payments and estimates by economic classification - Programme 8

R000	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03			2004/05	2005/06	2006/07
Current payments	76,975	85,070	91,671	139,172	139,172	208,000	219,000	234,330
Compensation of employees	-	-	-	-	-	-	-	-
Salaries and wages								
Social contributions								
Goods and services	76,975	85,070	91,671	139,172	139,172	208,000	219,000	234,330
Interest and rent on land	-	-	-	-	-	-	-	-
Interest								
Rent on land								
Financial transactions in assets and liabilities								
Unauthorised expenditure								
Transfers and subsidies to:	-	-	-	-	-	-	-	-
Local government	-	-	-	-	-	-	-	-
Municipalities								
Municipal agencies and funds								
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Social security funds								
Entities receiving funds								
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production								
Other transfers								
Foreign governments and international organisations								
Non-profit institutions								
Households	-	-	-	-	-	-	-	-
Social benefits								
Other transfers to households								
Payments for capital assets	157,796	539,001	232,338	269,216	269,216	482,441	508,129	529,945
Buildings and other fixed structures	142,967	523,049	225,653	179,494	179,494	317,736	334,890	346,895
Buildings	142,967	523,049	225,653	179,494	179,494	317,736	334,890	346,895
Other fixed structures								
Machinery and equipment	12,841	13,274	6,685	89,722	89,722	164,705	173,239	183,050
Transport equipment		3,564	16	8,000	8,000	14,705	14,239	14,510
Other machinery and equipment	12,841	9,710	6,669	81,722	81,722	150,000	159,000	168,540
Cultivated assets								
Software and other intangible assets								
Land and subsoil assets	1,988	2,678						
Total	234,771	624,071	324,009	408,388	408,388	690,441	727,129	764,275

Table 7.K: Detailed expenditure for infrastructure (capital)

Category / Type of structure	Programme	No. of Projects	Total Cost	Medium-term estimates		
				2004/05	2005/06	2006/07
R000						
New constructions (Buildings and infrastructure)		356	3,003,336	162,524	217,588	199,093
Hospitals	8	236	2,469,328	100,363	184,703	193,178
Other health facilities (Clinics, Community health centres, etc.)	8	120	534,008	62,161	32,885	5,915
Rehabilitation/upgrading		1,742	1,863,372	155,212	117,302	147,802
Hospitals	8	1,061	1,709,720	136,827	97,600	142,676
Other health facilities (Clinics, Community health centres, etc.)	8	681	153,652	18,385	19,702	5,126
Other capital projects		2	651,624	164,705	173,239	183,050
Machinery and equipment / Mobile Clinics		2	651,624	164,705	173,239	183,050
Total		2,100	5,518,332	482,441	508,129	529,945

Table 7.L: Transfer to Municipalities

Category	Name of Municipality	Outcome			Adjusted budget	Estimated actual	Medium-term estimates		
		Audited 2000/01	Audited 2001/02	Audited 2002/03			2003/04	2004/05	2005/06
R000									
Category A		22,330	23,052	23,507	25,201	25,201	27,413	30,526	33,029
	eThekwini	22,330	23,052	23,507	25,201	25,201	27,413	30,526	33,029
Category B		18,844	20,407	24,597	27,091	27,091	29,657	32,891	35,588
	Abaqulusi	229	226	304	364	364	401	444	480
	Dannhauser	246	199	474	581	581	639	714	773
	eDumbe	365	297	449	554	554	609	683	739
	Emnambithi-Ladysmith	1,299	1,361	1,645	1,988	1,988	2,187	2,442	2,642
	Endumeni	888	978	1,185	1,255	1,255	1,381	1,540	1,666
	Greater Kokstad	516	514	685	819	819	901	1,002	1,084
	Hibiscus Coast	1,586	1,686	2,043	2,168	2,168	2,385	2,657	2,875
	KwaDukuza	1,014	1,128	983	1,887	1,887	2,077	2,314	2,504
	Kwa Sani	0	0	0	0	0	0	0	0
	KZ5a5	20	20	15	19	19	21	21	23
	Mandeni	453	485	672	725	725	798	891	964
	Maphumulo	0	0	0	0	0	0	0	0
	Matatiele	543	631	674	708	708	779	870	941
	Mbonambi	0	0	0	0	0	0	0	0
	Mkhambathini	0	0	0	0	0	0	0	0
	Mooi Mpofana	269	262	409	562	562	618	692	749
	Msunduzi	5,942	6,912	7,742	7,634	7,634	8,407	9,239	9,997
	Mthonjaneni	250	227	263	299	299	330	369	399
	Ndwedwe	0	0	0	0	0	0	0	0
	Newcastle	514	598	649	411	411	452	498	539
	Okhahlamba	441	441	431	591	591	650	728	788
	Richmond	29	29	27	20	20	35	37	40
	Ulundi	26	44	44	41	41	45	45	49
	Umdoni	680	718	801	882	882	970	1,079	1,167
	Umhlabuyalingana	0	0	0	0	0	0	0	0
	uMhlathuze	994	981	1,267	1,395	1,395	1,534	1,691	1,830
	Umlalazi	721	791	954	1,097	1,097	1,207	1,345	1,455
	uMngeni	672	710	743	806	806	887	988	1,069
	uMshwathi	0	38	514	528	528	410	452	489
	Umsinga	0	0	0	0	0	0	0	0
	Umtshezi	344	394	551	623	623	686	762	824
	uMuziwabantu	315	314	378	411	411	452	506	547
	Umvoti	455	381	658	684	684	753	839	908
	Umninene	0	0	0	0	0	0	0	0
	uPhongolo	20	20	20	22	22	24	24	26
	Utrecht	13	22	17	17	17	19	19	21
	Vulamehlo	0	0	0	0	0	0	0	0
Category C		4	11	0	0	0	0	0	0
	uThungulu	4	11	0	0	0	0	0	0
Total		41,178	43,470	48,104	52,292	52,292	57,070	63,417	68,617